ARO
AMAZON REGIONAL OBSERVATORY

ACTO
Amazon Cooperation Treaty Organization

CAF
DEVELOPMENT BANK OF LATIN AMERICA AND THE CARIBBEAN

Sector Guide and Pipeline

Land Use Change

Land Use Change
Module

Sector Guide and Pipeline

Strengthening and expansion of the Amazon Regional Observatory (ORA) in the areas of climate change, forests and biodiversity and climate change

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Glossary

GEI	Greenhouse Gases
COP	Conference of the Parties
COP21	Twenty-first conference of the parties
CAF	Andean Development Corporation
ODS	Sustainable Development Goals
CND	Nationally Determined Contributions
AP	Paris Agreement
PNA	National Adaptation Plan
UN	United Nations

Introduction

The land use change sector is the largest GHG emitter in the Amazon region.

Because of its importance and relevance, projects that seek to avoid deforestation are essential to mitigate climate change, conserve biodiversity, ensure food security and promote the well-being of local communities. This requires a comprehensive approach that combines effective policies, sustainable practices and the participation of all stakeholders.

Key reasons for avoiding deforestation include:

- **Biodiversity conservation:**
  The Amazon is one of the most diverse ecosystems in the world, home to an immense variety of plant, animal and insect species. Deforestation threatens the survival of many of these species, some of which may be unique and endemic to the region.
- **Water cycle:**
  The Amazon plays a vital role in the regional and global water cycle. Trees and plants in the Amazon rainforest absorb large amounts of water from the soil and release water vapor into the atmosphere through transpiration. This process helps maintain regional climate balance and generate rainfall that benefits surrounding regions.
- **Climate regulation:**
  The Amazon acts as a carbon sink, absorbing carbon dioxide (CO2) from the atmosphere through photosynthesis. Deforestation disrupts this process and releases large amounts of CO2 stored in trees and soil. This contributes significantly to GHG emissions and global warming.
- **Sustainability and food security:**
  The Amazon provides vital natural resources for local communities, such as food, medicines and construction materials. Deforestation threatens the region's ability to sustain these resources in the long term, affecting food security and the well-being of the people who depend on them.
- **Climate change:**
  Deforestation contributes directly to climate change by releasing CO2 stored in trees and soil. In addition, forest degradation and altered hydrological cycles can have significant impacts on regional and global climate patterns, affecting millions of people around the world.

To address these challenges, it is crucial to adopt a paradigm shift towards sustainable management of Amazon forests. This implies promoting responsible forestry practices that include conservation, restoration and protection of forest ecosystems.

Objective of the guide

The purpose of this guide is to assess the linkage and impact of project ideas or projects with respect to the evaluation criteria used by entities or agencies seeking to finance climate projects.

This sectoral guide on forests and land use is intended to assist vulnerable sectors in their transition to a more sustainable forest and land use climate-resilient, low-carbon development. Climate-resilient[1] development1 refers to the ability of communities and ecosystems to adapt to and recover from the adverse effects of climate change, minimizing vulnerabilities and maximizing response and recovery capacities. Low carbon emissions[2] refers to activities and practices that produce significantly less greenhouse gas emissions compared to conventional practices, thus contributing to climate change mitigation. Given the importance and relevance of the Amazon for climate change mitigation and adaptation, this guide aims to guide the development of proposals in the Land Use Change sector, thus contributing to avoid deforestation, conserve biodiversity and promote sustainability and food security of local communities.

Multilateral development banks and other international financial institutions play a key role in financing projects related to climate change. They provide the financial and technical resources needed to implement initiatives that seek to reduce greenhouse gas emissions, promote sustainable practices and increase the resilience of communities and ecosystems to the effects of climate change. Their support is crucial to achieve the goals established in global agreements such as the United Nations Framework Convention on Climate Change and the Paris Agreement.

Forest and land use projects offer the possibility of making a significant contribution to climate change mitigation and adaptation objectives. Within the framework of the United Nations Convention to Combat Desertification (UNCCD) and other global agreements to control deforestation and drought, these projects seek to promote the sustainable management of natural resources, reduce land degradation and protect biodiversity. Effective implementation of these projects can help avoid deforestation, improve the capacity of ecosystems to absorb carbon and increase the resilience of local communities to adverse climate change.

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1. Defined as the capacity of communities and ecosystems to adapt to and recover from the adverse effects of climate change, minimizing vulnerabilities and maximizing response and recovery capacities (IPCC, 2014).

2. Refers to activities and practices that produce significantly less greenhouse gas emissions compared to conventional practices, thus contributing to climate change mitigation (IPCC, 2014; UNFCCC, 2015).

Introduction to climate finance

The term climate finance refers to financial support for the fight against climate change.

The United Nations Framework Convention on Climate Change (UNFCCC) defines climate finance as financial support for measures to avoid or reduce greenhouse gas emissions ("mitigation") and for measures to adapt to global warming ("adaptation"). It refers mainly to funds that industrialized countries make available to developing countries.

In a broader sense, the term also includes all financial flows earmarked for climate action, whether private investments or public funds, regardless of the origin and place of use of the funds. Recently, the term has also been broadened to include financial means to address or compensate for unavoidable damages and losses as a result of climate change. Climate finance in this sense encompasses all three pillars of action of the Paris Agreement: mitigation, adaptation and loss and damage.

Climate finance is intended to help achieve the goals of the Paris Agreement, including the goal of limiting global warming to less than 2°C, or preferably no more than 1.5°C above pre-industrial levels. It also seeks to reallocate funds towards low-carbon and climate-resilient development.

In general, this type of financing is channeled through existing channels of bilateral development cooperation. In addition, there are several multilateral climate funds, such as the Green Climate Fund and the Global Environment Facility, which are mainly financed by contributions from industrialized countries.

Multilateral development banks also finance climate programs in developing countries. There are also a number of initiatives, institutions and funds aimed at attracting private investment in resource-constrained countries.

Conceptualization of Climate Change

By answering the questions: What is climate change; what are mitigation and adaptation; what is climate finance; what is the Paris Agreement; what is climate action; and who are the climate financiers, we will understand the importance and relevance of the issue for the vulnerable population that inhabits the Amazon and the planet we all inhabit.

- **Climate change:**
  According to the United Nations Framework Convention on Climate Change (UNFCCC), climate change refers to a change in climate that is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and that is in addition to natural climate variability observed over comparable time periods (UNFCCC, 1992). The IPCC (Intergovernmental Panel on Climate Change) defines climate change as any change in climate over time, whether due to natural variability or as a result of human activity (IPCC, 2021).

- **Mitigation:**
  The UNFCCC defines mitigation as the implementation of policies and actions aimed at reducing emissions from sources or enhancing sinks of greenhouse gases and greenhouse compounds. This process includes both reducing emissions and enhancing removals of these gases (UNFCCC, 1992). According to the IPCC, climate change mitigation refers to human interventions to reduce sources or enhance sinks of greenhouse gases (IPCC, 2021).ases de efecto invernadero (IPCC, 2021).

- **Adaptation:**
  Adaptation, according to the UNFCCC, involves adjustments in human or natural systems in response to projected or actual climatic stimuli or their effects. These measures can moderate the damage or harness the benefits of climate change (UNFCCC, 1992). The IPCC defines adaptation as the process of adjustment to current or expected climate and its effects. In human systems, adaptation seeks to moderate or avoid harm or exploit beneficial opportunities. In natural systems, human intervention can facilitate adjustment to the expected climate and its effects (IPCC, 2021).

- **Degradation and desertification:**
  Under the United Nations Convention to Combat Desertification (UNCCD), desertification is defined as land degradation in arid, semi-arid and dry sub-humid areas resulting from various factors, including climatic variations and human activities. Degradation includes loss of soil productivity due to erosion, salinization and loss of vegetation cover (UNCCD, 1994).

- **Climate finance:**
  According to the UNFCCC, climate finance refers to financial resources that seek to support actions to reduce greenhouse gas emissions, enhance carbon sinks, reduce vulnerability and increase the resilience of human and ecological systems to the impacts of climate change (UNFCCC, 2011). The IPCC describes climate finance as funds that aim to support climate change mitigation and adaptation actions (IPCC, 2021).

- **Paris Agreement:**
  The Paris Agreement is a legally binding international treaty on climate change. Adopted by 196 Parties at COP21 in Paris on December 12, 2015 and in force since November 4, 2016, it aims to limit global warming to less than 2 degrees Celsius above pre-industrial levels, preferably 1.5 degrees. To achieve this goal, countries must peak greenhouse gas emissions as soon as possible to achieve a climate-neutral planet by mid-century (UNFCCC, 2015).

- **Climate action:**
  any policy, measure or program aimed at reducing greenhouse gas emissions, increasing resilience to climate change, or supporting and financing actions related to the Sustainable Development Goals (SDGs), the Paris Agreement, the Nationally Determined Contributions (NDCs), and other related initiatives (UNFCCC, 2015).

- **Climate Financiers:**
  Financial entities or institutions that channel economic resources to support actions related to climate change. This includes both private investments and public funds aimed at mitigating greenhouse gas emissions, adapting to the impacts of climate change, and compensating for loss and damage associated with these phenomena. Climate finance encompasses the three pillars of action set out in the Paris Agreement: mitigation, adaptation, and loss and damage (UNFCCC, 2015).

Investment Criteria and Project Types in the Land Use Change Sector

Avoiding deforestation and forest degradation is a priority. The adoption and maintenance of agroforestry and silvopastoral systems, reforestation and peatland restoration in tropical forests play a crucial role in ecosystem-based approaches and are highly vulnerable to climate change.

Forestry and land use projects offer the possibility of improving the well-being and livelihoods of indigenous peoples by adequately considering their needs and customs.

The main investment criteria used are shown in Table 01.

Table 01. Main Investment Criteria for the Land Use Change Sector

Investment Criteria	Objectives sought by the criterion
Power Impact	Actions, activities and projects that emit (reduce emissions) and facilitate adaptation to Climate Change
Paradigm Shift Potential	Low-emission and climate-resilient development actions, activities and projects. Innovative and using new practices. That have an impact on public policies.
Sustainable Development Potential	Actions, activities and projects that generate environmental, economic and social benefits and seek gender equality. In addition to being sustainable in the long term.
Beneficiary Needs	Actions, activities and projects that generate opportunities for vulnerable communities and groups, are aligned with national CRC policies, Country Programs, National Adaptation Plans, etc.
National Involvement	The participation of all relevant stakeholders in the action, activity or project is sought.
Efficiency and Effectiveness	To be efficient in the use of resources.

Fuente: Elaboración propia con información del Green Climate Fund

The land use change sector is the main emitter of greenhouse gases in the Amazon, so any project that mitigates, facilitates adaptation, involves indigenous communities and relevant stakeholders is of fundamental importance, among them we can indicate:

- **Reforestation and ecosystem restoration:**
  Implement reforestation projects in degraded or deforested areas, using native species and promoting the participation of local communities, including indigenous communities. These projects can help sequester carbon, restore biodiversity and improve ecosystem resilience to climate change by generating synergies between mitigation and adaptation, improving soil conservation and promoting sustainable livelihoods that alleviate pressure on natural forests (e.g. forest plantations for forest restoration and assisted natural regeneration).

- **Agroforestry and agroecological systems:**
  Promote agroforestry and silvopastoral practices that integrate trees into agricultural systems, providing both environmental and socioeconomic benefits. These systems can help reduce soil erosion, improve water quality, increase biodiversity and resilience of agricultural systems, and provide additional sources of income for local communities, including indigenous communities (e.g. regenerative agriculture and livestock to conserve land, soil and biodiversity by enhancing ecosystem services).

- **Wetland and mangrove restoration:**
  Restore and protect wetlands and mangroves, which are highly effective ecosystems for carbon capture and storage, as well as for flood and storm protection. These projects can benefit local communities by improving the availability of natural resources and protection against natural disasters.

- **Sustainable soil management practices:**
  Promote sustainable soil management practices such as conservation agriculture, grassland management and restoration of degraded soils. These practices can improve soil fertility, increase carbon sequestration, reduce erosion and improve the resilience of agricultural systems, benefiting local communities, including indigenous communities that depend on the land for their livelihoods.

- **Training and capacity building programs**
  Develop training and capacity building programs for local communities, including indigenous communities, on issues related to climate change mitigation and adaptation, sustainable natural resource management, and participation in land use change projects.

- **Eco-efficiency:**
  Eco-efficiency in these projects implies maximizing agricultural production using the least amount of resources possible without compromising product quality or quantity. This is achieved through practices such as crop rotation, efficient use of water through irrigation technologies, soil conservation with techniques that prevent erosion, and optimization of energy use. In addition, the selection of agricultural species that are best suited to the climate and soil of the intervention area also contributes to reducing pressure on resources and improving the sustainability of the project.

Table 02. Types of projects and interventions for the Land Use Change Sector

Types of projects	Type of intervention
Protection	The element with the greatest mitigation potential in the BUT area is in protection (e.g., reducing emissions from land conversion). The earlier these emissions are eliminated, the greater the mitigation benefit, because, to a large extent, any possibility of carbon capture and storage is lost when ecosystems are lost. Some carbon-rich ecosystems (forests, wetlands, peatlands, mangroves) contain "irretrievable carbon "3 that is released after land conversion and there is no way to recover it at the necessary rate (Goldstein et al., 2020), and the most effective opportunities for ecosystem protection and restoration are disappearing (Anderson et al., 2019; IPCC, 2019).
Restoration	The second element with the capacity to generate impact lies in restoration. The ongoing fragmentation and degradation of primary forests, as well as their increased exposure to loss and degradation, is a pressing problem that impacts in both biodiversity and climate change objectives (IPCC, 2019). Therefore, the restoration of degraded ecosystems and reforestation of cleared areas offer significant mitigation potential that increases over the coming decades
Sustainable Land Management	Sustainable land management encompasses a wide range of ecosystem management interventions, whether in predominantly natural or managed environments. In predominantly natural ecosystems, this can be accomplished through processes, such as, for example, recognizing the need for widespread community support to maintain or improve management in the conservation of primary forests or other natural landscapes. In predominantly managed ecosystems, sustainable management can occur through regeneration of agricultural systems based on agroforestry and silvopastoral systems, and regenerative agriculture (reduced tillage, maintenance of vegetation cover, reduced rotations, etc.) to increase soil carbon and biodiversity.

Source: Own elaboration with information from Green Climate Fund

Investment criteria

The investment criteria seek to generate strong opportunities for mitigation and adaptation to climate change with measures that increase the resilience of forest ecosystems through the following:

- **Protection:** Preserve natural forest cover and associated ecosystems by protecting existing forest reserves. With the disappearance of a forest, any possibility of capturing and storing carbon is lost, so the sooner emissions from land conversion are eliminated, the greater the mitigation benefit. Forest protection is about tackling the causes of deforestation upstream, such as eliminating deforestation from agricultural supply chains.
- **Restoration:** Restore degraded forests and other degraded lands to transform them into healthy and resilient environments. Remedying past actions that damaged environments by restoring degraded lands and reforesting cleared areas offers significant mitigation potential through carbon sequestration.
- **Sustainable management:** Sustainably managing productive forest landscapes for the benefit of people and the environment, adopting climate-resilient practices, improving management without undermining economic productivity. Any sustainable management activity, particularly those related to SDGs 12, 13 and 15, which offer substantial opportunities for adaptation.

Table 03. Criteria applicable to the Land Use Change Sector

Investment criteria	Impacts
Impact Likely and measurable impacts How many beneficiaries? How will mitigation actions result in low-emission sustainable development pathways and adaptation actions increase resilience? What Protection, Restoration and Sustainable Management actions will conserve, restore and manage natural forest cover and associated ecosystems?	**Mitigation:** Tons of carbon dioxide equivalent (tCO2eq) reduced or avoided; avoided emissions due to deforestation and forest degradation and increased carbon sequestration measured through carbon sinks in natural forests; forest area under sustainable management with FSC certification as a possible indicator; improvements in land management or forested areas. **Adaptation:** Increasing the resilience of forest-dependent communities to the effects of climate change, such as fires, droughts and heavy rains. This includes: (1) increased resilience and improved livelihoods of the most vulnerable people, communities and regions, using a gender-sensitive approach; (2) improved health, well-being and food security; and (3) increased resilience of threatened ecosystems and ecosystem services, including riverine and coastal ecosystems.

Source: Own elaboration with information from Green Climate Fund

Table 03. Criteria applicable to the Land Use Change Sector

Investment criteria	Impacts
Paradigm shift How to ensure that impacts continue and can be scaled up? Potential for knowledge sharing, learning and replicability? New markets created?	New practices, conservation models, restoration approaches, innovations that are ready for horizontal or vertical expansion (scaling up). Landscape, cross-cutting or cross-sectoral approaches that provide integrated solutions to address the causes of deforestation. High potential for replicability of the approach (e.g. protected areas) or export of key structural elements of the proposed program to other regions or countries. Access to new technologies and science-based data that could guide monitoring of climate change impacts on forest health and dynamics, biodiversity and ecosystems (knowledge and learning opportunities). Contribution to market development and transformation (e.g., deforestation-free supply chains); contribution to strengthening regulatory frameworks, policies and participatory planning processes. Recognition of the primary role of formal education in preparing new generations of experts
Sustainable development Align with international obligations, SDG priorities (e.g., gender, indigenous peoples, women's rights, women's empowerment)?	**Environmental benefits:** improvements in soil quality, biodiversity and resilience of the watershed and other ecosystem services, which in turn translate into improved livelihoods (e.g., rivers enable fishing and water consumption, water harvesting prevents flooding). **Social benefits:** Healthy and properly restored forests serve as protection against the transmission of human diseases. The inclusion and vindication of local and traditional knowledge in decision-making, as well as the recognition of customary land tenure and the rights of indigenous peoples and local communities, can contribute to cultural preservation. **Economic benefits:** Positive economic impacts are expected, such as job creation and poverty alleviation, especially for indigenous peoples; improvements in income-generating capacity (e.g., market development for non-timber forest products); improvements in energy security, water supply, land tenure security, and support for micro, small and medium-sized enterprises to access sustainable value chains. **Gender impact of development:** Possibility of reducing gender inequalities in the effects of climate change or participation by gender groups in the contribution to the expected results.

Source: Own elaboration with information from Green Climate Fund

Table 03. Criteria applicable to the Land Use Change Sector

Investment criteria	Impacts
Beneficiary needs How do actions minimize exposures and support development to respond to climate risks and impacts? Are monitoring and evaluation systems well established?	**Country vulnerability:** Magnitude and intensity of exposure of forests and ecosystems related to climate change, including exposure to slow-onset events; comparison with deforestation trends in the business-as-usual scenario. Number of forest-dependent people and communities whose livelihoods are lost or suffer non-economic losses (cultural heritage, indigenous knowledge, social/cultural identity) as a result of deforestation or forest degradation due to climate change. Vulnerable groups and gender aspects: Comparatively high vulnerability of beneficiary groups, particularly indigenous peoples, as indicated by the degree of dependence on natural resources and selected forests that are highly affected due to external pressures; low income (as defined by the relevant government agency); high level of exposure of key livelihoods to climate change impacts; vulnerability to threats and impacts of deforestation and forest degradation due to lack of legal protection and tenure uncertainty; membership in groups identified as particularly vulnerable in national climate or development strategies, with appropriate gender disaggregation. **Lack of or very limited access to alternative sources of financing;** lack of accessible financing. **Level of economic and social development of the country and the affected population.** **Need to strengthen institutions and implementation capacity.**
National involvement Alignment with national policies (especially NDCs, Country Programs, National Adaptation Plans, etc.). Supported by a variety of stakeholders	Conformity with national climate plans or strategies, including with the priorities set out in the national climate nationally determined contributions (NDCs) or national adaptation plans (NAPs) regarding the protection of areas of high biodiversity value, key forests and biomes; consistency with other national and subnational measures that promote the protection, restoration and sustainable management of forests; implementation of new institutional, governance or coordination mechanisms needed to achieve country commitment; stakeholder participation, which involves demonstrating that the project/program has been developed in consultation with civil society organizations and other relevant stakeholders, with particular attention to gender equality; free, prior and informed consent has been obtained from indigenous peoples and communities likely to be affected by the forest project; and mechanisms for ongoing stakeholder participation are included.

Fuente: Elaboración propia con información de Green Climate Fund

Tabla 03. Criterios aplicables al Sector Agrícola

Investment criteria	Impacts
Financial efficiency and effectiveness Sources of co-financing: What economic model assumptions have been made? Are the financial incentives aligned with the project/program? Are sufficient revenues expected to sustain the investment?	Cost-effectiveness and efficiency over financial and non-financial aspects. Appropriateness of concessionality: does the project point to a market failure that justifies the need for public funding, or do the outcomes have public goods characteristics? What other entity is funding similar interventions in the same geographies? Will promoting the protection, restoration and sustainable management of forests create demand? What value will this have for the efficient management of a system of natural protected areas? What would be the financial costs? Does the activity have the potential to catalyze or leverage other investments (co-financing)? Is there long-term financial viability (after GCF intervention)? Does the project/program apply industry best practices and a degree of innovation, including those relevant to indigenous peoples and local communities, and best market technologies?

Fuente: Elaboración propia con información de Green Climate Fund

Use of the Pipeline

The pipeline is a tool that links and estimates the impact of project ideas, projects or activities with the evaluation criteria used by entities or agencies seeking to finance climate projects.

Before starting its use, check if the proposed project has the following characteristics:

- Meets investment criteria
- Complies with the types of projects in the agricultural sector

Consolidated results

The pipeline will identify the criteria and their importance according to each of the sectors, this includes alignment with investment criteria, alignment with financial policy, connection to the UN Sustainable Development Goals (SDGs) and level of risk to the GCF. This score will be determined on a scale of **zero (0) to five (5) points.**

Zero (0) means that the proposed project or activity:

- NO relevance to climate change mitigation and adaptation.
- It is NOT linked to the SDGs.
- Does NOT comply with the financial policy
- Is a project considered risky to funders

Five (5) means that the proposed project or activity:

- Relevance for climate change mitigation and adaptation
- It is linked to the SDGs.
- Complies with financial policy
- No risk for funders

Values in between **one (1) and two (2)** show a low probability of obtaining financing.

Values between **four (4) and five (5) show** that the proposal has a high probability of obtaining climate funding.

Zero	Little or no likelihood of obtaining climate finance
One	
Two	Low probability of obtaining climate finance
Three	
Four	Climate action project
Five	

Steps to be followed for Pipeline application

Step 1:

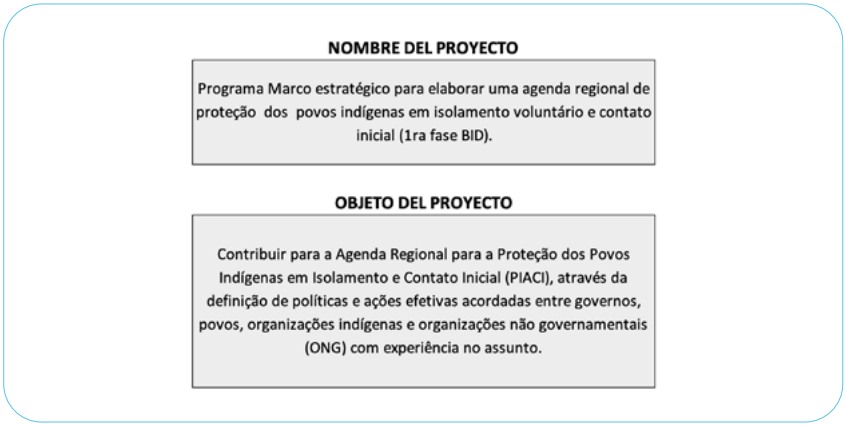
Select the sector

You must select the sector in which the PIPELINE will be used: Energy Access, Agriculture or Forestry and Land Use.

Step 2:

Name and purpose of the project

Indicate the name of the project and the object or problem that the project seeks to solve or mitigate.



Step 3:

Project Characteristics

Indicate an estimate of direct and indirect beneficiaries, estimated investments and greenhouse gas emission reductions, if any, as well as the implementation period and useful life of the asset.

The mitigation scales are established in accordance with the methodologies of the United Nations Framework Convention on Climate Change (UNFCCC).

The following are the Clean Development Mechanism (CDM) guidelines[3]:

- **Microscale:**
  Less than 20,000 tCO2eq/yr.
- **Small scale**
  Between 20,001 and 60,000 tCO2/year
- **Large scale:**
  Greater than 60,000 tCO2eq/yr

BENEFICIARIOS DEL PROYECTO

Localización del Proyecto	Municipio San Matias/Bolivia
Beneficiarios Directos	0 a 100 familias
Beneficiarios Indirectos	> al 50.1% de la población del Municipio

INVERSION ESTIMADA Y MITIGACION

Inversión estimada	Euros	1	1,500,000
Emisiones GEI evitadas	tCO_2/año		5,000
Costo por tCO2 reducida	Euros/tCO2		30

IMPLEMENTACION Y VIDA UTIL

Implementación	años	1
Vida útil	años	10

Step 4:

Investment Criteria

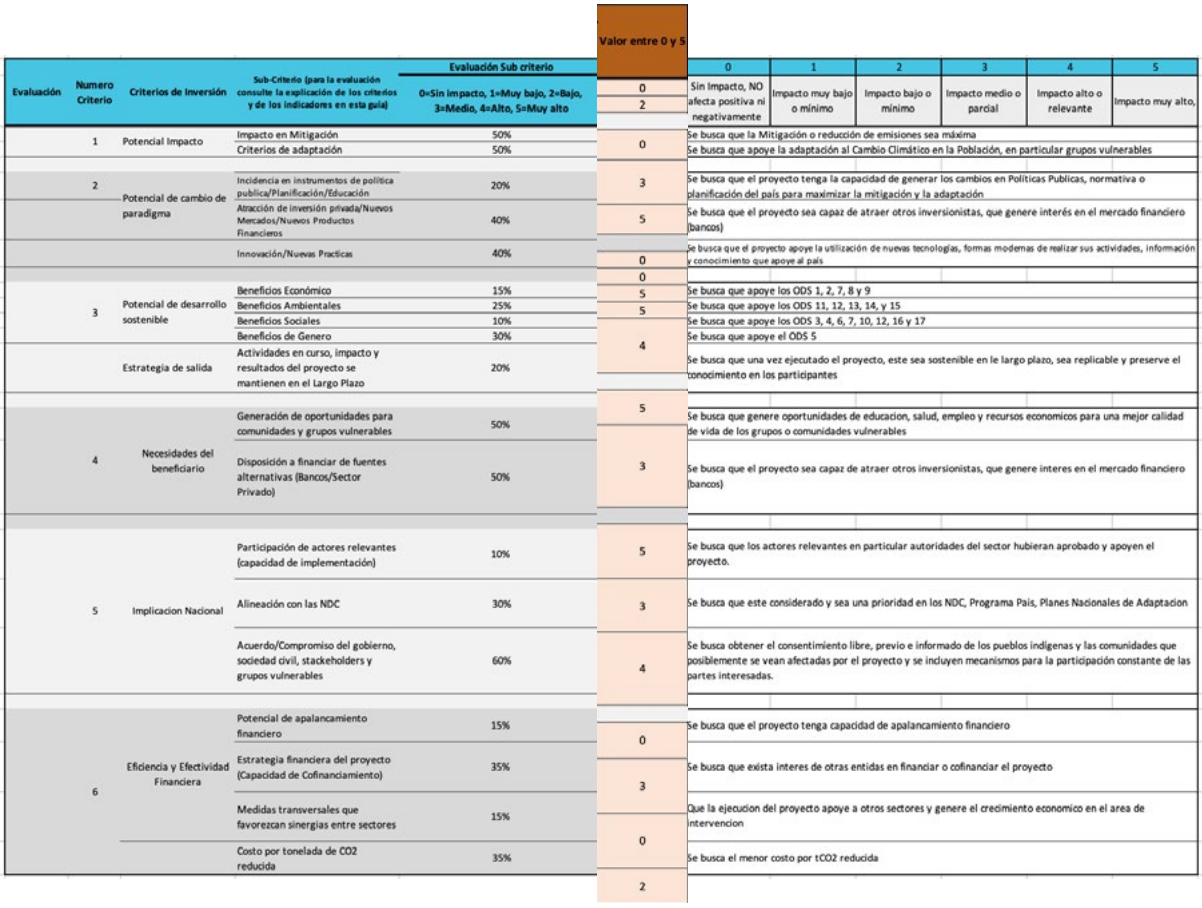
Click on the "Match with investment criteria" autoform to display the following screen:

We have six (6) values to assign in each of the investment criteria, each of which has sub-criteria. These criteria should be scored on a scale of 0 to 5, where 0 has no impact, either positive or negative, and 5 has a very high impact.

0	No impact, does NOT affect positively or negatively
1	Very low or minimal impact
2	Low or minimal impact
3	Medium or partial impact
4	High or relevant impact
5	Vert high impact

For each sub-criterion in the designated area, fill in the appropriate value (an integer from the series 0, 1, 2, 3, 4 or 5), otherwise the PIPELINE will reject the value with an error message. The space provided for this is highlighted in yellow and outlined in red, as shown in the example image.

3. See: https://cdm.unfccc.int/



Evaluación	Numero Criterio	Criterios de Inversión	Sub-Criterio (para la evaluación consulte la explicación de los criterios y de los indicadores en esta guía)	Evaluación Sub criterio: 0=Sin impacto, 1=Muy bajo, 2=Bajo, 3=Medio, 4=Alto, 5=Muy alto	Valor entre 0 y 5	0	1	2	3	4	5
					0	Sin Impacto, NO afecta positiva ni negativamente	Impacto muy bajo o mínimo	Impacto bajo o mínimo	Impacto medio o parcial	Impacto alto o relevante	Impacto muy alto,
	1	Potencial Impacto	Impacto en Mitigación	50%							
			Criterios de adaptación	50%	0	Se busca que la Mitigación o reducción de emisiones sea máxima					
						Se busca que apoye la adaptación al Cambio Climático en la Población, en particular grupos vulnerables					
	2	Potencial de cambio de paradigma	Incidencia en instrumentos de política publica/Planificación/Educación	20%	3	Se busca que el proyecto tenga la capacidad de generar los cambios en Políticas Publicas, normativa o planificación del país para maximizar la mitigación y la adaptación					
			Atracción de inversión privada/Nuevos Mercados/Nuevos Productos Financieros	40%	5	Se busca que el proyecto sea capaz de atraer otros inversionistas, que genere interés en el mercado financiero (bancos)					
			Innovación/Nuevas Practicas	40%		Se busca que el proyecto apoye la utilización de nuevas tecnologías, formas modernas de realizar sus actividades, información y conocimiento que apoye al país					
					0						
					0						
	3	Potencial de desarrollo sostenible	Beneficios Económico	15%	5	Se busca que apoye los ODS 1, 2, 7, 8 y 9					
			Beneficios Ambientales	25%	5	Se busca que apoye los ODS 11, 12, 13, 14, y 15					
			Beneficios Sociales	10%		Se busca que apoye los ODS 3, 4, 6, 7, 10, 12, 16 y 17					
			Beneficios de Genero	30%	4	Se busca que apoye el ODS 5					
		Estrategia de salida	Actividades en curso, impacto y resultados del proyecto se mantienen en el Largo Plazo	20%		Se busca que una vez ejecutado el proyecto, este sea sostenible en le largo plazo, sea replicable y preserve el conocimiento en los participantes					
					5						
	4	Necesidades del beneficiario	Generación de oportunidades para comunidades y grupos vulnerables	50%		Se busca que genere oportunidades de educacion, salud, empleo y recursos economicos para una mejor calidad de vida de los grupos o comunidades vulnerables					
			Disposición a financiar de fuentes alternativas (Bancos/Sector Privado)	50%	3	Se busca que el proyecto sea capaz de atraer otros inversionistas, que genere interes en el mercado financiero (bancos)					
	5	Implicacion Nacional	Participación de actores relevantes (capacidad de implementación)	10%	5	Se busca que los actores relevantes en particular autoridades del sector hubieran aprobado y apoyen el proyecto.					
			Alineación con las NDC	30%	3	Se busca que este considerado y sea una prioridad en los NDC, Programa Pais, Planes Nacionales de Adaptacion					
			Acuerdo/Compromiso del gobierno, sociedad civil, stackeholders y grupos vulnerables	60%	4	Se busca obtener el consentimiento libre, previo e informado de los pueblos indígenas y las comunidades que posiblemente se vean afectadas por el proyecto y se incluyen mecanismos para la participación constante de las partes interesadas.					
	6	Eficiencia y Efectividad Financiera	Potencial de apalancamiento financiero	15%	0	Se busca que el proyecto tenga capacidad de apalancamiento financiero					
			Estrategia financiera del proyecto (Capacidad de Cofinanciamiento)	35%	3	Se busca que exista interes de otras entidas en financiar o cofinanciar el proyecto					
			Medidas transversales que favorezcan sinergias entre sectores	15%	0	Que la ejecucion del proyecto apoye a otros sectores y genere el crecimiento economico en el area de intervencion					
			Costo por tonelada de CO2 reducida	35%	2	Se busca el menor costo por tCO2 reducida					

Once this is completed, click on the button in the upper left corner, labeled **"back"**, to return to the **README** and continue entering data.

Step 5:

Linking to Sustainable Development Goals

It is decisive for climate funders that the project or activity is linked to the SDGs, so we will score zero (0) if it is not linked and one (1) if there is a link for each of the 17 goals. For the project under study to be linked to a specific SDG, it must comply with the explanation that appears next to each goal.

0	NOT linked
1	Linked

In case of inserting a different value, the PIPELINE will give an error message.

				Proyecto 1	0	1	Económicos	Ambientales	Sociales	Genero
	Prioridades de Desarrollo sostenible	Adaptación	Mitigación	Programa Marco estratégico para elaborar uma agenda regional de proteção dos povos indígenas em isolamento voluntário e contato inicial (1ra fase BID).	No vinculado	Vinculado	1,2, 7, 8 y 9	11, 12, 13, 14, 15,	3, 4, 6, 10, 16 y 17	5
1	Lucha contra la pobreza	X		1	Busca erradicar la pobreza en todas sus formas sigue siendo uno de los principales desafíos que enfrenta la humanidad. Esto requiere enfocarse en los más vulnerables, aumentar el acceso a los recursos y servicios básicos y apoyar a las comunidades afectadas por conflictos y desastres relacionados con el clima.						
2	Lucha contra el hambre	X		1	Busca terminar con todas las formas de hambre y desnutrición, velar por el acceso de todas las personas en especial los niños a una alimentación suficiente y nutritiva durante todo el año. Implica promover prácticas agrícolas sostenibles con los pequeños agricultores y el acceso igualitario a la tierra, la tecnología y los mercados. Requiere asegurar la inversión en la infraestructura y la tecnología necesaria para mejorar la productividad agrícola.						
3	Bienestar para todos	X		1	Busca una cobertura universal de salud. Toma en cuenta la ampliación de las desigualdades económicas y sociales, la rápida urbanización, las amenazas para el clima y el medio ambiente, la lucha continua contra el VIH y otras enfermedades infecciosas, y los nuevos problemas de salud, como las enfermedades no transmisibles.						
4	Educación de Calidad	X		1	Busca asegurar que todas las niñas y niños completen su educación primaria y secundaria gratuita para 2030. También aspira a proporcionar acceso igualitario a formación técnica asequible y eliminar las disparidades de género e ingresos, además de lograr el acceso universal a educación superior de calidad.						
5	Igualdad de genero y oportunidades	X		1	Busca garantizar el acceso universal a salud reproductiva y sexual y otorgar a la mujer derechos igualitarios en el acceso a recursos económicos, fuentes de trabajo, derecho a la propiedad de la tierras y otras propiedades. Empoderar a las mujeres y niñas tiene un efecto multiplicador y ayuda a promover el crecimiento económico y el desarrollo a nivel mundial						
6	Acceso al agua limpia y saneamiento	X		0	Busca asegurar el agua potable segura y asequible. Por lo que es necesario realizar inversiones adecuadas en infraestructura, proporcionar instalaciones sanitarias y fomentar prácticas de higiene, servicios de saneamiento administrados de manera segura (con excrementos adecuadamente dispuestos o tratados).						
7	Energía asequible y no contaminante	X	X	0	Busca invertir para expandir la infraestructura y mejorar la tecnología para contar con energía limpia en todos los países en desarrollo, es un objetivo crucial que puede estimular el crecimiento y a la vez ayudar al medio ambiente, de esta manera reducir la dependencia de los combustibles fósiles						

Once this is completed, click on the button in the upper left corner, labeled **"back"**, to return to the **README** and continue entering data.

Step 6:

Linkage to financial policy

The financial policy of climate financiers seeks that projects or activities are profitable, have concessional financing or minimal subsidies, that other financiers show interest or are part of the project, and that they are eco-efficient.

If possible, a combination of financiers, new and creative financial schemes, multiple partnerships and eco-efficient systems should be sought, minimizing investment costs.

Climate projects may not comply with financial policies, may not be profitable and require significant subsidies, but being eco-efficient and being financed, what is sought is credit risk diversification.

The values to be entered are whole numbers from zero (0) to five (5), otherwise the PIPELINE will give an error message.

Ratings Compliance	
Does not comply	0
Very low compliance	1
Minimal compliance	2
Medium compliance	3
High compliance	4
Total compliance	5

CUMPLIMIENTO CON POLÍTICA FINANCIERA	Peso Criterio	Proyecto 1
Cambio de paradigma	25%	4.00
Contabilidad de subvenciones (grant)		
Financiación concesional mínima	20%	0.00
Combinar instrumentos de financiación	25%	0.00
No desplazamiento de otras financiaciones	15%	0.00
Rentabilidad	15%	0.00
Evaluación subcriterio Cambio Paradigma y Contabilidad de Subvenciones	**50%**	**0.50**
Ecoeficiencia Reducción/optimización del Uso de Recursos (Consumo) (*)		
Optimiza consumo de materia prima/materiales	0%	
Optimiza el consumo de agua	0%	
Optimiza consumo de energía	0%	
Optimiza del espacio utilizado por el proyecto (Suelo)	50%	4
Posibilidades de reciclaje y gestión de residuos.	40%	4
Maximiza el uso de recursos renovables contra no renovables	10%	1
Evaluación subcriterio Ecoeficiencia	**50%**	**1.85**
EVALUACIÓN FINAL CRITERIO POLÍTICA FINANCIERA		**2.35**

(*) Peso del criterio = 0%, significa que no aplica

Once all the criteria have been scored, click on the **"back"** button in the upper left corner and move on to the risks to the funder.

Step 7:

Operational risks for the funder

Climate funders seek to grant funds in a transparent and effective manner, so it is in their interest that the project does not involve the following for them:

- **Reputational risk:** Adverse perception of the project that jeopardizes its reputation.
- **Risk of sanctions:** For illegal actions linked to the project such as embargoes, money laundering, terrorist financing, etc.
- **Technical and operational risks:** Failure and lack of measurement and monitoring of reduced emissions (RE) and/or lack of capacity to implement and operate the project.

The assignment or rating of risks is shown in the following table:

Probabilidad de ocurrencia	Alta	Media = 3	Media alta = 2	Alta = 1
	Media	Media baja = 4	Media 3	Media alta = 2
	Baja	Baja/Ninguno = 5	Media baja = 4	Media = 3
		Baja	Media	Alta
		Impacto en el proyecto		

We proceed to the rating or scoring of the risks for the financier with values between zero (0) and five (5).

Factores de riesgo y medidas de mitigación		
	Peso Criterio	Proyecto 1
Reputacional	30%	5
Sanciones	30%	5
Técnicos y operativos		
Fallas y faltas de monitoreo de ER	20%	5
Falta de capacidad de ejecución	20%	5
EVALUACION FINAL CRITERIO DE RIESGO		**5.0**

Once all the criteria have been scored, click on the “back” button in the upper left corner to verify the final evaluation.

Step 8:

Preliminary Evaluation

For a better analysis of the project idea, the preliminary assessment should be reviewed in order to verify in detail the fulfillment of the investment criteria, as well as its linkage and support to the achievement of the sustainable development objectives.

General characteristics of the project idea: This information will allow us to establish:

- Project Mitigation, adaptation or both
- Number of beneficiaries or population benefited
- Investments, implementation period and useful life

EVALUACION PRELIMINAR

¿La idea del proyecto cumple con los criterios de Inversión y los ODS?

Criterios		Respuesta
Área de resultados del proyecto		
Áreas de resultados para el proyecto/programa.	Mitigación	Acceso a la energía y generación de energía.
Impacto en adaptación		
Beneficiarios Directos		0 a 100 familias
Beneficiarios Indirectos		> al 50.1% de la población del Municipio
Aspectos Financieros		
Inversión requerida	Euros	1,500,000
Costo por tCO2 reducida	Euros/tCO2	30
Tiempos estimados para el proyecto		
Implementación	años	1
Vida útil	años	10
Coincidencia con Criterios y Subcriterios de Inversión Climática		

Linkage to Sustainable Development Goals (SDGs)

This evaluation seeks to establish the linkage or relationship of the project idea with the greatest number of SDGs, which would facilitate the preparation of the concept note or initial document required by climate funders.

Criterios		Respuesta
Coincidencia con Objetivos de Desarrollo Sostenible (ODS)		
El proyecto esta vinculado o apoya la consecución de los Objetivos de Desarrollo Sostenible establecidos por Naciones Unidas	Lucha contra la pobreza	Vinculado
	Lucha contra el hambre	Vinculado
	Bienestar para todos	Vinculado
	Educación de Calidad	Vinculado
	Igualdad de genero y oportunidades	Vinculado
	Acceso al agua limpia y saneamiento	NO vinculado
	Energía asequible y no contaminante	NO vinculado
	Trabajo decente y crecimiento económico	NO vinculado
	Industria, Innovación e Infraestructura	NO vinculado
	Reducir la desigualdad en y entre los países.	Vinculado
	Ciudades y comunidades sostenibles	NO vinculado
	Producción y consumo responsables	NO vinculado

Step 9:

Final Evaluation

In the “Project Evaluation” section, we will have a score between 1 and 5. A high score (greater than three) indicates that the project is very likely to be viable and obtain resources quickly, while a low score (less than three) indicates the opposite.

EVALUACION DEL PROYECTO	% Importancia	
Coincidencia con criterios de inversión	30%	2.7
Coincidencia con política financiera	25%	2.4
Vinculación con los ODS	30%	4.0
Nivel de riesgo para el GCF	15%	5.0
Evaluación sobre cinco (5) puntos		**3.4**

Conclusions

The protection, restoration and sustainable management of forests and other lands is an essential component of meeting the goals of the Paris Agreement and the Sustainable Development Goals. To achieve a paradigm shift, barriers around capacities, risks and transparency of processes need to be overcome. Eco-efficiency principles ensure optimal use of resources, minimization of negative impacts and maximization of economic benefits.

Avoiding deforestation in the Amazon is essential to mitigate climate change, conserve biodiversity, ensure food security and promote the well-being of local communities. This requires a comprehensive approach that combines effective policies, sustainable practices and the participation of all stakeholders.

Innovative approaches, local and traditional knowledge and broad participation in decision-making processes can make a difference in changing norms and values, increasing legitimacy, providing adequate resources and improving planning processes, which will drive the expected paradigm shift.

The fight against desertification to restore degraded soils and lands allows maintaining and increasing food security and avoiding deforestation.

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Annex 1:

Multilateral Climate Finance Institutions

Organization	Program/Hyperlink
Green Climate Fund (GCF)	Adaptation/Mitigation/
Andean Development Corporation (CAF)	Green funds, adaptation fund, action
European Investment Bank (EIB)	Climate Action
Inter-American Development Bank (IADB)	Multiple programs
International Bank for Reconstruction and Development (The World Bank)	• Climate Change • Climate Investment Funds • Partnerships • Projects and Operations • Carbon Funds and Facilities
International Finance Corporation (IFC)	• Clean Technologies • Sustainable Energy • Carbon Finance

Source Green Climate Fund

Bilateral Climate Finance Agencies

Country	Program/Hyperlink
Australia	• Australian Aid • Overview of Australia's assistance for climate change • Climate change and environment initiatives
Austria	Austrian Development Cooperation (ADC)
Belgium	Belgian Development Cooperation (Foreign Affairs, Foreign Trade and Development Cooperation)
Brazil	Banco Nacional de Desenvolvimento Econômico e Social (BNDES, the Brazilian Development Bank)
Canada	Canadian International Development Agency (CIDA)
Denmark	• Danish Development Agency (DANIDA) • Industrialization Fund for Developing Countries (IFU)
European Commission	• Climate Action • Global Climate Change Alliance
Finland	Ministry for Foreign Affairs (climate change - global policy and cooperation)
France	• Agence francaise de developpement (AfD) • Department for International Cooperation • Fond Francaise pour l'Environnement Mondial (FFEM)
Germany	• Federal Ministry for Economic Cooperation and Development (BMZ) • Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH • Kreditanstalt fuer Wiederaufbau (KFW) • Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) • International Climate Initiative
Greece	Ministry of Foreign Affairs
Ireland	Department of Foreign Affairs and Trade (Irish Aid)
Italy	Ministry of Foreign Affairs

Country	Program/Hyperlink
Japan	• Ministry of Foreign Affairs (MOFA) • Japan Bank for International Cooperation (JBIC) • Japan International Cooperation Agency (JICA)
Luxembourg	Lux-Development
Netherlands	Netherlands Development Cooperation
New Zealand	New Zealand Aid Programme (NZAID)
Norway	• Ministry of Foreign Affairs (ODIN) • Norwegian Agency for Development Cooperation (NORAD)
Portugal	• Ministry of Foreign Affairs • Portuguese Cooperation Institute
Spain	Ministerio de asuntos exteriores y de cooperación
Sweden	Swedish International Development Cooperation Agency (SIDA)
Switzerland	• Swiss Agency for Development and Cooperation (SDC) • State Secretariat for Economic Affairs (SECO)
United Kingdom	Department for International Development (DFID)
United States	United States Agency for International Development (USAID)

Source: Green Climate Fund

Land Use Change
Module

Sector Guide and Pipeline

“Land Use Change”

ARO

AMAZON REGIONAL OBSERVATORY

ACTO

Amazon Cooperation Treaty Organization

Prepared by libélula