


PRISMA REPORT

INDIGENOUS PEOPLES AND GOVERNANCE IN REDD+ READINESS IN PANAMA

CASE STUDY
ON COONAPIP, ANAM
AND THE UN-REDD PROGRAM



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Abbreviations and Acronyms

ANAM	Autoridad Nacional del Ambiente (National Environmental Authority of Panama)
ASIPA	Asociación Indígena Panameña (Panamanian Indigenous Association)
CATHALAC	Centro del Agua del Trópico Húmedo para América Latina y el Caribe (Water Center for the Humid Tropics of Latin America and the Caribbean)
CICA	Consejo Indígena de Centroamérica (Central American Indigenous Council)
COONAPIP	Coordinadora Nacional de Pueblos Indígenas de Panamá (National Coordinating Body of Indigenous Peoples in Panama)
COP	Conference of the Parties
ENA	Estrategia Nacional del Ambiente (National Environmental Strategy of Panama)
FAO	United Nations Food and Agriculture Organization
FCPF	Forest Carbon Partnership Facility
FPIC	Free, Prior and Informed Consent
GIZ	German International Cooperation Agency
ILO	International Labor Organization
ITTO	International Tropical Timber Organization
IUCN	International Union for Conservation of Nature
MRV	Monitoring, Reporting and Verification
NCH	National Cultural Heritage
NJP	National Joint Program
OAS	Organization of American States
PAPICA	Proyecto de Apoyo a los Pueblos Indígenas de América Central (Program of Support for the Indigenous Peoples of Central America)
PEIP	Plan Estratégico de Incidencia Política de los Pueblos Indígenas en Panamá (Strategic Policy Advocacy Plan of the Indigenous Peoples of Panama)
PRISMA	Programa Salvadoreño de Investigación sobre Desarrollo y Medio Ambiente (Salvadoran Research Program on Development and Environment)
R-PIN	Readiness Plan Idea Note
R-Plan	Readiness Plan
REDD	Reducing Emissions from Deforestation and Forest Degradation
REDD+	Reducing Emissions from Deforestation and Forest Degradation “plus” conservation, the sustainable management of forests and enhancement of forest carbon stocks
STRI	Smithsonian Tropical Research Institute
TAP	Technical Advisory Panel of the FCPF
UNDP	United Nations Development Program
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
UNEP	United Nations Environment Program
UNFCCC	United Nations Framework Convention on Climate Change

Executive Summary

Efforts to reduce emissions from deforestation and forest degradation (known as REDD and later REDD+) have been extremely controversial ever since their inclusion in the United Nations Framework Convention on Climate Change (UNFCCC) negotiations in 2005. On the one hand, they have raised expectations about their potential to mitigate climate change while contributing to other objectives including biodiversity conservation, poverty reduction and strengthening livelihoods—especially for Indigenous Peoples and forest communities. On the other hand, REDD+ poses serious threats of becoming one more source of pressure on forests, along with the global demand for food, fiber, fuel and minerals, generating new conflicts over forests and threats to the rights and livelihoods of Indigenous Peoples and other forest-dependent communities.

In Panama, Indigenous Peoples control most of the country's mature forests; they have made significant strides in territorial rights; they maintain democratic institutions and governance processes; and they have demonstrated their effectiveness in managing forests. However, they are facing numerous external pressures on their territories.

Panama began its REDD+ readiness process relatively early, being chosen as one of nine pilot countries to begin the 'Quick Start' phase under the UN-REDD Program in 2008. For the Indigenous Peoples of Panama, the human rights approach offered by the UN-REDD Program appeared promising, especially because of the commitment to promote active and informed participation of all stakeholders in REDD+ activities, including Indigenous Peoples and other forest-dependent communities. It is precisely these circumstances that make the REDD+ readiness process in Panama an excep-

tional case for evaluating, understanding and learning how to create the institutional conditions necessary for ensuring the positive objectives of REDD+ and preventing negative effects.

Most forest land is in indigenous territories

Indigenous territories (Comarcas and Collective Lands) cover 23,742 km², or 31.6% of Panama's land area. The vast majority of mature forests in Panama are in indigenous territories and protected areas, which together made up 77% of all mature forests in Panama in 2008. Approximately 725,000 hectares of mature forest are located in protected areas, while 1,754,000 hectares are in indigenous territories. Indigenous territories hold 54% of Panama's mature forests and 54% of its forest carbon reserves.

Although forests in indigenous territories have been much better preserved compared to other forests, they too are subject to the pressures and dynamics of deforestation due to the promotion of investment projects, as part of a more general process that has been gaining traction in Panama in recent years.

Indigenous Peoples

Panama is a pioneer regionally and beyond for its recognition of territorial rights of the seven Indigenous Peoples in the country: the Guna, Ngäbe, Buglé, Naso-Tjêrdi, Bribri, Emberá and Wounaan. Territorial recognition is based on specific legislation that recognizes two legal entities: Comarcas and Collective Lands. The struggle for self-determination of the Indigenous Peoples of Panama has its history in the Tule Revolution, fought by the Guna People in

the San Blas archipelago in 1925. This incident sparked a struggle for recognition of territorial rights that resulted in the passage of Law 16 in 1953, which definitively recognizes Kuna Yala Comarca.

Founded on 21 January 1991, the National Coordinating Body of Indigenous Peoples in Panama (COONAPIP) brings together the Traditional Authorities of the seven Indigenous Peoples of Panama, by means of 12 Congresses and Councils that are representative structures (made up of different authorities: Caciques, Sahilas, Reyes Boros and Noko), which as a whole comprise the General Assembly, the highest decision-making body. All traditional Indigenous Peoples' authorities are represented in COONAPIP. This organizational structure, grounded in the ideal of the unity of all Indigenous Peoples in Panama and respect for their territorial rights, gives COONAPIP the necessary legitimacy to represent them and support their demands and proposals to the government and other actors.

The government and ANAM

In recent years, as part of its economic strategy, Panama has been turning its sights to the economic potential of its natural resources, in an environment of intense conflicts since these initiatives are clashing with the territorial rights of Panama's Indigenous Peoples. In this context, indigenous and environmental agendas are being subordinated to economic strategies. When the current administration began in July 2009, it committed to an economic strategy that would make Panama "the best place in Latin America to do business." The Strategic Plan of Panama (2010-2014) aims to develop sectors that are considered to be crucial to economic development, among them, the logistics services sector, tourism, financial services, agriculture and mining. In relation to previous administrations, the environmental agenda has been

weakened politically and technically compared to the economic agenda. Despite this, the government continues to move forward with the national REDD+ readiness process.

The UN-REDD Program

The UN-REDD Program began in 2008, in a context marked by growing political support from governments to the REDD+ framework proposed by the UNFCCC. The Program is a joint effort by FAO, UNDP and UNEP to support forest countries in REDD+ readiness processes. Generally, the Program has aimed to support "country-led" processes in two specific lines of work: "1) assisting developing countries prepare and implement national REDD strategies and mechanisms; and 2) supporting the development of normative solutions and standardized approaches based on sound science, for a REDD instrument linked with the UNFCCC."

In the case of Panama, the first efforts to form part of the UN-REDD Global Program go back to September 2008, when ANAM demonstrated its interest in participating in REDD readiness. In October 2009, the UN-REDD Global Program approved Panama's proposal.

Stages and actors in REDD+ readiness

In Central America, Panama took the lead in initiating their REDD+ readiness process. What promised to progress early and quickly towards development of a National REDD+ Strategy would end up in conflict as a result of the accumulation of several factors that culminated in the condemnation and the definitive withdrawal of COONAPIP from the readiness process promoted by the UN-REDD Program and the Panamanian Government. Beginning with the initial readiness attempts, the process has gone through a series of stages plagued by problems and flaws that impeded clear and

coherent progress towards the full inclusion of Indigenous Peoples as central actors in REDD+ readiness in Panama. This ultimately led to the withdrawal of Panama's Indigenous Peoples from the UN-REDD Program, and an escalation of the conflict to a higher level, where they would nevertheless encounter the same obstacles that characterized the readiness process.

Critical issues

The evolution of the REDD+ process in Panama shows that a number of key issues were never addressed and consequently led to the current impasse. At the heart of this debate is whether the readiness process has contributed to, or actually set back, development of the necessary conditions for the future implementation of a REDD+ strategy in Panama with the full participation of Indigenous Peoples. Among the most notable critical issues:

- Indigenous Peoples are the central actor for any REDD+ strategy in Panama
- The UN-REDD program never substantively recognized the central role of Indigenous Peoples in REDD+
- Panama's Indigenous Peoples were not treated as territorial authorities with a right to their own legitimate coordination structures
- A clear absence of binding measures to ensure compliance with commitments and critical instruments such as safeguards

Scenarios and implications for REDD+ actors in Panama

In recognition of the fact that the decision of COONAPIP to withdraw from the UN-REDD Program in Panama is definitive, the results of the investigation and mid-term evaluation of the Program, but especially the decision of the

Policy Board at the end of June 2013 could result in two clearly diverging pathways, with clear implications for the main actors in the REDD+ readiness process in Panama.

Scenario 1: Panama's UN-REDD Program continues implementation

If the UN-REDD Program continues implementation, it could take one of two possible pathways: i) a continuation of the Program without the participation of Indigenous Peoples; or (ii) a continuation of the Program with the participation of some General Congresses and/or Councils of Panama's Indigenous Peoples.

The UN-REDD Program in Panama continues implementation without the participation of Indigenous Peoples

Given the non-participation of Panama's Indigenous Peoples, it is also understood that they would not consent to technical field work in forests within their territories. More important still, are the implications for the political legitimacy for the National REDD+ Strategy that would be developed without the participation of Indigenous Peoples.

In this case, achievement of the UN-REDD Program's results would be substantially limited. Although sub-national systems and scenarios could be implemented, it is difficult to imagine how these systems could establish the foundation for a National REDD+ Strategy.

The UN-REDD Program in Panama continues implementation, with the participation of some Indigenous General Congresses and/or Councils

This path assumes that the REDD+ readiness process in Panama would continue, with the participation of some individual General Congresses and/or Councils, but with substantial modifications that taken together could mean a shift towards a sub-national scheme for the

REDD+ strategy. This would have implications for inventories and for deforestation scenarios, as well as strategies to address leakage; at best, REDD+ could be implemented at a sub-national level, in indigenous and non-indigenous territories. Regardless, these efforts would not be able to go any further, as it would be impossible to scale up to a national scheme to include all of the country's forests.

It is difficult to imagine a route in which the UN-REDD Program in Panama would not take a proactive role to ensure the participation of Indigenous Peoples and COONAPIP, as its platform of representation. Yet it is even more difficult to imagine the program opting for a path of continued implementation that would imply a weakening of the cohesion and structures of representation of Panama's Indigenous Peoples for the sake of continuing with the participation of some indigenous Congresses/Councils.

In addition to the direct implications for COONAPIP, this route would also impact the credibility of the UN-REDD Program, not only nationally and regionally, but also at an international level.

Scenario 2: Closure of the UN-REDD Program in Panama

This scenario includes two different routes: i) that the UN-REDD Program has no further activity in Panama; or (ii) that a new UN-REDD Program for Panama is negotiated and designed.

The UN-REDD Program cancels activities in Panama

For the Government, closure of the UN-REDD Program in Panama would mean that ANAM would have to look for other partners to continue supporting the readiness process and the

development of the National REDD+ Strategy. Potential partners include FCPF and the REDD-CARD Program implemented by GIZ. ANAM could continue with its readiness process without significant changes, which would mean returning to the first scenario (a program without the participation of Indigenous Peoples or with the participation of individual indigenous Congresses or Councils), but this time without support and mediation from the UN-REDD Program, which would lead to a number of challenges, such as those previously mentioned.

For the Indigenous Peoples of Panama, closure of the UN-REDD Program in Panama would have implications at both national and international levels. At the national level, the readiness process would end up being characterized by the exclusion of Indigenous Peoples in the country, precluding them from the conditions that would allow their participation in potential REDD+ actions in Panama. At the international level, the Indigenous Peoples of Panama could achieve greater recognition, not only due to their central role in a REDD+ Program, but also for the defense of their rights vis-à-vis the Panamanian State and agencies that promote and implement readiness processes.

Given that the Program defines itself as an inter-agency initiative guided by human rights, with a particular emphasis on Indigenous Peoples, the closure of the Program would reflect an interest in demonstrating this approach with concrete actions. In addition, it would unequivocally provide greater credibility for the Program, an essential element for rebuilding trust between Indigenous Peoples and the UN-REDD Program. This seems to be the only route that could prevent this impasse from causing further international repercussions, which in any case will end up affecting the reputation of the UN-REDD Program globally.

A new UN-REDD Program in Panama is negotiated and designed

This path requires leadership, as well as a decision by ANAM to not abandon the readiness process, despite the problems it has had.

This pathway could constitute both an opportunity and a challenge, assuming that other actors are open to it as a possibility. The opportunity lies in the possibility of negotiating the foundations of a new program that could properly incorporate the agenda of Indigenous Peoples from the outset. Though this agenda certainly has historical roots, it is fully relevant within the framework of a REDD+ readiness process. In many ways, the readiness process is fundamentally a political process for the construction of institutions for forest and territorial governance, in order to address the direct and underlying causes of deforestation and degradation; these are conflicts that Indigenous Peoples have been facing in their territories for decades. The challenges lie in participation of Indigenous Peoples in a cohesive fashion, on the basis of agreements and solid political commitments. These agreements and commitments would form the foundation for technical and political readiness processes, as one among many pathways, for strengthening of capacities and institutional structures, which are funda-

mental pillars for strengthening territorial governance.

There is no question that the problems arising out of the REDD+ readiness process in Panama, as one of the pilot countries supported by the UN-REDD Program, are of great concern. Neither the government, national stakeholders or the Program itself would hope for the process to be truncated, but nor would they hope that the Program continue implementation over a foundation so fragile that it would call into question the real achievements to leave the country "ready for REDD+."

At the international level, the UN-REDD Program has accumulated lessons, frameworks, tools and instruments, which - far beyond principles - are extremely relevant materials, which have been systematically demanded in Panama's process, even since its inception. That accumulated knowledge by the UN-REDD Program at a global level, could capitalize on the foundation of a renewed effort that could lead Panama to become an exemplary case at regional and international levels, even to the point of becoming one of the countries with the most favorable conditions for implementing REDD+.

Methodology

This study has been a team effort and is based on interviews with stakeholders who have participated in the REDD+ readiness process in Panama. These people included representatives of the UN-REDD Program in Panama and different research centers as well as leaders of COONAPIP, its Congresses and Councils.¹ The team also conducted a literature review, primarily for background. The review of research, publications and official documents provided input for analysis of the history and development of the Indigenous Peoples of Panama and their demands for rights; the evolution of the political, socioeconomic and forest context, and the orientation and policy frameworks of the Panamanian government; the evolution of REDD+ in international negotiations and debates; and the founding and evolution of the UN-REDD Global Program.

This brief is also based on discussions and research on REDD+ readiness processes in Central America that the PRISMA Foundation has been engaged in since 2009. In this context, in late 2012, the PRISMA Foundation finalized the study *Taking the Pulse of REDD+ in Central America: Processes, Stakeholders and Implications for Territorial Governance* (available in Spanish at www.prisma.org.sv), which included a field visit to Panama (August 2012) for the purpose of learning more details about the REDD+ readiness process, identifying the conflicts that existed at that time and learning the opinions of stakeholders, including COONAPIP, ANAM and the UN-REDD Program. The findings and results of that study provided important groundwork for the present one.

¹ Unfortunately, officials from the National Environmental Authority of Panama did not respond to an interview request during a field visit by the research team from April 14th to 19th, 2013, and it was not possible to arrange a meeting at a later date. However, during an earlier visit (August 2012), ANAM did share its opinion of the REDD+ readiness process in Panama.

Introduction

Efforts to reduce emissions from deforestation and forest degradation (known as REDD and later REDD+) have been extremely controversial ever since their inclusion in United Nations Framework Convention on Climate Change (UNFCCC) negotiations in 2005. On the one hand, they have raised expectations about their potential to mitigate climate change while contributing to other objectives including biodiversity conservation, poverty reduction and strengthening livelihoods, especially for Indigenous Peoples and forest communities. On the other hand, REDD+ poses serious threats and could become one more source of pressure on forests, along with the global demand for food, fiber, fuel and minerals, generating new conflicts over forests and threatening the rights and livelihoods of Indigenous Peoples and other forest communities.

In contrast to the early years of REDD+ discussions, focused primarily on technical and methodological aspects (e.g., Monitoring, Reporting and Verification requirements; additionality and leakage; among others), REDD+ discussions in recent years have addressed sociopolitical concerns related to the rights of Indigenous Peoples and forest communities, such as land tenure and governance. Along these lines, discussions have advanced around issues such as safeguards applied to REDD+ and the implementation of Free, Prior and Informed Consent (FPIC), key issues for governance. However, most of these talks continue to focus on general principles, and therefore little progress has been made in translating them into concrete tools in the implementation of REDD+. The implementation of programs that operationalize these principles will be a critical factor, not only in guaranteeing the rights of Indigenous Peoples and forest communities, but also for

the viability of REDD+ itself. There is growing consensus that recognizing and supporting the rights of these communities is the most effective way to guarantee the sustainable management of forests.

The REDD+ readiness process in Panama has become especially relevant precisely because it is occurring as part of this broader context. Panama is an exceptional case for evaluating the REDD+ readiness process and has the potential to provide lessons that could be applicable not only at the regional level but also at the global level. This is particularly relevant as it relates to the involvement of Indigenous Peoples in REDD+ processes, the application of safeguards, FPIC and other key instruments.

Panama's characteristics are particularly important, since Indigenous Peoples control most of the country's mature forests. These peoples have also made significant strides in territorial rights, which makes Panama one of the most advanced countries with regard to the recognition of rights in Latin America. The Indigenous Peoples of Panama still maintain their democratic institutions and governance processes, provided for in Panama's constitution and in the laws protecting the Comarcas. They have also historically demonstrated their effectiveness in managing the forests and in facing external deforestation pressures, which, however, continually threaten their territories.

Panama began its REDD+ readiness process relatively early and was chosen as one of nine pilot countries to begin the 'Quick Start' phase under the UN-REDD Program in 2008. For the Indigenous Peoples of Panama, the human rights approach offered by the UN-REDD Program appeared promising, especially because

of its commitment to promote active and informed participation of all stakeholders in REDD+ activities, including Indigenous Peoples and other forest-dependent communities.

This brief analyzes the REDD+ readiness process in Panama, for the purpose of contributing to a better understanding of the context and causes of the current impasse, as well as to glean useful lessons for stakeholders on the institutional conditions necessary for REDD+

processes to be effective, inclusive and equitable. This report is arranged into three sections: i) a brief overview of forest dynamics in Panama, highlighting the importance of the Indigenous Peoples and their territories, along with a description of the stakeholders involved in the REDD+ readiness process in Panama; ii) a chronological presentation of the main events related to the case study; and iii) conclusions and future scenarios for the REDD+ readiness process in Panama.

Forests, Indigenous Territories and Key Actors for REDD+ in Panama

With regard to its forests, Panama is characterized by having one of the highest percentages of forest cover, low rates of deforestation and having initiated an incipient forest transition, and by the fact that most of the forests and forest carbon are in Indigenous Peoples' territories.

Forests, Deforestation and Forest Transition

With 43.3% forest cover (Figure 1), Panama still maintains one of the highest percentages of forest in Central America (third, following Belize and Costa Rica) and deforestation has been trending downward in recent decades (ANAM, 2008). From 1992 to 2000, Panama had a deforestation rate of 1.12%, with an annual loss of 41,325 hectares; from 2000 to 2008, the deforestation rate dropped to 0.4%, with an annual loss of 13,420 hectares (ibid.).

Wright and Samaniego (2008) found that in areas deforested before 1947, a forest transition was occurring from 1992 to 2000, with an 85% increase in secondary forest. Conversely, areas

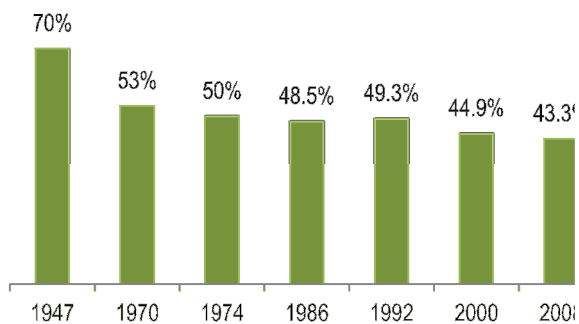
that had primary forests in 1947 lost 8% of mature forest cover, but also experienced regeneration of secondary forest, with no net change. Consequently, although there was a 1.3% annual decrease in mature forests, there was a 0.36% annual increase in forest cover, suggesting an incipient forest transition from 1992 to 2000 (ibid.). A more recent study analyzed trends in forest cover for the period 2001-2010 and found that Panama had a net gain in rainforest of 3,100 hectares, indicating that the country could be turning the corner away from its historic trend of deforestation (Redo et al., 2012).

In general, these studies show that Panama has begun a process of regeneration in areas long deforested, but that the large forested regions are continuing to lose forest, although at much slower rates than in the past.

Most Forest Land is in Indigenous Territories

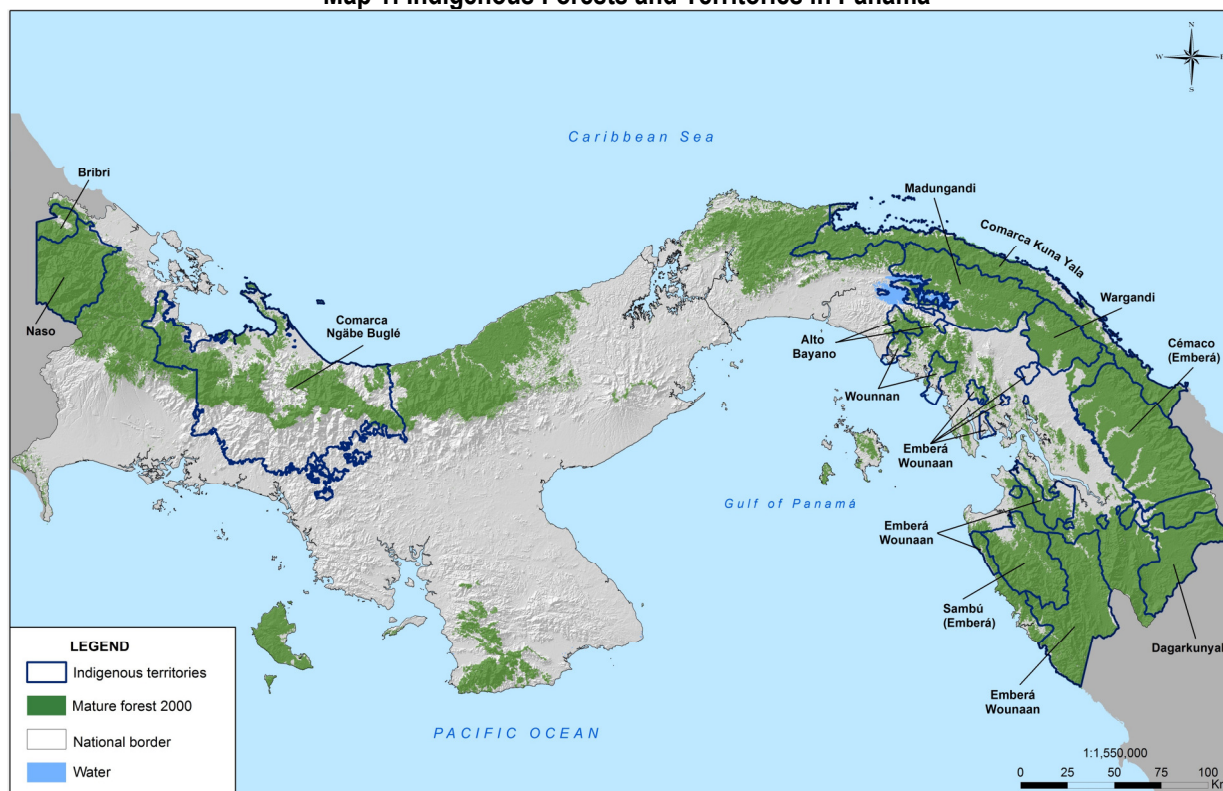
In addition to having one of the highest percentages of forested area in Central America, Panama is also characterized by being one of the countries with the majority of forests under the control of Indigenous Peoples. According to Vergara-Asenjo and Potvin (forthcoming), indigenous territories (Comarcas and Collective Lands) cover 23,742 km², or 31.6% of Panama's land area. Vergara-Asenjo and Potvin found that the vast majority of mature forests in Panama² are in indigenous territories and protected

Figure 1: Forest Cover in Panama 1947-2008



Source: ANAM (2008)

² Mature forests are dense formations consisting primarily of species typical of the final phase of ecological succession. They have differentiated vertical strata with a continuous canopy over an equally differentiated understory. In normal conditions, tree and undergrowth cover is greater

Map 1: Indigenous Forests and Territories in Panama

Source: Vergara-Asenjo and Potvin (in press)

areas,³ which together made up 77% of all mature forest in Panama in 2008. Approximately 725,000 hectares of mature forest are located in protected areas, while 1,754,000 hectares are in indigenous territories. Indigenous territories hold 54% of Panama's mature forests (Map 1) and 54% of its forest carbon reserves (ibid.).⁴

than 80%. This definition also includes forests classified by some researchers as primary forests, which are those where intervention, alteration and fragmentation processes have not had a visible anthropogenic influence (ANAM/OIMT, 2003, cited in FAO, 2010).

³ Protected areas comprise 35.8% of Panama's total land area; however, many protected areas overlap with indigenous territories (ANAM, 2006, cited in Vergara-Asenjo and Potvin, 2013).

⁴ According to official figures, indigenous territories cover 12% of the country and include approximately 27% of government-owned national forests (ANAM, 2009; CATHALAC, 2008, taken from Vergara-Asenjo y Potvin, op. cit.). Official data are only reported for forest cover and forestation for three of the five comarcas. Data on the two

This coverage did not come about by chance. Indigenous territories use collective property regimes and systems for forest use and management based on their ancestral world view, and are governed by traditional institutions that have enabled forests to be preserved. Conversely, forests outside of indigenous territories, in general, were deforested many decades ago, became protected areas or are private property.

Only three of the indigenous territories (Alto Bayano Collective Lands, Wounaan Collective Lands and Ngäbe-Buglé Comarca) have less than 80% of their land area covered in mature forest. The rest of the indigenous areas have

remaining comarcas, Collective Lands (titled and untitled) and the territory of the Naso People are contained in official information from the corresponding provinces.

higher percentages, in contrast to the provinces, which have lower percentages of forest (Table 1).

Although forests in indigenous territories have been much better preserved compared to other forests, they too are subject to the pressures and dynamics of the advancing agricultural frontier and deforestation, as part of a more general process that has been gaining traction in Panama in recent years. From 1992 to 2000, deforestation in the provinces of Darién, Panamá and Colón was 137,600, 69,300 and 23,800 hectares respectively (ANAM-FAO, 2007).

In Darién Province, the main changes in land use from 1987 to 1997 occurred as a result of construction of the Pan-American Highway to the border of Emberá Comarca. In addition to the highway, other development projects were implemented in Darién to step up the province's contribution to Panama's economy (OEA, 1984). The highway and development projects in the 1960s and 1980s triggered deforestation. However, the importance of "livestock in the Americas" and the risk of the advance of foot-and-mouth disease from South America would not only limit the expansion of ranching in the

entire province, but also the decision to maintain the Darien Gap as a natural barrier. Nelson et al. (2001) suggest that effective property rights together with cultural land use and management practices in Emberá Comarca contributed to reversing the deforestation dynamic. Currently in Darién, colonization fronts and expansion of the agricultural frontier are driven by subsistence and tenant farmers, whose lands are then acquired by large landowners, primarily for extensive livestock production (ANAM, 2009).

The Ngäbe-Buglé Comarca has the highest rate of deforestation (2.72%; CABAL-PRISMA, 2010). This comarca is not only facing colonization and invasion dynamics, but is also a territory under tremendous pressure from the promotion of mega-investment projects in mining (Cerro Colorado) and electric power (Barro Blanco Hydroelectric Project), which have been the source of severe conflicts in recent years.

In the case of the Bayano-Darién region, changes in forest cover are not only becoming more complex, but also simultaneous. For example, at the same time cattle ranchers were expanding the agricultural frontier, teak plantations

Table 1: Forest Cover: Provinces and Comarcas of Panama

Comarca/Province	Forested Area 2000 (Percentage)	Forested Area 2008 (Percentage)	Change from 2000 to 2008 (Percentage)
Emberá Wounaan Comarca	91.6	90.1	- 1.6
Kuna Yala Comarca	87.0	86.1	- 0.9
Ngäbe Buglé Comarca	43.1	43.7	1.3
Bocas del Toro Province	73.4	72.1	- 1.8
Darién Province	71.4	69.2	-3.1
Colón Province	53.9	51.3	-4.9
Panamá Province	42.5	39.6	-6.9
Veraguas Province	26.8	26.7	-0.4
Chiriquí Province	18.6	16.2	-12.8
Coclé Province	13.2	10.8	-18.0
Los Santos Province	7.4	6.8	-8.4
Herrera Province	4.0	3.5	-11.8
Total	44.9	43.3	-3.6

Source: COONAPIP (2011).

were also expanding significantly onto pasture lands and stubble fields, abandoned for opportunities to access new croplands elsewhere (Sloan, 2008). Teak plantations, which expanded onto previously deforested land, have been a point of contention between ANAM and environmentalist organizations, in the face of the emergence of a forest transition devoid of environmental and social benefits (CABAL-PRISMA, 2010).

According to a recent UN-REDD Program report (2012), the revival of the land market in Panama in the last five years has benefitted the particular interests that tourism and real estate enterprises have in indigenous territories, which in some cases have resulted in illegal deals promoted by offshore companies to develop tourism ventures and other investment projects. As will be discussed below, this has been promoted in the framework of policies to promote investments that seek to make Panama the best place to invest in Latin America, with severe repercussions for land, particularly indigenous territories. This could be having specific impacts that conflict with forest transition trends in Panama, with implications that complicate REDD+ scenarios.

In any event, given that the majority of mature forests in Panama are in territories under the control of Indigenous Peoples, and that there are strong external pressures and deforestation in several of these forests, any effort to develop a national REDD+ strategy cannot ignore this reality, since it constitutes the fundamental strategic pillar, not only in territorial terms, but also in social, political and institutional terms. In this context, the Indigenous Peoples are the central actor in any REDD+ effort in Panama.

REDD+ Actors in Panama

Identification of the protagonists involved in the UN-REDD Readiness Program in Panama

enables a better understanding of the development of this process and is helpful for the identification of the main governance challenges. In this case, there are three main actors: the Indigenous Peoples, represented by the National Coordinating Body of Indigenous Peoples in Panama (COONAPIP); the Panamanian government, with ANAM and the national agency responsible for the readiness process; and the UN-REDD Program in Panama. The following is an overview of the context that has determined the role of each of these actors in the process.

Indigenous Peoples

Panama is a pioneer regionally and beyond for its recognition of territorial rights of the seven Indigenous Peoples in the country: the Guna, Ngäbe, Buglé, Naso-Tjêrdi, Bribri, Emberá and Wounaan. Territorial recognition is based on specific laws that recognize two legal entities: Comarcas and Collective Lands. Comarcas are land tenure arrangements that represent geopolitical and administrative regions; they have been legally recognized in Panama since 1953 and are grounded in the ethnic and territorial roots of the Indigenous Peoples of Panama. A comarca *“is an indigenous territory with a semi-autonomous political organization under the jurisdiction of the national government. Although it is, at the same time, a geopolitical division and an administrative system with geographical limits and internal regulations, it is not independent of the State.”* (Oficina Regional para América Central del Alto Comisionado de las Naciones Unidas para los Derechos Humanos, 2012). Panama is divided administratively into nine provinces, of which three are indigenous comarcas (Kuna Yala, Emberá, Ngäbe-Buglé) at the provincial level; in addition, there are two comarcas (Kuna de Madungandí and Kuna de Wargandí) at the district level. Comarcas are inalienable and infeasible lands that have a traditional organizational structure through General Congresses,

with one per comarca. In turn, Collective Lands are a form of collective ownership that recognizes traditional occupation by indigenous communities located outside of the comarcas.

The struggle for self-determination by the Indigenous Peoples of Panama has its history in the Tule Revolution, fought by the Guna People in the San Blas archipelago in 1925. This incident sparked a struggle for recognition of territorial rights that culminated in 1953 with passage of Law 16, which definitively recognizes the Kuna Yala Comarca (Herlily, 1995). This coincided with the first attempts to include indigenous issues in the institutional structure of the Panamanian government. In the late 1960s, the first Indigenous National Congresses were held, meetings that contributed to fostering consultation and dialogue among the Peoples, enabled submitting shared demands to governments, and building the social and political awareness of their leaders (Mezúa, Jaén and Alvarado, 2003).⁵ During this period, progress was also made in the internal organization of several territories following the Kuna model, which later facilitated, in the 1970s, creation of the Panamanian Indigenous Association (ASIPA) and the National Indigenous Association of Panama, as the first efforts to unify the Indigenous Peoples, although they did not last long as institutions due to political and personal conflicts of interest (Herlily 1995; Mezúa, Jaén and Alvarado, 2003).

Panama's Indigenous Peoples have played a key role in the conservation of the natural resources in their territories through strategies to ensure governance of their forests. The body of

⁵ From 1969 to 1978, seven National Indigenous Congresses were held (1969, 1971, 1972, 1973, 1975, 1977 and 1978). Their main demands were greater government attention to Indigenous Peoples, territorial security and demarcation of lands. The last Congress was held in 1993, which addressed territorial problems, the need for access to public services and the importance of intercultural education (Mezúa, Jaén and Alvarado, 2003).

rules and regulations covering access, use and management of their resources are set forth in the Comarcas' charters, which establish mechanisms for issuing rules and regulations, along with the rights and duties of the Comarcas' members. The organizational and decision-making systems of each territorial body (either comarca or collective land) vary according to each People and are complex structures that include structures and authorities at local/community (e.g. the Sahilas of the Guna People; and the Nokos of the Emberá People), regional or district, and territorial levels. These are democratically elected and appointed authorities who are responsible for enforcing the charter with clear social auditing and accountability mechanisms, as in the case of the Emberá Wounaan General Congress, which has a Council of Nokora, which is a consultative structure.

These traditional territorial governance structures provide a platform and a number of opportunities for implementation of REDD+ related actions. First, these territorial bodies have strengthened a number of territorial rights, with rigorous standards that ensure sovereignty and autonomy, similar to international agreements in this field. Second, they could develop new institutional arrangements for early REDD+ practices regarding Indigenous Peoples. Third, there is a national coordinating body that facilitates processes for participation and consultation with Indigenous Peoples through a single interlocutor on everything regarding their territories and natural resources, including forests.

Founded on 21 January 1991, the National Coordinating Body of Indigenous Peoples in Panama (COONAPIP) brings together the General Congresses and Councils via the Traditional Authorities, including the seven Indigenous Peoples of Panama, by means of 12 Congresses

and Councils that are representative structures⁶ (made up of different authorities: Caciques, Sahilas, Reyes Boros and Noko), which as a whole comprise the General Assembly, the highest decision-making body. All traditional Indigenous Peoples' authorities are represented in COONAPIP.

Each Indigenous People democratically elects its authorities. The current structure of COONAPIP was also elected democratically in a General Assembly in late 2009 and was reorganized in 2011. An important characteristic of COONAPIP is that its structure includes the five authorities of the five officially recognized Indigenous Comarcas,⁷ the five Collective Lands authorities and the Buglé Regional Congress, as well as the traditional authorities of the Naso-Tjêrdi People, which reject the Collective Lands designation and are demanding legal recognition as a Comarca (COONAPIP, 2011a).

This organizational structure, grounded in the ideal of the unity of all Indigenous Peoples in Panama and respect for their territorial, cultural, economic and social rights, gives COONAPIP the necessary legitimacy to represent them and support their demands and proposals vis-à-vis government and other actors. Despite the differences and disagreements that

have occurred, the need for an advocacy organization to deal with the hazards threatening their territorial security has enabled COONAPIP to regroup and overcome its internal crises.

One of the first things COONAPIP did was to present the Development Plan of the Indigenous Peoples of Panama (1991) to the government of the time, demonstrating its capacity to make proposals at the national level in response to shared problems and strategic issues. From the beginning, COONAPIP has been projecting its agenda not only nationally, but also in the Central American region. Thus, together with other Indigenous Peoples organizations, it participated in the creation of the Central American Indigenous Council (CICA) in 1995. Additionally, it was part of the Program of Support for the Indigenous Peoples of Central America (PAPICA), a development initiative financed by the European Union, which, however, resulted in the Kuna Yala Comarca withdrawing from COONAPIP in 1997, basically over differences regarding project management (COONAPIP, 2011a). Despite this, its advocacy efforts and demands for territorial rights would result in the creation and official recognition of three comarcas: Kuna de Madungandí Comarca (1996); Ngäbe-Buglé Comarca (1997) and Kuna de Wargandí Comarca (2000) (*ibid.*).

The struggles begun in the previous decade (2000-2007), which continue today, were characterized by protest marches and actions by Ngäbe-Buglé Comarca, against mining and hydroelectric projects and tourism in its territory, as well as by COONAPIP's appeal to the Panamanian government for ratification of ILO Convention 169 and recognition of Panama as a multicultural and multilingual state. With the addition in 2005 of five Congresses (Emberá del Alto Bayano, Emberá and Wounaan Collective Lands, Wounaan National, Bribri Territory, and Naso Council), COONAPIP entered a phase of

⁶ 1) General Congress of Emberá-Wounaan Comarca; 2) General Congress of Ngäbe-Buglé Comarca; 3) General Congress of Kuna de Wargandí Comarca; 4) General Congress of Kuna de Madungandí Comarca; 5) General Congress of Kuna Yala Comarca; 6) General Congress of Kuna de Dagargunyala; 7) General Council of the Bribri People; 8) General Council of the Naso-Tjêrdi People; 9) National Council of the Wounaan; 10) General Congress of Emberá de Alto Bayano; 11) General Congress of Emberá and Wounaan Collective Lands; and 12) Regional Council of Buglé (Oficina Regional para América Central del Alto Comisionado de las Naciones Unidas para los Derechos Humanos, 2012).

⁷ Comarcas, with year of legal incorporation: Kuna Yala (1953); Emberá-Wounaan (1983); Kuna de Madungandí (1996); Ngäbe-Buglé (1997); and Kuna de Wargandí (2000).

renewal. From 2008 to 2010, a number of general assemblies were held, which decided on the political and administrative restructuring of COONAPIP, granting representation and decision-making authority directly to the Traditional Authorities. In addition, its by-laws were reviewed and operational procedures put in place (COONAPIP, 2011a).

During this period of general assemblies, the Kuna Yala Comarca rejoined COONAPIP in 2009, which represented a further step forward in its political and institutional development. During the assemblies and meetings, shared problems were analyzed along with the impact of large investment projects that were either in the pipeline or already underway in the comarcas and indigenous territories, the need to lobby for ratification of ILO Convention 169, and support for the Naso-Tjêrdi and Ngäbe-Buglé peoples in their fight for territorial rights (ibid.). It is during this time of dialogue and unity when the issues of climate change and REDD+ begin to be addressed.

The government and ANAM

Panama has a highly globalized economy, based on logistics, services and trade—key sectors due to its geographic location and the role of the Panama Canal, the expansion of which (scheduled for completion in 2015) reaffirms its strategic role in the country. However, in recent years, Panama has been turning its sights to the economic potential of its natural resources, in a context of heavy conflict, since these initiatives are clashing with the territorial rights of Panama's Indigenous Peoples. In this context, indigenous and environmental agendas are being subordinated to economic strategies. In fact, only a few years after the constitution of the National Environmental Authority of Panama (ANAM) and passage of the General Environment Law (Law No. 41 of 1 July 1998), during the administration of President Mireya Mosco-

so (1999-2004), it was restructured with the objective of “*promoting environmental preservation appropriately combined with economic growth*” (República de Panamá, 2001), and the First National Environmental Strategy (1999-2004) was drafted. During this period, actions were taken to strengthen the integration of Indigenous Peoples into public policies.⁸ However, the tensions between economic dynamics and the Indigenous Peoples not only predominated, but intensified, as a result of the granting of concessions for mining, hydroelectric and tourism projects in their territories.

These contradictions and tensions continued during the administration of President Martín Torrijos (2004-2009), whose Government Plan “Strategic Vision for Economic Development and Employment towards 2009,” ties the environmental agenda to sustainable development projects, proposing the “modernization of environmental management for competitiveness.” Indeed, it is during the Torrijos administration when efforts to promote a REDD+ strategy in Panama begin, which is taken on seriously and swiftly. The administration committed to the idea of REDD+ since it presented an ideal opportunity to obtain funding to promote the National Environmental Strategy (ENA). In fact, the R-Plan reasons that a consultation on the REDD+ strategy is not needed since it would be based on the ENA, which had been drafted following a participatory consultation process. However, there is one fundamental difference: in the ENA, the Indigenous Peoples are one actor among many, but for the REDD+ strategy they are the main actor. This underscores the importance of a consultation process and appropriate participation by the Indigenous Peoples in REDD+ readiness in Panama.

⁸ During the administration of President Mireya Moscoso, the Council on Indigenous Development was created and approval was given to create a special intellectual property regime on collective rights of the Indigenous Peoples for the protection and defense of their cultural identity and traditional knowledge.

At the same time, during the Torrijos years, Law 72 on Collective Lands was passed (December 2008), in response to demands for greater recognition of territorial rights by Indigenous Peoples; however, no new comarcas were created. In early 2008, construction began on the Chan 75 hydroelectric dam on the Changuinola River, which sparked organized protests by the Indigenous Peoples.

When the current administration of President Martinelli began (July 2009), it prioritized the economic strategy, this time with the commitment to make Panama “the best place in Latin America to do business,” as Martinelli would state in his inaugural address. The Strategic Plan of Panama (2010-2014) aims to develop sectors that are considered to be crucial to economic development, among them, the logistics services sector, tourism, financial services, agriculture and mining (Gobierno Nacional, 2010). With the new administration, the environmental agenda took a back seat politically and technically to the economic agenda. As a reflection of this, in Martinelli’s early years, there was high turnover in the staff responsible for environmental management in general, and in the climate change area in particular, which translated in effect into a dismantling of the capacity of ANAM.⁹

The aggressiveness of the economic agenda and the changes wrought by the Martinelli government led to greater conflicts with social organizations, especially with the Indigenous Peoples, which demanded a ban on mining exploration and exploitation projects in their territories and adjoining areas, as well as rejection of the construction of hydroelectric projects.¹⁰

⁹ In part, the loss of interest in REDD+ can be attributed to the fact that following the COPs in Copenhagen and Cancún, it was clear that in the short and medium term the carbon market would not generate high economic benefits.

¹⁰ As previously mentioned, the conflicts between the Indigenous Peoples and government are not unique to the current government. During the Torrijos administration,

The confrontations between the government and Indigenous Peoples have been occurring consistently throughout the present administration. Proof of this can be found in the protests in Changuinola (July 2010), in San Félix (February 2011) and rallies protesting Bill 415, which would create a special regimen for management of mineral and water resources in Ngäbe-Buglé Comarca (January-February 2012).

In this context marked by conflict and confrontation, the United Nations Special Rapporteur on the Rights of Indigenous Peoples submitted a report calling for dialogue due to the constant conflicts between the government and Indigenous Peoples of Panama (Oficina Regional para América Central del Alto Comisionado de las Naciones Unidas para los Derechos Humanos, 2012).

In June 2010, the government sponsored a raft of bills and legal reforms through Law 30, known colloquially as the “sausage law” or “lobster law.”¹¹ This set off a round of protests led by trade unions, environmentalist organizations and civil society movements, along with Indigenous Peoples (especially the Ngäbe-Buglé) who opposed the proposals and reforms. The reforms included a change in the Environmental Law that would streamline the formal steps required for environmental impact studies.¹² In the ensuing months, protests and clash-

Indigenous Peoples, including the Ngäbe-Buglé and Naso, blockaded streets in Bocas del Toro in protest of hydroelectric, mining and tourism projects (22 March 2009). These protests had been preceded by other demands in 2007 and 2008, which included official recognition of the Naso People as a comarca and the rejection of the “Collective Lands” designation in Law 72 of 23 December 2008.

¹¹ These terms referred to the simultaneous amendment of laws in different areas, including the Labor, Penal and Judicial Codes. Additionally, they amended Civil Aeronautics, Environmental, National Police, Migration, and State Audit Tribunal laws.

¹² According to Bill 58, “with passage of Law 30 of 2010, changes were made to Law 41 of 1998, the General Environmental Law, for the purpose of streamlining the environmental impact assessment process, exempting any

es intensified and spread to other regions of the country. Finally, the government decided to repeal the controversial law in October 2010.

Despite these conflicts, the government insisted on sponsoring other reforms that sparked new protests and clashes. Chief among these are reforms to the Code of Mineral Resources (Law 8) in January 2011 and creation of Law 72 in October 2012, paving the way for the sale of the telephone company and of properties in the Colón Free Trade Zone. In all these cases, the common element has been passage of the law by the Legislative Assembly, swift signing by the Executive Branch, the escalation of social protests, and repeal of the respective laws.¹³

The UN-REDD Program

The UN-REDD Program began in 2008, in a context marked by growing political support from governments to the REDD+ framework proposed by the UNFCCC. The Program is a joint effort by FAO, UNDP and UNEP to support forest countries in REDD+ readiness processes (FAO/UNDP/UNEP, 2008). Generally, the Program has aimed to support “country-led” processes in two specific lines of work: “1) assisting developing countries prepare and implement national REDD strategies and mechanisms; and 2) supporting the development of normative solutions and standardized approaches based on sound science, for a REDD instrument linked with the UNFCCC” (ibid.).

project, work or activity for social benefit from the assessment procedure and from the environmental impact study.” According to this bill, “these changes made directly to the environmental impact assessment process violate the precautionary principle also set forth in the Convention on Biological Diversity, adopted by Panama in Law 2 of 1995” (Asamblea Nacional de Panamá, 2010).

¹³ In the case of Law 8, on 18 March 2011, Law 313 was approved and adopted, repealing the reforms to the Code of Mineral Resources, while on 28 October 2013, President Martinelli signed the repeal of the law that would have permitted the sale of lands in the Colón Free Trade Zone.

To advance towards its objectives, the UN-REDD Program attempts globally to make the most of its “comparative advantages,” avoiding the duplication of efforts with other readiness programs. This includes support on technical aspects such as Monitoring, Reporting and Verification, as well as “neutral” intermediation in REDD+ processes, considering the political nature of the United Nations and its agencies. The element that most distinguishes the UN-REDD Program from other similar programs is its human-rights based focus and approach, which it has promoted consistently from the beginning.

The rights-based approach has evolved alongside the development of the REDD+ mechanism. The UN-REDD Program, just as other readiness programs, has been influenced by the environment and policy debates around the issue of REDD+. The early stages of REDD+ (2008, 2009, and to a lesser extent 2010) were characterized by the dominance of technical aspects. However, starting in 2009, but essentially in 2010, is when greater emphasis was put on discussions of rights, governance, safeguards and Free, Prior and Informed Consent (FPIC). The pilot countries— Panama was one—stood out as countries that sought to be in the forefront in REDD+ readiness processes, which were influenced by this political context.

A review of the evolution of the UN-REDD Program reveals that the rights focus has been given much more detailed treatment since 2009. In June 2009, a paper was published that provides guidance on the inclusion of Indigenous Peoples: Operational Guidance for the Engagement of Indigenous Peoples and Other Forest-Dependent Communities. The Program’s commitment to the full participation of Indigenous Peoples in REDD+ processes was reiterated with the drafting of the strategy in late 2010 (UN-REDD, 2010). The joint Guidelines on Stakeholder Engagement in REDD+ Readiness

with a Focus on the Participation of Indigenous Peoples and Other Forest-Dependent Communities were opened to public comment in May 2011 and continued to be developed (UN-REDD, 2011). In March 2012, the UN-REDD Program's Social and Environmental Principles and Criteria were approved, and in January 2013, the Guidelines on Free, Prior and Informed Consent were published (UN-REDD, 2013).

These documents and efforts reflect that the UN-REDD Program intends to be an exceptional reference point at the global level in processes related to REDD+, in both the pilot countries and all the other forest countries.

The UN-REDD Program is committed to: 1) supporting the full participation of Indigenous Peoples and other forest-dependent communities, civil society and other stakeholders in national and international forums and initiatives; and 2) supporting national and international REDD+ processes to establish transparent and responsible guidelines that recognize and respect the rights of the participants and respond to their needs (ONU-REDD, n.d.). According to the Program, it should be carried out with a human rights focus, to meet the requirements established in the United Nations Declaration on the Rights of Indigenous Peoples and other UN conventions and declarations on rights and participation, as well as the safeguards for REDD+, such as those that emerged from the negotiations of the UNFCCC in Cancún in 2012 (ibid.).

This focus goes further than the approaches of the other readiness programs, since it includes the obligation to seek Free, Prior and Informed Consent (since this is part of UNDRIP), and not merely consultation. In addition, the UN-REDD Program affirms being committed to applying FPIC and other safeguards, not only in the implementation phase of REDD+, but also in its design phase (ONU-REDD, n.d.; UN-REDD, 2013; UN-REDD, 2012a). The frameworks and principles developed and proposed by the Program, in general terms, have been well received by the Indigenous Peoples, by social movements and by civil society organizations, since it is clear that they propose a framework much more consistent with their concerns than any other REDD+ program or initiative.

In the case of Panama, the first efforts to form part of the UN-REDD Program go back to September 2008, when ANAM, through a communication addressed to the UN Resident Representative in Panama, demonstrated its interest in participating in REDD readiness. At that time, Panama was in the process of preparing its R-Plan proposal, which would be submitted to the FCPF, by virtue of its being chosen as a REDD pilot country. For ANAM, the UN-REDD Program in Panama would complement the resources necessary for implementation of the activities set forth in the R-Plan, once approved. Thus, in the first two meetings of the UN-REDD Program Policy Board (March and June 2009), the Panamanian delegation presented the progress on its REDD readiness proposal, and in the third meeting, in October 2009, Panama's strategy was approved, as will be discussed below.

Stages and Actors in REDD+ Readiness: Indigenous Peoples, ANAM and the UN-REDD Program in Panama

In Central America, Panama took the lead in implementing REDD+ readiness processes. What promised to progress early and quickly towards development of a National REDD+ Strategy would end up in conflict, the result of an accumulation of several factors that culminated in the condemnation and the definitive withdrawal of COONAPIP from the readiness process promoted by UN-REDD and the Government of Panama. Below, the different readiness stages in Panama are discussed, as well as the role of the main actors: COONAPIP, ANAM and the UN-REDD Program in Panama.

Stage 1: Initial readiness efforts without consultation or participation of Indigenous Peoples (2008 - January 2009)

In late 2007 and in 2008, two different processes began, which would eventually cross paths during REDD+ readiness efforts in Panama. The first of these paths can be found in the government's readiness process. Panama developed its initial proposal of a REDD+ strategy through its R-PIN, and already had a relatively well-developed strategy by early 2009, which would become the Readiness Plan (R-Plan) presented to the FCPF, and the basis for the proposal submitted to the UN-REDD Program.

The groundwork and core elements of the REDD+ readiness proposal were established during this time period, based on the 2008 -

2012 National Environmental Strategy, which according to ANAM, had involved several consultations, and therefore ANAM considered it highly participatory (ANAM, 2009) and therefore unnecessary to perform another consultation process on REDD+. In this context, according to ANAM, the development of the proposal was not about demonstrating that the country was ready to implement REDD+, but rather that it was ready to begin the readiness process (ibid.).

The second path originated in the broader context of unification and political strengthening of COONAPIP in 2008; indigenous Congresses and Councils recognized the need to promote a joint advocacy agenda against the pressures they faced in their territories, as well as the need for closer engagement with and greater knowledge on the subject of REDD+.

These two paths cross for the first time in a training of Indigenous Peoples on the topic of REDD+ sponsored by McGill University, the Smithsonian Tropical Research Institute (STRI) and COONAPIP as a part of the initiative *Initial Informed Consent: The Capacity Building Initiative* (ANAM, 2009). In January 2009, a national workshop was held, involving all of the indigenous authorities, with the exception of the Naso People. In addition to training and discussion on REDD+, ANAM presented the REDD+ strategy to the indigenous authorities of the country for the first time (ibid.).

Stage 2: The rush to approve proposals and the need for validation with Indigenous Peoples (February - October 2009)

A new stage begins at the time when COONAPIP sends a letter to ANAM (in February 2009) requesting more information on the REDD+ readiness process. COONAPIP's rejection of the REDD+ readiness proposal document would lead to decisions and actions by ANAM, the FCPF, and later, by the UN-REDD Program to incorporate some of the concerns of Panama's Indigenous Peoples. However, these interactions took several months to occur, as they came at the end of the Government of President Torrijos, when ANAM was seeking the approval of its REDD+ readiness proposal.

Towards approval of the R-Plan with the FCPF: Dissemination and information for Indigenous Peoples

The design of proposals for the readiness process by ANAM was quickly divided into two different lanes to adapt to the different formats and requirements of the FCPF and of the UN-REDD Program. While in 2009, workshops and meetings on REDD+ continued to be carried out, they were informative in nature; the approaches and the content of the proposals in REDD+ readiness therefore were not modified as a result of these meetings.

After having the opportunity to review the REDD+ strategy, in May 2009, COONAPIP declared its disagreement with the proposal, due to lack of consultation on its content and because *"the vision and mission that appears in ANAM's R-Plan is not consistent with the reality of indigenous peoples,"* among others. The Technical Advisory Panel also noted that the R-Plan had not clearly assessed the dynamics of deforestation and forest degradation, and that the

strategy did not seem to substantively respond to the forest situation in the country, nor to that of its Indigenous Peoples (FCPF, 2009). Faced with this situation, the FCPF facilitated the obtaining of funds from the World Bank (US\$62,000) to support a process of information dissemination for Indigenous Peoples, held in the second half of 2009.

In mid-June, ANAM actively sought the approval of the proposals at meetings of the UN-REDD Program and the FCPF in Montreux, Switzerland. At that time, the UN-REDD Program did not approve Panama's proposal for several reasons, including not having carried out the validation process, as required by the Program's rules.

In the FCPF meeting, the R-Plan was approved, at the end of the Torrijos administration and just prior to the inauguration of President Martinelli on July 1, 2009. Despite the fact that the incoming Government would pursue an agenda quite contrary to the indigenous agenda in subsequent years, the REDD+ process at this time was allowed to continue under new management with new technical staff at ANAM.

Towards approval of the Joint Program Document: Validation with the UN-REDD Program

The new ANAM took up the validation process to continue with the effort previously initiated with the UN-REDD Program. As part of that process, an independent review was conducted of the Joint Program Document, which among other things, noted the lack of incorporation of Indigenous Peoples in the process, the failure to diagnose the causes of deforestation in the country, and challenges related to ownership of the process by the new government (UN-REDD, n.d.). After a series of meetings between COONAPIP, ANAM and the UN-REDD Program in September 2009, a decision was made

to form a Technical Committee, with the participation of six people from COONAPIP and financial support from FAO. A commitment was made that the input resulting from this review would be incorporated into ANAM's proposal (ANAM, 2009). For two weeks, working meetings were held with representatives of COONAPIP, UNDP, FAO, ANAM and UNEP, as part of the "*Development of a Framework on the Participation of Indigenous Peoples in the Republic of Panama in the context of the UN-REDD Panama proposal*" (ibid.). On 6 October, the public position of COONAPIP on REDD+ was outlined in its presentation of a list of 19 Points (Box 1), for their incorporation into the proposal that would be submitted to the UN-REDD Program (COONAPIP, 2009).

In the ensuing weeks, COONAPIP signed the required documentation for the validation process, specifying that a framework of principles

and methods for the consultation would be included in the document. However, the proposed 19 Points were not incorporated in their entirety, an issue that COONAPIP would later denounce. The process nevertheless went forward and COONAPIP attended the Third Meeting of the Policy Board of the UN-REDD Program in late October 2009, where the Program approved the Joint Program Document for US \$5.3 million.

The UN-REDD Program in Panama is not limited to implementation and capacity building for MRV, but also includes a set of actions with direct impacts for indigenous territories. As shown in Box 2, in addition to supporting the development of capacities for monitoring of forest cover and forest carbon, the components of the program seek to move towards a legal and operational framework for REDD+, as well as the design of a financing mechanism. Given

Box 1: COONAPIP's 19-Point Proposal to UN-REDD Program

1. Plan for the strengthening of COONAPIP.
2. Plan for the participation of Indigenous Peoples in all REDD+ processes in Panama.
3. Value collective territorial rights over indigenous peoples' land and natural resources in REDD document.
4. Promote international treaties and instruments on indigenous peoples, analyzing ILO Convention 169 and the United Nations Declaration on the Rights of Indigenous Peoples.
5. Plan to strengthen Indigenous Congresses and General Councils.
6. Training for indigenous technical professionals and traditional scientists.
7. Review, analysis and revision of regulations on rights in national laws.
8. Legal security of indigenous territories, overlapping territories and lands.
9. Environmental Management/Protection of Mother Earth and Natural Resources: COONAPIP, *Comarcas*, Congresses and Councils.
10. Free, Prior and Informed Consent of Indigenous Peoples, using their own mechanisms (dissemination, reference to international instruments).
11. Communication and coordination of activities in indigenous areas: COONAPIP.
12. Legal recognition of forest areas in *comarcas* and indigenous territories as Collective Property.
13. Forest administration: Forest activities must have consent of Indigenous Peoples.
14. The development of "living well"/equitable benefit sharing.
15. Strengthen respect for governance and internal administration of Indigenous Peoples.
16. Ongoing monitoring and evaluation of actions regarding REDD in Indigenous Peoples.
17. Special attention to protection of medicinal plants.
18. Food sovereignty for Indigenous Peoples.
19. Recognition and validation of *Balu Wala* instruments for Indigenous Peoples' consultation process.

Source: COONAPIP (2009)

their importance, these aforementioned elements have extremely important implications, as these proposals must reflect the consensus of the various actors, in particular the consent of Panama's Indigenous Peoples, as some of them could become legislative reforms.

Soon afterwards, the UN-REDD Program highlighted the case of Panama as a good example of participation of Indigenous Peoples (ONU-REDD, n.d.). However, the way the Program developed over time suggests that several problems remained, and that the issues which were temporarily hidden at that time, would end up affecting later stages of implementation. For example, the validation process was driven by the mechanisms and timelines required by ANAM and the UN-REDD Program, in contrast to the institutions that govern the decision-making of Panama's Indigenous Peoples. The agreements made in the validation process were also understood differently by different actors. For COONAPIP, the validation of the proposal was not the consultation, but rather the beginning of a participation process so that Panama's Indigenous Peoples could form opinions about whether they would participate or not in the REDD+ Program. The evidence suggests that officials from ANAM and the UN-REDD Program in Panama interpreted the validation process differently, with the understanding that the issue of whether or not the program would be implemented had been resolved, leaving only the issue of *how* it would be implemented (Anderson and Thomsen, 2012).

In this context, it is completely understandable why COONAPIP would have given its endorsement during the validation process, because from their perspective, the key principles for continuation of the dialogue and consultation process had been established in the 19 Points. While these issues do not appear explicitly in the Joint Program Document adopted in October 2009 (as COONAPIP reported to have demanded), various aspects *were* incorporated

into the proposal, among them: recognizing COONAPIP as the coordination and communications organization for the REDD+ process; specifying that the UN-REDD Program in Panama would seek Free, Prior and Informed Consent; and emphasis that the legal security of land in indigenous territories represented an important element to be addressed (UN-REDD, 2009a).¹⁴

The 19 Points proposed by COONAPIP contained the conceptual and methodological foundation for the participation of Indigenous Peoples in the REDD+ readiness process in Panama, together with a number of principles that defined their overall framework of participation. Yet despite the approval of the Joint Program Document, the actions it contained to support Indigenous Peoples were not developed in detail, had few budgetary allocations, and in general were very limited in comparison to other activities contained in the results framework. This would have important impacts on the later stages of the process.

¹⁴ Some modifications were also achieved with respect to carbon ownership rights; instead of asserting that they were exclusive property of the State, as had been previously stated, the possibility was opened for new institutional arrangements. In addition, the final version proposed greater control for Indigenous Peoples in a mechanism for payments in a REDD+ system.

Box 2: The Joint Program Document for UN-REDD in Panama

In its purpose, the Program highlights its contribution to mitigation of climate change through reduction of emissions from deforestation and forest degradation, and establishes the objective of forest recovery and/or increased forest cover, based on a previously defined national baseline. In addition, the program will work to ensure that forests provide a source of ecosystem services, which can in turn generate funding for communities and contribute to strengthening environmental management schemes in Panama. The specific objectives emphasize the Program's contribution to the National REDD+ Strategy (the program design should be finalized by the end of 2013), through: i) capacity development and promotion of participatory training for environmental management; (ii) implementation of a forest cover monitoring system; (iii) design of a fair, equitable and transparent financing mechanism to distribute revenues generated by the provision of environmental goods and services; (iv) ensure compatibility between the actions of REDD+ and national development plans; and (v) promotion of adaptation measures that will ensure future availability of natural resources.

In relation to Indigenous Peoples and their participation in the program, the Joint Program Document indicates that for awareness raising and consultation actions, the mechanisms included in the customs and laws of the Indigenous Peoples would be used. In addition, it is expected that specific safeguards will be instituted, defined globally by the UN-REDD Program and the World Bank. As a strategic measure, the document proposes that ANAM start dialogue and agreement processes through mechanisms based on Free, Prior and Informed Consent, in order to avoid any form of discrimination and promote the active participation of Indigenous Peoples in the Program. The risk analysis (revised and updated in August 2010) identifies aspects that could affect program implementation: a low level of participation of Indigenous Peoples and the high level of conflict with key actors in the preparation and implementation of the national REDD+ strategy.

Program budget allocations and cumulative expenditures, by component and results

Results	Components	Budget (in US\$)	Cumulative Expenditures in US\$ (June 30, 2012)
Institutional capacity for coordination and the efficient implementation of a national REDD+ strategy in Panama	Legal framework for development of the National REDD+ Strategy	405,000	13,951
	Operational framework established for implementation of the REDD+ strategy	926,000	300,916
	Sectoral, institutional, municipal and individual capacities strengthened	1,077,000	189,931
	A transparent payment and benefit distribution system validated and operational	278,000	0
Technical capacity to monitor, measure, report and verify the reduction of emissions from deforestation and forest degradation	National inventory system, as well as forest and carbon monitoring	1,914,000	447,218
	Reference emissions scenario	300,000	156,911
	Carbon accounting system and production of emissions information	400,000	0
TOTAL		5,300,000	1,153,927 (21.8%) (includes \$45,000 in overhead)

Source: Based on UN-REDD Program documents.

Stage 3: The "lost year," communications failures and initial conflicts (October 2009 - October 2010)

The Program was not launched until one year after its approval in 2009, attributed mainly to staffing turnover in ANAM (UN-REDD, 2011a).

Yet prior to the signing of the official agreement in October 2010, changes were made in the Joint Program Document. This final document includes a participation and consultation plan in an annex that significantly contrasts with the proposals made by COONAPIP. Moreover, the *Balu Wala* methodology proposed by COONAPIP is only briefly summarized in the body of the document, and was removed from the annex (UN-REDD, 2010a). These changes are notable given their clear implications for indigenous territories and that they occurred without the participation of COONAPIP, according to reports from this organization.

The program therefore took one year to launch; yet the most important events of this time period for Panama's Indigenous Peoples were the changes made to the final version of the National Joint Program document. These changes weakened initial proposals made by COONAPIP that were critical for moving towards the basic conditions necessary for the participation and consultation of Indigenous Peoples, both internally as well as externally in relations between COONAPIP and the UN-REDD Program in Panama.

Stage 4: (Dis)agreements on the participation of Indigenous Peoples (November 2010 - August 2011)

The UN-REDD Program in Panama came to a critical point during this stage. Administrative issues, such as COONAPIP's lack of legal status, impeded the transfer of financial resources to the organization for implementation of activities related to the participation of Indigenous Peoples, which had already been stripped down and weakened in the final Program document. In this context, financial support was facilitated through other organizations for activities that would result in a much broader and strategic framework for the participation of COONAPIP in the UN-REDD Program, through a Strategic Policy Advocacy Plan (PEIP). This plan would never be incorporated into the Program, and would also later translate into misunderstandings and conflicts that turned out to be the prelude to a break with the Program.

The lack of legal status of COONAPIP emerges for the first time as an issue at the launch of the program in October and November of 2010. The UN-REDD Program in Panama reports that this lack of legal status makes the direct transfer of funds to COONAPIP impossible. As a result, ANAM and the UN-REDD program obtain funding from the Regional REDD-CARD Program implemented by GIZ, for COONAPIP to develop a capacity building plan for itself as well as the Indigenous Congresses and Councils. This support is channeled through IUCN.¹⁵

¹⁵ COONAPIP reports that it was not informed the funding for IUCN came from GIZ.

It is at this same time that the UN-REDD Program proceeds to draft work plans – a process that did not include COONAPIP in the planning or implementation stage.¹⁶ Though these activities could be understood as essentially technical issues, they would clearly have implications for Indigenous Peoples. In this sense, the process missed an important opportunity to make progress on readiness conditions at territorial levels.

Despite not directly participating in the implementation of activities of the UN-REDD Program, COONAPIP did make progress on its Strategic Policy Advocacy Plan - PEIP (Box 3), which was formally presented in August 2011. From COONAPIP's perspective, this moment is filled with high expectations in moving forward with the agenda outlined in the PEIP – especially after a meeting held on September 21, where an agreement is made with the UN-REDD Program to finance implementation of the PEIP for US\$1.7 million. According to COONAPIP, this was an important milestone for COONAPIP and the Indigenous Peoples of Panama. Yet a deterioration in relations followed soon afterwards, given COONAPIP's understanding that the PEIP would be a key aspect within the UN-REDD Program in Panama, while the Program, on the other hand, did not see the PEIP as the road map for indigenous participation in the REDD+ readiness process. As a result, the self-defined vision and proposal of the Indigenous Peoples for their participation in the REDD+ process in Panama was rejected.

¹⁶ The UN-REDD Program describes the planning process in November and December 2010 as "rigorous" (UN-REDD Programme Panama, 2011a); COONAPIP did not participate.

Box 3: COONAPIP's Strategic Policy Advocacy Plan 2011-2015

For COONAPIP, the PEIP outlines the necessary steps for the participation of Indigenous Peoples in the REDD+ readiness process, respecting the principles of the United Nations Declaration on the Rights of Indigenous Peoples and in accordance with their own world view. Preparation of the PEIP, beginning in November 2010 and finishing in May 2011, involved meetings with COONAPIP's highest authority, the General Assembly, and a series of meetings with leaders and technical advisors. The PEIP outlines three challenges that represent the foundations of COONAPIP: 1) political governance; (2) environmental governance; and (3) institutional strengthening. These challenges establish the framework for Indigenous Peoples and also represent the cornerstones for their participation in the REDD+ readiness process.

The PEIP seeks to ensure recognition of indigenous rights to territories and natural resources, as a critical condition for REDD+. It also stresses that recognition of indigenous and community rights has been key to positive outcomes for sustainable forest management. The PEIP also includes specific actions, such as support for the demands of Indigenous Peoples whose territories are not legally recognized by the Panamanian government; support to Comarcas and Collective Lands in conflict resolution over invasions; and the resolution of conflicts in areas where indigenous lands overlap with protected areas declared by ANAM.

The PEIP also proposes advocating for ratification of ILO Convention 169, as a basic measure to ensure compliance with safeguards for REDD+. It also proposes a number of actions to strengthen indigenous governance structures, as these are key to maintaining and preserving indigenous territories and their natural resources against external pressures. The PEIP also aims to strengthen the unity and governance of Indigenous Peoples inside their territories, as well as to enhance technical, administrative/accounting and financial capabilities in order to meet these goals. In sum, the PEIP defines a structured set of strategic actions for Indigenous Peoples highly relevant to any REDD+ strategy.

Source: COONAPIP (2011a).

Stage 5: Heading towards the break, excluding the vision of Indigenous Peoples (September 2011 - June 2012)

What to COONAPIP appeared to be an important milestone in the previous stage would end up almost completely overturned by the UN-REDD Program during this stage, accelerating deterioration in relations. The implementation of the PEIP, its scope and the level of support it would receive, again would become the central issue at this stage, which can be characterized by the lack of transparent mechanisms for negotiation and formal coordination and communication protocols, as well as the lack of mechanisms for conflict resolution capable of handling a problem of this magnitude. These mechanisms surely would have helped to manage and eventually overcome the conflicts that were emerging.

However, the situation ends up fostering even more distrust in the process, precisely at the time when the proposal made by COONAPIP on REDD+, embodied in the PEIP, is to be discussed. A series of meetings and key moments occur at this stage, detailed below.

Meeting on September 21st: According to COONAPIP, consensus is reached and the UN-REDD Program in Panama commits US\$1.7 million for implementation of the PEIP. The Program disputes this account, reporting that the meeting addressed which results of the PEIP could be matched with the Program's "results framework," but no agreements are reached on the level of funding to implement the PEIP.¹⁷

Late September 2011 (event during the Pre-COP): A UN-REDD Program consultant public-

ly confirmed support for implementation of the PEIP in two separate comments, first mentioning the sum of US \$1.7 million, and later "approximately \$1 million." However, the UN-REDD Program in Panama would not acknowledge these statements for more than a year, until February 2013, after COONAPIP provided recordings of the event. At this point, the Program asserted that the comment was "vague and unclear" and that the consultant had not been authorized to make such commitments (United Nations, 2013).

Meeting on October 28th: COONAPIP and the UN-REDD Program confirm that the meeting consisted of discussions and negotiations on how, and which parts, of the PEIP would be implemented with Program support. According to the minutes of the meeting, provided by the UN-REDD Program, the points discussed are very similar to the meeting on September 21st. The aspects that the UN-REDD Program claimed that it could not support, and those that it could partially support, are summarized in the second column of Table 2.

At this time, activities are identified that, according to the UN-REDD Program, fell outside the scope of the Program's actions, such as supporting adoption of ILO Convention 169, support for obtaining territorial security for 11 territories; and support for penalties for invasion of indigenous territories.

As these are issues clearly established in the framework of the 19 Points proposed by the Indigenous Peoples, it was not clear for COONAPIP why they were not included in the program's activities. In addition, from COONAPIP's perspective, these actions were not only within the scope of the UN-REDD Program in Panama, but also were within the guidelines and frameworks of the UN-REDD Program at a global level. Regardless, the elements proposed in the 19 Points and in the

¹⁷ COONAPIP received a small amount of money to obtain legal status.

Table 2. Political scope of the UN-REDD Program in Panama

Goals set by the PEIP	UN-REDD position (minutes of the meeting of October 28, 2011)	Sections that address the political scope in the UN-REDD Joint Program Document in Panama (ONU-REDD Panama, 2010)
Ratification of ILO Convention 169 in Panama	"Outside the scope of UN-REDD."	<i>"As a strategic measure... ANAM will begin a process of dialogue and consultation with indigenous peoples through mechanisms based on free, prior and informed consent that identifies: the legal, institutional, social and economic situation, and the modification of legislative and administrative measures to prevent any form of discrimination and exclusion of these peoples in order to ensure real and effective participation in the REDD+ program"</i> (p. 21, underlining by authors).
A regulatory framework for ownership of carbon rights in indigenous territories	"In principle there is a possibility that UN-REDD could support this component."	Result 1.1 seeks to <i>"facilitate a participatory approach to develop a legal structure for implementation of the national REDD+ strategy, including recommendations on the ownership of carbon rights and clarity regarding land tenure"</i> (p. 21). <i>"Areas under the jurisdiction of the Panamanian government, such as public lands, could have a carbon ownership regime different than those under the jurisdiction of indigenous territories, lands and communities. Determining carbon property rights, and consequently those over carbon credits that may be generated, is crucial and a matter where differences persist. It is of utmost importance that this issue be debated in the most transparent manner, with the participation of all parties involved"</i> (p. 14).
Securing of legal status for 11 indigenous territories, to facilitate governance of resources and Program implementation	Possible support, limited to sub-components such as putting together technical and legal records. However, presentation of the draft law for the Naso-Tjêrdi Comarca and advocacy in the Commission on Indigenous Affairs of the Legislative Assembly "are beyond the scope of action of UN-REDD."	Barriers and challenges that the program will address: <i>"Legal security over land, especially in relation to requests for recognition of land by indigenous peoples"</i> (p. 18).
Activities to promote enactment of a law by the Legislative Assembly that would penalize invasions of indigenous territories	"This can be partially addressed from the perspective of raising awareness of local authorities and judicial bodies at a national level, specifically with regard to processes of invasions in already-declared Comarcas."	<i>"The policies, programs and activities corresponding to this strategy should promote legal territorial security of indigenous peoples and peasants in those territories of interest for the conservation and provision of environmental services"</i> (p. 20).

PEIP had been weakened in comparison to what Panama’s Indigenous Peoples had previously proposed and approved. This would later end up being a critical and determining factor for the break with the UN-REDD Program: the

most robust proposal to strengthen forest governance and the territorial rights of Indigenous Peoples - outlined in the PEIP - did not enjoy decisive support by the UN-REDD Program in Panama.

Meeting on November 1st: COONAPIP and the UN-REDD Program in Panama confirm that this meeting addressed modalities of cooperation with the United Nations. Five options were presented to support COONAPIP, all of which required legal status. After looking into this option, COONAPIP finds out that under Panamanian legislation, obtaining legal status would require the indigenous organization to become an NGO. COONAPIP reports that it clarified at this time that status as an NGO was something foreign to the nature of an organization that is made up of traditional authorities, democratically elected by Indigenous Peoples.

In the ensuing months, no significant progress for the program was confirmed.¹⁸ During this time period, given the absence of funding expected from the UN-REDD Program, COONAPIP reports having lost its office and technical staff. This was a "significant institutional blow" to the organization, which at the time was involved in an intense process of advocacy with the Government of Panama (COONAPIP, 2012).¹⁹

Additionally, COONAPIP reports having sent a letter on March 5, 2013, requesting \$54,880 for indigenous technical staff to follow up on the REDD+ process, to which COONAPIP did not receive a reply (COONAPIP, 2012). The UN-REDD Program states that it did not receive this correspondence (ANAM/UN-REDD, 2012).

¹⁸ In the UN - REDD Program in Panama report for the first half of 2012, several factors were reported as contributing to the delay of the program from 2011 to March 2012, which include issues internal to ANAM and UN-REDD, in addition to under-implementation of the program during the first six months of 2012, which was due in part to UNDP mediation in a mining conflict between the government and the Ngäbe-Buglé People (ONU-REDD 2012).

¹⁹ In response to COONAPIP's protests regarding this situation, UN-REDD highlighted financial support of US\$25,000 in March 2012 (ANAM/UN-REDD, 2012), though these resources were received after the loss of the office and technical staff. In addition to this amount, UN-REDD reported the transfer of US\$9,289 to COONAPIP during the 2009-2011 period as financial support (ibid.).

On April 23, 2012, the UN-REDD Program presented a work plan that - according to COONAPIP - did not reflect the political scope outlined in the 19 Points and in the PEIP. In addition, the Program presented a budget of \$200,000 to implement the PEIP and \$69,390 for consultation, figures that had not been consulted with COONAPIP.²⁰ For COONAPIP, this was unacceptable, and shortly afterward the organization would take its protests and complaints to a higher level.

The fundamental dynamic of the conflict is established

During this stage, the division that had formed in the process in 2009 and 2010 grew much deeper towards the end of 2011, almost a year into implementation of the Program. In September and October, the different understandings that had been overlooked during the validation process re-emerged in the form of a conflict. This placed COONAPIP at a disadvantage in discussions and negotiations with ANAM and UN-REDD, who controlled the process.

This stage once again demonstrates the absence of formal communication and negotiation mechanisms, in a process marked by informality, and that ultimately failed to reconcile the clearly disparate positions that had their roots in the initial phases of the process. The UN-REDD Program in Panama approached these discussions from a rationale guided by the "results framework" that governs program implementation, including the incorporation of COONAPIP and its proposals.

For its part, COONAPIP saw the program as an extension of its organic process and its agenda for enhancing territorial security, which in any

²⁰ The UN-REDD Program reports that the budget was only "dynamic" for 2012, and that the funds were taking into account the limitations of the legal status of COONAPIP (ANAM/UN-REDD, 2012).

case, would be essential to any REDD+ strategy. Although some progress is made, this fundamental dynamic remains throughout the rest of the process.

Stage 6 Escalating the conflict to a higher level, and running into the same obstacles (June 2012 to present)

At this stage, the situation deteriorates: issues related to funding, the political scope of the Program, and the legal status of COONAPIP remain unresolved. New controversies emerge around the actions of the UN-REDD Program in Panama with individual Indigenous Peoples, related to direct relationships without the backing of COONAPIP. COONAPIP reports having received reports of technical teams doing field work in indigenous territories without prior notification or consent. These situations underscore the absence of communication, coordination and conflict resolution mechanisms

In June 2012, in the context of COONAPIP's frustrations in negotiating its agenda, outlined in the PEIP, the conflict is escalated to a higher level. This is done through a public letter in which many of the complaints and criticisms regarding the process are detailed, which included points from the inception of the Program, but which focused in particular on issues beginning in September 2011 (COONAPIP, 2012).

The UN-REDD Program in Panama issued its response on August 8th, disputing many of the claims and seeking to clarify a number of points (ANAM/UN-REDD, 2012). On August 24th, COONAPIP responded with a letter stressing that the legal status of COONAPIP was not the main topic they were interested in discussing, but rather implementation of the PEIP, in addition to announcing its intention to denounce

the Program in an international campaign (COONAPIP, 2012a).

Instead of the campaign, an agreement is soon reached to hold a high level meeting with ANAM and the UN-REDD Program. The issue of COONAPIP's legal status is discussed, and COONAPIP states that becoming an NGO would be impossible for the organization. The UN-REDD Program accepts this position and considers the issue resolved (COONAPIP/UN-REDD, 2012).²¹ The agreements made in this meeting are as follows (ibid.):

1. Begin work to extend the UN-REDD Program in Panama.
2. Create a High-Level Commission to address issues of the highest strategic and political importance. This Committee will meet - for example - twice a year, or when deems advisable
3. Form the Technical Work Commission proposed by COONAPIP, which would focus on issues related to safeguards and the selection process for entities to implement processes related to the consultation and participation of Indigenous Peoples in the UN-REDD Program.

From September to the end of December 2012, a number of meetings were held, including the three listed below:²²

First meeting:

- COONAPIP confirms that the PEIP's content and budget must be maintained.

²¹ COONAPIP reports that it examined the options related to legal status that would recognize COONAPIP as a political structure composed of indigenous authorities, not as an NGO, which could have legal backing through an Executive Decree; ANAM would support this, yet according to COONAPIP, no further progress on this issue was made.

²² It was not possible to confirm the dates of these meetings at the time this report was published.

- Proposals for funding from the UN-REDD Program are far below the proposals made by COONAPIP.
- COONAPIP leaders report that they found out at this meeting that informational workshops on REDD+ in specific indigenous territories had been carried out, without the knowledge of COONAPIP. Moreover, during the same meeting, some Congresses or Councils discuss the possibility of holding bilateral meetings with the UN-REDD Program, without participation by COONAPIP. Despite dissatisfaction expressed by COONAPIP regarding these developments, it is reported that after this meeting, more workshops are carried out in specific territories, without coordination with COONAPIP.²³

Second meeting:

- The UN-REDD Program reiterates that there is not enough money to fully fund the PEIP. Funding constraints continue to be an important issue.
- Progress is made on certain issues that had not been previously possible: instead of supporting adoption of ILO Convention 169, there is discussion of a training on the rights of Indigenous Peoples.
- The Program offers support for obtaining images of indigenous territories, although no consensus was ultimately reached about the terms, management and follow-up regarding these maps.

Third meeting:

- A proposal for financing COONAPIP activities is discussed, with resources far below COONAPIP's expectations. In what seems to be an unresolvable situation, COONAPIP

declares its intention to bring the matter to a General Assembly.

These meetings are followed by two important events in January 2013:

January 10, 2013: Results of COONAPIP's Special General Assembly:²⁴

1. The indigenous authorities at this Assembly resolved to not accept the proposal put forward by the UN-REDD Program to financially support the PEIP up to an amount of \$300,000.
2. The authorities of the UN-REDD Program are urged to not convene meetings with Congresses and General Councils separately, but only and exclusively through COONAPIP.
3. Establishment of an indigenous sub-committee in the development of the national REDD+ strategy is requested.²⁵
4. Reaffirms the need for establishment of the legal status of COONAPIP.²⁶
5. A determination is made that the transfer of funds from the UN-REDD Program to COONAPIP for PEIP activities must be through one of the Indigenous General Congresses selected by the General Assembly of COONAPIP.

²⁴ Presented at the January 24th meeting, (COONAPIP/UN-REDD, 2013).

²⁵ In the second half of 2012, the National REDD+ Committee began to operate (Mesa Nacional para REDD+); this body was promoted by ANAM and UN-REDD, and sought to be a space for participation and consultation among a broad array of actors. The request to create an indigenous sub-committee was proposed in the context of discussions regarding the participation of Indigenous Peoples, yet this did not materialize, as COONAPIP did not participate in the National REDD+ committee.

²⁶ COONAPIP had pursued the possibility of an executive order that would give it the legal foundation for legal status, not as a NGO, but through another instrument consistent with the nature of COONAPIP, as it consists of democratically elected indigenous authorities and has legal recognition from the Panamanian government.

²³ This study was unable to obtain further information from the UN-REDD Program about these workshops.

6. An agreement is made to draft the terms reference for the needed human resources for implementation of the PEIP.

Meeting of COONAPIP and UN-REDD Technical Commission, January 24, 2013:

At this meeting, COONAPIP presents the results of the Special Assembly meeting of January 10, emphasizing that direct support to the Congresses and Councils cannot take place without the consent and approval of COONAPIP.

Due to the fact that several issues remained unresolved, the UN-REDD Program proposes development of a road map. This document would include the creation of a communication and coordination mechanism, a participation and consultation outline for FPIC, and actions for the evaluation and monitoring of products and outcomes and for sustainability of the process. In addition, the parties discussed a financial strategy and the procurement of additional resources. At the end of this meeting, an agreement was made to prepare a "framework of intent" separately, which would gradually be integrated between the parties. The first version of this "framework of intent," sent by the UN-REDD Program at the end of January, was problematic for COONAPIP, since it did not recognize COONAPIP's central role, as had been established in the Joint Program Document.

Following COONAPIP's Regular Session, held February 23-25, a statement signed by 11 authorities was published.²⁷ The Traditional Au-

²⁷ This declaration was signed by: General Embera Wounan Chief; Sagla Dumman Comarca Guna Yala; National Wounan Chief, Collective Territory Wounaan; King Naso, Comarca Naso Tjerdi; General Alto Bayano Chief, Collective Territory Embera of Alto Bayano; General Takarklunyala Chief; Sagla Dumman, Comarca Kuna de Wargandi; Bulu of the BriBri People, BriBri Collective Territory; President of the Emberá and Wounaan General Con-

thorities of the Indigenous Congresses and Councils resolved to withdraw from the UN-REDD Program, noting (inter alia): "*that (the UN-REDD Program) does not currently offer guarantees of respect for indigenous rights, the full and effective participation of Indigenous Peoples in Panama at all stages of implementation of said program*" (COONAPIP, 2013a).

The resolution highlights additional aspects for the withdrawal: "*in its implementation to date it has not taken into consideration even minimum standards on the human rights of Indigenous Peoples of Panama, and due to the breach of agreements made during the process of the program's approval.*" In addition, it highlights "*legal and administrative obstacles to delay and evade full fulfillment of implementation of the Strategic Policy Advocacy Plan (PEIP)*" (COONAPIP, 2013).

On that same day, February 25, the UN-REDD Program published a letter in response to a recording of the Pre-COP event in September 2011 (with respect to the previously mentioned comments related to \$1.7 million support for COONAPIP), a situation which is described as "confused and vague," while also offering its "sincere apologies." At the same time, the letter points out that the consultant lacked authorization to make a commitment on behalf of the Program, and that this issue was "clarified" in a previous meeting (United Nations, 2013).

The letter then states: "*We reiterate our commitment to continue doing everything possible to promote the full and effective participation of the indigenous peoples of Panama, in particular those who want to participate in REDD+ readiness and in the implementation of the UN-REDD Program, in compliance with the objectives, standards and deadlines of the program*" (ibid.).

gress of Collective Lands; 2nd General Chief of Madungandí, Comarca Madungandí; Alternate Regional Chief - Region Codriri, Comarca Ngäbe Buglé.

The letter caused further deterioration in the relationship with COONAPIP, which rejected the explanation of the UN-REDD Program and its "apparent apology" (COONAPIP, 2013b), and questioned the intent of wanting to work with those indigenous peoples that fulfill the conditions of the program, interpreting it as an effort to divide COONAPIP. According to COONAPIP, this public statement is consistent with a number of private statements that – regardless of COONAPIP's actions – the Program would work with those indigenous peoples of Panama that complied with the its conditions.²⁸

On March 14, the UN-REDD Program issued a statement announcing its decision to carry out an investigation and independent evaluation of the Program, and also proposed a mediation process (UN-REDD Program, 2013a). A week later, a high-level team arrived in Panama, and though it met with COONAPIP advisors, no substantive progress was made.

Finally, on March 23 suspension of activities by the UN-REDD Program in Panama is announced, pending the results of an independent investigation and evaluation, to be presented at the subsequent meeting of the Policy Board, to take place in June (UN-REDD Program, 2013b).

The fundamental dynamic of the conflict persists, and new conflicts arise

As mentioned in the previous stage, the clash between COONAPIP's focus on territorial security with the UN-REDD Program's focus on implementation of the Program became apparent. While at some points in this stage, signs of progress in reconciling these positions were seen, the fundamental dynamic did not change. Instead, it actually intensified with the dismantling of the institutional arrangements for the participation of Indigenous Peoples, which posed an increasingly apparent contradiction, given the continued implementation of the Program and the lack of consensus with the country's Indigenous Peoples. This occurs even as a number of technical activities move forward without the institutional coordination, or consent of, COONAPIP.

The lack of mechanisms for conflict resolution becomes more evident at this stage, as the political agreements that appear in the Joint Program Document that establish COONAPIP as the communications and coordination entity, were not respected, even in the latest stages of Program implementation.

²⁸ This position could not be confirmed with the UN-REDD Program, although in a previous research effort in 2012, the Program asserted that it felt an obligation to respond to requests for support from specific peoples.

Conclusions, Scenarios and Implications for Actors in Panama

An examination of the evolution of the REDD+ readiness process in Panama makes it clear that a series of key issues were never addressed, leading to the current standoff. At the heart of this debate is whether the readiness process has contributed to, or actually set back, the development of the necessary conditions for the future implementation of a REDD+ strategy in Panama. The way that the current situation is resolved will not only affect the future of REDD+ in the country, but will also have repercussions internationally given the important role that Indigenous Peoples play in the governance of forests across the world. In this section we summarize critical unresolved issues for REDD+ readiness in Panama, as well as scenarios and possible pathways forward based on the decisions of different key actors.

Critical issues

Panama's indigenous peoples are the central actor in any REDD strategy in Panama

As discussed in previous sections, Panama's Indigenous Peoples play a dominant role in the forests of the country, with 54% of mature forests and carbon residing within their territories, covering 31.6% of the country. It is clear that the Indigenous Peoples of Panama have played – and continue to play – a central role in maintaining the forest cover that remains in the country. This is particularly important given that two of the deforestation frontiers in the country, in the Ngäbe-Buglé Comarca as well as in the Darien are placing the efforts of Indigenous Peoples to protect their territories and forests at odds with external pressures, in the

form of land invasions for ranching, agriculture, plantations as well as large infrastructure, energy and extractive projects. The Indigenous Peoples of Panama do not have the necessary support to counter these pressures and protect their territories.

The UN-REDD Program in Panama never substantively recognized the central role of Indigenous Peoples in REDD

The central role of Indigenous Peoples in Panama was never seriously addressed, even since the early stages of REDD+ readiness in the country, beginning with the R-Plan for the FCPF. This critical flaw was present at the initial phases of the project, and is reflected in the Joint Program document signed in October 2010. This UN-REDD Program was never meaningfully aligned with the expectations and needs of the Indigenous Peoples, most of which were outlined in COONAPIP's 19 points. In this sense, the UN-REDD Program in Panama was ambiguous in addressing the objectives and needs of the country's Indigenous Peoples.

The most significant progress occurred with the validation process which incorporated a short list of elements, listed as “bullets” in the strategy. Yet the document's structure was unchanged and remained largely foreign to the objectives of Panama's Indigenous Peoples. Even as the years progressed and funds were made available to analyze and address the causes of deforestation, no actions were developed that would be congruent with the objectives of the country's Indigenous Peoples in securing their territories.

Panama's Indigenous Peoples were not treated as territorial authorities with a right to their own legitimate coordination structures

It is now clear that even from the very beginning the Indigenous Peoples of Panama never played a significant role in the REDD+ readiness process, and certainly nowhere near a level commensurate with their importance for forests in Panama. Though there was limited participation in some meetings, workshops and trainings, it was largely informal and done without formal coordination through COONAPIP; the key decisions about the objectives, orientation and scope of the UN-REDD Program were dominated by UN-REDD and ANAM officials.

Absence of binding measures to ensure compliance with safeguards

Despite a robust framework of safeguard principles in the UN-REDD program, as well as guidance on how to ensure the compliance with safeguards, it is clear that the lack of binding mechanisms to ensure compliance with these principles has turned out to be crucial in Panama. No institutional framework was developed to ensure that these framework principles would be respected. Free, Prior and Informed Consent (FPIC), as appears in the National Joint Program (NJP) document as well as the UN-REDD framework, was never implemented in Panama, nor were steps taken to ensure that this principle would be guaranteed. This demonstrates negligence at best, and at worst, constitutes the violation of indigenous rights by the Program, as the activities planned and executed clearly have implications for indigenous territories, including a national monitoring system, a forest inventory, carbon mapping, legal studies and payment distribution systems. Table 3 shows a series of aspects that demonstrate how FPIC was not guaranteed by the UN-REDD Program in Panama.

Scenarios and implications for REDD+ actors in Panama

Currently, the UN-REDD Program in Panama has suspended operations pending a mid-term evaluation, the results of which will be discussed at the next meeting of the Program's Policy Board, to be held in Lombok, Indonesia, from June 25th to 28th, 2013. In that meeting, there will be a decision regarding the future of the UN-REDD Program in Panama, which will have profound implications for the REDD+ readiness process in Panama as well as internationally, not only for the UN-REDD Program but for REDD+ in general.

The case of Panama demonstrates the enormous importance of political, social and institutional aspects of REDD+ readiness as fundamental pillars that must be built from the beginning of this process. The decisions at the next Policy Board meeting could open up new opportunities for a sensible incorporation of these issues, or conversely, could further undermine the current situation, further jeopardizing the rights and the central role of Indigenous Peoples of Panama, as well as the legitimacy and viability of an eventual REDD+ strategy, as well as the credibility of the UN-REDD Program.

In recognition of the fact that the decision of COONAPIP to withdraw from the UN-REDD Program in Panama is definitive, the results of the investigation and mid-term evaluation of the Program, but especially the decision of the Policy Board at the end of June 2013 could result in two clearly diverging pathways, with clear implications for the main actors in REDD+ readiness process in Panama. These scenarios are discussed below, focusing on the implications for the ANAM and the national strategy of REDD+, for Indigenous Peoples and, where applicable, for the UN-REDD Program in Panama.

Table 3: Examples of how Free, Prior and Informed Consent was ignored

Free	No process of decision making was ever implemented based on the processes and institutions of indigenous peoples; the validation process in 2009 was based on the timeline and process of external actors. COONAPIP, the body chosen by the country's indigenous peoples to coordinate communication and implementation, saw its participation in the process reduced or marginalized due to conditions imposed by the UN-REDD program. In fact, COONAPIP mandate was undermined by direct actions with individual Congresses/Councils without formal communication or consent.
Prior	No process for FPIC was established, even after the REDD process proposed actions with implications for Indigenous Peoples.
Informed	At community levels a major lack of information remains about the UN-REDD Program specifically as well as REDD in general. COONAPIP did not receive all of the information relevant to the program; part of this information was only available in English. The PEIP contained strategies to ensure the flow of information to community levels, but this plan was never adopted by the program.
Consent	As a process was never implemented to ensure FPIC, consent has not been granted to the UN-REDD program in Panama; in February 2013, authorities of the country's Indigenous Peoples announced their definitive withdrawal from the program, effectively invoking their right to deny consent.

Scenario 1: Panama's UN-REDD Program continues implementation

This scenario implies that the UN-REDD Program in Panama continues to be implemented, possibly with adjustments arising from decisions made by the Policy Board. The continuation could take one of two possible pathways: i) continued implementation of the Program without the participation of Indigenous Peoples; or (ii) continued implementation of the Program with the participation of some General Congresses and Councils of Panama's Indigenous Peoples.

i. The UN-REDD Program in Panama continues to be implemented without the participation of Indigenous Peoples

Implications for ANAM and the REDD+ strategy

This pathway of continued implementation poses fundamental problems, as it is precisely in indigenous territories where more than half of the mature forests and more than half of for-

est carbon in the country are located - central facts which cannot be ignored under any REDD+ strategy in Panama (Map 2).

With regard to technical and methodological elements, the System of Monitoring, Reporting and Verification - a fundamental cornerstone for any national REDD+ strategy - would be substantially limited, as such a system would depend on a national level forest and carbon inventory. Without the participation of Panama's Indigenous Peoples, it is also understood that they would not consent to the technical field work in forests within their territories. In this scenario, the progress made to date with the new forest cover and land use map, the system of satellite monitoring of land use and forest types, as well as the national inventory of greenhouse gases could continue (UN-REDD Programme, 2012; UN-REDD Programme, 2012). However, it would not be possible to make progress in the collection of field data in indigenous territories for the calibration of biomass allometric equations, for greater tree species precision, and for the construction of robust scenarios of deforestation, among others.

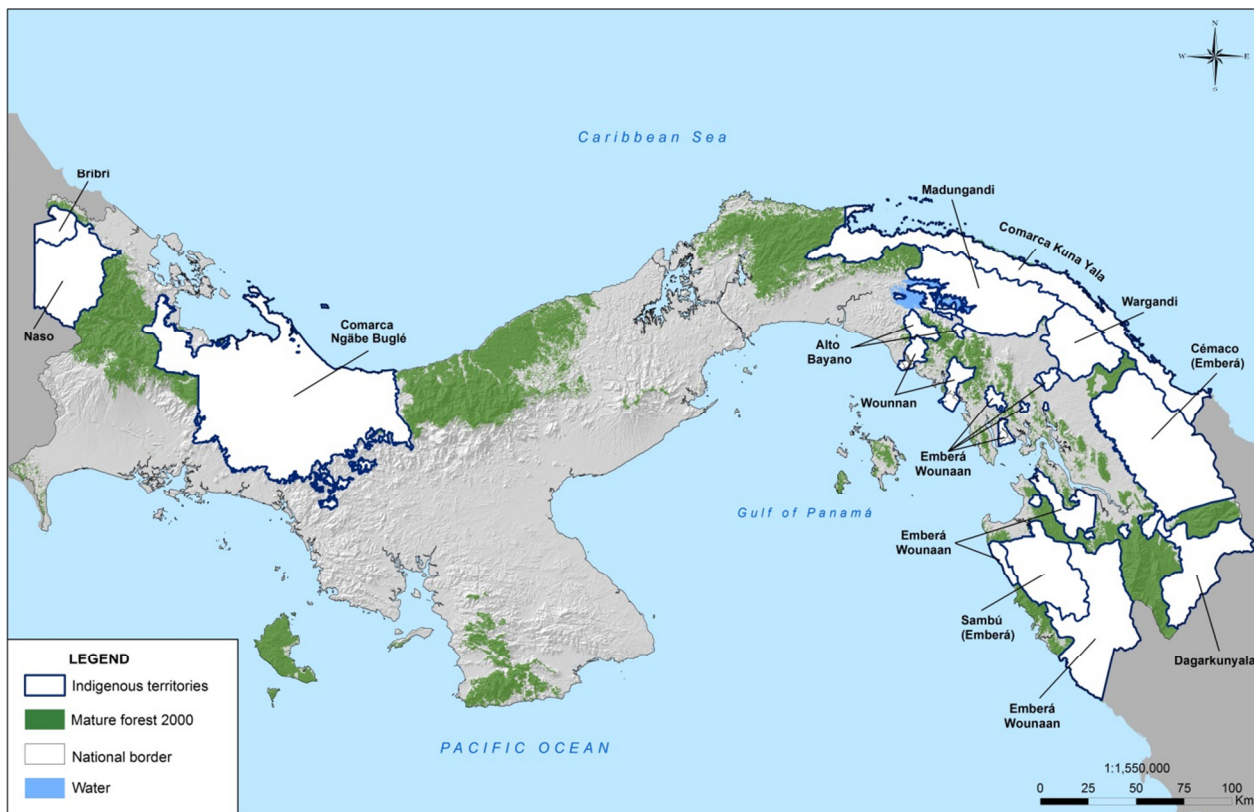
Result 2 of the Joint Program Document aims to support the development of a national inventory system as well as forest and carbon monitoring. To do this, it proposes that "*Panama's methodology must be designed to allow the participation of local experts in data collection*" (Republic of Panama/UN-REDD, 2010). It also seeks to support the development of a reference emissions scenario using satellite information, which means that images acquired for the whole country would require field work for corresponding verification. In both cases (satellite imagery and field work), the consent of Indigenous Peoples is required, which is critical to complete the analysis at a national level. Otherwise, the analysis would have to exclude forests in indigenous territories, which is inconceivable for a national REDD+ strategy in Panama.

More importantly, this scenario would have implications for the political legitimacy of the national REDD+ strategy that would be developed without the participation of Panama's Indigenous Peoples. It is difficult to see a way in which this pathway could lead to Panama being ready for REDD+ by the end of the UN-REDD Program's term. At best, the country would have a partial foundation and capacity for monitoring, reporting and verification, but it would not be able to make progress in the institutional construction necessary for REDD+ governance.

Implications for Indigenous Peoples

A decision by Panama's Indigenous Peoples to stand firm in their decision to not participate and to deny consent to the UN-REDD Program

Map 2: Forests outside of indigenous territories of Panama



Source: Vergara-Asenjo and Potvin (forthcoming).

- assuming this is what occurs - would itself be an act that could strengthen the country's Indigenous Peoples and their political cohesion in the defense of their rights vis-à-vis the State and implementing agencies of the United Nations. That greater cohesion would be crucial, especially in the absence of a space for direct dialogue with the State to assert the historical claims of Panama's Indigenous Peoples, relating to the defense and consolidation of their rights against territorial pressures, deforestation dynamics and development challenges in indigenous territories.

This route would not only exacerbate the conflict with Panama's Indigenous Peoples, but would also deepen a divide that has prevailed in the readiness process since its inception, when it failed to strategically incorporate the enormous weight that the forests in indigenous territories have for any REDD+ strategy in Panama. Finally, this route could have implications for greater conflict between the country's Indigenous Peoples and the Panamanian State.

Implications for the UN-REDD Program in Panama

The achievement of the UN-REDD Program's results would be substantially limited. As was seen in this case, the REDD+ readiness process in Panama has suffered from several shortcomings, which - under this route of continuity - would only worsen, further affecting the already weak institutional foundations for the implementation phase of REDD+. As discussed earlier, the primarily technical work (Result 2)- despite possibly important progress to date - would be extremely limited, as the system of monitoring, reporting and verification could not be developed at a national level. Although sub-national systems and scenarios might be implemented, it is difficult to imagine how they could form the foundation for a national REDD+ strategy. If they did, it would reduce the relevance of the UN-REDD Program in

Panama, but above all, it would reduce its credibility at national, regional and international levels.

ii. The UN-REDD Program in Panama continues implementation with the participation of individual General Congresses and/or General Councils

Implications for ANAM and the REDD+ strategy

This path assumes that the REDD+ readiness process in Panama would continue, with the participation of some General Congresses and/or Councils, but with substantial changes that - taken together - could mean a shift towards a sub-national scheme for the REDD+ strategy.

Although several of the activities in the current REDD+ readiness process could indeed continue to be implemented, they would inevitably have to focus their efforts in specific forest areas, in those indigenous territories that decide to participate, as well as non-indigenous territories. This would have implications for the inventories and for deforestation scenarios, as well as strategies to address leakage; at best, REDD+ would be implemented at sub-national levels, both in indigenous and non-indigenous territories.

Existing pilot project initiatives could be strengthened, such as the project with the Panama Canal Watershed Authority, as the UN-REDD Program could complement already existing support from the GIZ REDD-CARD Program. A pilot project could even be developed in an indigenous territory still participating in the continued implementation of the UN-REDD Program. Regardless, these efforts would not be able to go any further, as it would be impossible to scale up to a national scheme to include all of the country's forests. This sce-

nario therefore is similar to a previously discussed pathway.

In addition to any indigenous Congresses and/or Councils that could decide to participate, this route could include ANAM approaching other actors in an effort to search for other sources of legitimacy for the readiness process, as well as for a possible REDD+ strategy. The private sector in general and the forest industry in particular, may take on a larger role than they previously witnessed.

Implications for Indigenous Peoples

This path assumes that some indigenous General Congresses or General Councils decide to change their position reflected in COONAPIP's resolution of February 2013, in order to participate in the continued implementation of the UN-REDD Program in Panama. This act would – by itself – translate into a lower level of cohesion among Panama's Indigenous Peoples, but would also be a source of growing internal tensions between the indigenous Congresses/Councils, and COONAPIP as the platform for advocacy vis-à-vis the Panamanian State and other actors. In fact, this route poses even bigger political challenges, as the agenda and joint advocacy strategies by Indigenous Peoples through COONAPIP would be impacted. Instruments such as the Strategic Policy Advocacy Plan (PEIP), which represents a set of historical claims of Panama's Indigenous Peoples, would be seriously weakened, requiring new instruments to replace them. Yet most importantly, a new agenda for the country's Indigenous Peoples would have to be developed, on the basis of political circumstances that have yet to materialize. This impact on Panama's Indigenous Peoples is possibly the most important implication to be considered under this path of continued implementation of the UN-REDD Program in Panama.

Implications for the UN-REDD Program in Panama

Based on the above, this scenario would result in a series of implications for the UN-REDD Program. It is difficult to imagine a route in which the national UN-REDD Program in Panama would not take a proactive role to ensure the participation of Indigenous Peoples and COONAPIP, as its platform of representation. Yet it is even more difficult to imagine the program opting for a path of continued implementation that would imply a weakening of the cohesion and structures of representation of Panama's Indigenous Peoples, such as COONAPIP, for the sake of continuing with the participation of some indigenous Congresses/Councils.

In addition to the direct implications for COONAPIP, this route would also impact the credibility of the UN-REDD Program, not only nationally and regionally, but also at an international level. The UN-REDD Program is based on the promotion of human rights and was formed as an effort to help countries "increase the participation of indigenous peoples and other forest-dependent communities." Whether the Program decides to take the first route previously discussed (continued implementation without the participation of Panama's Indigenous Peoples) or this route of working with individual Congresses/Councils, both would make the role of the UN-REDD Program in Panama irrelevant. This would be true given that the UN-REDD Program's role and value added in REDD+ readiness processes is not limited to systems of monitoring, reporting and verification, or to the systems of benefit distribution, but also includes the promotion of efforts to reduce deforestation and forest degradation that are based on schemes of national governance for REDD+, the participation of Indigenous Peoples, local communities and other relevant stakeholders. Politically, it would be naive to think that this path of continued imple-

mentation of the UN-REDD Program in Panama would not be interpreted as a deliberate attempt to weaken and divide Panama's Indigenous Peoples and COONAPIP.

Scenario 2: Closure of the UN-REDD Program in Panama

This scenario includes two different routes: i) that the UN-REDD Program has no further activity in Panama; or (ii) that a new UN-REDD Program for Panama is negotiated and constructed. Each scenario is discussed below.

i. The UN-REDD Program cancels activities in Panama

Implications for ANAM and the National REDD+ Strategy

For the Government, the closure of the UN-REDD Program in Panama would mean that ANAM would have to look for other partners to continue supporting the readiness process and the elaboration of the National REDD+ Strategy. Potential partners include the FCPF and REDD-CARD Program from GIZ. In fact, collaboration with both agencies has already occurred, although the process with the first was discontinued, while the second continues to support REDD+ readiness activities in Panama, particularly with the Panama Canal Watershed Authority pilot project, along with several studies to support the readiness process. ANAM could continue with its readiness process without significant changes, which would mean returning to the first scenario (a program without the participation of Indigenous Peoples or with the participation of individual indigenous Congresses or Councils), but this time without the support and mediation of the UN-REDD Program, which would lead to a set of challenges such as those previously mentioned.

Implications for Indigenous Peoples

For the Indigenous Peoples of Panama, the closure of the UN-REDD Program in Panama would have implications at both national and international levels. At a national level, the readiness process would end up being characterized by the exclusion of Indigenous Peoples in the country, precluding them from the conditions that would allow their participation in eventual REDD+ actions in Panama. At an international level, the Indigenous Peoples of Panama could achieve greater recognition not only due to their central role in a REDD+ Program, but also for the defense of their rights against the Panamanian State and agencies that promote and implement readiness processes.

The closure of the UN-REDD Program in Panama would signify a confirmation of the interest and respect of United Nations agencies for the right of self-determination of Indigenous Peoples. This respect would be demonstrated not as passive observers, but by actively facilitating a process to restore trust between Indigenous Peoples and the agencies of the United Nations system that led the UN-REDD Program.

With this pathway, the linkage between Panama's Indigenous Peoples and movements and networks that call for instruments that uphold international human rights law would be strengthened, particularly important for continuing the advocacy agenda of Indigenous Peoples at a national level. Likewise, their structures of representation would be strengthened both externally and internally. Another possible outcome could include a new focus by the country's Indigenous Peoples on internal cohesion and communications challenges, instead of continued efforts and resources devoted to a REDD+ readiness process that has been plagued with contradictions and conflicts.

Implications for the UN-REDD Program in Panama

For the UN-REDD Program, the closure of its activities in Panama would have important implications, especially for the credibility of the Program at an international level. Given that the Program defines itself as an inter-agency initiative guided by human rights, with a particular emphasis on Indigenous Peoples, the closure of the Program would reflect an interest in demonstrating this approach with concrete actions. In addition, it would unequivocally provide greater credibility for the Program, an essential element for rebuilding trust between Indigenous Peoples and the UN-REDD Program. This seems to be the only route that could prevent this impasse from causing further international repercussions, which in any case will end up affecting the reputation of the UN-REDD Program globally.

ii. A new National UN-REDD Program in Panama is negotiated and constructed

Implications for ANAM and the National REDD+ Strategy

This path requires leadership, as well as a decision by ANAM not to abandon the readiness process, despite the problems it has had. The political timing of this will undoubtedly be

Implications for Indigenous Peoples

This pathway could constitute both an opportunity and a challenge, assuming that other actors are open to it as a possibility. The opportunity lies in the possibility of negotiating the foundations of a new program that could properly incorporate the agenda of Indigenous Peoples from the outset. Though this agenda certainly has historical roots, it is fully relevant within the framework of a REDD+ readiness process. In many ways, the readiness process is fundamentally a political process for the con-

struction of institutions for forest and territorial governance, in order to address the direct and underlying causes of deforestation and degradation; these are conflicts that Indigenous Peoples have been facing in their territories for decades. The challenges lie in the cohesive participation of Indigenous Peoples, built on the foundation of agreements and solid political commitments. These agreements and commitments would form the foundation for technical and political readiness processes, as one among many ways to strengthen capacities and institutional structures, which are fundamental pillars for strengthening territorial governance.

crucial; the current government is coming to an end and could even decide to not continue with the REDD+ readiness process in Panama. If on the other hand, the government decides to rethink the process based on the lessons of the current program, it would (paradoxically) be the UN-REDD Program that could most strategically support a process that more meaningfully incorporates the characteristics and conditions of the forests, territories and Indigenous Peoples of Panama. After almost five years of support to readiness processes, the Program has developed a set of guidelines, tools and approaches of great importance for Panama. This could substantially contribute to greater legitimacy and political backing for the process from various actors, but mainly from the country's Indigenous Peoples. This would even strengthen all of the technical work for the Systems of Monitoring, Reporting and Verification (MRV), which are essential for the implementation of REDD+ actions, in addition to social standards which will surely play a central role in the compensation system linked to carbon emissions related to REDD+. In any case, the MRV system will depend on Panama's orientation with respect to carbon niche markets and/or carbon funds in an international REDD+ regime.

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Implications for the UN-REDD Program in Panama

There is no question that the problems arising out of the REDD+ readiness process in Panama, as one of the pilot countries supported by the UN-REDD Program, are of great concern. Neither the government, national stakeholders or the Program itself would hope for the process to be truncated, but nor would they hope that the Program continue implementation over a foundation so fragile that would call into question the real achievements to leave the country "ready for REDD+". Fortunately, the UN-REDD

Program has accumulated lessons, frameworks, tools and instruments, which – far beyond principles – are extremely relevant materials that have been consistently missing in Panama's process, even since its inception in 2008 and 2009. That accumulated knowledge by the UN-REDD Program at a global level, could capitalize on the foundation of a renewed effort that could lead Panama to become an exemplary case at regional and international levels, even to the point of becoming one of the countries with the most favorable conditions for implementing REDD+.

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