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ANNEX 1

to the Commission Implementing Decision on the financing of the annual action plan in favour of Ecuador for 2024

Action Document for ‘Ukumari EU - Ecuador Forest Partnership: Traditional knowledge for forest conservation and bio-economy promotion’

ANNUAL PLAN

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation and an action plan, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

<p>1. Title CRIS/OPSYS business reference Basic Act</p>	<p>‘Ukumari EU - Ecuador Forest Partnership: Traditional knowledge for forest conservation and bio-economy promotion’</p> <p>OPSYS number: ACT-62195</p> <p>Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>)</p>
<p>2. Team Europe Initiative</p>	<p>Yes</p> <p>TEI Green Deal Ecuador – Economic green recovery through circular and bio-economy, contributing to Sustainable Growth and Green Deal EU policies</p>
<p>3. Zone benefiting from the action</p>	<p>The action shall be carried out in Ecuador</p>
<p>4. Programming document</p>	<p>Ecuador – Multi-annual indicative programme 2021-2027 (MIP)</p>
<p>5. Link with relevant MIP(s) objectives / expected results</p>	<p>MIP Priority Area 1: Support to sustainable trade and investments</p> <p>SO1.1: Promote sustainable supply chains and strengthen the business and investment climate with Expected Results (ER) for SO1.1:</p> <ul style="list-style-type: none"> • ER 1.1.1 Increased sustainable trade and green investment flows between Ecuador and the EU, possibly contributing to Nationally Determined Contributions territorial implementation through local authorities and their long-Term Strategies and Climate Adaptation Plans; • ER 1.1.3 Increased exports capacities of SMEs and cooperatives; • ER 1.1.4 Increased diversification of the exportable offer. <p>SO1.2: Improve the productivity and competitiveness of SMEs and cooperatives with a special focus on sectors with high social impact and</p>

	<p>export development promoting public-private partnership with Expected Results for SO1.2:</p> <ul style="list-style-type: none"> • ER 1.2.1 Increased competitiveness and productivity of SMEs and cooperatives; • ER 1.2.2 Increased sustainable inclusive economic growth with improved livelihoods and decent employments (more and better jobs). <p>SO1.3: Minorities and groups in vulnerable situation, in all their diversity, fully enjoy and exercise their equal economic, labour and social rights.</p> <p>MIP Priority Area 2: Enhance climate and environment action on green productivity and innovation</p> <p>SO2.1: Increase implementation of circular economy and bio-economy policies with the participation of main public and private actors with a social and gender-balanced approach with Expected Results for SO2.1:</p> <ul style="list-style-type: none"> • ER 2.1.1 Increased industries with sustainable production policies and practices; • ER 2.1.2 Increased number pilot projects in circular economy and bio-economy. <p>SO2.2: Increase the implementation of green innovation and circular economy practices with the private sector, local authorities and higher education system with Expected Results for SO2.2:</p> <ul style="list-style-type: none"> • ER2.2.2 Increased number of people who have a basic understanding of concepts of climate change, green innovation and circular economy; • ER2.2.3 Increased higher education and research institutions curricula in the implementation of green innovation and circular economy projects. <p>SO2.4: Increase women in all their diversity influence decision-making processes on environmental conservation and climate change policies and actions with Expected Results for SO2.4:</p> <ul style="list-style-type: none"> • ER 2.4.1 Improved access of women in all their diversity to entrepreneurship, alternative livelihoods and strengthened participation in the green and circular economy.
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Enhance climate and environment action on green innovation and productivity, Agriculture (311), Industry (321)
7. Sustainable Development Goals (SDGs)	Main SDGs: SDG 12 (12.2.1, 12.2.2), Other significant SDGs and where appropriate, targets: contributing to SDGs 1 (1.1.1), 4, 5, 8, 9, 10, 13, 16, 15, 17.
8 a) DAC code(s)	31120 – Agricultural Development (40%) 31210 – Forestry policy and administrative management (30%) 31220 – Forestry Development (30%)
8 b) Main Delivery Channel	Channel 1 AECID – 41114 Channel 2 AICS – 52

9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Combat desertification @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	/
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	<p>Budget line(s) (article, item): Budget Line: BGUE-B2024-14.020140-C1-INTPA</p> <p>Total estimated cost: EUR 5,300,000</p> <p>Total amount of EU budget contribution EUR 5,000,000</p> <p>Total amount of AECID budget contribution EUR 200,000</p> <p>Total amount of AICS budget contribution EUR 100,000</p> <p>This Action is inscribed in the context of the Team Europe Initiative (TEI) ‘Economic green recovery through circular and bio-economy, contributing to Sustainable Growth and Jobs and Green Deal EU policies’.</p> <p>Germany EUR 5,500,000</p> <p>Italy EUR 100,000</p> <p>Spain EUR 200,000</p>			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing¹	Indirect management with the entities selected in accordance with the criteria set out in section 4.3.1			

1.2 Summary of the Action

Ecuador enjoys a privileged position as one of the most biodiverse countries in the world, with a unique set of ecosystems in a rather limited space. It is a small contributor to the negative effect of climate change, but due to its privileged position, is naturally inclined to the Green Agenda. For this reason, Ecuador should be a natural world flagbearer of green-led development and conservation, following the likes of Costa Rica, as well as in the protection of human rights and rights of nature, having also ratified the Escazú agreement on May 21, 2020, and as the first country in the world having enshrined nature’s rights in its Constitution (2008). Nevertheless, deforestation poses a major problem to the country, with rates close to 100.000 ha/year deforested. The increase in deforested areas not only leads to a decrease in biodiversity, but also to economic and social challenges for rural and indigenous communities.

¹ Art. 27 NDICI

In this context, and as part of the Team Europe Initiative ‘Economic green recovery through circular and bio-economy, contributing to Sustainable Growth and Jobs and Green Deal EU policies’ developed by the EU and the five European Member States represented in the country, this Action seeks to develop the first EU - Ecuador Forest Partnership. In view of the EU’s Green Deal agenda, and our unique environmental expertise and financing mechanisms, the aim of the Action is to conserve and develop a more sustainable use of forest biodiversity, hence by promoting the use of bamboo instead of timber, improving local capacities on forest fire’s prevention and enhancing research and traditional knowledge on agroforestry and forest recovery. Additionally, this initiative aims to mainstream social cohesion and develop sustainable economic initiatives with local and indigenous communities, to reduce social, environmental and economic pressures and as a result, decrease the possibility of future social unrest. The Action follows on the EU Delegation’s work on climate change, support to sustainable exports, agricultural development, and support to comply with the EU zero deforestation regulations².

The overall objective of the Action is to develop an “EU-Ecuador Forest Partnership”, by stimulating “traditional knowledge for forest conservation and bio economy promotion”. It will (a) contribute to local revitalisation, the fight against climate change and the promotion of circular economy by establishing development corridors related to the sustainable use and innovation of bamboo and its value chains; and (b) strengthen the local and national competent authorities’ capacities to prevent, monitor, control forest fires and their causes, enhancing landscape connectivity, providing fundamental ecosystem services and contributing to improve the environment and the living conditions of local communities.

The implementation of the MIP 2021-2024 is guided by the Team Europe Initiative, the Joint Programming document, the level of implementation of the EU-Ecuador Free Trade Agreement as well as the current state of implementation of the previous MIP and other non-MIP actions. In line with the MIP and TEI priority on climate and environmental action, and support to sustainable trade, this Action Document will provide the means for establishing a solid support structure for the TEI and funds for its implementation. It will ensure complementarity with the regional Green Deal and Amazon TEIs and it shall prepare the ground for a subsequent phase enabling the mobilisation of EFSD+ guarantees and/or blending, as the case of the foreseen in the sub-TEI with AFD’s LACIF blending. Similarly, this Action promotes the European Green Deal priorities, in specific the upcoming EU Regulation on zero deforestation supply chains³. In line with the new European Consensus for Development, it will particularly contribute to the implementation SDG 12 (Responsible Consumption and Production), and SDG 15 (Life on Land), while also contributing to other SDGs (1, 4, 5, 8, 9, 10, 13, 16, 17).

The proposed action intends to contribute to the first and second pillar of the MIP. Relevant objectives are: 1.1. Promote sustainable supply chains and strengthen the business and investment climate; 1.2. Improve the productivity and competitiveness of SMEs and cooperatives; and 1.3. Minorities and groups in vulnerable situation fully enjoy and exercise their equal economic, labour and social rights; as well as objectives 2.1. Increase implementation of circular economy and bio-economy policies with a social and gender-balanced approach; 2.2 Increase the implementation of green innovation and circular economy practices with the private sector, local authorities and higher education system; and 2.4 Increase women’s influence in all their diversity in decision-making processes on environmental conservation and climate change policies and actions.

The AAP 2024 for Ecuador foresees two separate actions to be implemented through indirect management. The first action is to be implemented by AECID – the Spanish Agency for International Development Cooperation – with the support of the Ecuadorian office of the International Bamboo and Rattan Organisation (INBAR). It is focused on reducing deforestation by improving deforestation-free bamboo farming systems and commodity supply chains. The second action is to be implemented by AICS – the Italian development cooperation institution – in collaboration with the Hungarian Forest Research Institute, and it is focused on strengthening forest

² Regulation (EU) 2023/1115 on deforestation-free products (the Regulation)

³ https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en

conservation through protected area management, forest fire prevention and ecosystem restoration based on traditional knowledge.

The new European Consensus for Development⁴ states that the EU and its Member States will implement a rights-based approach to development cooperation, encompassing all human rights. They will promote inclusion and participation, non-discrimination, equality and equity, transparency and accountability⁵. Thus, the action will rely on methodologically sound and policy-relevant empirical research and develop the evidence base for its projects that ensures mainstreaming of key topics such as gender and human rights.

The Action will be in line with the EU Gender Action Plan - GAP III and its thematic areas of engagement “Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation”, as well as the new EU Consensus on Development, the Human rights and democracy Action plan and the Human Rights Based Approach Toolbox⁶, the EU Strategy on the rights of the child⁷, and the EU Guidance Note Disability inclusion in EU external action⁸.

2 RATIONALE

2.1 Context

Ecuador’s 2008 Constitution was the world’s first to recognise the Rights of Nature, which translates into recognising nature as a subject of law, providing a series of legal guarantees for its conservation. Nevertheless, extractive activities are expanding at an accelerated pace, and both nature and its defenders are under systematic pressure from economic and political elites.

On 24 May 2021, a right-leaning government took office, following 14 years of left-leaning administrations. The current Administration follows a pragmatic approach to national development promoting private sector-led growth through the Ecuadorian National Development Plan (ENDP) 2021-2025, by encouraging Foreign Direct Investment and the signing and deepening of trade agreements, whilst rebalancing the weight of the public sector via a USD 6 billion programme with the IMF.

The administration seems serious about the Green Agenda, as demonstrated by its various announcements in the COP27. The ENDP’s fourth axis consists of the “Ecological Transition”, a Green Agenda focusing on smart and green investments and promoting sustainable development models. Following, the formerly named Ministry of the Environment and Water has now adopted the name Ministry of the Environment, Water, and Ecological Transition (MAATE). Hence, the new government has placed the Ecological Transition as one of the key pillars of the development plan, through executive decree No. 59 of 5 June 2021 (12 days after taking office) proposing the set-up of a legal and institutional framework that seeks to enshrine an integral and coordinated ecological transition⁹. In this context, Ecuador announced the extension of the protected marine reserve in Galápagos, from 133 thousand, to 193 thousand square kilometres. Nevertheless, there are still environmental political contradictions, since the government continues to grant mining and oil concessions in sensitive environmental areas, even within internationally renowned protected areas such as the Yasuní Biosphere Reserve. Additionally, the Ecuadorian State, does not strictly comply with environmental protection and remediation processes.

Paradoxically, extractive industries like oil and most recently industrial and artisanal mining development have developed a grown concern in society due to the pollution and related health problems caused by it. Indigenous communities have raised their voices because of water pollution

⁴ [2017 new European Consensus on Development](#)

⁵ [Working better together as a Team Europe](#)

⁶ [HRBA Toolbox](#)

⁷ [COM\(2021\)142 final](#).

⁸ [EU Guidance Note Disability inclusion in EU external action](#)

⁹ It has also announced a doubling of the petrol production, which critics see as a contradiction.

caused by mining. As an example, on January 28, 2022, Ecuador's Heavy Crude Oil Pipeline (known by its Spanish acronym OCP), ruptured, contaminating more than 20,000 square meters of the Cayambe Coca National Park, according to the MAATE. Artisanal gold mining, which is common in Ecuador, uses the process of mercury amalgamation, which causes serious health problems such as neurological disorders. Mercury can also pollute rivers and soils. In June 2022, after weeks of protests by Indigenous peoples, also caused by fuel prices and medicine shortages, CONAIE signed an agreement with the government about 10 key policy reform areas, in order to limit the further expansion of the oil and mining industries and to ensure the Free, Prior and Informed Consent of Indigenous communities.

Social discontent is mounting as citizens perceive that economic rents are not equitably distributed within the country's various social strata. As a result, Ecuador experienced social unrest with two national strikes in October 2019 and June 2022. Indigenous communities and other sectors have expressed their concern regarding the ecological and social consequences derived from extractive activities, the lack of social services provided by the State and a widespread national security crisis, among others.

The REDD+ safeguards, approved as part of the Cancun Agreements, urge Parties to “respect gender considerations” in their implementation. All contextual framing of REDD+ recognizes the importance of gender equality and women's inclusion in decision making. The COP 16 report says that “gender equality and the effective participation of women and indigenous peoples are important for effective action on all aspects of climate change”. By the same token, the Paris Agreement and Sustainable Development Goal (SDG) 5 promote gender equality and women's empowerment.¹⁰

In this context, and as part of the Team Europe Initiative developed by the EU and the five European Member States represented in the country, this Action seeks to develop the first EU - Ecuador Forest Partnership. In view of the EU's Green Deal agenda, and our unique environmental expertise and financing mechanisms, the aim of the Action is to conserve and develop a more sustainable use of forest biodiversity, hence by promoting the use of bamboo instead of timber improving local capacities on forest fire's prevention and enhancing research and traditional knowledge on agroforestry and forest recovery. Additionally, this initiative aims to mainstream social cohesion and develop sustainable economic initiatives with local and indigenous communities, in order to reduce social, environmental and economic pressures and as a result, decrease the possibility of future social unrest.

2.2 Problem Analysis

Ecuador is a small contributor to climate change (its territory contributes 0.18% of GHG emissions worldwide, even though it is an oil and gas producer mainly for export), **but heavily affected by climate change** due to (a) the rise in the sea level; (b) increases in rainfall and precipitation deficits due to intensification of El Niño - Southern Oscillation (ENSO); (c) the loss of glacial surface; (d) impacts on agriculture due to alterations in rainfall; (e) impacts on rural and urban infrastructure due to extreme precipitations; (f) increase of risk factors on populations in vulnerable situation; (g) increase in epidemics exacerbated by climate change; or the (h) erratic levels of water availability.

Ecuador has a high variation in topography it is ranked among the most biodiverse countries in the world. Forest lands include state production forests, indigenous reserves and state protected areas. Approximately 49.99% of Ecuador's land area is designated as forest land of which around 0.49% is actually forested as forest plantation, mostly in the Amazon region.

Deforestation in Ecuador has been drastically increasing in the last decades for a number of reasons. Over the last half century, deforestation has been accelerated by the expansion of the agricultural and livestock frontiers, due to the increase in national demand and internal migration of the rural population and the increase in agricultural demand, together with the interests of the

¹⁰ [IDB. Gender, Forests and Climate Change. 2021](#)

agribusiness sector. In addition, the extractive economic model, highlighting mining and hydrocarbon exploitation and the associated roads and other infrastructure, has contributed to deforestation. Finally, the increased international demand for timber, which has come with a steep rise in production, and the expansion of the shrimp business, which has fuelled mangrove deforestation. The fact that narco-trafficking has expanded from Colombia and Peru has made border provinces more vulnerable to deforestation and has made that palm oil becomes the preferred sector for money laundering.

Addressing the sustainable forest management, and forest restoration is critical for forest conservation, one of the most vital resources for life on Earth. Forests provide a broad variety of environmental, economic, and social benefits and services essential for humankind, as well as having a cultural and religious significance for indigenous peoples and being strictly linked to their livelihoods. Forests maintain ecosystem functions, help protect the climate system, provide clean air, and play a vital role for the purification of waters and soils. Women's specific biodiversity knowledge contributes to species monitoring, forest restoration and soil management, all of which contribute to sustainable forest management¹¹. Forest harbour most of Earth's terrestrial biodiversity, essential for the resilience of ecosystems and their services, provide subsistence, livelihood, jobs, and income to about one third of the world's population and help drive sustainable growth. They are also the basis for cultural and territorial identity and lifestyle of many indigenous peoples. Forests act as a critical carbon sink for one-third of the CO₂ released from burning fossil fuels, while deforestation is responsible for 12-13% of global emissions.

According to the 2018 - 2020 land cover map deforestation is proceeding at an average of 91.692 ha/year or 0.73% of total coverage, principally due to: crop expansion, logging activities, cattle ranching, oil palm plantations, mining, and oil concessions are highlighted as the direct drivers of deforestation in the country. The erosion of the forest affects national development through coastal erosion caused by sea level rise and storms, water management problems, environmental degradation and a wood trade deficit. They also impact negatively on the human rights of indigenous peoples and local communities and have caused social and political unrest at national level. Furthermore, in relation to climate change, deforestation contributes to carbon emissions and biodiversity loss. The most affected provinces by forest loss were Sucumbíos, followed by Orellana, Esmeraldas, and Manabí. Likewise, Sucumbíos was the province most affected by the decrease in tree area caused by fires.

Beyond the environmental consequences, and as briefly mentioned, **deforestation also brings along several economic and social consequences.** One example of this is environmental degradation, lack of respect of indigenous peoples' rights and the lack of green and sustainable job opportunities especially in rural and forested areas, where unemployment and poverty are most acute. In response to this problematic and acknowledging that rural and forested areas in Ecuador are around two times poorer than urban centres, sustainable productive activities that promote local development have sparked among rural and indigenous communities. For instance, the use of bamboo as a construction material instead of timber has gained attention due to its lower environmental footprint. In this sense, the Action described in this document will be active in regions with some of the highest poverty indices of the country, and at its core is the objective of providing people with opportunities to improve their livelihoods and to tackle existing inequalities.

From a gender perspective, there are some barriers women encounter to accessing agroforestry value chains. The value chains in which women work generally produce less revenue than those in which men work. For example, men compose most of the timber value chain, which generates the greatest benefits. Even when they work in the same value chains, women earn less, whether because they work in the part of the value chain where earnings are lower or because they are paid less despite doing the same work as the men¹². Persons with disabilities are recognised as being at increased risk from climate change effects, yet very little is known about how persons with disabilities and their

¹¹ [IDB. Gender, Forests and Climate Change. 2021](#)

¹² [IDB. Gender, Forests and Climate Change. 2021](#)

representative organisations have been engaged in climate change adaptation and mitigation measures to date¹³.

Ecuador needs to prepare its land-use productive sector for the EU’s deforestation-free products regulation (EUDR), preliminarily agreed upon in November 2022, and to enter into force within the next years. Although Ecuadorian wood and bamboo exports to the EU are minimal (for 2022, wood exports to the EU reached EUR 39 million, whereas bamboo exports to the EU barely reach EUR 20 thousand), these values represent only a fractional part of the exports to the EU, which mostly rely on equally land-intensive agricultural products and fisheries, making Ecuador the EU’s first organic products exporter. Primarily cocoa, but also palm oil, timber, and coffee exports will be affected by the EUDR. Cattle, soy, and rubber exports are also considered in the EUDR, but these products do not represent substantial Ecuadorian exports to the EU. In this context, some traceability projects have been led by the MAATE, yet their work is only at a pilot stage.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

Members of the Team Europe Initiative: ES (AECID), IT (AICS), HU (Hungarian Forest Research Institute)

Besides the two projects presented in this Action Document, there will be a LACIF blending project implemented by AFD focused on promoting bio-economy and bio-trade by developing forest-based value chains, for which there will be an EU contribution of EUR 7,000,000, and a loan made by AFD of around EUR 50,000,000.

Public sector: Ministry of the Environment, Water and Ecological Transition (MAATE), Ministry of Agriculture and Livestock (MAG), and the Ministry of Production, Trade, Investment and Fisheries (MPCEIP) and the Ministry of Labour (MINTRA). They are the national institutions competent to define and implement the national policies related to the environment, natural resources, forest management, climate change, value chains, agricultural productive activities, international labour standards and due diligence. Similarly, in the field of forest fires prevention and forestry surveillance, local firefighter’s, the National Police, ECU 911, and the National Institute of Meteorology and Hydrology (INAMHI) are relevant institutions implementing services on forest fire prevention and response, and compliance with forest conservation normative.

Civil society: The activities of this Action will need the support of the civil society, in particular those organisations working in the topics of deforestation, forest conservation, biodiversity, and sustainable agriculture and relevant indigenous organisations. Due to their involvement during the programming phase of this Action, national and international NGOs present in Ecuador will support the development of the projects from the civil society sector.

Stake holders	Main interest of the project in relation to stakeholder	Level of Interest	Power
Duty bearers			
Ministry of the Environment, Water and Ecological Transition (MAATE)	It has the portfolio of climate change and environment protection. In particular the Undersecretariat of Natural Heritage is in charge of the conservation of forests, managing the protected natural areas, and updating data on deforestation. The Undersecretariat will be particularly relevant in defining and implementing policies on forest management, forest fire	High	High

¹³ [EU Guidance Note Disability inclusion in EU external action](#)

	prevention, and deforestation-free products certifications.		
Ministry of Agriculture (MAG)	It will be key as it is in charge of all activities related to defining and implementing policies in sustainable agriculture and value forestry value chains.	High	High
Ministry of Urban Development and Housing (MIDUVI)	It has the central role in defining and implementing policies on the use of sustainable construction material.	Medium	High
Ministry of Production, Trade, Investment and Fisheries (MPCEIP)	It will be involved in the potential activities related to support to trade.	Medium	High
Ministry of Labour (MINTRA)	In charge of monitoring the application of international labour standards and ILO Convention num. 169 on indigenous and tribal peoples.	Medium	Low
National Institute of Meteorology and Hydrology (INAMHI)	The INAMHI may be consulted and involved in the development of the projects in their role as provider of information on meteorology and hydrology.	Medium	Low
National Council for Gender Equality	Implement the axis of environment and climate change of the National Agenda for Gender Equality 2021-2025. ¹⁴	Low	Low
Right holders			
Communities working in the sustainable production of bamboo	Technical assistance and training to strengthen the capacities of farmers and people linked to the bamboo and agroforestry sectors	High	Medium
Owners of SMEs who engage in the sustainable production of bamboo and/or agroforestry	Technical assistance and training for the implementation of sustainable production of bamboo and agroforestry systems, including research activities	High	Medium
Indigenous Peoples involved in the processes of sharing traditional knowledge	Involvement of indigenous peoples in forestry research and knowledge sharing	High	Medium
Local Authorities	Technical assistance and training for the implementation of bamboo development centres	Medium	Medium
Forestry Brigades	Technical assistance to the agents in their role protecting the forest and preventing illegal actions from happening	Medium	Medium

¹⁴ [National Agenda for Gender Equality 2021-2025.](#)

Local Firefighters	Technical assistance to the agents in their role reacting to forest fires	Medium	Medium
National Police	Technical assistance to the agents in their role as law enforcers in the forests	Medium	Medium
ECU 911	Technical assistance to the agents in their role as the entity in charge of attending emergencies, including those relevant to the forests	Medium	Medium
People living in the surrounding areas of the forests selected for this Action	Technical assistance and training for the implementation of forest fires prevention	Medium	Low

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The **Overall Objective** (Impact) of this action is **to enhance traditional knowledge for forest conservation with bio economy promotion.**

The Specific Objectives (Outcomes) of this action are:

1. To contribute to local revitalisation, the fight against climate change and the promotion of the circular economy by establishing development corridors related to the sustainable use and innovation of bamboo and its value chains as alternative seismic-resistant construction materials;
2. To strengthen the local and national competent authorities' capacities to prevent, monitor, control forest fires and their causes, enhancing landscape connectivity, providing fundamental ecosystem services and contributing to improve the environment and the living conditions of local communities, integrating gender-based approach.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Specific objective 1

Output 1.1. The business environment, policies and regulatory framework for public and private sector investment are improved;

Output 1.2. Bamboo for climate change mitigation, resilience building and general environmental stewardship is promoted;

Output 1.3. The SMEs value chain to improve livelihoods and employment opportunities is developed, with a focus on women, people living in poverty, and persons with disabilities;

Output 1.4. Knowledge management and learning are enhanced, effectively integrating gender mainstreaming.

Specific objective 2

Output 2.1. National and local capacities to prevent, monitor, control and combat forest fires, implementing alternative practices to the use of fire in agriculture are increased;

Output 2.2. Meaningful scientific research activities and innovative practices on ecosystem restoration and natural resources sustainable management through a successful intercultural dialogue with local knowledge systems are carried out, integrating gender-based approach.

3.2 Indicative Activities

Specific objective 1: To contribute to local revitalisation, the fight against climate change and the promotion of the circular economy by establishing development corridors related to the sustainable

use and innovation of bamboo and its value chains as alternative seismic-resistant construction materials.

Activities related to **Output 1.1. The business environment, policies and regulatory framework for public and private sector investment are improved:**

1.1.1 Multi-product supply chains developed for a greater and better boost to the bamboo value chain;

1.1.2 Strengthened and established 6 platforms (collection and preservation centres);

1.1.3 Favourable regulatory framework for the development of bamboo (14 regulatory instruments).

Activities related to **Output 1.2. Bamboo for climate change mitigation, resilience building and general environmental stewardship is promoted:**

1.2.1 Bamboo cultivation systems developed (8 nurseries; 80,000 plants; 600 ha restored and/or managed; 2,000 small farmers benefited);

1.2.2 Strengthening the capacities of farmers and people linked to the collection and preservation centres (100 rights-holders);

1.2.3 Researchers trained on carbon, ecosystem services and intangible benefits (30 researchers; 10 investigations).

Activities related to **Output 1.3. The SMEs value chain to improve livelihoods and employment opportunities is developed with a focus on women, people living in poverty and persons with disabilities:**

1.3.1 Business models for bamboo products developed and marketing systems established (160 businessmen and women, and workers involved);

1.3.2 Bamboo construction models and supply chain (400 entrepreneurs and builders);

1.3.3 Three Common Facility Centres (CFC) established to ensure the quality of pre-processed raw material and other commercial inputs based on market needs.

Activities related to **Output 1.4. Knowledge management and learning are enhanced effectively integrating gender mainstreaming:**

1.4.1 A knowledge management platform is established;

1.4.2 Business cases, policy brief and publications are developed.

Specific objective 2: To strengthen of the local and national competent authorities' capacities to prevent, monitor, control forest fires and their causes, enhancing landscape connectivity, providing fundamental ecosystem services and contributing to improve the environment and the living conditions of local communities, integrating gender-based approach.

Activities related to **Output 2.1. National and local capacities to prevent, monitor, control and combat forest fires, implementing alternative practices to the use of fire in agriculture are increased:**

2.1.1. Environmental Integrated Management Plans approved in selected regions (MAATE);

2.1.2. Officers, technicians and local communities trained on forest fire prevention, early warning systems and data collection systems (included basic protection equipment and infrastructures).

Activities related to **Output 2.2. Meaningful scientific research activities and innovative practices on ecosystem restoration and natural resources sustainable management through a successful intercultural dialogue with local knowledge systems are carried out, integrating gender-based approach:**

2.2.1. Good agroforestry practices as alternatives to the use of fire implemented (Traditional uses of forest products);

2.2.2. Scientific research studies on forest ecology and genetics realised with European institutions.

The commitment of the EU's contribution to the Team Europe Initiatives foreseen under this action plan will be complemented by other contributions from the partners applying a Team Europe approach. It is subject to the formal confirmation of each respective partners' meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions). The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project). The EIA (Environment Impact Assessment) screening classified the action as Category B (not requiring an EIA, but for which environment aspects will be addressed during design).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project). The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls. As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender equality is a significant objective of the action. Studies and advisory services will fully integrate gender aspects and evidence generation will be based on data disaggregated by sex and other intersectional categories. The programming part will promote gender-specific assessments such as gender analysis.

Human Rights. This project supports the implementation of deforestation-free value chains and sustainable agricultural practices, as well as the prevention of forest fires, which contributes to having a dignified living.

Reduction of inequalities. The projects support the creation of sustainable jobs related to the construction with bamboo with a gender-based approach. It also protects the forests that provide livelihood to indigenous communities and, even more, women in indigenous communities.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the action is not considered relevant for inclusion of persons with disabilities. However, the Action will ensure that rights of persons with disabilities will be respected, and the planned activities are disability inclusive. The Action will encourage partners and programme participants to take the initiatives to protect persons with disabilities and invite organisations representing people with disabilities as much as possible. The Action will in line with the Convention on the Rights of Persons with Disabilities (CRPD), the EU Strategy for the Rights of Persons with Disabilities 2021-2030, and the EU Guidance Note Disability inclusion in EU external action.¹⁵

Democracy

This project does not promote the political participation of people but makes visible people who do not have access to drinking water and promotes public participation in the search of solutions for this problem.

Conflict sensitivity, peace and resilience

The proposed action part of the Forest Partnership sub-TEI has at its core the promotion of the bio-economy through the sustainable production of bamboo, the conservation of forests through forest fires prevention and the enhancement of traditional knowledge related to forest management. These actions imply a focus on resilience through an environmental approach.

¹⁵ [EU Guidance Note Disability inclusion in EU external action](#)

Free, prior and informed consent of indigenous peoples will be key in conflict prevention and to a human rights-based approach, as flagged by the indigenous protests in June 2022. The role of indigenous communities will be key for SO2, as they will be consulted and placed at the core of the project.

Due to the recent political crisis the country underwent, special attention needs to be given to issues the promotion of a fair and sustainable rural economy, as poverty and increasing inequalities may be a cause of conflict.

Disaster Risk Reduction

Disaster Risk Reduction strategies and protocols should be taken to activities related to the bio-economy, forest management and forest fires prevention. In addition, such strategies should also be included in mitigation of climate change impacts.

Other considerations if relevant

Not applicable

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (H/M/L)	Impact (H/M/L)	Mitigating measures
1.3 Macro-environment	Social unrests arise again	Medium	High	The UN and the EU support the National Dialogue between the government and indigenous organisations with a follow-up of the agreements and reforms, and the promotion of Free, Prior and Informed consent protocols (as per EU and UN policy and international law commitments)
1.3 Rotation in key positions	Officials of key public institutions change frequently	High	Medium	The programme will seek to institutionalise all activities and will systematically include career civil servants. In any case, this risk could still affect negatively any operation, as is the case in other programmes
1.3 Political interference in selecting rights holders.	Public entities can be vulnerable to political interference especially before elections	Medium	Medium	The programme will provide support and clear guidelines when rights holders of projects will be chosen by a public institution such as the MAATE or MAG
1.3 Demand for our services far outweighing our offer	Any of the provincial GADs, municipal GADs, parochial GADs, and local institutions in the	High	Medium	Expectation management with potential rights holders will be key in this endeavour, as well as making sure that there is a

	selected provinces may express interest in this action.			strict guideline for selection of rights holders based on the interest for the SOs
X Environmental sustainability loses its priority in the Ecuadorian politics	A change in government may cause a shift in policy priorities, leaving behind climate action policies	Medium	Medium	The political and operational priorities of the EU will continue to focus on environmental sustainability in the near future in Ecuador
X Unforeseen events affecting the action	Unforeseen events (e.g., COVID) affect activities on the ground and the action as a whole	Low	Medium	The implementation methodologies during the application will have to be adapted to consider the necessary measures
Gender equality	Insufficient or inadequate gender mainstreaming could reinforce gender inequalities and the non-realisation of human rights in the sector and hinder the efficiency and sustainability of the action.	Medium	High	Knowledge and tools of gender mainstreaming are available. Gender-sensitive monitoring, use of sex-disaggregated data, and gender-sensitive indicators. Gender mainstreaming is applied in all phases of the project cycle.

Lessons Learnt:

Based on past cooperation with local authorities and environmental actions, we have learnt that:

- It is necessary to raise awareness among public officials, local authorities and different groups of society on climate change and its consequences;
- It is crucial that any initiative encompasses both national and sub-national institutions, so as to work together in these priority issues, hence working with the relevant Ministries and the local authorities as GADs;
- It is key that SMEs and cooperatives are involved in the actions as early as possible, since they are at the core specifically of SO1;
- For legitimisation of the action, it is relevant to perform sensitisation initiatives about the fundamental role that the forests play for climate and rural and urban livelihoods.

3.5 The Intervention Logic

As part of the Team Europe Initiative developed by the EU and five the European Member States represented in the country, this Action seeks to develop the first EU - Ecuador Forest Partnership to conserve and develop a more sustainable use of forest biodiversity by promoting the use of bamboo instead of timber, improving local capacities on forest fire's prevention and by enhancing traditional knowledge on agroforestry and forest recovery. Additionally, this initiative aims to mainstream social cohesion and develop sustainable economic initiatives with local and indigenous communities, in order to reduce social, environmental and economic pressures and as a result, decrease the possibility of future social unrest. The Action follows on the Delegation's work on climate change, support to sustainable exports, agricultural development.

The strength of this proposal lies in its intersectorial approach which deals with forest protection and sustainable rural production from different angles integrated with each other. The EU no longer seeks to pursue stand-alone ad-hoc projects, but rather develop a coalition of willing donors to rally behind

a unified government-led agenda in enhancing Ecuador's forest management capabilities and deforestation-free sustainable production.

The EU is a synonym for human-centred, sustainable development as the first continent aspiring to be carbon-free within a generation, and the host and promoter of a value-based multilateral system that lives and thrives within nature's bounds valorising the forests. This Action promotes the European Green Deal, An Economy that Works for the People priorities, in specific the upcoming EU Regulation on deforestation-free supply chains. In line with the European Consensus for Development, it will contribute to the implementation of the 2030 Agenda, in particular SDG 12 (Responsible Consumption and Production), and SDG 15 (Life on Land), while also contributing to other SDGs (1, 4, 5, 8, 9, 10, 13, 17). Notably, the focus on the sustainable value chains, forest fire prevention, and traditional knowledge places the forest and land use at the core of this Action.

This Action is also in line with Ecuador's "Plan de Creación de Oportunidades 2021-2025", National Decarbonisation Plan, National Plan against Climate Change, the National Strategy for Green Financing, Ecuador's NDC commitment, "Programa Ecuador Carbono Cero", the Law of Circular Economy, the National Forest Conservation Strategy ENREDD+, and the National Adaptation and National Mitigation strategies. There is thus a need for an enabling and integral national framework that links up all these strategies and provides a clear direction, backed up by the necessary methodology and reporting data. Similarly, the action is in line with the recommendation of the Commissioner for International Partnerships, Ms Jutta Urpilainen, during her visit to Ecuador in June 2022, to launch this Team Europe Initiative, and to address the social demands that generated the national strike in the same month.

Therefore, there are two separate actions planned. The first action is to be implemented by AECID – the Spanish Agency for International Development Cooperation – with the support of the Ecuadorian office of the International Bamboo and Rattan Organisation (INBAR), and it is focused on reducing deforestation by improving deforestation-free bamboo farming systems and commodity supply chains. With this, it is expected that the use of bamboo used as a construction material will be spearheaded, through the harmonisation of policy, direct interventions with SMEs, and bamboo plantations, and development of research related to this field. The second action is to be implemented by AICS – the Italian development cooperation institution – in collaboration with the Hungarian Forest Research Institute, and is focused on strengthening forest conservation through protected area management, forest fire prevention and ecosystem restoration based on traditional knowledge. This project will hence include Environmental Integrated Management Plans development, capacity building for entities related to forest fires prevention, research based on traditional knowledge, and knowledge exchange between research institutes related to forest management.

In this context the following rational clauses summarise the intervention logic:

- IF business environment, policies and regulatory framework for public and private sector investment are improved for sustainable productive practices, THEN the use of these value chains can be spearheaded as a construction material, BECAUSE these value chains often lack support for their business models.
- IF bamboo for climate change mitigation, resilience building and general environmental stewardship is promoted, THEN bamboo consumption as a construction material will increase, because the demand will increment as people and companies become aware of its sustainability added value in construction sites.
- IF the pro-poor SMEs value chain to improve livelihoods and employment opportunities is developed, THEN SMEs in the prioritised sectors will increase their sales and margins, BECAUSE currently their value chains are complex, with many intermediaries, leaving little profit to the enterprises.
- IF knowledge management and learning are enhanced, THEN the selected SMEs in the relevant value chains will improve their efficiency leaving room for improvement in their

production outcomes, BECAUSE research and knowledge management has not been a principal issue of interest in bamboo value chains.

- IF national and local capacities to prevent, monitor, control and combat forest fires, implementing alternative practices to the use of fire in agriculture are increased, THEN forest fires in the selected regions are expected to happen less frequently, BECAUSE farmers will be less likely to use traditional fires techniques used in agriculture
- IF meaningful scientific research activities and innovative practices on ecosystem restoration and natural resources sustainable management through a successful intercultural dialogue with local knowledge systems are carried out, THEN traditional knowledge techniques are expected to be mainstreamed promoting a more sustainable use of the land, BECAUSE currently many non-indigenous rural communities are not familiar with alternative techniques.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention. On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g., including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

Results	Results chain (@): Main expected results	Indicators (@):	Baselines (values / years)	Targets (values / years)	Sources of data	Assumptions
Impact	Traditional knowledge for forest conservation with bio economy promotion is enhanced	Material footprint, material footprint per capita, and material footprint per GDP (SDG 12.2.1) Forest area as a proportion of total land area (SDG 15.1.1) Number of scientific studies that include traditional knowledge on agroforestry and forest management in their publications in Ecuador	^{16*} (2024) * (2024) * (2024)	^{**17} (2027) ** (2027) ** (2027)	INEC MAATE Ecociencia Progress reports	
Specific Objective 1	Development corridors related to the sustainable use and innovation of bamboo and its value chains are established	Number of SMEs that sustainably produce bamboo as construction materials and construction components	0 (2024) 0 (2024)	3 (2027)	Progress reports	

¹⁶ Baseline indicator to be looked into and defined with program initiation.

¹⁷ Target indicator to be defined – with program initiation - based on baseline indicator

Results	Results chain (@): Main expected results	Indicators (@):	Baselines (values / years)	Targets (values / years)	Sources of data	Assumptions
		<p>Percentage increase of the monetary value of bamboo national sales resulting of bioeconomy practices from the intervention areas</p> <p>Number of bamboo exports agreements signed by SMEs using bioeconomy practices</p> <p>Percentage of small farms rights holders implementing bamboo climate smart practices (disaggregated by sex and ethnicity)</p> <p>Percentage of income-generating activities carried out by women</p> <p>Percentage increase in income generated by bamboo-related economic-productive activities</p> <p>Percentage of women, youth, indigenous peoples and nationalities, and persons in a situation of human mobility directly linked to the project</p> <p>Women and men in all their diversity, increasingly participate in and have improved access to jobs, entrepreneurship opportunities and alternative livelihoods in the green economy and the circular economy (GAP III)</p>	<p>0 (2024)</p>	<p>10 (2027)</p> <p>2 (2027)</p> <p>70 (2027)</p> <p>40 (2027)</p> <p>12 (2027)</p> <p>60 (2027)</p>		
Output 1 related to specific objective 1	The business environment, policies and regulatory framework for public and private sector investment are improved	<p>Number of GAD officials trained</p> <p>Number of multi-product supply chains developed for a greater and better boost to the bamboo value chain</p>	<p>0 (2024)</p> <p>0 (2024)</p> <p>0 (2024)</p> <p>0 (2024)</p>	<p>96 (2027)</p> <p>3 (2027)</p> <p>6 (2027)</p>	Progress reports	The public entities have an interest in cooperating with the project and in revising

Results	Results chain (@): Main expected results	Indicators (@):	Baselines (values / years)	Targets (values / years)	Sources of data	Assumptions
		Number local roundtables for consensus-oriented process with bamboo stakeholders Number of regulatory instruments for the development of bamboo		14 (2027)		policies and regulatory framework The regulatory framework is subject to change
Output 2 related to specific objective 1	Bamboo for climate change mitigation, resilience building and general environmental stewardship is promoted	Number of bamboo cultivation nurseries developed Number of bamboo plants grown Number of ha restore and/or managed Number of small farmers benefitted (disaggregated by sex, ethnicity, and disability when possible) Number of rights holders whose capacities linked to the collection and preservation centres were strengthened Number of researchers trained on carbon, ecosystem services and intangible benefits Number of investigations on carbon, ecosystem services and intangible benefits	0 (2024) 0 (2024) 0 (2024) 0 (2024) 0 (2024)	8 (2027) 80,000 (2027) 600 (2027) 2,000 (2027) 100 (2027) 30 (2027) 10 (2027)	Progress reports	Selected rights holders are available for the trainings, and show interest in working with the project
Output 3 related to specific objective 1	The SMEs value chain to improve livelihoods and employment opportunities in selected communities is developed, with a focus on women, people living in poverty and persons with disabilities.	Number of businessmen/businesswomen and workers involved in trainings on business models for bamboo products and marketing systems Number of entrepreneurs and builders trained in bamboo construction models and supply chains (disaggregated by sex, ethnicity, and disability when possible) Number of Common Facility Centres (CFC) established to ensure the quality of pre-	0 (2024) 0 (2024) 0 (2024) 0 (2024)	160 (2027) 280 (2027) 3 (2027) 14 (2027) 6 (2027)	Progress reports	Private sector remains interested in technical assistance and support

Results	Results chain (@): Main expected results	Indicators (@):	Baselines (values / years)	Targets (values / years)	Sources of data	Assumptions
		processed raw material and other commercial inputs based on market needs Lightweight bamboo structures built in different GADs Supported preservation, drying and collection centres				
Output 4 related to specific objective 1	Knowledge management and learning activities in relation to bamboo and its value chains are enhanced effectively integrating gender mainstreaming.	Number of knowledge management platforms established Number of business cases analysed Number of policy briefs and publications developed Number of awareness-raising and dissemination events carried out Exchange visits carried out	0 (2024) 0 (2024) 0 (2024) 0 (2024)	1 (2027) 2 (2027) 12 (2027) 20 (2027) 10 (2027)	Progress reports	Research activities are of interest to the rights holders and other relevant stakeholders
Specific Objective 2	To strengthen the local and national competent authorities' capacities to prevent, monitor, control forest fires and their causes, enhancing landscape connectivity, providing fundamental ecosystem services and contributing to improve the environment and the living conditions of local communities integrating gender-based approach.	Decreasing of number of forest fires per year in the selected provinces Decreasing of hectares affected by forest fires per year in the selected provinces	(2024) (2024)	20% (2027) 20% (2027)	MAATE Ecociencia MAATE Ecociencia	
Output 1 related to specific objective 2	National and local capacities to prevent, monitor, control and combat forest fires, implementing alternative practices to the use of fire in agriculture are increased	Number of Environmental Integrated Management Plans approved in selected PA (MAATE) Number of officers, technicians and local communities trained on forest fire prevention, early warning systems and data	0 (2024) 0 (2024) 0 (2024)	5 (2027) 80 (2027) 4 (2027)	MAATE Progress reports Progress reports	Relevant public stakeholders remain committed to boosting activities in forest fires prevention

Results	Results chain (@): Main expected results	Indicators (@):	Baselines (values / years)	Targets (values / years)	Sources of data	Assumptions
		collection systems, with included basic protection equipment and infrastructures Number of capacity building workshops in early warning systems on forest fires/forest degradation prevention				
Output 2 related to specific objective 2	Meaningful scientific research activities and innovative practices on ecosystem restoration and natural resources sustainable management through a successful intercultural dialogue with local knowledge systems are carried out integrating gender-based approach.	Number of good agroforestry practices (ECAs) identified as alternatives to the use of fire implemented. Number of local/national campaigns and education programs on forest fires prevention Number of local people trained in forest restoration (disaggregated by sex, ethnicity, and disability when possible). Number of species collected and planted within the restoration activities, based on intercultural dialogue. A replicable model of forest ecosystem restoration based on indigenous knowledge. Number of scientific research studies on forest ecology (including exchanges with European universities and institutions) An operating national network of forest institutes for knowledge exchange	0 (2024) 0 (2024) 0 (2024) 0 (2024) 0 (2024) 0 (2024)	5 (2027) 3 (2027) 60 (2027) 10 (2027) 1 (2027) 6 (2027) 1 (2027)	Progress reports MAATE Progress reports Progress reports Indexer	Research institutes in Ecuador and in the EU remain committed to exchanging knowledge Indigenous communities are interested in cooperating with the project activities

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner country.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in Section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of adoption by the Commission of this Financing Decision. Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by in duly justified cases.

4.3 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁸.

4.3.1 Indirect Management with an entrusted entity

A part of this action may be implemented in indirect management with AECID. This implementation entails the activities foreseen to achieve the specific objective 1: 'To contribute to local revitalisation, the fight against climate change and the promotion of the circular economy by establishing development corridors related to the sustainable use and innovation of bamboo and its value chains'. Outputs 1.1, 1.2, 1.3 and 1.4 will be implemented in indirect management with AECID in Ecuador. AECID's team of experts with the support of the INBAR office in Ecuador, in the form of a grant, will provide technical support to different stakeholders involved in the action, particularly in supporting the SMEs, entrepreneurs, and public entities in relation to the use of bamboo in the Ecuadorian bio-economy.

The envisaged entity has been selected using the following criteria:

- Expertise and experience in environmental and climate change issues, specifically in the Latin American region;
- Involvement in the TEI design process;
- Collaboration with INBAR during the past 7 years in developing and strengthening the bamboo value chain, including training of personnel, environmental conservation, transformation of products, sustainable building, and the search for new markets, with a total financing of 1,6 million euros, in the framework of the Programme ARAUCARIA;
- Creation of the Bamboo Escuela Taller reflects the work that has been underway, based on the Escuela Taller methodology developed by AECID in many Latin American countries;
- Strong presence in the country and leading experience specifically in this sector in Ecuador, managing several projects related to rural development and bamboo production;
- Pillar assessed entity with proven technical, administrative and financial capacities in the country;
- Capacity to channel funding to civil society and grassroots organisations;
- Satisfactory visibility of EU funding, going beyond the requirements in the contribution agreements.

¹⁸ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

AECID will partner with INBAR for implementing the action. AECID will provide strategic oversight and will take care of managing the action, whereas INBAR will provide the technical expertise for the development of the activities.

AECID will participate in financing the action, contributing with 200.000 EUR to the action.

In case the envisaged entity would need to be replaced, the Commission's services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

Another part of this action may be implemented in indirect management with AICS. This implementation entails the activities foreseen to achieve the specific objective 2: 'To strengthen the local and national competent authorities' capacities to prevent, monitor, control forest fires and their causes, enhancing landscape connectivity, providing fundamental ecosystem services and contributing to improve the environment and the living conditions of local communities'. Outputs 2.1 and 2.2 will be implemented in indirect management with AICS. AICS' team of experts, together with the Hungarian Forest Research Institute, will provide technical support to different stakeholders involved in the action, in supporting the prevention of forest fires, and strengthening research on traditional knowledge of forest management and agricultural practices.

The envisaged entity has been selected using the following criteria:

- Member State agency that has proven experience in the field of forest fires prevention:
 1. 1999-2009: Bilateral Project Italy-Brazil "Amazonía sin Fuego" of EUR 10 M
 2. 2012-2017: Trilateral Project Italy-Brazil-CAF "Amazonía sin Fuego en Bolivia", managed by Italian cooperation and with a total financing of EUR 7 M
 3. 2017-2022: Trilateral Project Italy-Brazil-CAF "Amazonía sin Fuego en Ecuador-PASF", managed by the Environmental Ministry of Ecuador with the technical support of AICS and FIAS and total financing of EUR 2 M
 4. 2022-2025: Trilateral Project Italy-Brazil-CAF "Amazonía sin Fuego en Ecuador-PASF 2nd phase", managed by the Environmental Ministry of Ecuador with the technical support of FIAS and financing from the Italian-Ecuadorian Fund of EUR 2 M
 5. 2023-2027: Regional Programme AMAZON+, coordinated by AICS in collaboration with EF and FIIAPP with EU funding of EUR 18.4 M
 6. 2023: design and implementation of the TAIEX on forest fire prevention by AICS with EU financing
- Involvement in the TEI design process;
- Close relationship with Ecuadorian authorities relevant to forest fires and forest management;
- Strong support from the Hungarian Forest Research Institute, entity that will co-implement the project and with significant expertise in forest management and research;
- Pillar assessed entity with proven technical, administrative and financial capacities in the country of action;
- Satisfactory visibility of EU funding, going beyond the requirements laid down in the contribution agreements.

AICS will be in charge of managing the project, in addition of implementing output 2.1 on forest fire prevention. AICS will partner with the Hungarian Forest Research Institute, who will undertake the necessary activities for output 2.2 on forest management and restoration.

AICS will participate in financing the action, contributing with 100 000 EUR to the action.

In case the envisaged entity would need to be replaced, the Commission’s services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

4.3.2 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances

If due to exceptional circumstances, implementation in indirect management under 4.3.1 can no longer be envisaged, the action can be implemented in direct management mode via grants awarded following a Call for Proposals with implementing partners that will be selected using the following criteria: the experience implementing similar cooperation programmes in Ecuador; experience working with public Ecuadorian institutions at central, departmental and local levels.

4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution, in currency identified
Indirect Management with an entrusted entity – cf. Section 4.3.1		
Indirect management with AECID (Spain)	3,000,000	200,000
Indirect management with AICS (Italy)	2,000,000	100,000
Total	5,000,000	

4.6 Organisational Set-up and Responsibilities

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

The Action relevant to this document will be overseen by a high-level Steering Committee (SC), which will be composed by the European Union Head of Delegation, the Ambassadors of France, Germany, Spain, Italy, and Hungary; the Country Director of AFD; the AECID General Coordinator in Ecuador; the MAATE and the MAG. It will provide the political steer of the Action, and work as a board for the Ukumari EU - Ecuador Forest Partnership, which also includes the blending project implemented by AFD. This SC will meet at least once per year.

For the bamboo value chain component, a Technical Committee will ensure the day-to-day running of the operation and will meet at least twice per year. It will be composed by representatives from the EU Delegation, AECID, INBAR, the MAATE and other stakeholders on a needs basis.

For the forest management component, a Technical Committee will ensure the day-to-day running of the operation and will meet at least twice per year. It will be composed by representatives from

the EU Delegation, AICS, Hungarian Forest Research Institute, the MAATE and other stakeholders on a needs basis.

4.7 Pre-conditions [Only for project modality]

Not applicable

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

All monitoring and reporting shall assess how the action is considering the principle of gender equality, human rights-based approach, and rights.

Roles and responsibilities for data collection, analysis and monitoring:

AECID and AICS will be responsible for collecting all data required to define both the baseline, monitor progress and results achieved.

5.2 Evaluation

Having regard to the nature of the action, a mid-term or final evaluation will not be carried out for this action or its components.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract.

All evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment and disability inclusion. Expertise on human rights, disability and gender equality will be ensured in the evaluation teams.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle has adopted a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, duty bearers, grant rights holders or entrusted, or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

An Intervention (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention is defined in the related Action Document and it is revisable; it can be a(n) (group of) action(s) or a (group of) contract(s).

Tick in the left side column one of the three possible options for the level of definition of the Primary Intervention(s) identified in this action.

In the case of ‘Group of actions’ level, add references to the present action and other action concerning the same Primary Intervention.

In the case of ‘Contract level’, add the reference to the corresponding budgetary items in point 4.5, Indicative Budget.

Option 1: Action level		
<input type="checkbox"/>	Single action	Present action: all contracts in the present action
Option 2: Group of actions level		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#): ACT-62195 SUPPORT TO GREEN TRANSITION PROJECTS AT LOCAL LEVEL
Option 3: Contract level		
<input checked="" type="checkbox"/>	Single Contract 1	Development corridors that promote the bio-economy, circularity, associativity and entrepreneurship through the strengthening of the bamboo value chain: Contribution Agreement signed with AECID. This contract entails the activities foreseen to achieve the specific objective 1: ‘The gap between supply and demand for financing to make the technological transition towards sustainable mobility viable is reduced’.
<input checked="" type="checkbox"/>	Single Contract 2	Forest Management Contract: Contribution Agreement signed with AICS. This contract entails the activities foreseen to achieve the specific objective 2: ‘To strengthen the local and national competent authorities’ capacities to prevent, monitor, control forest fires and their causes, enhancing landscape connectivity, providing fundamental ecosystem services and contributing to improve the environment and the living conditions of local communities’.