

ANNEX A**Terms of Reference/
Proposal approved by the Green Climate Fund**

Proposal title:	Enhancing Paraguay's capacity to promote the provision of ecosystem services and conservation of biodiversity in protected areas to improve climate change mitigation and adaptation interventions
Country:	Paraguay
National designated authority:	Ministry of the Environment and Sustainable Development (MADES)
Implementing Institution:	Inter-American Institute for Cooperation on Agriculture (IICA)
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2. SITUATION ANALYSIS

2.1. Climate Change and Biodiversity

Paraguayan biodiversity is very diverse and abundant. The country has thousands of species of plants and animals that are protected under legal regulations and by international conventions. The different ecological zones of the country are classified in eleven ecoregions.³ In the eastern region there are six ecoregions: Aquidaban, Amambay, Alto Paraná, Selva Central, Litoral Central, and Ñeembucú. In the western region there are five ecoregions: Medanos, Cerrado, Pantanal, Humid Chaco, and Dry Chaco. The Paraguayan Chaco is part of the South American Gran Chaco, with 25% of its more than one million km². The Gran Chaco is one of the largest remnants of dry forest in the world and the second largest forestry ecosystem in South America (after the Amazon), and provides habitat to some 3,400 species of plants, 500 of birds and 150 of mammals. The Eastern region hosts the Alto Paraná Atlantic Forest, a humid subtropical forest and an important biodiversity habitat, with about 400 species of birds and an estimated 7,851 species of flora, many of them endemic and threatened.

The National Plan for Adaptation to Climate Change (PNACC) highlights that climate change can affect the growth of trees, increase the frequency and intensity of fires, increase the incidence of forest pests, and increase the damage from extreme weather events such as droughts, floods, and storms; thus, climate change can lead to the alteration of habitats, the change of flora and fauna, the introduction or expansion of exotic/invasive species, the variation of species reproductive systems, and impact the source of food of some species. PNACC also points out that biodiversity is a key to forest ecosystem resilience and to the adaptation of forest species. Biodiversity can also contribute to climate change mitigation.⁴

The Sixth Report to the Convention on Biological Diversity identified native species at risk of extinction including 81 species of plants, 17 invertebrates, 4 fish, 9 amphibians, 12 reptiles, 56 birds, and 9 mammals.⁵ The report also discusses the occurrence of 24 species of exotic invasive plants, 9 invasive invertebrates, and 7 invasive vertebrates.⁶

2.2. Protected Areas

The Third National Communication to the UNFCCC reported that PAs cover a total area of approximately 6.2 million hectares, that represent 15% of the total area of the country.⁷ It should be noted that the SINASIP calculations do not consider an (extended) area of 2.5 million hectares declared by UNESCO in the Chaco Biosphere Reserve, in which case the national coverage of protected areas increases to 21% of the national territory.

The main regulatory framework for PAs is given by Law 352/94. Article No.4 of this law establishes that "PAs may be under national, departmental, municipal, or private management, and the uses and activities allowed in those areas must be in accordance with the provisions of the law and its regulations, regardless of the right to property over them." Article No.11 stipulates that the departments and municipalities whose limits are located within a PA under public or private domain, or their buffer zones, must adapt their ordinances and other provisions to this law and its regulations. The Law creates the SINASIP, defined as a set of PAs of international, national, and local ecological and social relevance that are subject to management in compliance with the conservation objectives and policies of the Law. The main objective of SINASIP is the conservation of territories that contain representative samples of the biogeographical and ecological regions of the country to conserve biodiversity, maintain the balance and continuity of evolutionary and ecological processes, conserve genetic pools, and restore degraded ecosystems. Additional objectives of SINASIP are to: (i) manage PAs and buffer zones, (ii) conserve and manage watersheds and wetlands, (iii) control erosion and sedimentation, (iii) conserve and manage forest resources, (iv) protect cultural heritage; and (v) promote environmental research and education.

The most recent SINASIP strategic plan was published in December 2020. This proposal will contribute to the following actions defined in such plan: to develop management comprehensive models for the PAs and their buffer zones; to identify mechanisms of social participation for the management of PAs; to develop citizen awareness regarding the benefits of PAs; to establish priorities for research on biodiversity; to design, arrange

³ SEAM/PNUD/FMAM. (2017). Plan Nacional de Adaptación al Cambio Climático. Asunción, Paraguay. p.21

⁴ Ibid. p.79-80

⁵ MADES. (2019). Sexto Informe al Convenio de Diversidad Biológica. Asunción. Paraguay. p.221.

⁶ Ibid. p.243

⁷ SEAM/PNUD/FMAM. (2017). Tercera Comunicación Nacional de Paraguay a la Convención Marco de las Naciones Unidas sobre el Cambio Climático. Asunción, Paraguay. p.335

and update a database regarding information of the SINASIP; to establish public-private partnerships to revitalize the scientific contribution of PAs; and to provide permanent training to stakeholders.

The plan lists 88 PAs in Paraguay: 15 national parks⁸, 21 natural monuments⁹, 31 nature reserves¹⁰, 14 protected landscapes, seascapes, waterscapes¹¹ and 7 managed resource protected areas¹². These areas are further classified as public (44), private (31), and autarchic (13). See Figure 1, below.

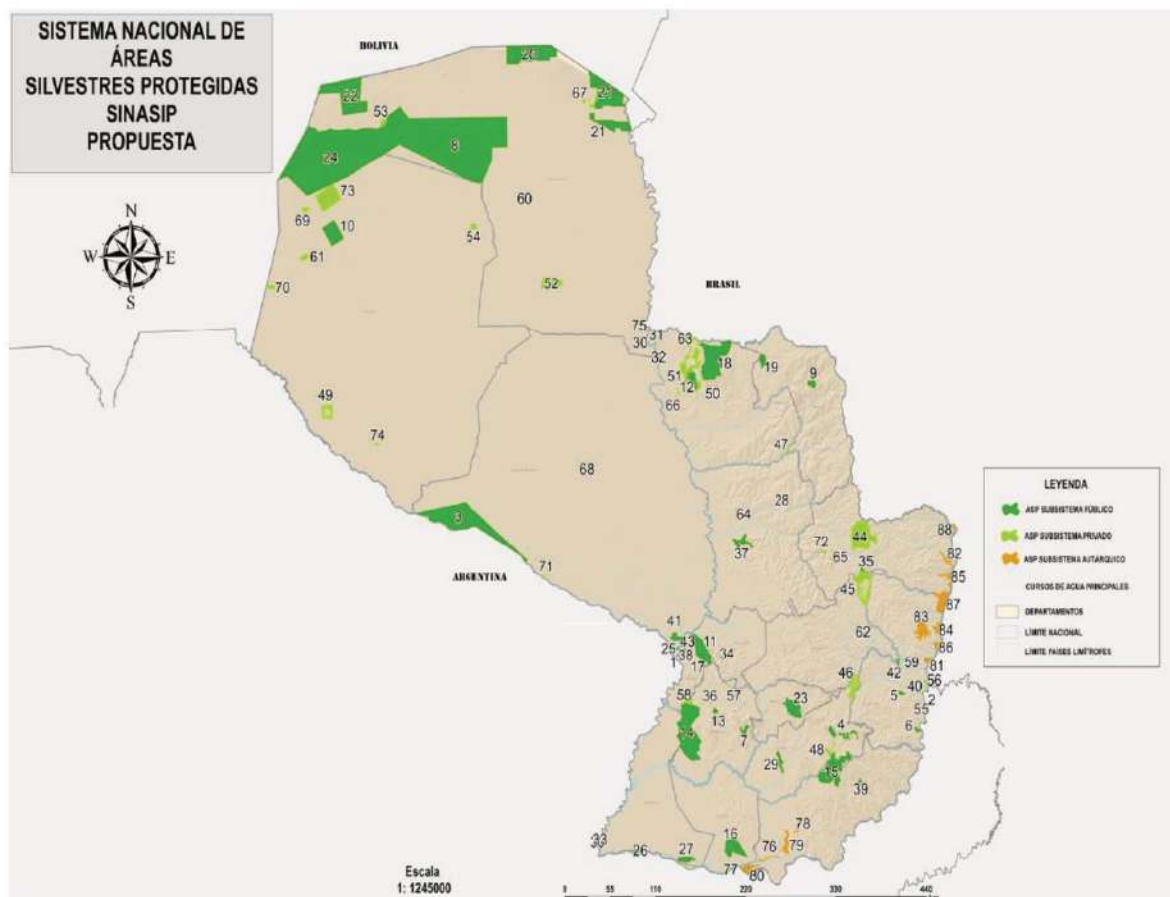


Figure 1. Map of protected areas in Paraguay

The General Directorate for the Protection and Conservation of Biodiversity of MADES is the entity in charge of creating, administering, managing, and supervising public PAs. This General Directorate is composed of four Directorates: a) Directorate for Wildlife, b) Directorate of Fisheries and Aquaculture, c) Directorate of Protected Areas, and d) Directorate of Biological Research-National Museum of Natural History of Paraguay (MNHNP). This General Directorate also establishes strategies for the use and conservation of biodiversity, including hunting, breeding, trafficking and commercialization of wild fauna and flora and it is responsible to oversee the SINASIP.

⁸ National parks are areas with ecosystems that contain outstanding geomorphological features, as well as species that are representative of a region. National parks are equivalent to Category II of the International Union for the Conservation of Nature (IUCN) PAs' management categories.

⁹ Natural monuments are areas that contain unique natural or cultural features with outstanding value that are protected for scientific research and/or recreational uses. Natural monuments are equivalent to Category III of IUCN management categories.

¹⁰ Natural reserves are natural areas on private property that contain samples of ecosystems that are important for the conservation of biodiversity, but also host productive activities in a sustainable manner. Natural reserves are equivalent to Category IV of IUCN's management categories.

¹¹ Protected landscapes, seascapes, waterscapes are natural areas that are designated for the protection of terrestrial and/or aquatic areas and for recreational uses. These areas are equivalent to Category V of IUCN's management categories.

¹² Managed resource protected areas are areas that combine the conservation of biological diversity with the sustainable use of ecosystems. Managed resource protected areas are equivalent to Category VI of IUCN's management categories.

In 2018, SINASIP estimated a climate change mitigation potential of approximately 680 MtCO₂eq linked to activities on forest restoration and the reduction of forest degradation in PAs. It also estimated that more than 1,400,000 inhabitants of buffer areas benefited from the ecosystem services provided by PAs.¹³

SINASIP and National and International Policies

Paraguay has policies, plans, and programs related to the protection, conservation, and management of PAs, including the following:

- The National Development Plan of Paraguay 2030 coordinates action by various levels of government, civil society, and private sector related to environmental sustainability and the implementation of instruments for payment for environmental services.
- Convention on Biological Diversity (CBD): Paraguay ratified CBD in 1992 by means of Law 253/92 and submitted an updated National Biodiversity Strategy and Action Plan (NBSAP) in 2016. This proposal is linked with the NBSAP's 2015-2020 objective on adopting measures aimed at the recovery and rehabilitation of native species of importance for conservation and sustainable use.
- In 1994, Paraguay ratified RAMSAR through Law No. 350/94. Paraguay has six designated wetlands of international importance: Lago Ypoá (100,000 ha), Río Negro (370,000 ha), Estero Milagro (25,000 ha), Laguna Teniente Rojas Silva (8,470 ha), Laguna Chaco Lodge (2,500 ha) and Tinfunqué (280,000 ha). The Ypoá Lake managed resource protected area, and the Tinfunqué and the Río Negro national parks are also PAs under SINASIP.
- Paraguay ratified the World Heritage Convention in 1986 through Law No. 1231/86. Under this convention, Paraguay has three biosphere reserves that have been declared as cultural heritage (not as natural heritage), namely: Bosque Mbaracayú, El Chaco, and Itaipu.¹⁴

Environmental Information System (SIAM)

The Environmental Information System (SIAM) of the Ministry of Environment and Sustainable Development (MADES) is a National Environmental Management tool. It is a set of computer applications and various modules that aim to provide instruments for data collection, processing, analysis, and management of environmental information, as elements to support the generation of knowledge, decision making, and management aimed at sustainable development.

In addition, SIAM is a mechanism to guarantee transparency and efficiency in institutional management and will contribute to compliance with the commitments assumed by the country in the International Conventions.

SIAM is managed by both the Environmental Information Directorate and the IT Directorate of MADES, and it allows everyone to access to information that it's being generated inside the MADES. Currently, the SIAM allocates different statistic information about climate change, water resources, environmental licenses, certificates, registers and permissions emitted by the Ministry, as the inspection processes on national level.

2.3. NDC and Protected Areas

The updated Nationally Determined Contribution (NDC) of Paraguay identifies three adaptation objectives linked to PAs: objective 5 on strengthening the resilience of the tourism sector, including the promotion of sustainable tourism programs in PAs; objective 10 on increasing the resilience of ecosystems using NbS; and objective 11 on strengthening the capacities of the SINASIP to address the impacts from climate change. The Readiness grant will support activities under objective 11, including: i) to strengthen the national regulatory framework on PAs, ii) to develop and implement PAs management plans, and iii) to implement actions on conservation and restoration of PAs. The updated NDC also sets a goal to increase the fraction of the national territory designated as PA from 15% to 18% by including private conservation areas in SINASIP.¹⁵

Additionally, the proposal supports UN Sustainable Development Goals (SDGs) 13 on climate action, and 15 life on land.

¹³ PNUD/MADES. (2018). Diagnóstico estratégico del Sistema Nacional de Áreas Protegidas del Paraguay. p.15

¹⁴ PNUD/MADES. (2020). Plan Estratégico Nacional de Áreas Silvestres Protegidas de Paraguay (SINASIP) 2020-2030. Asunción, Paraguay. pp.41-43

¹⁵ DNCC/MADES. (2021). Actualización de la NDC de la Republica del Paraguay. p.50

2.4. Problem statement

National and subnational authorities, and the organizations responsible for PA management in Paraguay have limited technical and financial capacities to identify and implement climate change adaptation and mitigation measures in PA that are in line with the biodiversity conservation objectives of these areas. These gaps have been identified and reported in Paraguay's third Biennial Update Report (2021).¹⁶

This readiness grant will mainstream climate change in Paraguay's PA regulatory framework and management, building the capacities of SINASIP stakeholders, and disseminating knowledge to promote climate change mitigation and adaptation in PAs and their buffer zones.

2.5. Barriers

The following barriers are preventing Paraguay from mainstreaming climate change into the management of PAs:

Barrier 1. Limited availability and dissemination of technical knowledge regarding the role of climate change on PAs.

There is a gap of (updated) studies that can support PAs management considering a climate change approach, among them: vulnerability of PAs, threats related to invasive alien species, vulnerability of native species, drivers of deforestation and ecosystem degradation in PAs, and mitigation potential in PAs.

Barrier 2. Limited monitoring and enforcement practices in PAs.

Protected areas are subject to a weak national or subnational supervision system that allows the competent authorities to identify and monitor the socioeconomic activities that take place in these territories and their buffer zones, and that also allows them to establish preventive or corrective measures (and fines) for the actions detected in PAs that generate negative impacts.

Barrier 3. Low financial sustainability of PAs.

Protected areas have as their main financing source the state resources that the Government allocates to MADES for these purposes, funds that are not sufficient to meet all the needs of the PAs. Therefore, it is needed the identification of alternative sources of income for PAs, such as: entrance fees for visitors, recognition of payments for ecosystem services, payment for service concessions (ecotourism), charges for filming and photography, souvenir shop sales, etc.

Barrier 4. Limited regulatory framework for PAs, including a lack of a gender gap analysis.

The country lacks a climate change strategy for PAs and their buffer zones, a gender gap analysis for the sector, and an assessment of the regulatory framework to improve private sector engagement in PAs.

Barrier 5. Low representation of PAs in concept notes submitted by Paraguay.

To date, Paraguay has submitted three concept notes (CN) to GCF:

1. Promoting private sector investments in energy efficiency in the industrial sector and in Paraguay.
2. REDD+ Results-based payments in Paraguay for the period 2015-2017.
3. Promoting sustainable practices in the soy and cattle ranching sectors to mitigate climate change.

According to Paraguay's Country Programme, it is expected that a CN for Project Gaia by MULFBank will be presented in 2023. The following CNs are pending the selection of an Accredited Entity and will be presented in later years:

1. Forest Guarantee Fund;
2. Sustainable Livestock;
3. Water and Food Security in Estigarribia Municipal District from the Paraguayan Chaco; and
4. Development Finance Agency capacity building.

Although PAs are a strategic sector within the country's NDCs, there is currently no projected CN for this sector.

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MADES-DNCC/PNUD-FMAM. (2021). Tercer Informe Bienal de Actualización sobre Cambio Climático ante la CMNUCC. Asunción, Paraguay. p.241.

2.6. Proposed Intervention

This readiness grant will overcome the aforementioned barriers by strengthening SINASIP stakeholders' technical capacities and generating and disseminating knowledge to facilitate the adoption of climate change mitigation and adaptation initiatives in PAs and their buffer zones.

The readiness grant will focus on outcome 2.2, with two outputs:

- Output 2.2.1. Knowledge of the role of climate change on the technical, environmental, and social aspects of PA management has improved to support decision-making by SINASIP stakeholders.
- Output 2.2.2. SINASIP capacities to plan for climate change action are supported by a climate change strategy for PAs and buffer zone.

The proposal includes the following activities to address the limited availability and dissemination of technical knowledge regarding the role of climate change on PAs:

- Activity 2.2.1.1. Conduct an assessment of PAs, including vulnerability of such areas to climate change, threats related to invasive alien species under climate change scenarios, their drivers of deforestation and ecosystem degradation, and their mitigation potential.
- Activity 2.2.1.2. Conduct an assessment on the vulnerability of the population of (native) species to climate change. The studies a) plants; b) invertebrates; and c) vertebrates will include, among other elements, a discussion of climate change impact on habitats, food chain, and/or reproduction, and a description of initiatives or sound practices to face climate change through ecosystem services and biodiversity protection.
- Activity 2.2.1.3. Deliver eleven training and workshops (one at each ecoregion) to disseminate results from activities 2.2.1.1. to 2.2.1.2.

The proposal includes the following activities to address the limited monitoring and enforcement practices in PAs:

- Activity 2.2.1.4a. Formulate an evaluation of existing monitoring and enforcement practices in PAs.
- Activity 2.2.1.4b. Based on the findings from activity 2.2.1.4a elaborate recommendations for improvements to the regulation and practices on monitoring and enforcement in PAs.
- Activity 2.2.1.4c. Deliver one workshop to communicate results from activities 2.2.1.4a and 2.2.1.4b.

The proposal includes the following activities to address the low financial sustainability of PAs:

- Activity 2.2.1.5a. Formulate an evaluation of financial sustainability of PAs.
- Activity 2.2.1.5b. Deliver two consultation workshops to propose recommendations for improvements of the financial sustainability of PAs.
- Activity 2.2.1.5c. Based on the findings from activity 2.2.1.5a and 2.2.1.5b elaborate recommendations for improvements of the financial sustainability of PAs.

The proposal includes the following activities to address the regulatory framework for PAs:

- Activity 2.2.1.6a. Conduct an assessment of the regulatory framework for private sector engagement in PAs, including its potential participation in the identification of Natural-based Solutions.
- Activity 2.2.1.6b. Based on the findings from activity 2.2.1.6a elaborate recommendations for improvements to the regulation of private sector engagement in PAs and its participation in NbS.
- Activity 2.2.1.6c. Deliver one workshop to communicate results from activities 2.2.1.6a and 2.2.1.6b.
- Activity 2.2.2.1: Deliver six consultation workshops for consultations (three at the eastern region and three at the western region) to inform the elaboration of the climate change strategy for PAs and their buffer zones.
- Activity 2.2.2.2: Based on the findings from output 2.2.1 and activity 2.2.2.1, formulate a climate change strategy for PAs and their buffer zones. The strategy will include theoretical foundations on climate change and conservation; objectives and actions to address climate change in PAs; and goals or impact indicators, aligned with the adaptation objectives and mitigation measures established in the NDC updated. The strategy must

include the identification of an investment plan through innovative approaches (e.g., results-based payments, payment for ecosystem services, private and public partnerships) to support long-term finance and investment for PAs. The strategy must incorporate a gender gap analysis (including indigenous women) and propose recommendations to address gender issues in relation with protected areas, forest, and ecosystem.

The strategy should be formulated through a participatory process with representatives from different sectors, including government institutions, private sector, NGOs, Indigenous Peoples, and academia.

- Activity 2.2.2.3: Deliver a workshop to validate the climate change strategy for PAs and their buffer zones.
- Activity 2.2.2.4. Deliver eleven training and workshops (one at each ecoregion) to disseminate strategy from activities 2.2.2.1. to 2.2.2.3.

The following output and activities will address the barrier related to the lack of CNs that include activities on PAs:

Output 4.1.1. One CN on climate change mitigation, adaptation for climate resilience and/or sustainable development in PAs submitted by Paraguay to GCF.

- Activity 4.1.1.1. Conduct consultations for the prioritization of projects for the CN and the identification of an Accredited Entity.

Although the consulting firm will have to propose a consultation methodology, it is estimated that the prioritization of projects can be carried out on the basis of an online survey that is distributed to identified related stakeholders, mainly to members of the National Commission on Climate Change, which currently has 38 representatives from the public sector, the private sector, non-governmental organizations, producers and representatives of indigenous peoples; for its part, the identification of the accredited entity is expected to be carried out through direct consultation with entities accredited that, at the date of preparation of the concept note, are fully operationalized engaged with the GCF, and meet the criteria (size, environmental and social risk category, fiduciary standards) that arise for the CN.

- Activity 4.1.1.2. Develop a concept note on mitigation, adaptation for climate resilience, and/or sustainable development in Paraguayan protected areas to be submitted to the GCF. CN to consider complementary alternatives from GEF initiatives.
- Activity 4.1.1.3. Conduct validation with stakeholders for the drafted version of the CN.

Finally, the next output and activity will contribute to the dissemination of knowledge and best practices related to climate change and PAs:

Output 5.1.1. A platform on SIAM to provide access to information on PAs and climate change implemented.

- Activity 5.1.1.1. Develop an online platform to disseminate information on PAs among local stakeholders within SIAM.

It is expected that the web-based sharing information platform will be developed with open-source technologies, compatibility with the most used browsers, and will incorporate security mechanisms (SSL). The different studies, reports, assessments, data, and maps that are related to #protected areas and #climate change will be available on the platform, including summaries to be prepared from the deliverables of this Readiness. It is expected that the different stakeholders linked directly or indirectly to protected areas (e.g., park rangers, public institution staff, academia, NGOs and civil society participants) will make use of the platform to view, examine or download information.

It is also planned to execute one training day session on the platform use/administration to MADES staff (at least 10 people).

2.7. Complementarity

The complementary initiatives and their link to this proposal are presented below.

- Readiness Proposal LAC-RS-015 supported the development of the CN on "Sustainable forest production models for small and medium producers in Paraguay." This CN has not been submitted to the GCF; this document can provide inputs to support a CN that integrated protected areas and sustainable forest.

- KfW project "Conservation of Biodiversity and Protected Areas." The project support monitoring the Reserve de la Biosfera del Chaco using modern technologies, such as the strategic analysis of satellite images and the introduction of a smartphone app to document activities in the protected areas by park rangers; therefore, this project can provide information to the vulnerability assessment of PAs.

- Funding proposal FP121 (2019): "REDD+ Results-based payments in Paraguay for the period 2015-2017" contemplates as an output the "Governance and operational procedures of the Climate Change Fund established and finance channeled to NDCs, the National Strategy for Forests and Sustainable Growth, and low carbon development plans", therefore such Fund can provide inputs for the identification of innovative results-based payments to evaluate alternatives for the financial sustainability of PAs that even can support the CN to be presented.

- Recent GEF projects:

Period	Title	Objectives	Synergies
GEF-8*	First and Second Biennial Transparency Report and Fifth Communication National	To assist the Government of Paraguay in the preparation and submission of 1BTR and 5NC/2BTR	It will provide updated information of the Ecosystem and Biodiversity Sector that can be incorporated in PAs assessments.
GEF-7*	Paraguay FOLUR	To promote landscape integrity and sustainable beef and soy value chains in two key biomes in Paraguay.	It includes a land restoration and connectivity component that can be considered for sustainable management initiatives in the buffer zones of PAs.
GEF-7*	Establish an integral MRV/M&E system to enhance climate transparency in Paraguay	To strengthen the transparency systems of Paraguayan institutions to meet the requirements of the transparency framework under the Paris Agreement	The monitoring system developed must be integrated with the PAs information platform to be developed.
	Development of an updated National Biodiversity Conservation Strategy	To assist the Government to update and align the national strategy with the Kunming-Montreal Global Biodiversity Framework (GBF).	The PAs assessments, especially the one on vulnerability of native species to climate change, can provide important inputs to the National Biodiversity Conservation Strategy.
	Global Biodiversity Framework Fund (GBFF)	The fund is designed to finance the implementation of the Kunming-Montreal Global Biodiversity Framework.	The strategy of the National Biodiversity Conservation and the strategy of sustainability for PAs, can converge to initiatives that promote conservation of flora and fauna in PAs, therefore, a request to GBFF will be evaluated in the near future.

*Approved.

- Paraguayan Tropical Forest Conservation Fund. This Fund promotes and finances conservation, maintenance, restoration, and protection activities of forests in the country for sustainable management in protected wild areas and their buffer zones. With a register of more 30 executed projects, this initiative will be able to provide important inputs for the development of the sustainability strategy of the PAs.

2.8. Beneficiaries

The main direct beneficiaries of this readiness grant are SINASIP stakeholders, including protected areas competent national authorities, park rangers and local communities.

The academy, scientific researchers, non- governmental organizations, and other civil society participants will be indirect beneficiaries of the studies that are developed in this Readiness.

It is expected that workshops/trainings include participants from the NDA, SINASIP, park rangers, private sector, NGOs, and local communities in buffer zones, among others: Ministry of the Environment and Sustainable Development, National Forestry Institute, Ministry of Agriculture and Livestock, Women's Ministry, Paraguayan Indigenous Institute, National Commission for the Defense of Natural Resources, National Institute of Rural and

Land Development, communities surrounding national parks (e.g. Defensores del Chaco, San Rafael, Agripino Enciso, Tinfunqué, Paso Bravo, Serranía San Luis, Bella Vista, Cerro Corá, Ybycuí, Ñacunday), Itaipu Binacional, Yacyreta Binational Entity, National University of Asuncion, Our Lady of the Assumption Catholic University, Network of Environmental Organizations, Paraguayan Industrial Union, Rural Association of Paraguay, Federation for the Self-Determination of Indigenous Peoples, Association of NGOs of Paraguay, Federation of Production Cooperatives, and Union of Production Guilds.

It can be mentioned among the potential beneficiaries the Accredited Entity that will contribute to present the Concept Note to the GCF (e.g., Accredited Entities as FAO, UNEP, and IICA itself; or local institutions currently under accreditation process as Banco Nacional de Fomento -BND and Agencia Financiera de Desarrollo -AFD).

2.9. Gender Analysis

According with the document Gender Diagnosis in Paraguay (2020)¹⁷ Paraguay shows an inefficient performance according to the Gender Inequality Index of the UNDP, the country has the fourth highest level of gender inequality in the region, well above the Latin American average.

The diagnosis also pointed out that:

- i) there is a gender gap in the labor force participation rate, where 56% percent of women were in the labor force compared to 84% of men.
- ii) there is a gender gap in unemployment rates, where women registered 6.7% and men 4.2%.
- iii) the use of time is significantly different between men and women; the number of hours that women devoted to unpaid work (28.7 hours per week) was more than double that of that reported by men (12.3 hours per week).
- iv) there is a significant gender gap in income; monthly average wage (\$435) for full-time employed women was 40.5% lower than for men (\$611).
- vi) women are more vulnerable to poverty than men; the proportion of women under inactive employment status who are poor (12.4%) is more than triple that of inactive men (3.6%).
- v) Women are much more likely not to have paid employment, education, or training (Ninis) compared to men; 27.3% of women aged 15 to 29 did not study nor worked, compared to 9.6% of men.

The main institution regarding gender equality and indigenous people in Paraguay are the Ministry of Women and the Paraguayan Indigenous Institute, both institutions are beneficiaries of this Readiness as members of the National Climate Change Commission, an inter-institutional consultative body on climate change national policies composed by 38 members presides by MADES.

Paraguay has a National Strategy of Gender to face Climate Change -ENGCC (2017) and a National Gender Plan on Climate Change -PNGCC (2022). ENGCC aims to actively and effectively promote the incorporation of the perspective of gender in the developing, coordination, monitoring, and evaluation of public policies on change climate, PNGCC aims to contribute to gender equality through the effective mainstreaming of the gender perspective in national instruments for climate action.

The PNGCC states that within the sectors defined for the NDC, the Ecosystems and Biodiversity Sector is a sensitive sector regarding interventions related to the issues of gender and climate change, namely, it presented a high lack of participation, parity, capacity for management and equitable distribution of resources for gender empowerment.

This Readiness will contribute to the fulfillment of objectives 10 and 11 of the NDC, incorporating the gender perspective through segregated participation statistics, the generation of a gender gap analysis for the sector, and the formulation of initiatives (plans of investment) that promote (women) empowerment.

¹⁷ Banco Mundial. (2020). Diagnóstico de Género en Paraguay. Resumen: Brechas y barreras para las mujeres.

3. LOGICAL FRAMEWORK

Outcomes	Baseline	Targets	Outputs	Activities (brief description)	Deliverables
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.	National authorities have limited technical knowledge and available financial resources for the design and adoption of climate change mitigation and adaptation practices in PAs.	National authorities are supported by knowledge and strategies for the design and adoption of climate change mitigation and adaptation practices in PAs.	Output 2.2.1. Knowledge of the role of climate change on the technical, environmental, and social aspects of PA management has improved to support decision-making by SINASIP stakeholders.	Activity 2.2.1.1. Conduct an assessment of PAs, including vulnerability of such areas to climate change, threats related to invasive alien species under climate change scenarios, their drivers of deforestation and ecosystem degradation, and their mitigation potential.	Deliverable 2.2.1.1. Report assessment of PAs.
				Activity 2.2.1.2. Conduct an assessment on the vulnerability of the population of (native) species to climate change. The studies on a) plants; b) invertebrates; and c) vertebrates will include, among other elements, a discussion of climate change impact on habitats, food chain, and/or reproduction, and a description of initiatives or sound practices to face climate change through ecosystem services and biodiversity protection.	Deliverable 2.2.1.2a. Report on vulnerability of the population of plants to climate change. Deliverable 2.2.1.2b. Report on vulnerability of the population of invertebrates to climate change. Deliverable 2.2.1.2c. Report on vulnerability of the population of vertebrates to climate change.
				Activity 2.2.1.3. Deliver eleven training and workshops (one at each ecoregion) to disseminate results from activities 2.2.1.1. to 2.2.1.2. Each workshop will have duration of one day and will have at least 50 participants from the NDA, SINASIP, park rangers, private sector, and NGOs.	Deliverable 2.2.1.3. Report of the training workshops, including workshop materials (e.g., agendas, presentations, etc.), pre- and post-training evaluations of participants, and lists of participants disaggregated by gender.
				Activity 2.2.1.4a. Formulate an evaluation of existing monitoring and enforcement practices in PAs.	Deliverable 2.2.1.4a. Report on evaluation of monitoring practices in PAs.

Outcomes	Baseline	Targets	Outputs	Activities (brief description)	Deliverables
				Activity 2.2.1.4b. Based on the findings from activity 2.2.1.4a elaborate recommendations for improvements to the regulation and practices on monitoring and enforcement in PAs.	Deliverable 2.2.1.4b. Report on recommendations for improvements of monitoring practices in PAs, including a summary for policy makers.
				Activity 2.2.1.4c. Deliver one workshop to communicate results from activities 2.2.1.4a and 2.2.1.4b. The workshop will have duration of one day and will have at least 25 participants from the NDA, SINASIP, park rangers, private sector, and NGOs.	Deliverable 2.2.1.4c. Report of the communication workshop, including workshop materials (e.g., agendas, presentations, etc.), and lists of participants disaggregated by gender.
				Activity 2.2.1.5a. Formulate an evaluation of financial sustainability of PAs.	Deliverable 2.2.1.5a. Report on evaluation of financial sustainability of PAs.
				Activity 2.2.1.5b. Deliver two consultation workshops to propose recommendations for improvements of the financial sustainability of PAs. Each workshop will have duration of one day and will have at least 25 participants from the NDA, SINASIP, park rangers, private sector, and NGOs.	Deliverable 2.2.1.5b. Report of consultation workshops, including workshop materials (e.g., agendas, presentations, etc.), and lists of participants disaggregated by gender.
				Activity 2.2.1.5c. Based on the findings from activity 2.2.1.5a and 2.2.1.5b elaborate recommendations for improvements of the financial sustainability of PAs.	Deliverable 2.2.1.5c. Report on recommendations for improvements of the financial sustainability of PAs, including a summary for policy makers.
				Activity 2.2.1.6a. Conduct and assessment of the regulatory framework for private sector engagement in PAs including its potential participation in the identification of Natural-based Solutions.	Deliverable 2.2.1.6a. Report on framework for private sector engagement in PAs and NbS.

Outcomes	Baseline	Targets	Outputs	Activities (brief description)	Deliverables
				Activity 2.2.1.6b. Based on the findings from activity 2.2.1.6a elaborate recommendations for improvements to the regulation of private sector engagement in PAs, and its participation in NbS.	Deliverable 2.2.1.6b. Report on recommendations for improvements to the regulation of private sector engagement in PAs, and its participation in NbS.
				Activity 2.2.1.6c. Deliver one workshop to communicate results from activities 2.2.1.6a and 2.2.1.6b. Each workshop will have duration of one day and will have at least 25 participants from the NDA, SINASIP, park rangers, private sector, and NGOs.	Deliverable 2.2.1.6c. Report of the communication workshop, including workshop materials (e.g., agendas, presentations, etc.), and lists of participants disaggregated by gender.
			Output 2.2.2. SINASIP capacities to plan for climate change action are supported by a climate change strategy for PAs and buffer zone.	Activity 2.2.2.1: Deliver six consultation workshops (three at the eastern region and three at the western region) to inform the elaboration of the climate change strategy for PAs and their buffer zones. Each workshop will have duration of one day and will have at least 50 participants from the NDA, SINASIP, park rangers, private sector, and NGOs.	Deliverable 2.2.2.1. Report of the consultation workshops for PAs strategy including workshop materials (e.g., agendas, presentations, etc.), and lists of participants disaggregated by gender.
				Activity 2.2.2.2: Based on the findings from Output 2.2.1 and Activity 2.2.2.1, formulate a draft climate change strategy for PAs and their buffer zones. The strategy must include the identification of an investment plan through innovative approaches (to support long-term finance and investment for PAs; and a gender gap analysis (including indigenous women) proposing recommendations to address gender issues in relation with protected areas, forest, and ecosystem.	Deliverable 2.2.2.2. Report on draft strategy for protected areas and their buffer zones.

Outcomes	Baseline	Targets	Outputs	Activities (brief description)	Deliverables
				Activity 2.2.2.3: Deliver a workshop to validate the climate change strategy for PAs and their buffer zones. The workshop will have duration of one day and will have at least 50 participants from the NDA, SINASIP, park rangers, private sector, and NGOs.	Deliverable 2.2.2.3. Report of the validation workshops for PAs strategy including workshop materials (e.g., agendas, presentations, etc.), validate strategy, and lists of participants disaggregated by gender.
				Activity 2.2.2.4. Deliver eleven training and workshops (one at each ecoregion) to disseminate strategy from activities 2.2.2.1, to 2.2.2.3. Each workshop will have duration of one day and will have at least 50 participants from the NDA, SINASIP, park rangers, private sector, and NGOs.	Deliverable 2.2.2.4. Report of the training workshops, including workshop materials (e.g., agendas, presentations, etc.), and lists of participants disaggregated by gender.
Outcome 4.1: An increase in the number of quality project concept notes developed and submitted.	Paraguay has submitted three CNs to GCF,	PAs are represented in at least one CN submitted to GCF.	Output 4.1.1. One CN on climate change mitigation, adaptation for climate resilience and/or sustainable development in PAs submitted by Paraguay to GCF.	Activity 4.1.1.1. Conduct consultations for the prioritization of projects for the CN and the identification of an Accredited Entity. It is estimated that the prioritization of projects can be carried out on the basis of an online survey that is distributed to identified related stakeholders, mainly to members of the National Commission on Climate Change, which currently has 38 representatives from the public sector, the private sector, non-governmental organizations, producers and representatives of indigenous peoples; for its part, the identification of the accredited entity is expected to be carried out through direct consultation with entities accredited that, at the date of preparation of the concept note, are fully operationalize engaged with the GCF, and meet the criteria (size, environmental and social risk category, fiduciary standards) that arise for the CN.	Deliverable 4.1.1.1. Report of survey and technical meetings regarding the consultation process (e.g., meeting minutes) and the results from the prioritization of projects for the CN and the identification of an Accredited Entity.

Outcomes	Baseline	Targets	Outputs	Activities (brief description)	Deliverables
				Activity 4.1.1.2. Based on the findings from Activity 4.1.1.1 develop a concept note on mitigation, adaptation for climate resilience, and/or sustainable development in Paraguayan protected areas to be submitted to the GCF. . CN to consider complementary alternatives from GEF initiatives.	Deliverable 4.1.1.2 One concept note developed in PAs.
				Activity 4.1.1.3. Conduct validation with stakeholders for the drafted CN.	Report of the technical meeting regarding the consultation process (e.g., meeting minutes) and the results from stakeholders' comments inputs, and reviews to the CN.
Outcome 5.1: Best practices with respect to institutional capacity building, direct access, and pipeline development are developed and disseminated to strengthen engagement by NDAs, DAEs, and DPs with the GCF.	SINASIP stakeholders have limited access to information on climate change and PAs.	SINASIP stakeholders have improved access to information on climate change related to protected areas through SIAM.	Output 5.1.1. A platform on SIAM to provide access to information on PAs and climate change implemented.	Activity 5.1.1.1. Develop an online platform on SIAM to provide information to SINASIP stakeholders on PAs and climate change local stakeholders. It is expected that the web-based sharing information platform will be developed with open-source technologies, compatibility with the most used browsers, and will incorporate security mechanisms (SSL). The different studies, reports, assessments, data, and maps that are related to #protected areas and #climate change will be available on the platform, including summaries to be prepared from the deliverables of this Readiness. It is expected that the different stakeholders linked directly or indirectly to protected areas (e.g., park rangers, public institution staff, academia, NGOs and civil society participants) will make use of the platform to view, examine or download information. It is also planned to execute one training day session on the platform use/administration to MADES staff (at least 10 people).	Deliverable 51.1.1. Report on online platform release, including webpage materials, user manual, and training session report.

Goal: Improve country's capacity to achieve its Nationally Determined Contributions objectives by strengthening the incorporation of protected areas into the programming of climate change mitigation and adaptation initiatives.

Goal: Improve country's capacity to achieve its Nationally Determined Contributions objectives by strengthening the incorporation of protected areas into the programming of climate change mitigation and adaptation initiatives.

Goal Statement: IF SINASIP stakeholders improve their technical knowledge on mitigation and adaptation practices in protected areas, THEN the country will come closer to compliance its NDCs proposed for the Ecosystems and Biodiversity Sector **BECAUSE** SINASIP stakeholders will be able to integrate initiatives in the provision of ecosystem services and the protection of its biodiversity into the country's climate change programming processes.

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, direct access, and pipeline development are developed and disseminated to strengthen engagement by NDAs, DAEs, and delivery partners with the GCF.

Output 2.2.1. Knowledge of the role of climate change on the technical, environmental, and social aspects of PA management has improved to support decision-making by SINASIP stakeholders.

Output 2.2.2. SINASIP capacities to plan for climate change action are supported by a climate change strategy for PAs and buffer zone.

Output 4.1.1. One concept note developed on investing in protected areas for mitigation, climate resilience and/or sustainable development.

Output 5.1.1. A platform on SIAM to provide access to information on PAs and climate change implemented.

Limited monitoring and enforcement practices in PAs.

Low financial sustainability of PAs.

Limited regulatory framework for PAs, including a lack of a gender gap analysis.

Limited technical knowledge and its dissemination regarding the role of climate change on PAs.

Low representation of PAs in concept notes submitted by Paraguay.

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PROBLEM: National authorities have limited technical knowledge and available financial instruments for the design and adoption of climate change mitigation and adaptation practices in protected areas.

ASSUMPTIONS:

- Successful recruitment of consultants to carry out activities and deliverables in a timely manner.
- Relevant stakeholders actively participate and engage in the readiness.
- Successful identification of adaptation and mitigation projects within protected areas.
- There is an important commitment of MADES to support the proposal, collaborating with the project team to materialize the proposed activities.

RISKS:

- There are operational delays in the execution of the proposed activities due to change in Government priorities.
- Hiring consulting firms take longer than expected.
- There are vulnerabilities related to prohibited practices, money laundering or terrorist financing and/or fraud.
- Force majeure event.

Figure 2. Theory of Change

The Theory of Change for this Readiness grant is shown in previous Figure 2. It depicts how the main outcomes of the proposal will enhance the participation of PAs in Paraguay climate change action through its outputs, activities, and deliverables.

The goal of this readiness grant is to improve country's capacity to achieve its Nationally Determined Contributions objectives by strengthening the incorporation of protected areas into the programming of climate change mitigation and adaptation initiatives.

The goal statement of this readiness grant is: IF SINASIP stakeholders improve their technical knowledge on mitigation and adaptation practices in protected areas, THEN the country will come closer to compliance its NDCs proposed for the Ecosystems and Biodiversity Sector BECAUSE SINASIP stakeholders will be able to integrate initiatives in the provision of ecosystem services and the protection of its biodiversity into the country's climate change programming processes.

There are three outcomes for the proposed readiness grant: 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; and Outcome 5.1: Best practices with respect to institutional capacity building, direct access, and pipeline development are developed and disseminated to strengthen engagement by NDAs, DAEs, and delivery partners with the GCF.

There are four outputs distributed across the three outcomes for the current proposed readiness support.

Outcome 2.2 contains two outputs: Output 2.2.1. Knowledge of the role of climate change on the technical, environmental, and social aspects of PA management has improved to support decision-making by SINASIP stakeholders, and Output 2.2.2. SINASIP capacities to plan for climate change action are supported by a climate change strategy for PAs and buffer zone.

Outcome 4.1 contains one output: Output 4.1.1. One CN on climate change mitigation, adaptation for climate resilience and/or sustainable development in PAs submitted by Paraguay to GCF.

Outcome 5.1 contains one output: Output 5.1.1. A platform on SIAM to provide access to information on PAs and climate change implemented.

The grant activities will pursue the following casual pathways to address the barriers discussed in section 2.5:

a. Developing frameworks. This pathway includes the following activities: 2.2.1.4. evaluation and recommendation on monitoring and enforcement practices in PAs, 2.2.1.5. evaluation and recommendation on the financial sustainability of PAs, 2.2.1.6. an assessment of the regulatory framework for private sector engagement in PAs under Output 2.2.1; and 2.2.2.2. elaboration of the climate change strategy for PAs and their buffer zones under and Output 2.2.2.2. Thus, these activities contribute to Outcome 2.2. and respectively addresses the barriers of limited monitoring and enforcement practices in PAs, low financial sustainability of PAs, and limited regulatory framework for PAs, including a lack of a gender gap analysis.

b. Building a project pipeline. This pathway includes the following activities: 4.1.1.1 consultations for the prioritization of projects for a CN and the identification of an AE; 4.1.1.2. develop of a concept note on mitigation, adaptation for climate resilience, and/or sustainable development in protected areas; and 4.1.1.3. validation of the CN. Thus, these activities under Output 4.1.1. contribute to Outcome 4.1. and directly address the barrier of low representation of PAs in concept notes submitted by Paraguay.

c. Improving knowledge dissemination. This pathway includes the following activity: 5.1.1.1. develop an online platform to disseminate information on PAs among local stakeholders within SIAM. Thus, this activity under the Output 5.1.1. contribute to Outcome 5.1, and directly address the barrier of limited technical knowledge and its dissemination regarding the role of climate change on PAs. Furthermore, this barrier is addressed by the following activities: 2.2.1.1. an assessment of PAs, 2.2.1.2. an assessment on the vulnerability of the population of (native) species to climate change, and 2.2.1.3. dissemination workshops under Output 2.2.1; and 2.2.2.4 strategy dissemination workshops under Output 2.2.2.

To achieve all the outcomes, it is assumed that: there is a successful recruitment of consultants to carry out activities/deliverables, stakeholders actively participate and engage in the readiness, there is a successful identification of adaptation and mitigation projects within protected areas, there is a MADES commitment to support the proposal.

5. BUDGET, PROCUREMENT, IMPLEMENTATION AND DISBURSEMENT PLAN

5.1 Budget plan

As attached in Annex B.

5.2 Procurement plan

Item	Item Description	Estimated Cost (US\$)	Procurement Method	Thresholds (Min-Max monetary value for which indicated procurement method must be used)	Estimated Start Date	Projected Contracting Date
Goods and Non-Consulting Services						
(29) Workshops	Consultation/Training	145,000.00	Quoting	Lower than US\$10,000	First quarter, year 1	First quarter, year 1
(22) Audio Visual & Printings	To training workshops	13,200.00	Quoting	Lower than US\$10,000	First quarter, year 2	First quarter, year 2
Professional Services to undertake audit under PMC	Firms	8,000.00	Quoting	Lower than US\$10,000	Fourth quarter year 2	Fourth quarter year 2
Sub-Total (US\$)		\$ 166,200.00				
Consultancy Services						
Specialized Firm	Activities 2.2.1.1; 2.2.1.2; 2.2.1.4; 2.2.1.5.	100,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	First quarter, year 1	First quarter, year 1
Botanical Specialist	Individual local. Activity 2.2.1.3a	40,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	First quarter, year 1	First quarter, year 1
Zoologist Invertebrates Specialist	Individual local. Activity 2.2.1.3b	40,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	First quarter, year 1	First quarter, year 1
Zoologist Vertebrates Specialist	Individual local. Activity 2.2.1.3c	40,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	First quarter, year 1	First quarter, year 1
Specialized Firm	Activity 2.2.1.7	25,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	Second quarter, year 1	Third quarter, year 1
Specialized Firm	Activity 2.2.1.8	30,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	Second quarter, year 1	Third quarter, year 1
Specialized Firm	Activity 2.2.1.9	25,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	Second quarter, year 1	
Strategy Specialist	Activity 2.2.2.2	36,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	First quarter, year 2	First quarter, year 2
Specialized Firm	Activity 4.1.1 CN	25,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	Third quarter, year 2	Third quarter, year 2
Specialized Firm	Activity 5.1.1 Platform	25,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	Third quarter, year 2	Third quarter, year 2
Local Consultant	Project Manager	36,000.00	Limited tender/Multiple competing applicants	Higher than US\$10,000	Third quarter, year 2	Third quarter, year 2
Sub-Total (US\$)		\$ 422,000.00				

Quoting: Candidate is selected under a abbreviated tender with at least two companies based on the financial proposal. It would be used in projects when the amounts are lower US \$ 10,000

Limited tender/Multiple competing applicants: Used when there are multiple competing applicants. Candidate is selected under a tender weighing the technical proposal and the financial proposal. It would be used in projects when the amounts are higher US \$ 10,000

5.3 Implementation Plan

		Planned duration	Milestone (deliverable)	Target completion date																								
Activities & Deliverables		Estimated Timeline																										
		M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16	M17	M18	M19	M20	M21	M22	M23	M24			
A2.2.1.1	D2.2.1.1																											
A2.2.1.2	D2.2.1.2																											
A2.2.1.3	D2.2.1.3																											
A2.2.1.4	D2.2.1.4																											
A2.2.1.5	D2.2.1.5																											
A2.2.1.6	D2.2.1.6																											
A2.2.1.7	D2.2.1.7																											
A2.2.1.8	D2.2.1.8																											
A2.2.1.9	D2.2.1.9																											
A2.2.2.1	D2.2.2.1																											
A2.2.2.2	D2.2.2.2																											
A2.2.2.3	D2.2.2.3																											
A2.2.2.4	D2.2.2.4																											
A.4.1.1.1	D.4.1.1.1																											
A.5.1.1.1	D.5.1.1.1																											

5.4 Disbursement schedule

Readiness Proposal that requires a bilateral Grant Agreement

- The first disbursement amounting USD350,000 will be transferred upon approval of the readiness request and effectiveness of the Grant Agreement.
- The second disbursement amounting USD314,000 will be transferred upon submission of an interim progress report and audited financial report, in form and substance acceptable to the Fund, including an audited expenditure statement.
- The third and final disbursement amounting USD35,330 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

IICA, as the Delivery Partner (AP), will be responsible for the implementation of the Readiness support and will carry out all fiduciary and financial management, procurement of goods and services, monitoring and reporting activities under this proposal in compliance with IICA's policies and procedures and with the Bilateral Grant Agreement to be signed with GCF or with UNOPS. The DP will be responsible for, among other functions: developing a detailed work plan accordingly to the approved Readiness proposal; leading the grant implementation and supervision; quality review of the products (deliverables); fiduciary management of grant resources; preparing and submitting intermediate progress and completion reports. IICA will also engage consultancy firms, in consultation with the Readiness Technical Committee (RTC), to implement Readiness activities applying the procurement processes accepted by GCF and listed in the procurement plan. IICA will promote coordination and knowledge exchange among the participants.

IICA's office in Paraguay will assign an employee in charge of the day-to-day execution of the initiatives described in the Readiness proposal to interact with the Project Manager and MADES. IICA's office in Paraguay is supported by IICA Headquarters administrative and technical staff, including a financial manager, accountants, administrative support, national specialist on key areas of IICA. The office will also have free of charge support, at request, from departments, divisions, and units at IICA's Headquarters such as: Project Management, Institutional Communication, Technical Cooperation / Climate Change, External and Institutional Relations, Financial Management, Programming and Budgeting, and Planning, Monitoring and Evaluation.

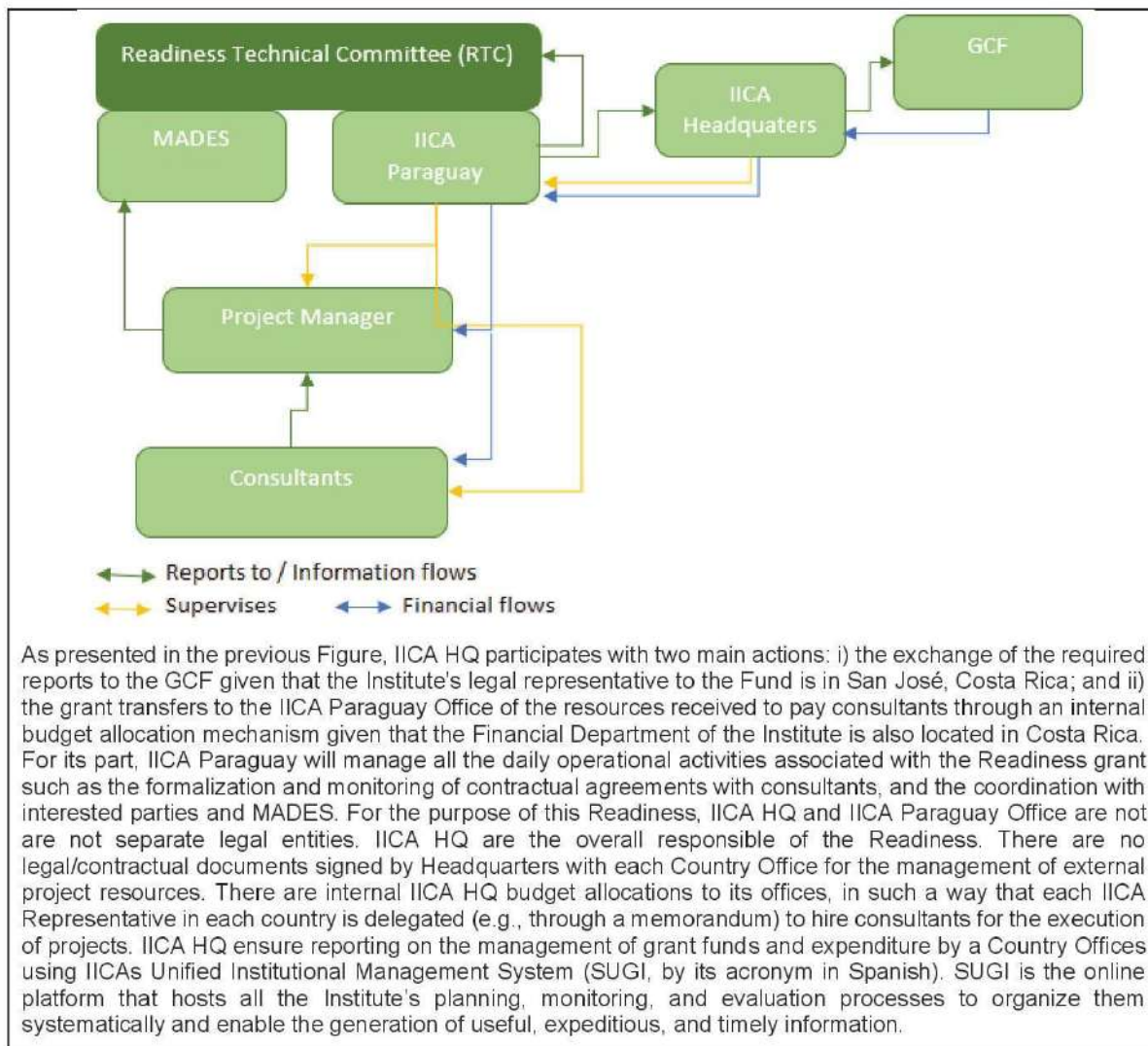
The RTC will be informed of the grant implementation directly by IICA as DP and will serve as advisory body providing recommendation for the proposal. The RTC, in its supervisory role, is responsible for reviewing progress, supporting coordination with stakeholders, and recommending adjustments to the proposal based on national circumstances, where any adjustments will be submitted to the GCF following the corresponding change request process. The RTC will review the grant's performance and provide technical guidance to ensure it meets its original objectives. The RTC will advise the process of preparing, validating, and presenting reports to the GCF, including the required signature of the NDA in the interim report and the completion report. The members of the RTC will include one representative from both MADES and IICA. MADES will inform IICA the name, position, and duration of the member appointment to the RTC. Changes to the representation in the RTC will be communicated at least two weeks before the next ordinary meeting.

The RTC will meet regularly virtually or face-to-face on dates communicated in advance. Extraordinary meetings can be requested by any of its members, as long as all two members endorse the proposal and confirm their participation. Agreements must be reached by consensus. However, IICA, as DP, will retain the final approval authority over any matter submitted to or decided by the RTC.

A Project Manager (PM) will be procured and supervised by IICA. The PM will act as secretary to the RTC and will be responsible for the overall management of the grant, for the adherence to procedures and guidelines required for the implementation of the readiness grant, including standard bidding documents and the evaluation of offers, to develop work plans, schedules, and budgets according to the requirement of the grant, to follow up proceeds and control systems and ensure accurate and timely report submissions and funds flow, and to provide guidance and organization of information exchange and logistic support. All the procedures, guidelines, bidding contracts, etc. will be in accordance with IICA's policies, procedures, and guidelines. The PM will coordinate and monitor the work of consultancy firms, including visits, events and communications related to the grant, and will ensure compliance with GCF reporting requests. The PM can be located at the offices of MADES or IICA Paraguay.

The next figure provides an overview of the key participants in the implementation of the Readiness proposal.

Figure 3. Readiness Flows



6.2 Implementation and execution roles and responsibilities

The next tables summaries the preliminary qualifications for the resources required for the implementation of the readiness activities according to the Procurement Plan:

Consultant	Activities	Requirements
Consulting firm. Assessments of PAs Lumpsum USD 100,000 (Budget Note A)	2.2.1.1;	<ul style="list-style-type: none"> • Demonstrated experience formulating vulnerability assessments. • Demonstrated experience on studies of climate change mitigation potential in PAs. • Desirable, work experience with GCF funded activities. Responsibilities: <ul style="list-style-type: none"> - Produce an analysis of climate vulnerability of PAs. - Produce an analysis of invasive alien species in PAs. - Produce an analysis of drivers of deforestation and ecosystem degradation in PAs. - Produce recommendations for climate change mitigation actions in PAs.
Consultant - Individual - Local Botanical Specialist 100 w/days @ USD 400/day	2.2.1.2a.	Qualifications: <ul style="list-style-type: none"> • University degree in agronomy, biology, agricultural economics, or related field. • Experience of at least 5 years in protected areas, environment, natural resources, or related sector. • Demonstrated experience formulating native plant species vulnerability assessments. • Desirable, work experience with GCF funded activities.

(Budget Note B1)		<p>Responsibilities:</p> <ul style="list-style-type: none"> - Produce an analysis of climate vulnerability of the population of plants in PAs.
<p>Consultant - Individual - Local Zoologist Invertebrates Specialist</p> <p>100 w/days @ USD 400/day</p> <p>(Budget Note B2)</p>	2.2.1.2b.	<p>Qualifications:</p> <ul style="list-style-type: none"> • University degree in agronomy, biology, agricultural economics, or related field. • Experience of at least 5 years in protected areas, environment, natural resources, or related sector. • Demonstrated experience formulating invertebrates species vulnerability assessments. • Desirable, work experience with GCF funded activities. <p>Responsibilities:</p> <ul style="list-style-type: none"> - Produce an analysis of climate vulnerability of the population of invertebrates in PAs.
<p>Consultant - Individual - Local Zoologist Vertebrates Specialist</p> <p>100 w/days @ USD 400/day</p> <p>(Budget Note B3)</p>	2.2.1.2c.	<p>Qualifications:</p> <ul style="list-style-type: none"> • University degree in agronomy, biology, agricultural economics, or related field. • Experience of at least 5 years in protected areas, environment, natural resources, or related sector. • Demonstrated experience formulating vertebrates species vulnerability assessments. • Desirable, work experience with GCF funded activities. <p>Responsibilities:</p> <ul style="list-style-type: none"> - Produce an analysis of climate vulnerability of the population of vertebrates in PAs.
<p>Consulting firm. Monitoring Assessment</p> <p>Lumpsum USD 25,000</p> <p>(Budget Note C)</p>	2.2.1.4.	<ul style="list-style-type: none"> • Demonstrated experience formulating monitoring and enforcement practices evaluations in PAs. • Demonstrated experience providing recommendations for improvements to the regulation and practices on monitoring and enforcement in PAs. <p>Responsibilities:</p> <ul style="list-style-type: none"> - Produce a report and a workshop on monitoring practices in PAs and recommendations for regulation improvement.
<p>Consulting firm. Financial Sustainability Assessment</p> <p>Lumpsum USD 30,000</p> <p>(Budget Note D)</p>	2.2.1.5.	<ul style="list-style-type: none"> • Demonstrated experience formulating financing sustainability evaluations of PAs. • Demonstrated experience providing recommendations for improvements financial sustainability of PAs. <p>Responsibilities:</p> <ul style="list-style-type: none"> - Conduct consultations and prepare a report on evaluation of financial sustainability of PAs and recommendations for its improvement.
<p>Consulting firm. Private Sector Engagement</p> <p>Lumpsum USD 25,000</p> <p>(Budget Note E)</p>	2.2.1.6.	<ul style="list-style-type: none"> • Demonstrated experience formulating framework for private sector engagement in PAs. • Demonstrated experience providing recommendations for improvements to the regulation on private sector engagement in PAs, including NbS. <p>Responsibilities:</p> <ul style="list-style-type: none"> - Produce a report and a workshop private sector engagement in PAs and recommendations for regulation improvement and NbS participation.
<p>Consultant - Individual - Local Strategy Specialist</p> <p>90 w/days @ USD 400/day</p> <p>(Budget Note K)</p>	2.2.2.2.	<p>Qualifications:</p> <ul style="list-style-type: none"> • University degree in agronomy, biology, agricultural economics, or related field. • Experience of at least 5 years in protected areas, environment, natural resources, or related sector. • Demonstrated experience formulating strategies. • Desirable, work experience with GCF funded activities. <p>Responsibilities:</p> <ul style="list-style-type: none"> - Conduct consultations and prepare a climate change strategy for PAs and buffer zone.
<p>Consulting firm. Project development</p> <p>Lumpsum USD 25,000</p> <p>(Budget Note P)</p>	4.1.1.1, 4.1.1.2, 4.1.2.3.	<ul style="list-style-type: none"> • Work experience developing GCF funding proposals, CNs and request to the Project Preparation Facility. • Experience with the ecosystem and biodiversity sector. • Knowledge of climate financing frameworks. • Experience participating with a diversity of stakeholders for climate financing. <p>Responsibilities:</p> <ul style="list-style-type: none"> - Conduct consultations and prepare CN on climate change and PAs in Paraguay.

Consulting firm. Website development Lumpsum USD 25,000 (Budget Note Q)	5.1.1.1	<ul style="list-style-type: none"> • Work experience designing and implementing online platforms. • Desirable, experience with MADES apps and technology. Responsibilities: - Develop an online platform within SIAM to provide access to information on climate change and PAs.
Consultant - Individual – Local 24 months @ USD 1,500/month (Budget Note R)	Project Manager	Qualifications <ul style="list-style-type: none"> • University degree in natural resources management, biology, agronomy, ecology, or a related field. • Over 4 years of experience in cooperation for development projects in management roles. • Work experience in biodiversity protection and conservation. • Desirable, work experience with GCF funded activities. • Excellent written and oral communication skills in Spanish, and English. • Excellent team player with good communication and interpersonal skills. Responsibilities: - Coordinate all grant activities with the IICA Paraguay Office. - Advise timely and quality implementation of all grant activities providing technical support and ensuring appropriate linkages among the components, consultants, and stakeholders. - Support the development of a work plan and expenditure plan. - Plan and monitor the preparation of progress reports and briefs as required. - Support the process of preparation, revision, publication, and information exchange about ToRs for firms and consultants working on the various deliverables and coordinate the selection process. - Follow financial management as a payments, disbursements, and accountability in coordination with IICA Paraguay Office. - Act as secretary to the RTC. - Ensure adequate communications about all project activities to different audiences.

6.3 Risks and mitigation measures

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
Political	Change of Government, assignment of new NDA	Low	Low	Maintaining communication with NDA and potential beneficiaries in order not only to identify the probability of this change, but also to establish an early relationship with the new authorities at the NDA level.	IICA
Operational	Difficulties hiring qualified consultants	Low	Medium	Maintain updated databases with potential suppliers at the country and regional level that IICA has which comply with the technical requirements so that they can maintain the	IICA

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
				transparent and open tendering procedures involving the DP procurement guidelines.	
Operational	Potential risks and vulnerabilities related to prohibited practices, money laundering or terrorist financing and/or fraud.	Low	Medium	<p>The grant will be implemented in accordance with IICA regulations, including:</p> <ul style="list-style-type: none"> ● IICA Anti-fraud Policy ● IICA Code of Ethics ● IICA Policy for the Prevention of Money Laundering and Financing of Terrorism ● Policy for the management of conflicts of interest at IICA ● IICA Policy on the Protection of Whistleblowers and Witnesses <p>The financial management and procurement in project will be guided by:</p> <ul style="list-style-type: none"> ● IICA Financial Rules ● IICA Manual of Accounting and Financial Procedures ● IICA Procedures Manual for the Procurement of Goods and Services. ● IICA Procedures Manual for the Procurement of Goods and Services: Procurement of professional consultancy services <p>All these policies and normative apply, without exception, to all activities and operations of IICA, including any irregularity, or suspicion of irregularity, involving staff members, as well as suppliers, consultants, contractors, and/or any other party that has a working or contractual relationship with IICA.</p>	IICA
Legal	Breach of contract by consultants	Low	Medium	Improved checks of contractors' references. Administrative support to the	IICA

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
				RTC from IICA administrations to ensure the suitability, legal status, capacity, and record of accomplishment of applicants. use of an adaptive management approach controlling contingencies in specific contracts.	
Force Majeure	Presence of force majeure events (e.g., natural disaster) generates delays	Low	Medium	Active monitoring through IICA's national office and regional conditions associated with extreme events, impacts, and implementation of remediation measures. Reinforcement of the use of virtual and remote channels for the development of contracted tasks, included as a requirement transferred to contractors.	IICA/NDA

6.4 Monitoring

The overall responsibility for the monitoring of the Readiness grant will reside with IICA. Primary responsibility will be borne by IICA with respect to technical details such as the timely and acceptable provision of the deliverables as means of attaining the outcomes. IICA has well-established project monitoring protocols that have met EU and World Bank standards. Apart from the project-funded external financial audits, IICA staff will conduct technical (quarterly) audits (time bound) and technical stage-determined (mileposts) completion reports, shared and validated with the NDA. These can be reviewed as per alignment with the implementation plan. To support monitoring, IICA's Unified Institutional Management System (SUGI, by its acronym in Spanish) is the online platform that hosts all the Institute's planning, monitoring, and evaluation processes to organize them systematically and enable the generation of useful, expeditious, and timely information on which to base management decisions. The findings and lessons learned from monitoring activities will be used to inform the planning and implementation of remaining Readiness activities.

To ensure effective financial management and monitoring, IICA will employ a separate ledger account for management of funds for GCF readiness grant support to eliminate the possibility of co-mingling of funds from different donors or with institute funds. IICA will also track and report on financial flows and expenditures designated for specific activities using its established financial control system to ensure appropriate and transparent use of funds.

6.5 Other Relevant Information

IICA is committed to preventing, detecting, investigating, correcting and, where applicable, punishing all acts of fraud committed against the organization, whether they are committed by members of its own staff, employees of other institutions or third parties. IICA has a policy of zero tolerance for acts of fraud, meaning that all incidents of fraud are to be reported and will be investigated as appropriate. Furthermore, it endeavors to raise awareness of fraud risks, implement controls aimed at preventing them, and establish and maintain procedures for the detection of fraud and the enforcement of this policy.

The "Anti-fraud Policy of the Inter-American Institute for Cooperation on Agriculture"¹⁸ applies, without exception, to all activities and operations of IICA, including any irregularity, or suspicion of irregularity, involving staff

¹⁸ Available at: <https://repositorio.iica.int/bitstream/handle/11324/8184/8184i.pdf>

members, as well as suppliers, consultants, contractors, and/or any other party that has a working or contractual relationship with IICA.

The "IICA Code of Ethics"¹⁹ support the institute and its personnel in situations or conflicts that may affect our development or work performance. The basic principles are designed to guide the consolidation and strengthening of policies, criteria, and the institutional principles, in such a way as to promote a culture of transparency and legality.

Finally, IICA has a "Policy for the Prevention of Money Laundering and Financing of Terrorism"²⁰ that establishes the principles and standards that will be applied and observed at all levels of IICA to prevent the management and use of money and other assets in activities related to money laundering and the financing of terrorism. IICA guarantee the protection and confidentiality of the whistleblowers and witnesses who report suspected wrongdoing through its "Policy on the Protection of Whistle-blowers and Witnesses."²¹ A reporting and compliance channel is available in the IICA web page.

All grant operations will be subjected to IICA's policy guidelines and proven practices, including its whistle-blowers and gender policies. Under the Whistle-blower Policy, whistle-blowers can report any complaints through email or anonymously through IICA's online platform.²² These reports are received by an Ethics Commission constituted by IICA's Director General under Article III(A) of IICA's Code of Ethics. The Institute's Policy on the protection of whistle-blowers and witnesses protects all whistle-blowers and witnesses from any retaliation. Those reporting complaints can also request confidentiality.

Exit Strategy

The main pillar for the long-term sustainability of the results of this proposal is the generation of knowledge on mitigation and adaptation to climate change practices in the Ecosystems and Biodiversity Sector. Said knowledge will be disseminated through trainings to stakeholders and MADES' platform.

Thus, the DP in coordination with the MADES, will also focus on a knowledge management that promotes diffusion and permanent access to the reports, guidelines, training materials, and studies generated, to ensure the sustainability of the grant impact beyond the implementation term of the activities. With the available information related climate change and PAs, it is expected to increase the implementation of initiatives in these areas. Furthermore, the leadership assumed by MADES in the formulation of this Readiness grant also contributes to strengthening the coordination and planning capacity in the Ecosystems and Biodiversity Sector.

After the implementation of this Readiness proposal, IICA will maintain its interaction with MADES, also giving sustainability to the proposal through the identification of projects in PAs that can be the object of technical cooperation resources of the Institute, as well as support for the formulation of (national) policies and initiatives related to biodiversity and ecosystem services in the agricultural and forestry sector.

To avoid any possible conflicts of interest deriving from the delivery partner's role as an accredited entity, the prioritization of investments and projects in the context of this Readiness grant, will be made through a broad consultation process with relevant stakeholders, including other potential implementing entities. The final validation of these priorities will be carried out through the countries' own relevant coordination mechanism and institutional arrangements, with the participation of other government agencies, as well as representatives from civil society and private sector as the NDA deems relevant, to ensure chosen priorities are fully aligned with national plans and strategies and adequately includes inputs from consulted stakeholders.

IICA will ensure that no individual or entity that is listed on any United Nations Security Council sanctions list, including the United Nations Consolidated Sanctions list will be involved in any manner with the project or its activities, either as a counterparty, implementer, or beneficiary.

¹⁹ Available at: <https://repositorio.iica.int/bitstream/handle/11324/8186/8186i.pdf>

²⁰ Available at: <https://repositorio.iica.int/bitstream/handle/11324/8188/8188i.pdf>

²¹ Available at: <https://repositorio.iica.int/bitstream/handle/11324/8183/8183i.pdf>

²² <http://apps.iica.int/transparenciaiica/public/Reporte?LG=en>