

**Oficio No. MAE-D-2010-0277**

Quito , 07 de Abril de 2010

Yemi Katerere  
**HEAD**  
**UN REDD PROGRAMME SECRETARIAT**  
Presente.

I am very pleased to learn that during the 4<sup>th</sup> Policy Board Meeting our delegate from Ecuador had a meeting with representatives from the UNREDD Secretariat. It is encouraging to hear that the UNREDD Programme is committed to move forward with the support to Ecuador's readiness phase. The aim of this letter is to inform to the UNREDD Programme about the achievements of the Ministry to date regarding the implementation of REDD activities, and the development of Ecuador's National REDD Strategy. I also wish to present our planned activities and identified needs were the UNREDD Programme could support us.

As you know, one of the main objectives of the Ecuadorian Government and the Ministry of Environment is to reduce deforestation. Therefore, Ecuador remains committed to demonstrate that, the implementation of the REDD+ mechanism is a good way to reach this goal.

This year, we continue the implementation of several initiatives that started in 2009, with the aim of preparing our country for the implementation of the REDD+ mechanism, and we are starting some others. I am pleased to share those initiatives with you as follows.

Regarding the Forest Information System, the two projects led by the Ministry (the "National Forest Inventory" and "Deforestation Baseline"), have already finished the development of the methodologies, with the technical support from FAO and other local and regional experts. A final validation of the methodologies with FAO will take place late April. After the validation process is completed, the field-data-collection phase will start. The expectation is to have the first results for the Amazon Region in August. As soon as we have the first results of the previous projects, we will start the development of the "Reference Level Scenario of Emissions from Deforestation".

Concerning the Socio Bosque Programme, until December 2009, we signed conservation agreements for 416.509 hectares, benefiting more than 40.000 people. The investment of the government for the provision of incentives was of USD 2.073.933 as of December 2009. The goal for 2010 is to signed conservation agreements for 250.000 additional hectares. This year, we have also planned to work on strengthening Socio Bosque, mainly through joint implementation and assessment of the beneficiaries' "social investment plans" and by performing Socio Bosque's Monitoring System.

For the Ministry, it is important to deliver social and environmental benefits from the implementation



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of REDD+ activities. Because of this, in 2009 we started a work plan with CCBA to develop the “REDD+ Social and Environmental Standard” that could be applied for REDD National Programmes on a voluntary basis. Last year, we worked to build up a set of principles, criteria, and indicators for the Standard. This year, we will begin the second phase of the work plan. The second phase is expected to be a two year process starting on July 2010. This phase aims at developing a national interpretation of the Standards, adapting to Ecuador’s national circumstances, and to test them in the context of Ecuador’s National REDD+ Strategy to demonstrate compliance with the principles, criteria, and indicators.

The Ministry has also started the definition of the legal and institutional framework for environmental services, including REDD+ activities. To accomplish this goal, we planned to develop three studies to understand how environmental services work. Those studies are expected to provide inputs to be considered as part of the legal framework. The expectation is to finish the studies during the first semester of 2010. The first study intends to analyze the legal, financial and institutional framework already developed or being developed at an international level; the second one analyzes Ecuador’s legal framework and future norms that might influence environmental services legislation; and the third one, seeks to understand how environmental services work and study other schemes of Payment of Environmental Services already being implemented in Ecuador. So far, we have started the development of first and third of those studies; the second study will begin this month. During the second semester of the year, we will develop the proposal for the legal and institutional framework; after that we will validate it within the Ministry of Environment and possibly other Stakeholders from the Government.

Last year, we also started a participatory process to build the National REDD+ Strategy with a number of workshops held with representatives from civil society. This year, we intend to expand this process by having thematic workshops according to the elements of the Strategy. In addition, we are going to create a preliminary capacity building programme of REDD+ for indigenous people. We are also mapping stakeholders, in order to identify those who are relevant at this stage and define the best way to approach them.

In reference to the other elements identified in our National REDD+ Strategy, we have defined some specific activities. The expectation is to start implementing some of those activities this year. Some of them are: creating an incentive-based programme for Sustainable Management of Forests; cross-sectoral planning with other institutions such as the Ministry of Agriculture; which leads to the implementation of reforestation and land-tenure regularization programmes; strengthening of the forestry control system, among others.

The Ministry is also willing to create a REDD+ pilot projects portfolio. We have identified three different ways to develop REDD projects in Ecuador: one through the Socio Bosque scheme, the second in areas that are not part of the Socio Bosque Program, and the third one in areas of jurisdiction of the Ministry of Environment (such as the National Forest Patrimony). Therefore, we are supporting the development of REDD demonstration activities as a way to complement our REDD+ Strategy in a learning by doing process.





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This year we have also started a technical cooperation agreement with GTZ. They are supporting us in the development of several studies such as: defining a methodology to identify drivers of deforestation, determining opportunity-costs, and suggesting possible incentives to reduce deforestation (in addition to Socio Bosque); developing two REDD+ demonstration activities; capacity building workshops on climate change and REDD+; strengthening of the Socio Bosque Program; among others.

Also with the German cooperation, we will develop during 2010 other complimentary activities such as: the financial architecture that determines how REDD+ will support the Socio Bosque incentive scheme; the definition of the methodology for the "Reference Level Scenario for Emissions from Deforestation"; and financial support for the field-data-collection phase of our two projects (Deforestation Baseline and National Forests Inventory). The previous activities constitute part of the preparation for the implementation of a program named "Forests and REDD" to be supported by the German Financial Cooperation, KfW.

The projects that started last year and that continue under implementation this year are still financed by the Ecuadorian Government budget. Nevertheless, we anticipate that in order to continue the implementation of those initiatives, additional resources are needed.

Needs identified by the Ministry, which could be channelled down by the UN REDD Program are:

- Technical and additional financial support to continue the field-data-collection phase of the National Forests Inventory.
- Technical and additional financial support for the full development and definition of the Reference Level Scenario of Emissions from Deforestation.
- Technical and financial support to develop the MRV GHG Monitoring system.
- An economic analysis to understand the costs of implementing a REDD+ mechanism in Ecuador;
- Support for the consultation process, especially with indigenous communities and forest dwellers.
- Management of timber demand.
- Technical and financial support to strengthen the current forestry control system.
- Development of an operational framework for the implementation of a REDD+ mechanism.

Additionally, we think it is important to start developing a Low Carbon-Emissions Growth Strategy. This could become a contribution for the development of a National Climate Change Strategy, which is currently under development. The strategy will include mitigation and adaptation actions. We take the National REDD+ Strategy as part of the Mitigation section of such strategy.

Having presented Ecuador's current progresses on implementing REDD+ activities, and others planned for this year and forward, I formally express you my motivation to establish a collaboration framework with the UNREDD Programme. As said earlier, in order to accomplish our ambitious goals this year, additional support is needed.

As agreed in Denmark last December and ratified at the 4<sup>th</sup> Policy Board in Nairobi, we look forward



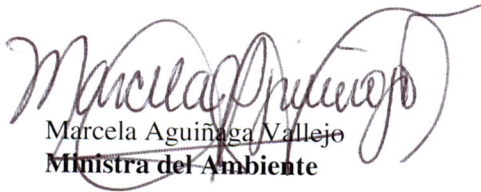


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to work in the ToRs of the mission of the UNREDD Programme that will visit Ecuador to jointly agree the next steps and the support the Programme will provide.

Atentamente,



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MA/mc

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