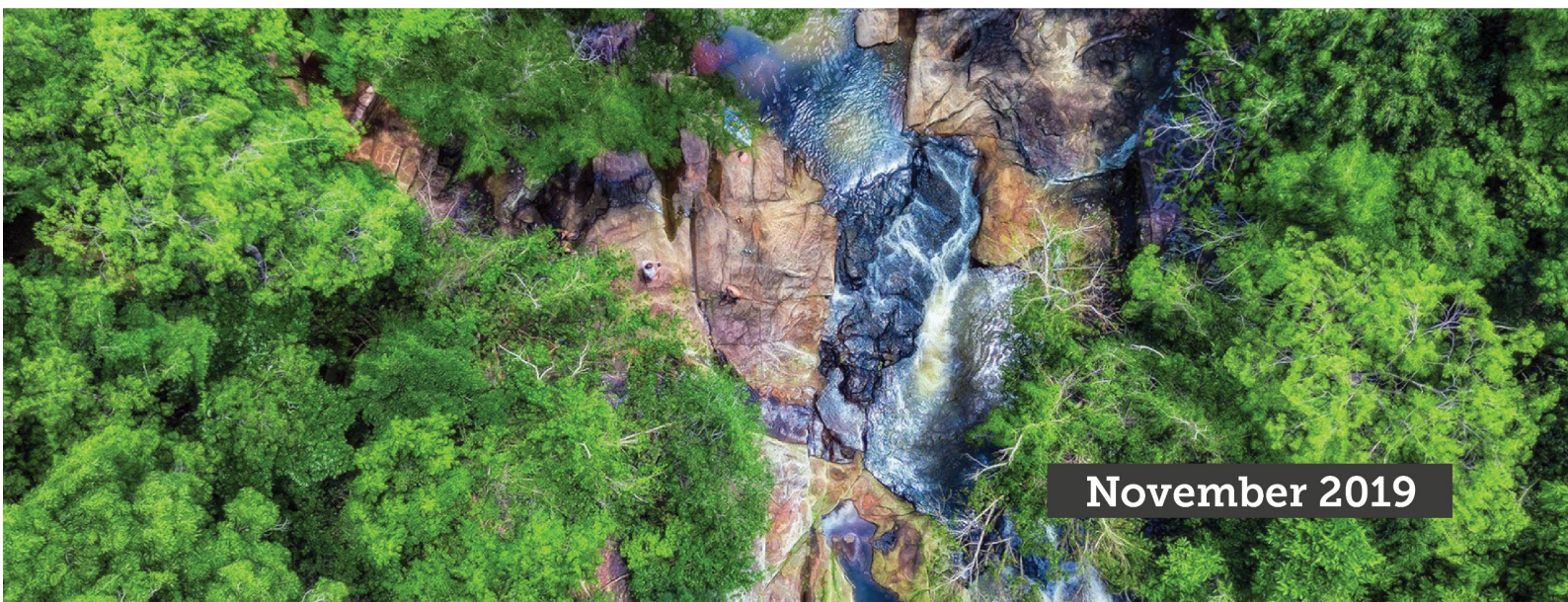


READINESS & PREPARATORY SUPPORT

PROPOSAL TEMPLATE



Proposal title:	Strategic Regional Readiness to Enable Resilience of Mesoamerica's 5 Great Forests and Communities
Country:	Costa Rica, with support of Belize, Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua, and Panama
National designated authority:	Ministry of Environment and Energy (MINAE)
Implementing Institution:	Wildlife Conservation Society (WCS)
Date of first submission:	28 December 2019
Date of current submission / version number	30 June 2020 V.6



November 2019

Before completing this proposal template, please read the guidebook and learn how to access funding under the GCF Readiness & Preparatory Support Programme.

Download the guidebook:
<https://g.cf/xxxxx>



How to complete this document?

This document should be completed by National Designated Authorities (NDA) or focal points with support from their Delivery Partners where relevant. Once completed, this document should be submitted to the GCF by the NDA or focal point via the **online submission system**, accessible through the Country Portal of the GCF website.

Please be concise. If you need to include any additional information, please attach it to the proposal.

If the Delivery Partner implementing the Readiness support is not a GCF Accredited Entity for project Funding Proposals, please complete the Financial Management Capacity Assessment (FMCA) questionnaire and submit it prior to or with this Readiness proposal. The FMCA is available for download at the [Library](#) page of the GCF website.

Where to get support?

If you are not sure how to complete this document, or require support, please send an e-mail to countries@gcfund.org.

You can also complete as much of this document as you can and then send it to countries@gcfund.org, copying both the Readiness Delivery Partner and the relevant GCF Regional Desks. Please refer to the [Country Profiles](#) page of the GCF website to identify the relevant GCF Country Dialogue Specialist and Regional Advisor.

We will get back to you within five (5) working days to acknowledge receipt of your submission and discuss the way forward.

Note: Environmental and Social Safeguards and Gender

Throughout this document, when answering questions and providing details, please make sure to pay special attention to environmental, social and gender issues, particularly to the situation of vulnerable populations, including women and men. Please be specific about proposed actions to address these issues. Consult Annex IV of the Readiness Guidebook for more information.

Please visit the Country Portal on the GCF website to submit this proposal via the online system.

When submitting the proposal, please name the file:
GCF Readiness -[Country]-[yyymmdd]

1. SUMMARY

1.1 Country submitting the proposal

Country name: Costa Rica, with support of Belize, Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua, and Panama

Name of institution representing NDA or Focal Point: Ministry of Environment and Energy (MINAE)

Name of contact person: Carlos Manuel Rodriguez

Contact person's position: Minister of Environment and Energy

Telephone number: +506 8862 9367

Email: cmrodriguez@minae.go.cr

Full office address: Edificio Vista Palace, Calle 25. Avenida 8 y 10. San José, Costa Rica.

Additional email addresses that need to be copied on correspondences: pcampos@minae.go.cr ; ameza@minae.go.cr

1.2 Date of initial submission

31 December 2019

1.3 Last date of resubmission

1 July 2020

Version number V.6

1.4 Which institution will implement the Readiness and Preparatory Support project?

☐ National designated authority

☐ Accredited entity

☒ Delivery partner

Please provide contact if the implementing partner is not the NDA/focal point

Name of institution: Wildlife Conservation Society

Name of official: Jeremy Radachowsky

Position: Director, Mesoamerica and Caribbean Program

Telephone number: 203-240-2204

Email: jradachowsky@wcs.org

Full office address: 2300 Southern Blvd, Bronx NY, 10460

Additional email addresses that need to be copied on correspondences: sandelman@wcs.org; amontefiore@wcs.org

1.5 Title of the Readiness support proposal

Strategic Regional Readiness to Enable Resilience of Mesoamerica's 5 Great Forests and Communities

1.6 Type of Readiness support sought

Please select the relevant GCF Readiness objective(s) below (click on the box –

☒ I. Capacity building

☒ II. Strategic frameworks

☐ III. Adaptation planning

☒ IV. Pipeline development

☒ V. Knowledge sharing and learning

1.7 Brief summary of the request

This proposal seeks funding to support the Governments of Central America to leverage regional and international cooperation in support of nature-based climate change solutions (NBS) within Mesoamerica's Five Great Forests, and other key forest areas in the region.

Central America is one of the world's most vulnerable regions to climate change, and is already experiencing longer, drier, and hotter dry seasons and more frequent tropical storms and hurricanes. Climate change has direct impacts on access to drinking water, crop failure and food insecurity, disease outbreaks, forest fires, biodiversity loss, hydroelectric power, and natural disaster, exacerbating existing social and economic vulnerabilities.

Mesoamerica's last five great forests are critical to the region's climate and overall security. The five forests—the Maya Forest in Mexico, Guatemala, and Belize; the Moskitia in Nicaragua and Honduras; Indio Maíz-Tortuguero in Nicaragua and Costa Rica; the Talamanca Region in Costa Rica and Panama; and the Darien in Panama and Colombia—span from Mexico to Colombia, are three times the size of Switzerland, hold more than 500,000 Indigenous, afro-descendant, and mestizo people, and provide critical resources including water, food, and other ecosystem services, which support local people and national economies. Yet since 2000, three of Mesoamerica's five great forests have been reduced by more than 23 percent, with ninety percent of deforestation resulting from illegal cattle ranching.

Mesoamerica's Five Great Forests Initiative is a critical pillar of the region's climate strategy and is essential to ensure the resilience of Indigenous and local forest-dependent communities. However, the region currently lacks the resources, analyses, and capacity to develop a regional GCF programme.

This application builds on the Wildlife Conservation Society's ongoing work with the Central American Commission for Environment and Development (CCAD), and its constituent member countries, and the Mesoamerican Alliance of Indigenous Organizations (AMPB) to identify projects and programmes for nature-based climate solutions (NBS) and build the capacity of governments and Indigenous and local communities to engage in national and regional decision making and to catalyze a model for sustainable regional development in Central America that protects the 5 Great Forests, as well as other critical forest areas such as Trifinio Biosphere reserve in El Salvador, Guatemala and Honduras, and the Osa Peninsula in Costa Rica. This programme for Mesoamerica's five great forests reflects a regional approach that is complementary to and congruent with the "Ecosystem-based Adaptation to increase climate resilience in the Central American Dry Corridor and the Arid Zones of the Dominican Republic" programme under preparation.

The Costa Rica NDA will serve as the primary project proponent, with support from seven other countries in the region, and the Wildlife Conservation Society serving as delivery partner. Readiness funding will be used to create the enabling conditions for countries and Indigenous Peoples in Mesoamerica to collaboratively develop and engage in a regional GCF programme focused on the resilience of Mesoamerica's Five Great Forests and the communities who depend on them. Specifically, a technically sound regional concept note will be developed and submitted to the GCF, aligned with national GCF project pipelines.

Support will help Central America develop new approaches to climate change mitigation and adaptation and expand its access to GCF funding, contributing to achieving greater climate resilience as well as increased NDC ambitions for announcement in COP26 in Glasgow and beyond.

The direct beneficiaries of the readiness support include (1) NDAs in Belize, Costa Rica, Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Panama and (2) Indigenous and vulnerable communities (~500,000 people) in 8 countries who live in and around the forests.

1.8 Total requested amount and currency

USD 1,312,296

1.9 Implementation period

24 months

1.10 Is this request a multiple-year strategic Readiness implementation request?☐ Yes☒ No

For more information on how a country may be eligible to access Readiness support through this modality, please refer to **Annex III of the Readiness Guidebook**.

1.11 Complementarity and coherence of existing readiness support☒ Yes☐ No

This program aligns with both regional and national climate strategies, including the Regional Climate Change Strategy (ERCC 2018-2022), and has the full endorsement of the Central American Commission for Environment and Development (CCAD), all member countries and the Mesoamerican Alliance of Indigenous Organizations (AMPB). At COP25 the Central American countries and AMPB presented a regional climate action plan to achieve carbon neutrality in the agricultural and forest sectors by 2040. The plan explicitly commits to protecting Mesoamerica's 5 great forests to conserve 10 million hectares of existing forests and restore 500,000 hectares of forest by 2030.

This regional readiness programme builds on recommendations from the Regional Dialogue of Indigenous Peoples of Latin America and the Caribbean convened in February, 2019, with GCF support, and will result in development a regional concept note focused on the 5 Forests Initiative that (a) addresses Indigenous Peoples' challenges, (b) fully and effectively engage Indigenous Peoples in the design, development and implementation of GCF-financed activities and (c) enable and promote the role of community-managed forests as NBS. These results will also advance the Indigenous Peoples Policy adopted by the GCF in 2019.

Over the past 2.5 years, WCS has participated in or led a series of consultations with over 300 representatives of regional and Indigenous governments that provide the foundation for this initiative. These include meetings and workshops in Guatemala (7/2017, 9/2018, 2/2020), Costa Rica (11/2017, 10/2019), Belize (12/2018) and at the UN Climate Summit (09/2019) and COP25 (12/2019), as well as numerous meetings with AMPB.

The GEF, World Bank, UNDP, USAID, German Government and Dutch Government have all supported biodiversity and forest conservation projects in Costa Rica, Mexico, Belize, Guatemala, Honduras, Nicaragua and Panama focused on the creation and management of protected areas, corridors and community-based conservation. The proposed project will incorporate lessons learned in these efforts.

2. SITUATION ANALYSIS

Central America comprises the tropical region most vulnerable to climate change (IPCC AR5), particularly extreme rains and severe droughts, which diminish food security and livelihoods of poor rural communities (Bouroncle et al. 2017). The region has already suffered an average temperature rise of 0.54 degrees C in the last 50 years (ECLAC 2011), and temperatures are predicted to rise by 3-3.7 degrees C and rainfall reduce by 16-36% by 2100 (IPCC 2007; World Bank 2009, Ramirez 2007). Because of Central America's geographic position and dependence on both Pacific and Caribbean Sea temperatures and currents, the region is already experiencing longer, drier, and hotter dry seasons - especially extreme during ENSO events - and more frequent tropical storms and hurricanes both from the Caribbean and Pacific coasts. Climate change exacerbates existing social and economic vulnerabilities, and has direct impacts on access to drinking water, crop failure and food insecurity, disease outbreaks and other health issues, forest fires, biodiversity loss, hydroelectric power, and natural disasters (OCADES, SISCA 2018). According to the global climate risk index, between 1976 and 2016, Honduras was the country most affected by climate change in the world, Nicaragua ranked fourth, Dominican Republic was eighth, and Guatemala and El Salvador were in the top 20 (Eckstein, Kunzel, and Schaeffer 2017).

Mesoamerica's last five great forests are critical to the region's climate strategy, including both adaptation and mitigation. The five forests span from Mexico to Colombia and are three times the area of Switzerland. They hold about half the region's forest carbon stocks and provide essential ecosystem services to 500,000 Indigenous, afro-descendant, and mestizo people, who are among the most vulnerable to climate change. Mesoamerica's people, culture, biodiversity, economic health, and resilience to climate change all depend on these five great forests. Since 2000, three of Mesoamerica's five great forests have been reduced by more than [23 percent](#). Ninety percent of deforestation in the five forests results from illegal cattle ranching — sometimes used as a front for organized crime and drug trafficking and sometimes connected to international markets.

Cattle ranching is perhaps the most inefficient land use in tropical forests and globally, livestock produce about 14.5% of all GHG emissions and 65% of this comes from cattle¹. As cattle ranching continues to spread across Mesoamerica, climate change-induced drought has sparked widespread forest fires, and created water scarcity and food insecurity. The Five Forests will only be protected if the region's countries work together to create a new model for development that uses forest policy and incentives for environmental services programs to promote nature-based solutions and forest-based livelihoods and decreases the expansion of cattle ranching.

The region's most vulnerable people — Indigenous and local forest communities — manage, protect, and depend upon half of the remaining forested area in the five forests. Intact forests like Mesoamerica's Five Great Forests have been shown to hold over six times the carbon of other forests (Maxwell et al. 2019), and intact forests governed by Indigenous Peoples with secure tenure have much lower rates of deforestation than intact forests outside of Indigenous lands (FAO 2013). Within Indigenous territories and local communities, gender equality is also a key to ensure equitable climate solutions and effective long-term nature-based solutions. In Mesoamerica, the physical and cultural security of Indigenous peoples are at risk from climate change and the expansion of illegal cattle ranching. To conserve the Five Forests, the region's governments must also engage and promote



Figure 1. Mesoamerica's Five Great Forests

local and Indigenous forest-based cultures and promote gender equality to ensure the protection of these Five Great Forests. Finally, to protect the development of these forest-based livelihoods, the region's countries must understand the gaps in capacity and protection that currently allow illegal cattle ranching and forest degradation to thrive across much of the region.

In this context, Mesoamerica's governments will use GCF funding to conduct pre-feasibility studies, engage in stakeholder dialogues, and build capacity needed to develop a regional programme concept that will provide the following enabling conditions for a GCF programme focused on the Five Forests, as well as other critical forest areas such as Trifinio Biosphere reserve in El Salvador, Guatemala and Honduras, and the Osa Peninsula in Costa Rica:

1. **Align policies and identify needed governance improvements** to strengthen law enforcement and remove cattle from key protected areas, including Indigenous and community managed forests, by increasing capacity, training, equipment and budgets for forest protection, recovery, and restoration.
2. **Support livelihoods** by assisting Indigenous governments and community forest organizations to strengthen their rights, access, and land tenure, and bolster sustainable livelihood alternatives to cattle ranching, with a gender-based approach that incorporates gender equity in economic development models.
3. **Address drivers of deforestation:** tackle the main driver of forest destruction by advancing policies that disincentivize cattle ranching and create transparent supply chains, e.g., through cattle agreements, in critical forest areas.
4. **Reforest and restore:** in areas degraded by cattle ranching in order to maintain large, contiguous stretches of forest.

Justification for a Regional Approach

A regional approach is appropriate and necessary to address the existential threats facing Mesoamerica's Five Great Forests and support nature-based climate change solutions (NBS) for the following reasons:

- **Regional climate impacts:** Forestry, livestock and agriculture are the foundations of Central American economies and all three of these sectors are vulnerable to climate change.
- **Transboundary landscapes:** All five forests are bi-or tri-national, requiring multi-country coordination to achieve solutions at scale.
- **Transboundary threats:** Cattle is the primary driver of deforestation in the five forests, fomented by transboundary contraband and export market leakage, only solvable with a regional approach.
- **Similarity of challenges:** Countries face similar challenges in terms of threats, capacities, and institutional readiness status, allowing for a coherent approach to regional preparedness.
- **Opportunity for cross-pollination:** Best practices and common challenges exist within region, allowing for South-South learning and cooperation.
- **Political coherence:** All countries belong to the Central American Integration System (SICA), with existing coordination mechanisms and political bodies for environment (CCAD) and commerce. Moreover, in their regional climate action plan, presented at COP25, all eight countries committed to collaboration to sustain the five forests as part of the natural solution to the climate crisis.
- **Joint Negotiation and publicity:** Small countries are disadvantaged with respect to their ability to leverage financing and demonstrate impact at scale. By jointly developing and negotiating climate commitments, Mesoamerica will better compete for climate financing on a global scale.

Alignment with existing readiness and/or adaptation planning support:

The proposed project will contribute to international, regional and national targets on climate change adaptation and mitigation. It is fully aligned with the national priorities of the seven countries, including their Nationally Determined Contributions (NDCs), National Adaptation Plans and REDD+ strategies. It aligns with both regional and national climate strategies, including the Regional Climate Change Strategy (ERCC 2018-2022), and has the full endorsement of the Central American Commission for Environment and Development (CCAD), and all member countries. At COP25 the Central American countries presented a regional climate action plan to achieve carbon neutrality in the agricultural and forest sectors by 2040, which explicitly commits to protecting Mesoamerica's five great forests to conserve 10 million hectares of existing forests and restore 500,000 hectares of forest by 2030. Although none of the Five Forests occur in the Dominican Republic, it forms part of the Central American Integration System and the Regional Climate Change Strategy, and will participate in the programme's analyses and capacity building activities.

A GCF readiness grant has been approved called “Dialogue of the Indigenous Peoples of Latin America and the Caribbean” and a convening was held in Nicaragua in February, 2019, with FAO as DP. The Dialogue initiated a process of promoting the active involvement of Indigenous Peoples in the entire GCF project cycle, Dialogue grant, including partnering with FILAC and implementation will be guided according to its conclusions on processes and structures for Indigenous Peoples engagement.

Since 2008, with support from IKI, all eight countries have collaborated on the “Forest Landscape Restoration in Central America and the Dominican Republic (REDD-landscape/CCAD) and Implementation of the Green Development Fund for Central America (REDD Landscape)” to develop and execute implementation and financing mechanisms for forest landscape restoration (FLR). This includes developing national strategies, instruments and regulations. All eight countries made significant commitments to FLR, totaling ~8 million ha under the Bonn Challenge to help meet the commitments under the NAMA, NDC and REDD+ strategies:

- Belize .275 million hectares;
- Costa Rica 1.0 million hectares;
- Dominican Republic .31 million hectares;
- El Salvador 1.0 million hectares;
- Guatemala 1.2 million hectares;
- Honduras 1.0 million hectares;
- Nicaragua 2.7 million hectares;
- Panama 1.0 million hectares.

As part of this project a comprehensive policy assessment will be undertaken in Activity 2.2.4 to determine any key gaps and to identify strategic opportunities for intervention and alignment.

As primary programme proponent, Costa Rica has received funding from the GCF Readiness and Preparatory Support Programme to strengthen the capacity of the NDA to undertake GCF-related roles and responsibilities, develop a Country Programme, enable sustainable finance, ensure complementarity among GCF initiatives and for national adaptation planning. The NDA will maximize synergies of this project with other ongoing activities with UNEP, UNDP, FAO and CAF, and will make sure there is no overlap with other ongoing interventions. The project will contribute key analyses for updating Costa Rica’s NDC and NAP and will contribute to the National Strategy for Adaptation and the National Adaptation Plan, supported by the Spanish Agency for International Development Cooperation (AECID), and to the Mesoamerica Climate Action Plan. Costa Rica has also submitted a concept note with UNDP to GCF’s pilot program for REDD+ results-based payments for ~15 million tCO₂eq.

CR submitted its INDC to the UNFCCC before COP21, proposing a GHG emissions reduction of 44% of the Business as Usual Scenario and a 25% reduction of emissions from 2012 levels. CR’s climate strategy involves reducing emissions and increasing society’s resilience to climate change impacts.

The project management unit (PMU) will guarantee efficient coordination of technical and policy components of the project and ensure coordination with NDAs in all countries. The PMU will coordinate closely with the Costa Rican NDA, with representatives from all NDAs in the region, as well as from FILAC and AMPD. The PMU will be supported by the Project Manager and by two senior technical advisors from WCS (Dr. Sandy Andelman and Dr. Jeremy Radachowsky) with decades of experience at the science-policy interface. The PMU will have monthly virtual meetings to ensure engagement of representatives from all beneficiaries. In addition, the Project Manager will meet regularly with key technical staff in charge of other related climate change mitigation and adaptation projects, programmes and proposals to facilitate integration.

Readiness challenge(s), needs and/or gaps

A summary of relevant past and ongoing readiness funding is provided in a table at the end of this section. The programme will respond to the following readiness gaps:

- Lack of regional alignment of NDCs, NAMAs, and strategies with regard to forest conservation, illegal cattle ranching and land use, more broadly.
- Insufficient and inconsistent recognition of Indigenous Peoples rights, land tenure and resource access, especially of women.
- Insufficient consultation, engagement, and FPIC with Indigenous Peoples in decision making and GCF programme development
- Lack of resources and capacity for pre-feasibility studies needed for technically sound concept development.

The project goal is to create the enabling conditions of countries and Indigenous Peoples in Mesoamerica to collaboratively develop and engage in a regional GCF programme focused on the resilience of Mesoamerica’s 5 Great Forests and the communities who depend on them. Specifically, a technically sound regional concept note will be developed and submitted to the GCF, aligned with national GCF project pipelines.

A regional approach is appropriate and necessary to address the existential threats facing Mesoamerica's Five Great Forests and support nature-based climate change solutions – especially since all five forests are transboundary, and the primary driver of forest loss is transboundary cattle contraband, which must be addressed at a regional level. Furthermore, a regional programme will allow for preparedness in a coherent manner, cross-pollination and learning, joint negotiation, and climate financing for impact at scale.

If the capacity of Mesoamerican IPs and other stakeholders is increased, national and regional climate policy frameworks are fully aligned, and best practices and knowledge sharing are enhanced, then Mesoamerican countries and Indigenous Peoples, including women and other vulnerable communities, will be able to design and implement a technically sound regional programme to ensure the resilience of Mesoamerica's 5 Great Forests and the people who depend on them. The direct beneficiaries include (1) NDAs in Belize, Costa Rica, Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Panama and (2) Indigenous and vulnerable communities (~500,000 people) in 8 countries who live in and around the forests.

Goals, outcomes, and deliverables:

Goal: The enabling conditions are in place for countries and Indigenous Peoples in Mesoamerica to collaboratively develop and engage in a regional GCF programme focused on the resilience of Mesoamerica's 5 Great Forests and the communities who depend on them. Specifically, a technically sound regional concept note will be developed and submitted to the GCF, aligned with national GCF project pipelines.

The programme contributes to the following GCF readiness **outcomes**:

Outcome 1.3: Relevant country stakeholders (which may include executing entities, civil society organizations and private sector) have established adequate capacity, systems and networks to support the planning, programming and implementation of GCF-funded activities.

Outcome 2.2: GCF recipient countries have developed or enhanced strategic frameworks to address policy gaps, improve sectoral expertise, and enhance enabling environments for GCF programming in low-emission investment

Outcome 4.1: An increase in the number of quality project concept notes developed and submitted

Outcome 5.1: Best practices with respect to institutional capacity building and coordination, direct access, and pipeline development are developed and disseminated to strengthen engagement by NDAs, DAEs, and delivery partners with the GCF.

Outcome 5.2: Partnerships established to foster development and dissemination of methods, frameworks, and information systems for enhanced climate finance programming at subnational, national, and regional levels

Specifically, this Readiness project will provide support to the NDAs and key stakeholders, especially IPs for:

- **Quantitative and qualitative analyses to update and align country NDCs and NAMAs** in the regional AFOLU plan.
- **Identifying and disseminating information among Mesoamerican countries on best practices and case studies to slow deforestation and illustrate** successful models for nature-based solutions to climate change.
- **Vulnerability Assessment of Indigenous Peoples** to climate risks and a strategy to engage them in decision making processes and actions to promote resilience as a key part of a nature-based solutions approach, with a focus on women and women-led household access to resources.
- **Develop an economic model** on the resilience of Mesoamerica's 5 Great Forests and the Indigenous and local communities who depend on them that results in more forest-based livelihoods and a decreased expansion of cattle ranching.
- **Environmental and social assessment and risk screening.**
- **A technically sound programme concept note** that builds on the aforementioned assessments and prefeasibility studies.

GCF funding will enable a replicable model whereby governments, civil society, and Indigenous Peoples work together to reduce regional vulnerability to climate impacts. This model will include the data needed to work with governments to invest in and scale up local and Indigenous conservation solutions and forest-based income streams, such as cacao, ecotourism, and honey, while eliminating illegal cattle ranching. This will promote local economic stability, decreases human migration, and protects local and Indigenous Peoples' rights while conserving biodiversity and carbon rich forests. This project will lay the foundation for a combination of local enterprise, payments for carbon and ecosystem services, foreign assistance, and philanthropy to provide the financial support necessary at multiple levels. The programme will convene a "Five Forests Alliance" comprised of the region's governments, local and indigenous communities, and civil society, which will ensure actions are implemented within a collectively agreed upon and coherent plan that promotes gender equality as a key principle of local development, thereby harmonizing the efforts of Indigenous Peoples, civil society, and governments, and mobilizing resources to the most effective partners in each of the forests. This will result in

increased conservation financing reaching the ground in Mesoamerica and supporting profitable forest-friendly local production system and the protection of the Five Great Forests in perpetuity.

Table of Readiness Funding and Relevant GCF Projects

Project	Country	Project Elements	DP/AE	Relevance to Current Project
Project: Ecosystem-based Adaptation to increase climate resilience in the Central American Dry Corridor and the Arid Zones of the Dominican Republic (CAMBIO I and II)	Guatemala El Salvador Honduras Nicaragua Costa Rica Panamá Dominican Republic	Ecosystem-based adaptation in forests and agroforestry systems Water - efficient technologies in rural communities	CABEI	This project focuses on the dry corridor, whereas the current project focuses on the five forests. The current project will coordinate with and exchange lessons learned and best practices with the CAMBIO I and II.
Concept: Promoting the Transition to a Low Carbon, Climate-Resilient and "Deforestation-Free" Livestock Sector in Costa Rica	Costa Rica	Transition to a climate-smart and "deforestation-free" livestock sector	UNEP	The current project is complementary to the submitted concept, which focuses on improved management and productivity of livestock within existing ranchlands, whereas the current project targets ending illegal cattle ranching and improved capacity for forest management and restoration.
Readiness: Adaptation Planning Support for Dominican Republic through UNEP	Dominican Republic	Strengthening institutional, legal, policy and planning frameworks Engaging key stakeholders in climate change adaptation planning	UNEP	The current project addresses national priorities for climate change adaptation facilitated by the previous readiness project.
Project: Upscaling climate resilience measures in the dry corridor agroecosystems of El Salvador (RECLIMA)	El Salvador	Restore and reforest degraded ecosystems Adaptive agroecosystem management	FAO	The two projects are mutually reinforcing with shared objectives. This ongoing project focuses on smallholder farmers and surrounding deforested areas, whereas the current project focuses on sustaining and expanding existing large forests.
Readiness Project: Strengthening national adaptation planning processes	Guatemala	Regional climate modeling system Country-wide climate vulnerabilities map Develop and operationalize 22 sub-national, comprehensive adaptation plans	Rainforest Alliance	The current project will coordinate with this readiness project, building on the modeling and planning activities for the proposed work.
Readiness: NDA Strengthening and country programming support for Guatemala through FAO	Guatemala	Strengthening methods and institutional arrangements for collection, analysis and reporting of data from the AFOLU sector	FAO	The current project will build on and coordinate with the methods developed by FAO for Guatemala.
Project: Promoting climate-resilient forest restoration and silviculture for the sustainability of water-related ecosystem services	Honduras	Improved forest management Forest restoration PES	IDB	The two projects are complementary, as the current project addresses a different geography
Concept: Bio-CLIMA Nicaragua	Nicaragua	Climate smart and resilient agricultural production systems that sequester carbon, conserve ecosystems and ecosystem services	CABEI	The two projects are complementary, one focusing largely on resilient agricultural production and the current project focusing on sustaining and expanding existing large forests.

3. LOGICAL FRAMEWORK

Outcomes	Baseline ²	Targets	Outputs	Activities (brief description)	Deliverables ³
Outcome 1.3: Relevant country stakeholders (which may include executing entities, civil society organizations and private sector) have established adequate capacity, systems and networks to support the planning, programming and implementation of GCF-funded activities.	Public and private sectors, civil society and Indigenous communities have engaged in consultative processes, but a regional coordination mechanism does not exist and significant barriers remain between national governments and Indigenous communities. There is also a capacity gap in enforcement, management, and monitoring systems.	Indigenous Peoples and vulnerable groups, including women, are fully engaged in consultative and decision-making processes in a functional alliance with national governments and NGOs with an understanding of capacity needs, gaps in protection, and plans.	Output 1.3.1: Engagement meetings of key stakeholders in the region, including mainstreaming plan for participation of Indigenous Peoples, women and other vulnerable groups in decision making processes. Output 1.3.2: Report of management and monitoring capacity and needs.	Activity 1.3.1: Conduct regional stakeholder mapping and capacity assessment of protected areas agencies, Indigenous and community forest management organizations, civil society, and private sector actors within Mesoamerica's Five Great Forests and other key areas to inform the composition of the Five Forests alliance and the approach for building capacity, coordination, and financial sustainability of a GCF programme. This will be done in close collaboration with the Mesoamerican Alliance for People and Forests (AMPB) to ensure adequate Indigenous engagement throughout the entire process, starting at its inception.	Deliverable 1.3.1: Strategy for engaging the Indigenous and community management organizations, private sector and civil society to contribute to regional NDCs in the Five Forests of Mesoamerica
				Activity 1.3.2 Create a regional dialogue process to take place among representatives of key stakeholders in the region, including multisectoral consultation workshops with 30 representatives from governments, civil society and Indigenous and local communities, local governments, private sector, and ranching and agriculture sector. Document main insights and recommendations identified in the regional dialogue, to feed into GCF programme, and to process for updating NDCs within the region, especially related to ensuring engagement of Indigenous People, traditional leaders/elders, and gender equity.	Deliverable 1.3.2: Workshop reports on agreements and lessons learned with emphasis on engagement of Indigenous Peoples and gender equity; regional coordination plan outlining regional dialogue process.

² Please briefly elaborate on current baselines on which the proposed activities can be built on, processes that are in place that the current Readiness proposal can strengthen, or any gaps that the proposed activities would fill in. If more space is needed, please elaborate this in Section 4.

³ Please include tangible and specific deliverables for each activity proposed, Please note that during implementation all deliverables should be included within the implementation reports for GCF consideration.

Outcomes	Baseline ²	Targets	Outputs	Activities (brief description)	Deliverables ³
				Activity 1.3.3: To strengthen implementation of the Indigenous Peoples GCF Policy in the region and ensure adequate gender-sensitive stakeholder engagement and inclusive participation of Indigenous People, 2 engagement meetings with 20 people will be held with emphasis on ensuring that diverse voices from vulnerable groups are heard and incorporated in the dialogue process, including the Mesoamerican Alliance of Indigenous Organizations (AMPB), El Fondo para el Desarrollo de los Pueblos Indígenas de América Latina y El Caribe (FILAC), and other Indigenous Associations, following on conclusions and recommendations coming from the approved readiness grant “Dialogue of the Indigenous Peoples of Latin America and the Caribbean” to be held in Nicaragua in February with FAO as DP, which focuses on promote the active involvement of Indigenous peoples in the entire GFC project cycle, from early design stage to implementation mechanisms. In anticipation of the meetings, IP participants will be supported to undertake and present on the situation in their localities, so that they are empowered to be active in the engagement meetings and contribute to the deliverable in a meaningful way.	Deliverable 1.3.3: Report on the vulnerability of Indigenous Peoples and vulnerable groups, with particular attention to women specific impacts in the 5 Forests to climate risks, their capacity to engage in GCF activities, and actions needed to promote resilience
				Activity 1.3.4: Develop Indigenous people’s engagement and mainstreaming plan for the regional GCF programme concept	Deliverable 1.3.4: Indigenous Peoples Engagement and Mainstreaming plan
				Activity 1.3.5: Assess law enforcement and forest management capacity of relevant government agencies and Indigenous organizations in the 5 forests and develop capacity building plans for key agencies and organizations. Key agencies include but are not limited to CONAP in Guatemala, MARN El Salvador, Belize Forest Department, ICF in Honduras, MARENA in Nicaragua, SINAC in Costa Rica, and MiAmbiente in Panama, as well as member organizations of the Mesoamerican Alliance of Indigenous Organizations (AMPB).	Deliverable 1.3.5: a) Law enforcement and forest management capacity report, including capacity building plans for key agencies; b) workshop reports, including participant lists.

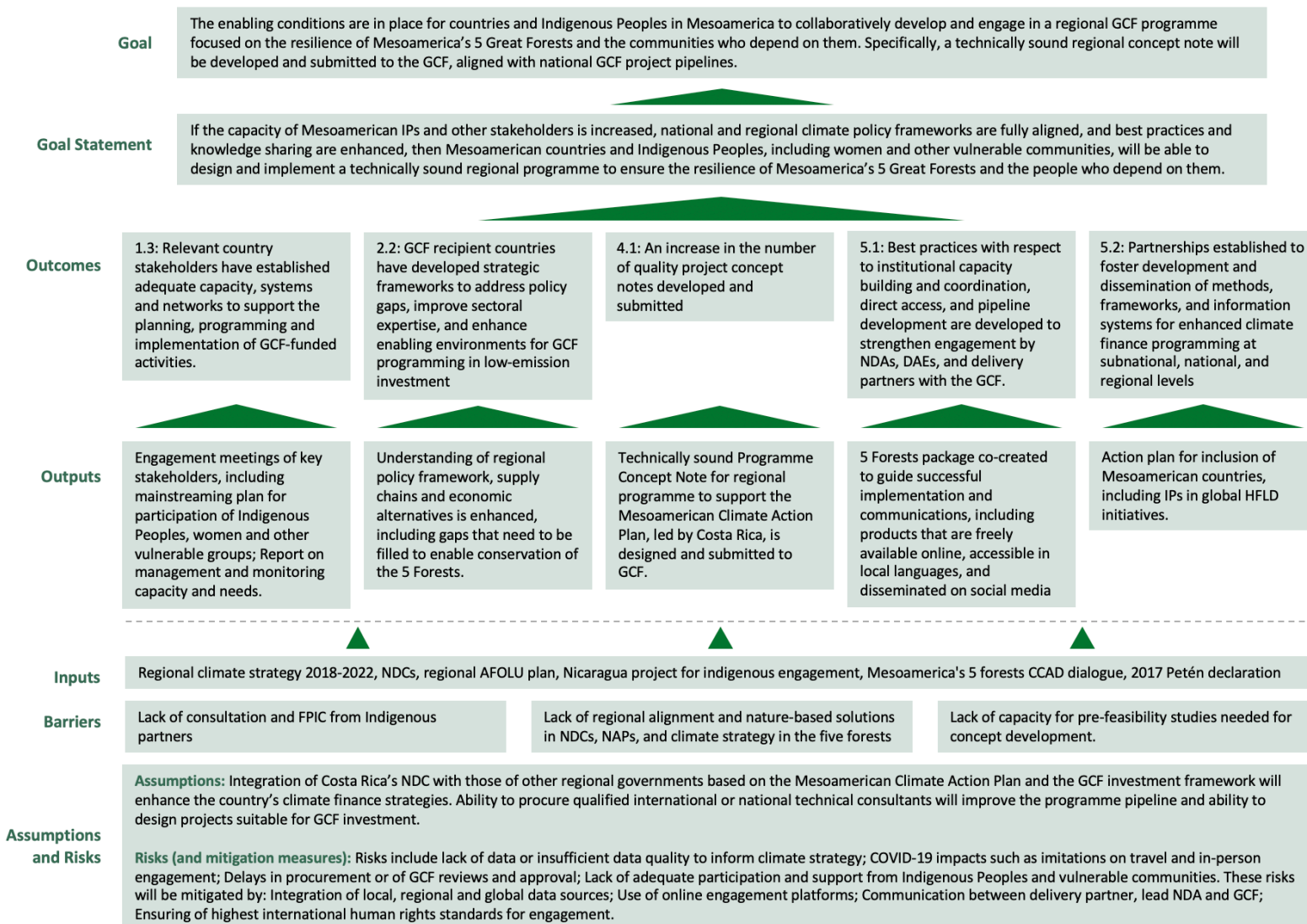
Outcomes	Baseline ²	Targets	Outputs	Activities (brief description)	Deliverables ³
				Activity 1.3.6: Develop protocols and evaluate capacity for precise monitoring and enforcement in the 5 Forests, including indicators for measuring: 1) the state of Mesoamerica's 5 Forests from ecological, climate vulnerability, and human wellbeing perspectives; 2) threats and challenges faced by the Forests and IPs; 3) the effectiveness and impact of conservation actions for intactness and alternative livelihoods of the Five Forests. The protocols will include data sharing among countries, as well as inter-agency/cross-sectoral monitoring efforts and joint inspections in hotspot areas as a means of boosting management capacity. Indicators will be aligned with and support ongoing programmes and international conventions such as the Man and the Biosphere (MAB) work programme, the Mesoamerican Biological Corridor, UNESCO World Heritage sites, SDGs, NDCs, Aichi targets, and the Bonn Challenge.	Deliverable 1.3.6: 5 Forests Monitoring and Enforcement Report Card & Protocols
Outcome 2.2: GCF recipient countries have developed or enhanced strategic frameworks to address policy gaps, improve sectoral expertise, and enhance enabling environments for GCF programming in low-emission investment.	A high-level regional climate plan has been developed, but does not adequately address the role nature-based solutions. Strategic priorities among NDCs in C American countries are not aligned; countries are aligned on Regional AFOLU Climate Action Plan initiated, including Mesoamerica's 5 Great Forests, but strategic	All of the enabling conditions have been met for an aligned, regional strategic climate framework that conserves the 5 Forests and promotes resilience of IPs and other local communities.	Output 2.2: Understanding of regional policy framework, supply chains and economic alternatives is enhanced, including gaps that need to be filled to enable conservation of the 5 Forests.	Activity 2.2.1: Conduct analyses to feed into processes of updating NDCs and associated strategic priorities, being led by FAO and UNEP and national climate focal points, to assess the relative contributions of the 5 Forests to NDCs for the region, as well as Indigenous peoples/territories contributions to NDCs in the region. This will include a component for the metrics and monitoring of the Mitigation and Adaptation benefits, according to the "AFOLU 2040" Regional Initiative, promoted by the Central American Integration System. The programme will propose a standardized approach to enhancing climate ambitions that ensures coherence among countries, thereby facilitating the integration of national programmes into the collective regional climate strategy, regional climate financing, and implementation as a regional block.	Deliverable 2.2.1: Updated NDC information to feed regional processes, updated strategic priority document to guide national and regional programmes, including case studies describing Indigenous peoples/territories contributions to NDCs in the region.
				Activity 2.2.2: Conduct assessment and create database of IP land tenure, titling, resource access, and broader indigenous values, including by women and women-led households and develop a map showing gaps in titling and areas of potential conflict or integration with PA system across the 5 Forests, and areas where women have limited resource access, including all countries. The database will include instructions for its use. An online, interactive, map with the accompanying narrative will be created to visualize the geo-referenced data and tell the story. The database will be made available on the project website as well as maintained by AMPB. An online training workshop will be conducted with relevant AMPB personnel in the	Deliverable 2.2.2: (a) Indigenous land tenure, titling and resource access database and online, interactive map with instructions for use, disaggregated by gender and IPs that maps out gaps in land titling, resource access and protected area establishment in and around the 5 Forests.

Outcomes	Baseline ²	Targets	Outputs	Activities (brief description)	Deliverables ³
	frameworks are needed.			use and maintenance of the database, with pre- and post-training surveys to demonstrate the enhanced capacity of training participants. Following the workshop, a training video will be made available online.	(b) Online training materials and a report to the GCF on training and enhanced capacity of training participants.
				Activity 2.2.3: Update assessments of the status of threats to Mesoamerica's Five Forests (with an emphasis on illegal cattle ranching), as an input for a future regional system for monitoring and enforcement interventions by relevant sector agencies, including the role of IPs and women, and analysis of areas that can be recuperated and/or restored.	Deliverable 2.2.3: Report on status of threats to the 5 Forests
				Activity 2.2.4: Review the current regional climate policy framework, including all regional and national policies, programmes, and initiatives relevant to maintaining the 5 Forests; identify gaps and assess strategies and opportunities for harmonizing policies and incentive programmes and filling key gaps among Central American governments to promote deforestation-free livestock production systems in the region.	Deliverable 2.2.4: Report outlining options to harmonize policies, incentive programmes, and regional initiatives among Central American governments which discourage livestock production
				Activity 2.2.5: Conduct assessment and analysis of current livestock supply chains, including existing monitoring, traceability, and enforcement in the 5 Forest countries and identify capacity needs and key financial and operational risks to ensure deforestation-free supply chains, informing the 5 Forests regional programme concept in activity 4.1.4. This activity will include direct engagement and consultation of the livestock sector in key countries.	Deliverable 2.2.5: Report on livestock supply chain study
				Activity 2.2.6: Study analyzing culturally appropriate, alternative economic livelihood opportunities that can substitute for or outcompete cattle production that promote equitable access to resources by women and other vulnerable populations.	Deliverable 2.2.6: Report of livelihood alternatives to ranching in the 5 Forests
Outcome 4.1: An increase in the number of	0 regional concept notes for the 5 Forests to support	1 Programme Concept Note for regional	Output 4.1: Technically sound	Activity 4.1.1: Stakeholder engagement workshops – one in each of the five Forests with 30 participants each and one regional concept validation	Deliverable 4.1.1: Workshop reports, and report highlighting agreement on concept note

Outcomes	Baseline ²	Targets	Outputs	Activities (brief description)	Deliverables ³
quality project concept notes developed and submitted.	the Mesoamerican Climate Action Plan	programme to support the Mesoamerican Climate Action Plan is designed and submitted to GCF.	Programme Concept Note for regional programme to support the Mesoamerican Climate Action Plan, led by Costa Rica, is designed and submitted to GCF.	workshop with 40 participants with NDAs - to provide input to design of the concept note. At least half of the participants will be IPs and women.	
				Activity 4.1.2: Develop economic and financial model for a 5 Forests programme with key assumptions, in order to assess and demonstrate its impact potential, paradigm shift potential, cost effectiveness, financial adequacy, and long-run economic and financial viability. This will include analysis of a viable investment pathway, engagement of local financial institutions, microfinance institutions, and financial policymakers, as well as quantifying the ecosystem services and non-monetary benefits of the programme. Coordination meetings will be held with CCAD-GIZ to identify synergies with current initiatives in the context of the REDD+ Regional Programme, "Fondo de Desarrollo Verde" for SICA region, the suite of regional workshops for experiences exchange for the creation of a regional financial mechanism, and other related ongoing efforts, for the implementation of the CCAD-Climate Change Regional Strategy (ERCC).	Deliverable 4.1.2: Report on economic and financial model with key assumptions and incorporating deliverable from 2.2.5
				Activity 4.1.3: Complete environmental and social risk screening	Deliverable 4.1.3: Report on environmental and social risk screening
				Activity 4.1.4: Design 5 Forests regional programme concept that is prioritized in country GCF pipelines	Deliverable 4.1.4: Programme Concept note submitted to GCF
Outcome 5.1: Best practices with respect to institutional capacity building and coordination, direct access, and pipeline development are developed and disseminated to	COP25 event created agreement among countries on Climate Action Plan, including 5 forests and need to identify and share best practices. Some best practices	Best practices documented in technical report and disseminated within the region and globally via a comprehensive communication s platform	Output 5.1: 5 Forests case studies and communications package co-created, including products that are freely available online, accessible in	Activity 5.1.1: Co-create best practices/case studies of technical options implemented across Mesoamerica in collaboration with Indigenous leaders that demonstrate ways to slow the pace of deforestation and reverse forest degradation and promote equitable livelihoods and access to resources for IPs and women.	Deliverable 5.1.1: Report articulating best practices
				Activity 5.1.2: Develop a regional communications workplan, comprehensive website, graphic identity, and related products for the regional program that reflects Indigenous Peoples identities, the needs of women and other vulnerable communities, national priorities and climate change in the region.	Deliverable 5.1.2: a) Regional communications plan, products, and videos produced for each of the 5 Great Forests; and b) website developed, including all project reports and deliverables.

Outcomes	Baseline ²	Targets	Outputs	Activities (brief description)	Deliverables ³
strengthen engagement by NDAs, DAEs, and delivery partners with the GCF.	shared in regional climate strategy 2018-2022, regional AFOLU plan, Nicaragua project for indigenous engagement, Mesoamerica's 5 forests CCAD dialogue, and 2017 Petén declaration.	including a website, graphic identity, and related products.	local languages, and disseminated on social media.		
Outcome 5.2 Partnerships established to foster development and dissemination of methods, frameworks, and information systems for enhanced climate finance programming at subnational, national, and regional levels.	Costa Rica and Panama have participated in events but climate financing through HFLD mechanisms has still not come to fruition in Mesoamerica.	Mesoamerican countries participate in global HFLD initiatives and governments and IPs have access to climate financing opportunities that complement GCF.	Output 5.2: Action plan for inclusion of Mesoamerican countries, including IPs in global HFLD initiatives.	Activity 5.2.1: Analysis of potential inclusion of Mesoamerican countries in High Forest, Low Deforestation (HFLD) financing mechanisms, benefiting all of the five forests and IPs, connecting Mesoamerica to the global HFLD platform to ensure access to financing opportunities that complement GCF.	Deliverable 5.2.1: HFLD coordination and engagement plan; Workshop reports

4. THEORY OF CHANGE



THEORY OF CHANGE NARRATIVE

The project goal is to put the enabling conditions in place for countries and Indigenous Peoples in Mesoamerica to collaboratively develop and engage in a regional GCF programme focused on the resilience of Mesoamerica's 5 Great Forests and the communities who depend on them. Specifically, a technically sound regional concept note will be developed and submitted to the GCF, aligned with national GCF project pipelines.

Policies recognize that national and regional climate goals cannot be achieved unless the 5 forests are sustained. Therefore, ensuring forests and nature-based solutions are recognized as a key part of the solution. A regional approach is appropriate and necessary to address the existential threats facing Mesoamerica's Five Great Forests and support nature-based climate change solutions – especially since all five forests are transboundary, and the primary driver of forest loss is transboundary cattle contraband, which must be addressed at a regional level. Furthermore, a regional programme will allow for preparedness in a coherent manner, cross-pollination and learning, joint negotiation, and climate financing for impact at scale.

If the capacity of Mesoamerican IPs and other stakeholders is increased, national and regional climate policy frameworks are fully aligned, and best practices and knowledge sharing are enhanced, then Mesoamerican countries and Indigenous Peoples, including women and other vulnerable communities, will be able to design and implement a technically sound regional programme to ensure the resilience of Mesoamerica's 5 Great Forests and the people who depend on them. The direct beneficiaries of the readiness support include (1) NDAs in Belize, Costa Rica, Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Panama and (2) Indigenous and vulnerable communities (~500,000 people) in 8 countries who live in and around the forests.

Outcome 1.3:

The project will establish adequate capacity systems and networks among relevant country stakeholders, which may include NDAs, Indigenous Peoples, civil society organizations and private sector, to support the planning, programming and implementation of GCF-funded activities. The outcome will focus on addressing the current barriers, including: insufficient regional coordination mechanisms, significant barriers between national governments and Indigenous communities, and a capacity gap in enforcement, management, and monitoring systems. There will be a strong emphasis on full engagement of Indigenous Peoples and vulnerable groups, in consultative and decision-making processes and actions to promote resilience as a key part of a nature-based solutions approach to climate change, with a focus on women and women-led household access to resources. A functional alliance will be created with national governments, Indigenous Peoples and vulnerable populations, and NGOs with an understanding of capacity needs, gaps in protection, and plans. This will be achieved through two outputs:

Output 1.3.1: Conducting engagement meetings of key stakeholders in the region, including a mainstreaming plan for participation of Indigenous Peoples, women and other vulnerable groups, in order to incorporate them in decision making processes. To do this the project will:

Activity 1.3.1: Conduct a regional stakeholder mapping and capacity assessment of protected areas agencies, Indigenous and community forest management organizations, civil society, and private sector actors within Mesoamerica's Five Great Forests and other key areas. This will be done in close collaboration with the Mesoamerican Alliance for People and Forests (AMPB) to inform the composition of the Five Forests alliance and the approach for building capacity, coordination, and financial sustainability of a GCF programme.

Output 1.3.2: A report of management and monitoring capacity and needs will be developed through significant consultations and regional dialogues across the 5 forests, including

Activity 1.3.2 Create a regional dialogue process to take place among representatives of key stakeholders in the region, including multisectoral consultation workshops with 30 representatives from governments, civil society and Indigenous and local communities, local governments, private sector, and ranching and agriculture sector. Document main insights and recommendations identified in the regional dialogue, to feed into GCF programme, and to process for updating NDCs within the region, especially related to ensuring engagement of Indigenous People, traditional leaders/elders, and gender equity.

Activity 1.3.3: Two engagement meetings with 20 people will be held to strengthen implementation of the Indigenous Peoples GCF Policy in the region and ensure adequate gender-sensitive stakeholder engagement and inclusive participation of Indigenous People. Diverse voices from vulnerable groups will be heard and incorporated in the dialogue process, including with the involvement of Mesoamerican Alliance of Indigenous Organizations (AMPB), El Fondo para el Desarrollo de los Pueblos Indígenas de América Latina y El Caribe (FILAC), and other Indigenous Associations. In anticipation of the meetings, IP participants will be supported to undertake local consultations and present their perspectives on the situation in their localities, so that they are empowered to actively engage in meetings and contribute to the deliverable in a meaningful way.

Activity 1.3.5: Develop Indigenous People's engagement and mainstreaming plan for the regional GCF programme concept

Activity 1.3.6: Assess law enforcement and forest management capacity of relevant government agencies and Indigenous organizations in the 5 forests and develop capacity building plans for key agencies and organizations. Key agencies include but are not limited to CONAP in Guatemala, MARN El Salvador, Belize Forest Department, ICF in Honduras, MARENA in Nicaragua, SINAC in Costa Rica, and MiAmbiente in Panama, as well as member organizations of the Mesoamerican Alliance of Indigenous Organizations (AMPB).

Activity 1.3.7: Develop protocols and evaluate capacity for precise monitoring and enforcement in the 5 Forests, including indicators for measuring: 1) the state of Mesoamerica's 5 Forests from ecological, climate vulnerability, and human wellbeing perspectives; 2) threats and challenges faced by the Forests and IPs; 3) the effectiveness and impact of conservation actions for intactness and alternative livelihoods of the Five Forests. The protocols will include data sharing among countries, as well as inter-agency/cross-sectoral monitoring efforts and joint inspections in hotspot areas as a means of boosting management capacity. Indicators will be aligned with and support ongoing programmes and international conventions such as the Man and the Biosphere (MAB) work programme, the Mesoamerican Biological Corridor, UNESCO World Heritage sites, SDGs, NDCs, Aichi targets, and the Bonn Challenge.

Outcome 2.2:

GCF recipient countries have developed strategic frameworks to address policy gaps, improve sectoral expertise, and enhance enabling environments for GCF programming in low-emission investment. A high-level regional climate plan (AFOLU Climate Action Plan) has been developed, which includes Mesoamerica's 5 Great Forests and has regional country alignment. However, there are still gaps including: it does not currently adequately address the role of nature-based solutions, strategic priorities among NDCs in Central American countries are not aligned, and strategic frameworks for the plan are needed. This project will address that by ensuring enabling conditions have been met and all quantitative and qualitative analyses are conducted for an aligned regional strategic climate framework that conserves the 5 Forests and promotes resilience of IPs and other local communities is developed.

Output 2.2: Understanding is enhanced of the regional policy framework, supply chains, forest-based income streams and economic alternatives, such as cacao, ecotourism, and honey while eliminating cattle ranching, including gaps that need to be filled to enable conservation of the 5 Forests.

Activity 2.2.1: The project will analyze all country NDCs and metrics together, in order to propose a standardized approach to enhance climate ambitions that ensures coherence among countries. This will facilitate integration of national programmes into the collective regional climate strategy, regional climate financing, and implementation as a regional block. This will include creation of an updated strategic priority document to guide national and regional programmes, including case studies describing Indigenous peoples/territories contributions to NDCs in the region. Specific analyses to be conducted to feed into processes of updating NDCs and associated strategic priorities, include those led by FAO and UNEP and national climate focal points, to assess the relative contributions of the 5 Forests to NDCs for the region, as well as Indigenous

peoples/territories contributions to NDCs in the region. This will include a component for the metrics and monitoring of the Mitigation and Adaptation benefits, according to the “AFOLU 2040” Regional Initiative, promoted by the Central American Integration System.

Activity 2.2.2: A database and online, interactive map illustrating Indigenous land tenure, titling and resource access will be developed showing gaps in titling and areas of potential conflict or integration with PA systems across the 5 Forests, and areas where women have limited resource access, including all countries. To guide the development of the online map, an assessment will be conducted and a database will be created of IP land tenure, titling, resource access, and broader indigenous values, including by women and women-led households. In order to facilitate easy access, use, and maintenance, the database will include instructions, will be available on the project website, online training workshops and videos will be conducted with relevant AMPB personnel in the use and maintenance of the database, with pre- and post-training surveys to demonstrate the enhanced capacity of training participants, and maintained by AMPB in the future.

Activity 2.2.3: A report will be developed on the status of threats to the 5 Forests, as an input for a future regional system for monitoring and enforcement interventions by relevant sector agencies, including the role of IPs and women, and analysis of areas that can be recuperated and/or restored. The report will be developed based on updated assessments of the status of threats to Mesoamerica’s Five Forests, with an emphasis on illegal cattle ranching.

Activity 2.2.4: A report will be developed outlining options to harmonize policies, and incentive programmes, and regional initiatives among Central American governments which promote deforestation-free livestock production systems in the region. This will be created following a review of the current regional climate policy framework, including all policies, programmes, and initiatives relevant to maintaining the 5 Forests; identification of gaps; and assessment of strategies and opportunities for harmonizing policies and incentive programmes and filling key gaps among Central American governments.

Activity 2.2.5: In order to ensure deforestation-free supply chains and inform the development of the 5 Forests regional programme concept (Activity 4.1.4), the livestock sector in key countries will be directly engaged and an assessment and analysis of current livestock supply chains will be conducted. The assessment will include analysis of existing monitoring, traceability, and enforcement in the 5 Forest countries and identification of capacity needs and key financial and operational risks.

Activity 2.2.6: A report will be produced following a study analyzing culturally appropriate, alternative economic livelihood opportunities that can substitute for or outcompete cattle production that promote equitable access to resources by women and other vulnerable populations.

Outcome 4.1:

An increase in the number of quality project concept notes developed and submitted

Currently, there are no regional concept notes for the 5 Forests to support the Mesoamerican Climate Action Plan. This project will address that gap by designing and submitting a Programme Concept Note for regional programme to support the Mesoamerican Climate Action Plan.

Output 4.1: Technically sound Programme Concept Note for regional programme to support the Mesoamerican Climate Action Plan, led by Costa Rica, is designed and submitted to GCF.

Activity 4.1.1: In order to ensure stakeholder buy-in, engagement, and collaboration, one workshop will be conducted in each of the five forests, with 30 key stakeholders across a variety of sectors, along with one regional concept validation workshop to provide input to design of the concept note with 40 participants with NDAs. At least half of the participants will be Indigenous Peoples and women.

Activity 4.1.2: An economic and financial model on the resilience of Mesoamerica’s 5 Great Forests and the Indigenous and local communities who depend on them will be developed that results in more forest-based livelihoods and a decreased expansion of cattle ranching. The model will assess and demonstrate the impact potential, paradigm shift potential, cost effectiveness, financial adequacy, and long-run economic and financial viability. This will include analysis of a viable investment pathway, engagement of local financial institutions, microfinance institutions, and financial policymakers, as well as quantifying the ecosystem services and non-monetary benefits of the programme. In order to identify

synergies with current initiatives in the context of the REDD+ Regional Programme, "Fondo de Desarrollo Verde" for SICA region, the suite of regional workshops for experiences exchange for the creation of a regional financial mechanism, and other related ongoing efforts, for the implementation of the CCAD-Climate Change Regional Strategy (ERCC), coordination meetings will be held with CCAD-GIZ.

Activity 4.1.3: An environmental and social risk screening will be conducted and a report will be produced.

Activity 4.1.4: A technically sound 5 Forests regional programme concept note that builds on the aforementioned assessments and pre-feasibility studies and is prioritized in country GCF pipelines will be designed and submitted to the GCF.

Outcome 5.1:

To slow deforestation and illustrate successful models for nature-based solutions to climate change, best practices will be developed and disseminated with respect to institutional capacity building and coordination, direct access, and pipeline development, to strengthen engagement by NDAs, DAEs, and delivery partners with the GCF.

A selection of best practices have been shared in the regional climate strategy 2018-2022, regional AFOLU plan, Nicaragua project for indigenous engagement, Mesoamerica's 5 forests CCAD dialogue, and 2017 Petén declaration. The COP25 event and engagement created agreement among countries on the Climate Action Plan, including 5 forests, and uncovered the need to identify and document more robust best practices in a technical report, and comprehensively disseminate throughout the region and globally.

Output 5.1: Co-create a comprehensive package of best practices accompanied by a communications workplan, style guide, and associated products to guide successful implementation and communications. In order to ensure ease of access and use, all of the products created will be freely available online, available in local languages, and widely disseminated on social media.

Activity 5.1.1: In order to demonstrate ways to slow the pace of deforestation and reverse forest degradation and promote equitable livelihoods and access to resources for IPs and women, best practices of technical options implemented across Mesoamerica will be co-created. To enhance participation and interest from communities and take into account the key role of Indigenous knowledge, case studies will be collaboratively developed in a way that allows Indigenous elders and knowledge holders to lead in the sharing of good practices.

Activity 5.1.2: A comprehensive communications package for the regional programme will be created that reflects Indigenous Peoples identities, the needs of women and other vulnerable communities, national priorities and climate change in the region that includes a regional communications workplan, website, graphic identity, and videos and related products.

Outcome 5.2:

Partnerships will be established to foster development and dissemination of methods, frameworks, and information systems to enhance climate finance programming at subnational, national, and regional levels. Costa Rica and Panama have participated in events, but climate financing through high forest, low deforestation developing countries (HFLD) mechanisms has still not come to fruition in Mesoamerica. In order to address this gap, this programme will increase the ability of Mesoamerican countries to participate in global HFLD initiatives and ensure governments and IPs have access to climate financing opportunities that complement GCF.

Output 5.2: An action plan for inclusion of Mesoamerican countries, including IPs in global HFLD initiatives, will be developed.

Activity 5.2.1: An analysis will be conducted and coordination and management plan created highlighted potential inclusion of Mesoamerican countries in HFLD financing mechanism. This will benefit all of the five forests and IPs, connecting Mesoamerica to the global HFLD platform to ensure access to financing opportunities that complement GCF.

5. IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

5.1 Budget plan

Please complete the Budget Plan in Excel using the template available in the [Library](#) page of the GCF website.

5.2 Procurement plan

Please complete the Procurement Plan in Excel using the template available in the [Library](#) page of the GCF website. For goods, services, and consultancies to be procured, please list the items, descriptions in relation to the activities in section 2, estimated cost, procurement method, relevant threshold, and the estimated dates. Please include the procurement plan for at least the first tranche of disbursement requested below and provide a full procurement plan for the entire duration of the implementation period if available at this stage.

5.3 Implementation Plan

Please complete the Implementation Plan in Excel using the template available in the [Library](#) page of the GCF website.

5.4 Disbursement schedule

Please specify the proposed schedule for requesting disbursements from the GCF. For periodicity, specify whether it's quarterly, bi-annually or annually only.

☒ **Readiness Proposal that requires a bilateral Grant Agreement**

- Disbursements from GCF should be made as follows:
- The first disbursement *amounting* USD 656,148 will be transferred upon execution of the bilateral agreement between GCF and WCS;
- The second disbursement *amounting* USD 524,918 will be transferred upon submission of an interim progress report, in form and substance acceptable to the Fund, [including an audited expenditure statement]; and
- The third disbursement *amounting* USD 131,230 will be made upon submission of a completion report and financial report, in form and substance acceptable to the Fund, including an audited expenditure statement.

6. IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

6.1 Implementation arrangements

Please describe how implementation arrangements will be made and how funds will be managed by the NDA and/or the Delivery Partner.

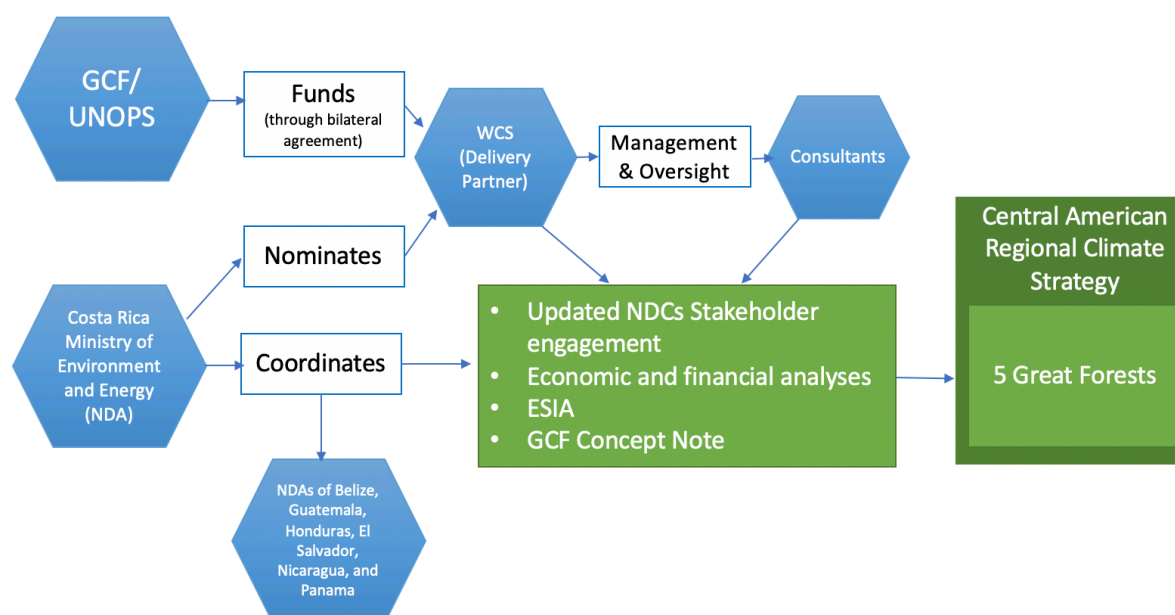
The Wildlife Conservation Society (WCS) will act as Delivery Partner (DP) of the GCF Readiness and Preparatory Support Project in support of the National Designated Authority (NDA) of Costa Rica, the Ministry of Environment and Energy (MINAE). The NDA will facilitate engagements with other government ministries and with other ongoing readiness activities.

WCS, as Delivery Partner, will enter into a grant agreement with the GCF or UNOPS. WCS will administer the readiness funds and be responsible for providing and contracting the services described in this proposal, as well as for reporting on the implementation progress in accordance with the bilateral Grant Agreement to be entered between WCS and the GCF. WCS has submitted a Financial Management and Capacity Assessment to the GCF. WCS will assume the administrative implementation of the project, in coordination with the designated focal point in MINAE. WCS will ensure the transparent execution of resources, assuring that it follows the budget presented to the GCF and that purchases and disbursements are carried out in accordance with GCF's procedures and regulatory guidelines. WCS will support the follow-up and monitoring of the technical products developed by consultants, guaranteeing that they comply with the clauses established in the contracts, ensuring quality control and providing technical inputs in the entire process of the Readiness and preparatory support implementation. The DP will share all outputs, including data collected and models, with the NDA.

In accordance with GCF policies, WCS, as the Delivery Partner, will open a separate account (ledger or account) to manage the readiness resources in order to avoid any commingling of funds with other donor support.

The start date for project implementation will be the date of the effectiveness of the relevant grant agreement with the GCF or an agent of the GCF such as UNOPS.

All activities will be conducted in close coordination with the Minister of Environment and Energy, and the NDA focal point of MINAE, as well as with other NDAs in the region. MINAE will be recognized as the primary protagonist and coordinator of all international events and external documents.



6.2 Implementation and execution roles and responsibilities

Please briefly describe how the activities will be implemented and outputs delivered by project staff and consultants.

The Readiness Project Team will include three international staff (part-time, with 1:1 cost sharing from WCS), four staff from the region (with 1:1 cost sharing from WCS, at rates lower than the market consultant rate) and 16 consultants (all from countries within the region).

Project Management Unit:

WCS will provide the Project Management Unit to provide overall project coordination and technical backstopping. To maximize efficiency, three existing WCS staff, based in WCS headquarters in NY will provide dedicated time to ensure the success of this project:

- **Project Manager** will manage all project activities, ensuring activities are initiated and completed on schedule and will ensure that all project reports and other products are submitted to the NDAs and to the GCF on schedule and are fully compliant with GCF, WCS and NDA policies and procedures.
- **Finance and Administrative lead** will administer the readiness funds, prepare financial reports, manage all procurement processes, and ensure recruitment, purchases and disbursements are carried out in accordance with GCF's and WCS's procedures and policies.
- **Project Assistant** will support the project manager, including reporting on the implementation progress, administrative implementation of the project, and follow-up and monitoring of the technical products.

WCS will contract 16 consultants for the following core responsibilities:

Lead Consultant: coordinate the work of other consultants and integrate and synthesize all of the studies, consultations, and assessments into one final regional programme concept note that is prioritized in country GCF pipelines; facilitate and develop a regional dialogue; coordinate stakeholder engagement and multisectoral consultation workshops, and document the resulting recommendations.

Climate Specialist: undertake quantitative and qualitative analysis to feed into the process of updating the countries' NDCs and incorporate commitments in the regional climate action plan AFOLU/ Mesoamerica's Five Forests. Research, data synthesis, data analysis and liaison with NDAs, FAO and UNEP to incorporate results of analysis into updated NDCs.

Indigenous engagement expert: Vulnerability assessment of Indigenous Peoples to climate risks, their capacity to engage in GCF activities, and actions needed to promote resilience. The assessment requires consultation with Indigenous Peoples using FPIC and appropriate approaches inclusive of women and other vulnerable groups. The results will be incorporated into a plan that mitigates social barriers to ensure mainstreaming of Indigenous Peoples' participation, including women and other vulnerable groups, in programme activities and decision-making processes.

Environmental and social risk specialist: Complete environmental and social risk screening in compliance with GCF standards and WCS policy.

Communications specialist: Writing, editing and production of the e-book, design of the social media campaign, earned media outreach, and development of other graphics and products, strategic guidance and content creation for a comprehensive project website, considering the needs of IPs, women and other vulnerable communities.

Stakeholder mapping analyst: conduct regional stakeholder mapping and capacity assessment of protected areas agencies, indigenous and community forest management organizations, civil society, and private sector actors within Mesoamerica's Five Great Forests

Protected areas specialist: assess law enforcement and forest management capacity of relevant government agencies and Indigenous organizations in Mesoamerica's five forests and develop capacity building plans for key agencies and organizations

Spatial analyst: mapping and analysis of indigenous areas throughout Mesoamerica, including development of an interactive, online map and training and support for users.

Livelihoods and economic alternatives expert: develop a study on economic alternatives to cattle production and document best practices/case studies of technical options implemented across Mesoamerica that demonstrate ways to slow the pace of deforestation and reverse forest degradation and promote equitable livelihoods and access to resources by IPs and women for activity 5.1.1.

Conservation finance specialist: to assess key financial and operational risks and develop economic and financial model for a regional 5 Forests programme.

Livestock/Conservation specialist: to update assessments of the status of threats to Mesoamerica's Five Forests (with an emphasis on illegal cattle ranching), to review the current regional climate policy framework, conduct a prefeasibility study of current livestock supply chains in the region and identify capacity needs to ensure deforestation-free supply chains.

Translator: to translate text for communications materials

Gender Specialist: to ensure that gender considerations are mainstreamed into all of the project activities.

Facilitator: to design/organize multi-stakeholder meetings, ensuring engagement of IPs and women

Event management consultant: to help manage and coordinate workshops and meetings in close collaboration with project team

GIS Spatial Analyst & Monitoring and Evaluation Expert: to develop protocols and evaluate capacity for the precise monitoring and enforcement in the 5 Forests, mapping and spatial analysis of threats in the five forests, and analysis of areas that can be recuperated and/or restored

Environmental Enforcement Expert: to test the feasibility of protocols for the precise monitoring and enforcement in the region

6.3 Risks and mitigation measures

Please include a set of identified risks and mitigation actions for each. Please utilize the risk table below that identifies the probability of a given risk occurring and the entity that will manage the risk. Please refer to Part III Section 6.3 of the Readiness Guidebook for further information on how to complete this section.

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence	Impact level	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
Non-financial	Lack of data or insufficient data quality to inform climate strategy	Low	Medium	Integration of local, regional and global data sources	WCS
Operational	COVID-19 impacts: Limitations on travel and in-person engagement,	High	Medium	Use of online engagement platforms, rapid COVID testing for all project members traveling to indigenous communities	WCS

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence	Impact level	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
	potential for viral spread				
Operational	Delays in procurement or of GCF reviews and approval result in project implementation delays.	Medium	High	Clear and frequent communication between delivery partner, lead NDA and GCF	MINAE, WCS
Operational	Lack of adequate participation and support from Indigenous Peoples and vulnerable communities, including women	Medium	High	Project will coordinate with FILAC and coordinate closely with WCS Social Safeguards Management Team to ensure adequate processes that meet the highest international human rights standards for engagement are in place and all project staff and partners abide by these processes.	WCS

6.4 Monitoring

WCS undertakes monthly and annual project reporting to provide a mechanism for regular collection of information to support oversight and adaptive management and external reporting to WCS donors and partners. These reports will be based upon project level data captured throughout the life of the project. This will include, but is not limited to, progress on grant outcomes, documented stakeholder engagement with particular emphasis on the participation of Indigenous Peoples and vulnerable groups, including women, documented FPIC processes, and reports on any grievances submitted to the organization. Each project has a performance monitoring and evaluation plan that serves as a means to assess progress towards achieving project objectives.

Project progress will be reported against the logframe and the budget. As needed, WCS will engage independent evaluators to ensure unbiased, credible project evaluation. Final project reports will be made available online.

Progress reports will be submitted for disbursement requests and project closing using the GCF template as well as audited financial statements. WCS will prepare periodic project expenditure reports and communicate and share with the NDA and GCF as required.

6.5 Other Relevant Information

WCS has written policies, standards and procedures regarding Anti-Money Laundering (AML), Combating Finance of Terrorism (CFT) and Customer Due Diligence (CDD) practices, including any integrity policies. Details are provided in the supporting documents for the organization's FMCA.

WCS has a strict anti-terrorism and sanctions compliance program. This includes requiring the names of each individual or entity that receives funding, is paid for goods or services, is retained as an employee or consultant, or is the beneficiary of other forms of WCS support must be checked against OFAC's Specially Designated Nationals and Blocked Persons lists and other sanctions lists using the Lexis/Nexis Bridger Insight online system. The Office of General Counsel oversees compliance with U.S. sanctions and trade restrictions, including sanction and trade regulations administered by the U.S. Office of Foreign Assets Control (OFAC). WCS also requires a detailed due diligence review of any new partners receiving grant funding that includes questions on their internal controls. Although WCS does not have one designated officer for AML/CFT

compliance, the application of WCS' policies and procedures are regularly monitored by WCS' Finance division and regulatory compliance is assured through the Office of General Counsel.

All reports, products, processes, documents and other materials generated during the implementation of this project using GCF resources shall be with the NDA to be freely shared for all stakeholders as well as the means to update and manage these intellectual assets beyond the project's life.

The NDA of Costa Rica has requested WCS support for the implementation of its Readiness and Preparatory Support, and specifically the preparation of a regional program Concept Note. Once the Concept Note is developed, the NDA and the other project proponents will assess in an open process which is the most suitable accredited entity to accompany the preparation of the Funding Proposal and the implementation of the project. WCS is not, and does not intend to become, an Accredited Entity. As such, no conflict of interest arises from this support.

WCS has been working in Mesoamerica and Costa Rica since the 1990s, and has been supporting Costa Rica and the other countries of Mesoamerica in developing the Mesoamerica Climate Action Plan for the past year.

Sustainability / Exit Plan

The goal of this regional readiness support is to create the enabling conditions for countries and Indigenous Peoples in Mesoamerica to collaboratively develop and engage in a regional GCF programme focused on the resilience of Mesoamerica's five great forests and the communities who depend on them.

As such, by the end of the readiness grant period, Costa Rica and regional partners will be fully prepared to propose and implement a multi-year regional GCF programme to ensure the resilience of Mesoamerica's five great forests and their inhabitants, with special emphasis on Indigenous peoples and local forest communities and vulnerable groups, including women.

The regional GCF programme will set the foundation for long-term sustainability. The project aims to develop analyses, tools and products that will both serve as a technical basis for decision making and create best practices to build the institutional capacity of Mesoamerica's NDA's, national protected areas agencies, Indigenous and community organizations, and partner organizations over the long-term. Products created under the project and lessons learned will be leveraged to garner funds and commitment for the protection of Mesoamerica's last wild places from government agencies and NGO partners. Collectively, the regional project will enable the creation of a replicable model whereby governments, civil society, and Indigenous Peoples work together to reduce regional vulnerability to climate impacts. The programme will invest in and scale up local and indigenous conservation solutions and forest-based income streams, such as cacao, ecotourism, and honey, while eliminating illegal cattle ranching. This will promote local economic stability, decreases human migration, and protect local and indigenous peoples' rights while conserving biodiversity and carbon-rich forests. This project will lay the foundation for a combination of local enterprise, payments for carbon and ecosystem services, foreign assistance, and philanthropy to provide the ongoing financial support necessary at multiple levels. The Alliance will ensure that funds raised are used within a collectively agreed upon and coherent plan, thereby harmonizing the efforts of indigenous peoples, civil society, and governments, and mobilizing resources to the most effective partners in each of the forests. This will result in increased conservation financing reaching the ground in Mesoamerica and supporting profitable forest-friendly local production system and the protection of the Five Great Forests in perpetuity.

In addition to the concept note development and GCF programme implementation, the following mechanisms will be used to transfer skills and knowledge to the NDAs of participating countries and other relevant national stakeholders during and after the readiness phase:

- Multiple levels of consultation and engagement with diverse stakeholders during the 2-year readiness project
- Regional communications workplan, graphic identity, website, and related products for the regional program that reflects Indigenous Peoples identities, the needs of women and other vulnerable communities, national priorities and climate change in the region.
- Multiple technical analyses and derivative products (e.g. maps, graphics, videos, website) describing: vulnerability of Indigenous Peoples and vulnerable groups to climate risks, and actions needed to promote resilience; Indigenous land tenure, titling and resource access database; law enforcement and forest management capacity including capacity building plans for key agencies; 5 Forests monitoring and enforcement protocols; updated NDC information to feed regional processes; status of threats to the 5 Forests; analysis of livestock supply chains and options to harmonize policies and incentive programmes among Central American governments which discourage livestock production; and livelihood alternatives to ranching in the 5 Forests.

- Book articulating best practices/case studies of technical options implemented across Mesoamerica that demonstrate ways to slow the pace of deforestation and reverse forest degradation and promote equitable livelihoods and access to resources for IPs and women.
- Regional dialogue event at COP 26 in Glasgow
- Inclusion of Mesoamerican countries in High Forest, Low Deforestation (HFLD) financing mechanisms, connecting Mesoamerica to the global HFLD platform to ensure access to financing opportunities that complement GCF.

Beyond the specific and tangible impacts of this initiative, this initiative represents a model for the rest of the world, demonstrating that governments, civil society, and Indigenous Peoples can all come together to mitigate the effects of climate change in a manner that is inclusive, equitable, and just. Timely and tangible regional initiatives focused on direct climate action, and with parallel focus on Indigenous rights and biodiversity conservation can set a replicable template for global climate action.