

## PARAGUAY

(Full NPD dated October 2010)

## GOVERNANCE OF REDD+

*To what extent does the R-PP promote good governance within REDD+ systems and processes?***Stakeholder participation in REDD+ planning and implementation**

- + *Identifies relevant stakeholders for REDD+*
- + *Specifically considers how to engage vulnerable groups*
- + *Establishes procedures to ensure a transparent process and accountability for stakeholder input*
- *Establishes a grievance/ dispute resolution mechanism*
- + *Considers how to learn and build from other relevant participatory processes*

The NPD provides a detailed stakeholder list of government institutions, civil society organizations, the private sector and indigenous peoples' organizations (p13-14), together with a stakeholder matrix setting out each stakeholder's interests and potential role (p50-55). A detailed set of guidelines is provided in the NPD for engaging with indigenous peoples that complies with United Nations Declaration on the Rights of Indigenous Peoples, as well as other international guidelines such as those from the United Nations Development Group (p14-16,18). The NPD states that the principle of Free and Prior Informed Consent will underpin engagement with indigenous peoples (p23). The NPD also identifies the need for a national awareness-raising campaign for the country as a whole (p7,23,33). A consultation and training process for all stakeholders including rural communities will be undertaken to increase their knowledge of REDD+ while providing the opportunity for them to engage on issues of concern to them in the development of REDD+ policies and regulations (p17,18,33). The NPD also discusses some lessons learned for strengthening participatory processes, particularly the need to mainstream gender and human rights issues (p17) and to enhance participation of rural communities and indigenous peoples in a way that considers their organization and knowledge (p17). In this regard, consultation and participation protocols for REDD+ will be developed for indigenous and other rural communities, as well as for small, medium and large scale producers (p24). There is no discussion of a grievance or dispute resolution mechanism in the NPD.

**Recommendations:**

- Clarify whether a grievance mechanism exists and how conflicts relating to REDD+ will be handled
- Elaborate on how the stakeholder representation in the National REDD+ Committee will be decided when it is established and provide information on the likely composition of the Committee

**Government coordination in REDD+ planning and implementation**

- + *Considers REDD+ in the context of other sector policies, land use plans, and national development plans*
- + *Proposes a process to reconcile potential conflicts between REDD+ strategies and other policies/plans*
- + *Proposes effective mechanisms to coordinate REDD+ across sectors*
- + *Proposes effective mechanisms to coordinate REDD+ across levels of government*

In providing a detailed overview of the policies and laws for the forestry and environment sectors, the NPD acknowledges that these instruments, particularly in regard to forests, biodiversity and climate change, are not mainstreamed into the public policies of other sectors, such as agriculture, livestock, mining and rural development programs (p12,16,17). The NPD states that in addressing these barriers (p17) a primary outcome will be improved cross-sectoral coordination and mainstreaming of REDD+ issues in the social and rural development sectors, enhancing pro-poor and human rights policies (p18,19). A National Action Plan for REDD+ (REDD-Plan) is a key output of the NJP that will address the mainstreaming of REDD into other sector policies, as well as requisite decentralization strategies (p19). The NPD indicates a strong commitment to supporting the improvement of coordination and harmonization, and is creating its own mechanisms for achieving this (p35-36), with the aim of mainstreaming progress in REDD+ readiness into government institutions and processes for sustained outcomes (p18). However at this time there are few details for how this will be done, and there is no discussion in the NPD for when such issues will be considered.

**Recommendations:**

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- Clarify the mechanism(s) for resolving conflicts between REDD+ strategies and other policies and initiatives and the level of high-level political support required
- Elaborate the institutional arrangements under development and necessary for coordinating REDD+ development across sectors and different levels of government

**Transparent and accountable REDD+ revenue management & benefit sharing**

*Proposes a transparent system to track and coordinate international financing of activities related to REDD+*

+ *Considers measures to promote fiscal transparency and accountability for REDD+ revenue management*

*Proposes a transparent process for deciding who should benefit from REDD+ and how benefits will be targeted*

+ *Reviews lessons from past and/or existing systems for managing and distributing forest revenues*

The NPD describes several established forest and environmental funds that are designed to create payment and benefit sharing mechanisms, but states that the majority of these funds have not yet been designed and made operational (p20). A few functioning payment systems exist for afforestation/reforestation, social welfare and agriculture schemes, and lessons for REDD+ can be drawn from these mechanisms (p21). The NPD proposes a payment system to be developed with the participation of forest dependent populations that will include a registry of areas, including carbon stocks and ownership. This will provide a mechanism for receiving international REDD+ funds and transferring payments. The NPD further states that the legal, political and institutional issues relating to the ownership of forest resources and carbon will be assessed as part of developing an equitable and transparent system of REDD+ payments and benefit sharing (p31).

**Recommendations:**

- Elaborate on the likely institutional framework for managing, distributing and tracking international REDD+ funds
- Provide a more explicit mechanisms for developing and managing transparent and accountable REDD+ funds through a participatory process

**Transparent monitoring and oversight of REDD+**

*Proposes to establish information management systems for REDD+ that guarantee public access to information*

*Proposes mechanisms for independent oversight of the implementation of REDD+ activities*

*Proposes mechanisms to monitor efforts to address governance challenges*

The NPD states that a National Forest Information System (SNIF) will be implemented which will support REDD+ (p20). The SNIF will be linked to the National Environmental Information System in order to monitor forest and land-use changes. SNIF will also be linked to information systems in the agriculture and social development sectors as part of promoting cross-sectoral coordination (p20). Although the NPD states that information sharing activities will be carried out with all stakeholders, it does not specifically consider the issue of public access to information.

The NPD proposes a high level political committee within the NJP to provide oversight as well as a multi-stakeholder National REDD Committee (p35-36) and includes a monitoring and evaluation plan for the NJP (p25-27) that includes the implementation of governance activities. The NPD acknowledges that currently there is a lack of monitoring of initiatives to promote sustainable forest management as well as a lack of information on ecosystem services and forests (p17).

**Recommendations:**

- Clarify how information generated for REDD+ will be made publically accessible
- Clarify the degree to which independent monitoring and evaluation will be carried out and the results made publically available
- Elaborate on the types of information that need to be collected by the forest and environment information management systems as part of tracking the effectiveness of efforts to address key drivers of deforestation
- Elaborate arrangements in the MRV system that can be developed to track governance challenges related to addressing drivers of deforestation and degradation

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(Full NPD dated October 2010)

**GOVERNANCE CHALLENGES FOR ADDRESSING DEFORESTATION DRIVERS***To what extent does the R-PP consider key forest governance challenges for achieving REDD+?***Land and forest tenure**+ *Discusses the situation regarding land and forest tenure, including for indigenous peoples*- *Considers the capacity of judicial and non-judicial systems to resolve conflicts and uphold the rights of citizens*+ *Links identified governance challenges to proposed REDD+ strategy options and implementation framework*

The NPD provides an analysis of the historical and current land tenure situation including a snapshot of the underlying political and social processes that have driven forest loss, tenure insecurity and the concentration of land among a relatively wealthy minority (p9-10). The unequal agrarian reform process, coupled with inadequate zoning, has facilitated loss of lands by poor rural and indigenous communities and incentivized large land owners to deforest in order to assert their property rights (p10). In addressing these issues, the NPD suggests that REDD+ could facilitate the application of hitherto unimplemented laws that provide the regulatory and policy incentives to enable indigenous peoples and peasants to conserve and restore their forests (p10). The NPD also identifies an opportunity for the participatory design of a mechanism for formalizing land tenure at local level with rural communities and indigenous peoples (p20), although there is lack of capacity at the Directorate of Cadastres and the National Institute of Rural Development and Lands for effectively supporting the resolution of land tenure problems (p13).

**Recommendations:**

- Review the capacity and awareness of the judiciary in up-holding forestry-related laws and the related rights of citizens
- Assess the effectiveness and need for improving formal and informal dispute resolution mechanisms

**Forest Management**+ *Discusses the ability of forest agencies to plan and implement forest management activities*+ *Considers the role of non-government stakeholders, including communities, in forest management*+ *Links identified governance challenges to proposed REDD+ strategy options and implementation framework*

The forests of Paraguay have undergone a steep decline over the last 20 years, which has been partially arrested by new 'zero deforestation' legislation (p8). The NPD recognizes that there is insufficient capacity for socio-environmental zoning and planning at the national, departmental and municipal levels, compounded by centralized and complex bureaucratic procedures as well as insufficient resources for sustainable forest, land and protected areas management (p13). In addition, the NPD acknowledges a lack of coordination between the agencies charged with implementation of the forest policy and legal framework, a weakness that is repeated at departmental and municipal levels and which is also experienced by grassroots organizations (p12). A further elaboration of these constraints is not provided. The legal framework also has deficiencies in terms of a lack of subsidiary instruments necessary for implementing the corresponding laws (p12). The NPD states that the National Environment Secretariat has pioneered cooperative natural resource agreements with communities (p12), but notes a general lack of overall participation by communities, particularly indigenous peoples, in sustainable development processes (p13). The reasons for this lack of participation are not elaborated.

**Recommendations:**

- Clarify the resource and capacity constraints faced by the agencies charged with forest management and how these need to be addressed in relation to ensuring REDD+ readiness
- Elaborate on the types of collaborative arrangements available for improving forest management with different stakeholders, and how these can be best developed to improve participation in forestry and REDD+ development.

**Forest Law Enforcement**+ *Discusses the ability of law enforcement bodies to effectively enforce forest laws*- *Discusses efforts to combat corruption*+ *Links identified governance challenges to proposed REDD+ strategy options and implementation framework*

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The NPD acknowledges that law enforcement authorities are unable to monitor and enforce compliance with forest and environmental laws, leading to deforestation and forest degradation (p10). In addition to conversion to agriculture, the high deforestation rate has been brought about by the ‘mining’ of forests for timber, fuel wood and charcoal, much of which is exported illegally to Brazil (p9,10). The NPD states that enforcement challenges will be addressed through updating, harmonizing and identifying gaps in the existing legal framework (p10); however, there is little discussion on the capacity needs for implementing existing or new laws that may be developed.

### **Recommendations:**

- Provide further detail on law enforcement challenges and potential strategies to address these weaknesses as part of the REDD+ strategy
- Provide information on the significance for the forestry sector of any efforts to combat corruption and how they might need to be improved as part of wider forest law enforcement and governance development

### **Other Forest Governance Issues Relevant for REDD+**

- + *Discusses other forest governance issues that are relevant for REDD+*
- + *Links identified governance challenges to proposed REDD+ strategy and implementation framework*

The NPD is particularly strong in its approach to including indigenous people and rural communities in REDD+ Readiness activities, and in achieving wider stakeholder buy in and ownership of the REDD+ process. It is clear from the NPD that the government’s aim is to ensure that the national legal framework and administrative actions regarding the rights of indigenous peoples, communities and the environment, which is consistent and harmonized with international law (p16). In this regard the government has committed to implementing legal and administrative reforms to comply with international standards before implementing or approving REDD activities that may affect the lands and resources of indigenous peoples and forest-dependent communities (p16).