

Uruguay Country Programme to the GREEN CLIMATE FUND

May 2021



Presentation

Uruguay has a strong political commitment to integrate climate change into the different areas of public policy. This is now possible thanks to a process that promoted the development of domestic tools and capacities in order to create the necessary institutional, regulatory and management framework for climate change adaptation and mitigation.

Ten years ago, with the creation of the National Climate Change Response System (SNRCC) Uruguay established a strategic and innovative tool to coordinate and design public and private actions in terms of mitigation and adaptation. During this period, climate change became a strategic issue of sectorial public policies and decentralization strategies

In 2016 the participatory development of a National Climate Change Policy (PNCC) was carried out to strengthen the country's structural transformation with a view to 2050. This new perspective strengthens cross-sectorial and interinstitutional work and its engagement in the territory by optimizing management and public policy tools.

Therefore, the country submitted the First Nationally Determined Contribution (NDC) to the Paris Agreement which strengthens the country's sustainable development with a global perspective of intra and inter-generational equity and human rights, thus seeking a more resilient, less vulnerable society, with greater capacity to adapt to climate change and variability, and also a society that is more conscious and responsible towards the challenge of climate change, promoting a low-carbon economy, based on environmentally, socially and economically sustainable productive processes and services, by including knowledge and innovation. As the PNCC, the NDC process included public consultations that made possible for civil society, academia and private sector entities provide key information and relevant suggestion to improve the adaptation and mitigation prioritized measures.

The country Program to engage with the GCF is supported on this institutional framework, policy and planning processes.

In this regard Uruguay reinforces the concept that the implementation of measures entails additional and specific means of implementation including grant based and/or concessional public funding, technology transfer and capacity building, to be provided by developed countries. It is important to note GCF resources are mandated to be used to promote transformational change towards low-emission and climate-resilient development through activities that are aligned with national climate change priorities.

Uruguay welcomes working with the GCF to address our country's and the global climate change challenges.

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ACRONYMS

AUCI	URUGUAYAN AGENCY FOR INTERNATIONAL COOPERATION
BCU	CENTRAL BANK OF URUGUAY
BROU	BANK OF THE EASTERN REPUBLIC OF URUGUAY
BUR	BIENNIAL UPDATE REPORT
CAF	LATINOAMERICAN DEVELOPMENT BANK
CND	NATIONAL DEVELOPMENT CORPORATION
FAO	FOOD AND AGRICULTURAL ORGANIZATION
GWG	GENDER WORKING GROUP
IADB	INTERAMERICAN DEVELOPMENT BANK
MGAP	MINISTRY OF LIVESTOCK, AGRICULTURE AND FISHERIES
MA	MINISTRY OF ENVIRONMENT
NAP	NATIONAL ADAPTATION PLAN
NGO	NON-GOVERNMENTAL ORGANIZATION
PMRV	PROGRAMMING, MONITORING, REPORTING AND VERIFICATION
PNCC	NATIONAL CLIMATE CHANGE POLICY
SNRCC	NATIONAL CLIMATE CHANGE RESPONSE SYSTEM
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
UNESCO	UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION
UNEP	UNITED NATIONS ENVIRONMENTAL PROGRAMME
UNFCCC	UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE
WB	WORLD BANK

1. Country Profile

Geographical location	Latin America
Land area	176,220 km ²
Population (estimated 2016)	3,467,006
Types of climate	<p>Uruguay is particularly vulnerable to the adverse effects of climate change including extremes events, such as droughts, floods, cold and heat waves, strong winds, tornadoes, hail, frost, heavy rains and severe storms. The influence and impact of El Niño is greater in the spring and autumn, increasing the probability of rains with more magnitude respect to historical data for these seasons. Moreover, in years with predominance of La Niña, the country suffers prolonged and deep droughts.</p> <p>According to the Köpen classification, the country is characterized as Cfa: mild and humid climate, irregular precipitation without a dry season, with average temperatures of the coldest month between -3°C and 18°C and the warmest month higher than 22°C. There are defined periods of winter and summer and intermediate or transition seasons, autumn and spring.</p>
GHG emissions profile	28.341 Gg CO ₂ eq – GWP-, according to the National Greenhouse Gas Emissions Inventory (2014). GHG emission by sector is divided as follow: Energy (23%), Agriculture, Forestry and other Land Use (72%), Industrial Processes (2%), and Waste Treatment (4%)
Key emitter sectors	Agriculture, Energy (Transport)
Key climate risks	Droughts, floods, and other extreme events.
Vulnerable sectors	Agricultural sector, coastal ecosystems, energy sector, health, urban habitats, tourism.
NDA	Ministry of Environment (MA) – Climate Change National Direction
Regional and International AEs	IDB, World Bank, CAF, UNDP, UNEP, FAO, AVINA
Potential Direct Access AEs	BROU, CND

1.1 NDC conditional and unconditional emissions reductions targets for priority sectors

Global objectives for GHG emissions intensity regarding the evolution of the economy:

They cover 99.4% of the GHG emissions of the 2012 National Greenhouse Gases Emissions Inventory (hereinafter NGHGI 2012), according to AR2 GWP100:

GHG	2025 mitigation objectives		NGHGI sectors (except LULUCF)
	Intensity reduction (GHG emissions per GDP unit) from base year 1990		
	Unconditional	Conditional on additional specific means of implementation	
CO ₂	24% reduction in CO ₂ emissions intensity per GDP unit	29% reduction in CO ₂ emissions intensity per GDP unit	Energy, including Transport, and Industrial Processes 22.2% of GHG emissions, NGHGI 2012 in AR2 GWP100
CH ₄	57% reduction in CH ₄ emissions intensity per GDP unit	59% reduction in CH ₄ emissions intensity per GDP unit	Energy, Agriculture, including Cattle Raising, Waste and Industrial Processes 43.2% of GHG emissions, NGHGI 2012 in AR2 GWP100
N ₂ O	48% reduction in N ₂ O emissions intensity per GDP unit	52% reduction in N ₂ O emissions intensity per GDP unit	Energy, Agriculture, including Cattle Raising, Waste and Industrial Processes 34.0% of GHG emissions, NGHGI 2012 in AR2 GWP100

Specific objectives for GHG emission intensity regarding food production:

They cover 51.1% of GHG emissions (AR2 GWP100) for NGHGI 2012:

GHG	2025 mitigation objectives		Food production activity
	Intensity reduction (GHG emissions per product unit) from base year 1990		
	Unconditional	Conditional on additional specific means of implementation	
CH ₄	32% reduction in CH ₄ emissions intensity per product unit (kg of beef cattle measured in live weight)	37% reduction in CH ₄ emissions intensity per product unit (kg of beef cattle measured in live weight)	Beef Production 33.6% of GHG emissions, NGHGI 2012 in AR2 GWP100
N ₂ O	34% reduction in N ₂ O emissions intensity per product unit (kg of beef cattle measured in live weight)	38% reduction in N ₂ O emissions intensity per product unit (kg of beef cattle measured in live weight)	Beef Production 17.5% of GHG emissions, NGHGI 2012 in AR2 GWP100

Specific objectives for the LULUCF sector:

GHG	Carbon pools/ Land use categories	2025 Mitigation Objectives	
		Conservation of stocks	
		Unconditional	Conditional on additional specific means of implementation
CO ₂	Living Biomass in Forest Lands	Maintenance of 100% of the native forest area of year 2012 (849.960 ha)	5% increase in the native forest area of year 2012 (892.458 ha)
		At least maintenance of 100% of the amount of forest plantations effective area under management of year 2015 (763.070 ha)	---
		Maintenance of 100% of the shade and shelter forest plantations area of year 2012 (77.790 ha)	25% increase in the shade and shelter forest plantations area of year 2012, including silvopastoral systems (97.338 ha)
	Soil Organic Carbon (SOC) in Grasslands, Peatlands and Croplands	Avoid CO₂ emissions from SOC in 10% of the grasslands area (1.000.000 ha)	Avoid CO₂ emissions from SOC in 30% of the grasslands area (3.000.000 ha)
		Avoid CO₂ emissions from SOC in 50% of the peatlands area of year 2016 (4.183 ha)	Avoid CO₂ emissions from SOC in 100% of the peatlands area of year 2016 (8.366 ha)
		Avoid CO₂ emissions from SOC in 75% of the cropland area under Plans of Soil Use and Management of year 2016 (1.147.000 ha), as well as CO ₂ sequestration in the remaining 25% of the area (383.000 ha)	---

1.2 Climate change profile

- **Climate scenarios**

1. During the last 30 years, a change has been observed in the accumulated annual rainfall in the region, towards larger values, confirming a growing general trend in the last century. The analysis of accumulated rainfall from 1980 to date shows a growth throughout the country and particularly in the Atlantic coast since 2001.

2. The average annual rainfall was located in the range of 2.5-5.0 mm / day, that is, 730 to 1460 mm / year, with a higher average in the northeast (NE) and a lower in the southwest (SW). The maximum (> 5.0 mm / day) is located to the Northeast and the minimum (2.5 mm / day) on the coast of the Rio de la Plata to the southwest (SW), while the amplitude of the annual cycle decreases from the northwest (NW) to the southeast (SE). During the winter, rain intensification was recorded in the east (E) due to the South Atlantic Convergence Zone.
3. Annual accumulated rainfall has increased slightly since 1980 to 2014 throughout the country, while on the coast the increase was greater on the Atlantic coast and particularly since 2001. However, since 2001 most of the years have been below of the trend projection (sub-trends) in the whole coast, except, varying according to the season, in 2002, 2005, 2007, 2012 and 2014, simultaneously or afterwards of El Niño events (the historical absolute maximums 1 and 2 occurred in 2002 and 2014 respectively).
4. There is also an increasing trend in the evolution of the annual temperature. The analysis of the historical series of the annual average temperature (1980-2014) shows a value of 17.8 °C, with 2014 being one of the warmest, showing fluctuations and a very slight upward trend (due to stabilization in the last decade). In the coastal region, the observed temperature varied between 17.4 °C in Colonia and 16.2 °C in Rocha, although the MERRA re-analysis (NASA-GEOS-5) between 1979-2014 shows annual average values of 16-17 °C in Colonia and 17-18 °C in Rocha.
5. Relating to the sea level on the coast of the River Plate and Atlantic, the fluvial-tidal station of Colonia, to the stations from Montevideo and Punta del Este in the estuarial-marine region, to the marine station in La Paloma, reflect variations and global trends of the mean sea level superimposed on regional climatic factors, fluvial flows and winds (and even atmospheric pressure), differentially, but with simultaneous fluctuations, maximum and minimum with El Niño and La Niña respectively.
6. Regarding coastal vulnerability, all stations can be affected by the increase in the permanent flood associated with the increase in the Mean Sea Level (of 96 cm between 1902 and 2014). However, only Punta del Este and La Paloma show troubling trends in the short term. This must be confirmed with the evolution of the series, even relatively short ones. Similarly, Montevideo, before the stabilization post 2004-2007 (in the period 1971-2003) showed a strong rising trend. The greater part would be explained by the cycles and fluctuations associated with the regional climatology and not only the global one.
7. In relation to regionalized scenarios at the Uruguayan and subregional scales, hereby a list of the main climate scenarios for 2030 and 2050:
 - An increase in temperature is expected for both future scenarios 2030 and 2050, although higher for the RCP 8.5 scenario and in the north of the country during summer.
 - The warming ranges to 2030 would be +0.6°C to +0.9°C to +0.8°C to + 1.1°C for RCP 4.5 and 8.5 respectively.
 - For summer (DJF) the increases would be between +1.5°C and +1.5°C at +2.5°C for both scenarios, although higher in the west coast. For winter (JJA), the increases would be located in the ranges +0.8°C to +1.2°C and +0.8°C to +1.6°C for RCP 4.5 and 8.5 respectively, higher on the Atlantic coast and north of the country.

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- By 2050 the warming ranges would be +1.0°C at +1.4°C and +1.7°C at +2.0°C, for RCP 4.5 and 8.5 respectively, with maximums at the north of the country.
- For summer (DJF) the heating would be close to +2.3°C and +1.5°C to +2.5°C for the scenarios RCP 4.5 and RCP 8.5 respectively. For the winter season (JJA), average increases of +1.0°C to 1.5°C and +1.0°C to +2.0°C are estimated for RCP 4.5 and 8.5 respectively, higher on the Atlantic and northern coasts of the Country.
- Both scenarios are similar until approximately 2030, separating clearly from 2040.
- The average future precipitation by 2030 would increase slightly from +0.1mm/day to +0.3mm/day for both scenarios, higher in the northeast coast.
- For summer (DJF) a slight decrease of the south rains is expected -0.25mm/day and slight increases of +0.5mm/day to the northeast for the RCP 4.5 scenario, while according to the RCP 8.5 scenario increases are foreseen in all the country of the order of +0.5mm/day to +1.0mm/day. For winter (JJA) rainfall similar to the current for RCP 4.5 and slight decreases to -0.25 mm/day are estimated for RCP 8.5, particularly on the west coast of the country. It should be remembered, however, that the verification for the baseline scenario underestimated the west coast, which could generate greater uncertainty for this forecast, although this type of reasoning must be relativized.
- For 2050, slight increases of +0.1mm/day to +0.3mm/day are expected over the northeast coast, somewhat higher, +0.1mm/day to +0.5mm/day, for the RCP 8.5 scenario, more on the northeast of the country in both cases.
- For summer (DJF), increases of the order of 0.0mm/day to +1.0mm/day are foreseen, although somewhat higher for the RCP 8.5. For winter (JJA) no changes are expected to the south while in the east there would be a slight increase of +0.25mm/day for RCP4.5 and in the range 0mm/day to +0.5mm/day for RCP8.5, particularly on the east and northeast of the country.
- The downscaling to 10x10km allows a more detailed analysis for the assessment of vulnerability, impacts and adaptation to the local scale of implementation of adaptation measures, particularly useful where there are no nearby meteorological stations. The Eta forced climate model with the RCP 4.5 scenario was used.
- The expected warming to 2030 (runs for the period 2026-2035) is located in the range +0.9°C on the coast of the Rio de la Plata and +1.5°C on the extreme north of the country. By 2050, the expected warming range is +1.4°C on the coast of the Río de la Plata and +1.8°C in the north of the country.
- The estimated precipitation for the period centered in 2030 is a slight increase from +0.2 to +0.6mm/day on the Río de la Plata and a decrease -0.6 to -0.2mm/day in particular in the center and west coast of the country.
- For 2050, slight increases of +0.2 to +0.6mm/day are expected both on the coast of the Rio de la Plata and southwest, as well as on the north of the country, while the center and southeast are expected to decrease -0.6 a - 0.2mm/day compared to the historical period 1979-2005.
- The annual values of relative humidity are well represented, and a slight increase is observed at 2030 and 2050 with respect to the current reference values. For atmospheric

pressure, which is also well represented, there is a decrease in the future with respect to the current reference values, particularly in the north of the country, while a slight increase is expected in the Atlantic coast according to downscaling with ETA Climate (forced with the RCP 4.5 scenario).

- Regarding the winds, the future, 2030-50, is predicted to be a continuation of the observed trends, with a slight strengthening of the eastern quadrant, particularly on the Atlantic coast.
- For the water and sea level, only linear projections and the comparison with global outputs are available. Projections to 2030 and 2050 are lower than the global averages for Montevideo, even for the minimum, while for Punta del Este and La Paloma they are in the medium to high range.

Below a table with the main scenarios summarized:

Variable	Year	RCP 4.5	RCP 8.5
Warming ranges	2030	+0.6°C to +0.9°C	+0.8°C to + 1.1°C
	2050	+1.0°C to +1.4°C	+1.7°C to +2.0°C
Average future precipitation	2030	+0.1mm/day to +0.3mm/day	+0.1mm/day to +0.3mm/day
	2050		+0.1mm/day to +0.3mm/day

• **Vulnerability profile**

8. Uruguay is particularly vulnerable to the adverse effects of climate change, including being highly sensitive to extremes events, such as droughts, floods, cold and heat waves, strong winds, tornadoes, hail, frost, heavy rains and severe storms. The influence and impact of El Niño is greater in the spring and autumn, increasing the probability of rains with more magnitude respect to historical data for these seasons. Moreover, in years with predominance of La Niña, the country suffers prolonged and deep droughts. These events, in interaction with exposure and social vulnerability, have caused multiple impacts on populations, infrastructures, ecosystems, biodiversity and the agricultural sector.
9. Extreme events, such as the 2008 drought or the floods of 2014, involved important economic losses. Recently new extreme events have been registered: in 2015, the country's water deficit had a strong impact on the agricultural sector. This drought, considered the longest of recent times, led to productive complications and large economic losses. The Ministry of Livestock, Agriculture and Fisheries (hereinafter, MGAP) declared an agricultural emergency between May 5th and on August 15th, 2015 in 40% of the national territory before this water deficit. In December of the same year severe floods in the Departments of Salto, Paysandú and Artigas forced to evacuate between 5 and 15 % of the population of these areas. This caused major losses in housing and urban infrastructure, and had a psychosocial impact on the most vulnerable population.
10. Later, in April 2016 a tornado devastated Dolores city, a small town whose population is around 17,000. It was a F3 twister on the scale of improved Fujita (probable F4) with winds of approximately 300 km/hr. It caused six deaths, 200 injured, more than 7000 victims and

30 million of dollars in material losses. In the same month, heavy rainfall occurred throughout the national territory, which reached a monthly average of 303mm, highly above the national historical average for April (111mm), with registers that exceeded 230mm daily in some areas. That excess of rains caused significant damage to the road infrastructure and in the activity of agricultural chains, mainly agricultural. For example, the excess of rainfall occurred at the beginning of the soy harvest caused losses in yields and grain quality, in addition to generate increase in harvest, drying and storage costs, observing a drop in annual GDP equivalent to 0.22% of GDP 2015 and a drop in agricultural GDP equivalent to 3.51% of registered in 2015.

11. On the other hand, impacts have been verified in relation with coastal climatic events. The coastal area is particularly vulnerable to climate variability and extreme events. The country has an extensive coast, both on the Atlantic Ocean and on the Río de la Plata, which concentrates 70% of the population and that is the main source of income in the tourist sector. It has been proven that erosion generated by changes in wave climate patterns and the action of the winds is causing the coastline to recede due to erosion.
12. Regional studies, carried out for Latin America and the Caribbean (Reguero et al 2015), demonstrated between 1950 and 2008 that the occurrence of extreme values of the sea level has increased, standing out a greater magnitude and frequency on the Caribbean coasts and the River Plate.
13. Particularly, Montevideo is located within the cities with greater exposure to extreme events at sea level. In River Plate, floods produced by a combined meteorological and hydrological effect (Verocai et al 2014): the concurrences of high tides with great storm surges atmospherically induced have raised the average sea level up to three meters above its normal target (0.91m) producing removal of beaches and dunes, coastal infrastructure damages and navigation risks. Extreme events (> height 2.5 m) have an incidence of an event every eleven months mainly during the months of summer and autumn (Verocai et al 2014).

- **Key emitter sectors and related mitigation challenges**

14. In Uruguay, carbon dioxide (CO₂) emissions were mainly produced by the Energy sector through burning fossil fuels. In 2014, this sector generated 6.199,6 Gg, accounting for 92,8% of total CO₂ emissions. In turn, the Industrial processes sector generated 421,7 Gg, accounting for 6,3% of total CO₂ emissions. In contrast, Land Use, land-use change and forestry (LULUCF) captured 3875,6 Gg of CO₂ on account of changes in soil woody biomass. A projected future improvement is to estimate the emission/removal on account of biomass change in grassland to cropland conversion, as well as carbon stock changes in soils. Uruguay has no net deforestation and no burning of forests or croplands.
15. Methane (CH₄) emissions reached 773,3 Gg in 2014. These were generated mainly by the Agriculture sector, accounting for 93,7% of the total emissions, followed by the Waste sector with 5,6% and finally the Energy sector with just 0.7% of the total methane emissions. The largest CH₄ emissions came from enteric fermentation, which accounted for 91.6% of the country's total in 2014. Of these, the largest amount came from the enteric fermentation process of beef cattle.

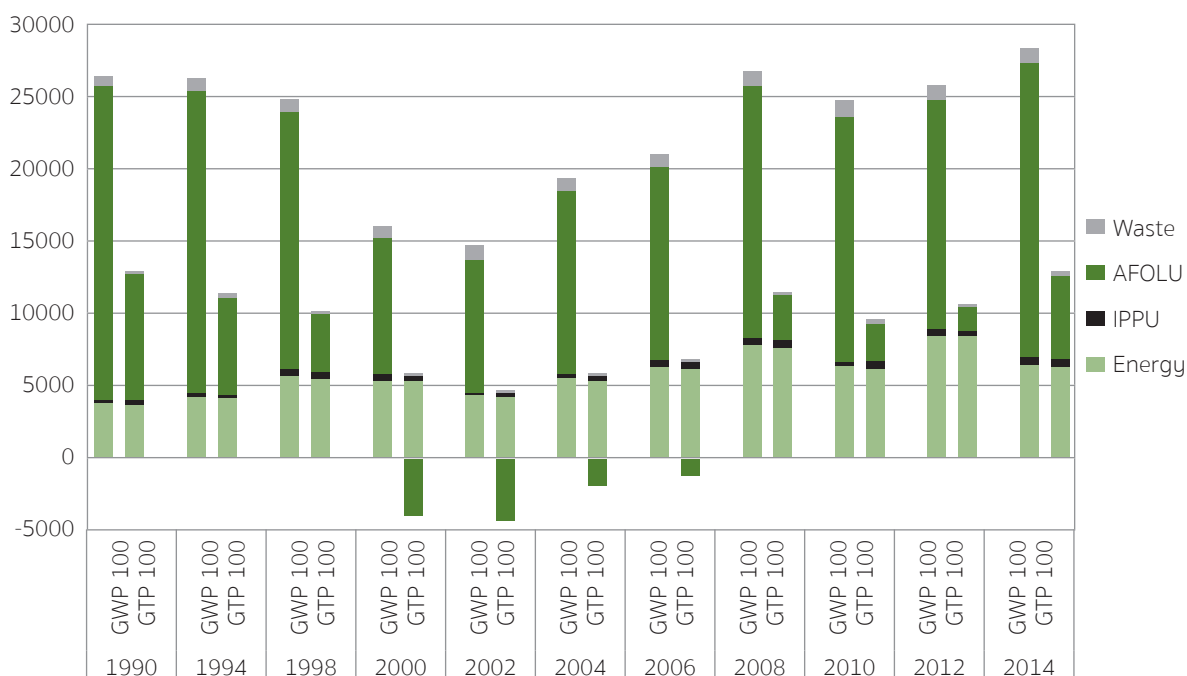
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16. In 2014, nitrous oxide (N₂O) emissions were of 29,7Gg, divided as follows: 97,1% from the Agriculture sector, 2% from the Energy sector and 0.1% from the Waste sector. Within Agriculture, the highest contributing category was Agricultural land. The largest emissions came from cattle manure on grazing areas.
17. Regarding indirect gases, the Energy sector accounted for 96.1% of NO_x emissions, followed by the Industrial processes and Product Use sector with 3.2% and AFOLU sector with 0.7%. Regarding carbon monoxide, the Energy sector emissions were 97.2% of the country's total, followed by the IPPU sector with 1.5% and AFOLU 1.3%. Regarding NMVOCs emissions, the Energy sector produced 72.8% of the country's emissions and the IPPU sector 27.2% of the country's total for 2014. There were SO₂ emissions in the Energy sector (68.4%) and Industrial processes sector (31.6%).
18. Total net GHG emissions in Uruguay measured with a 100-year GWP_{100 AR2} amounted to 28341 Gg CO₂-eq in 2014, which represents 0.06% of the global anthropogenic GHG emissions. (This estimation was made considering the 2010 global emissions value reported by the IPCC: 49 Gt CO₂-eq). In 2014, the Agriculture sector made the highest contribution to total emissions (excluding removals) with 75.1%, followed by the Energy sector with 20.1%, Waste with 3.2%, and finally the IPPU sector with 1.6% of emissions.
19. Net methane emissions expressed in CO₂-eq Gg as per GWP_{100 AR2} metrics represent 50.2% of the country's total emissions (excluding removals), nitrous oxide emissions represent 28.5% of total emissions (excluding removals), carbon dioxide emissions 21.1%, and, despite their high global warming potential, HFCs and SF₆ represented 0.3% (excluding removals), which is negligible when compared to the three other greenhouse gases. Using GTP_{100 AR5} metrics, given the strong presence of CH₄, Uruguay's net emissions decreased significantly in CO₂-eq (-81%), and the country's net emissions decreased 48% compared to emissions estimated using GWP_{100 AR2} metrics. In Uruguay, the metrics used have a strong impact on the relative weight of activities that generate methane in relation to other activities in the total national emissions. The metrics GWP_{100 AR2} leads mitigation strategies to focus on CH₄, while GTP_{100 AR5} metrics indicate that N₂O is the main greenhouse gas in Uruguay. It represents 41.2% of emissions, followed by CO₂ (40.4%) and methane (18.3%), and HFCs and SF₆ in smaller amounts (less than 1%) when GTP_{100 AR5} metrics are used. Although the Agriculture sector produces the largest percentage of emissions as determined through both metrics, the prevalent GHG changes: methane according to GWP_{100 AR2} and nitrous oxide when GTP_{100 AR5} is used.
20. The evolution of net emissions (including Land Use) of greenhouse gases considered when developing the inventories is presented below as country's total and by sector for the years 1990, 1994, 1998, 2000, 2002, 2004, 2006, 2008, 2010, 2012 and 2014, following GWP_{100 AR2} and GTP_{100 AR5} metrics. The country's emissions increased 7.5% compared to what is reported for the 1990 NGHGI. The emissions historic low was recorded for the 2002 NGHGI, with a net emission of 14634 Gg CO₂-eq (GWP_{100 AR2}). In 2002 the country faced an economy downturn which was reflected in the lower emissions produced by the Energy and Industrial processes sectors, while at the same time the highest capture from commercial tree plantations was recorded.
21. In addition, 2002 marked the historic maximum in hydroelectric power production (only surpassed in 2014). This led to a decrease in fossil fuel consumption for electricity genera-

tion, which in turn also led to a decrease in emissions. The main source of emissions in this period was Agriculture, being its relative weight compared to the country's total depends on the metrics used (GWP or GTP) to determine the contribution to global warming. Within the Agriculture sector the main source for emissions are methane from enteric fermentation when GWP is used, and the main source for emissions are nitrous oxide from agriculture soils when GTP is used.

22. Net removals from forestry activities increased substantially between 1994 and 2000, and then decreased. Removal increase until 2000 is mainly explained by the increase in the area covered by commercial tree plantations used for the sawmilling and pulp industry. A secondary explanation is the increase in native forest removals. As of 2002, harvesting began on a growing number of the plantations established in the 1990s; net removals decreased steadily until 2012. Trends indicate a gradual saturation process of the sink effect between 2002 and 2012. This was mainly due to the gradual stabilization of the forested areas that were harvested annually. There was an increase in emissions recorded in the last period due to a decrease in CO₂ removals due to harvesting of planted forests. In turn, the increase in CO₂ emissions in the Energy sector was due to an increase in fossil fuel consumption to generate electrical power to compensate for the low hydroelectric power generation on account of low rainfall.

Evolution of Uruguay's emissions by sector and metrics for 1990-2014.



National Greenhouse Gas Inventory Summary Report¹

Categories	Emissions (Gg)			Emissions CO ₂ -eq (Gg) (GWP _{100 AR2})				Emissions (Gg)					
	CO ₂ neto	CH ₄	N ₂ O	HFCs	PFCs	SF ₆	Others	Others		NOx	CO	COVDM	SO ₂
								HFC-245 fa	HFC-365 mfc				
Country's total emissions and removals	6306,5	790,0	27,7	118,5	NO	1,4	NO	2,0E-5	3,7E-3	57,0	772,1	130,1	25,9
1 – Energy	6306,4	5,3	0,7							54,1	750,1	100,4	19,2
1.A - A Fuel burning (sector-specific method)	6306,4	5,2	0,7							53,9	749,9	99,1	17,3
1.B Fugitive emissions from fuels	4,4E-03	0,1								0,1	0,2	1,3	1,9
1.C – Transport and Carbon Dioxide Storage	NO												
2 - Industrial processes	444,9	NO	3,6E-03	118,5	NO	1,4	NO	2,5E-5	3,7E-3	2,6	14,2	29,7	6,7
2.A Mineral products	433,5									NO	NO	6,8E-02	0,2
2.B - Chemical industry	0,3	NO	NO							NO	NO	NO	1,3
2.C - Metal production	0,4	NO			NO	NO				NO	NO	NO	NO
2.D - Use of Non-Energy Fuel and Solvent Products	10,7									NO	NO	22,4	NO

¹ Open Data: https://catalogodatos.gub.uy/dataset/mvotma_mvotma_ingei

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2.E Electronic industry				NO	NO	NO							
2.F Use of Substitute Products for Substances that Deplete the Ozone				118,5	NO			2,5E-5	3,7E-3				
2.G Other types of production			3,6E-03		NO	1,4				NO	NO	NO	NO
2.H - Others	NO	NO								2,6	14,2	7,3	5,2
3 – Agriculture, Land-use change and forestry	-7586,1	738,2	26,8							0,3	7,8		
3.A – Live- stock		722,3	3,3E-02										
3.B –Land	-7667,0												
3.C - Aggregate Sources and Sources of No-CO2 Emission on land	80,9	15,9	26,7							0,3	7,8		
3.D – Others		NO	NO							NO	NO	NO	NO
4 – Waste	30,8	46,4	0,3										
4.A - Solid waste disposal		37,9											
4.B - Biological Treatment of Solid Waste		0,3	1,9E-02										
4.C Waste burning	30,8	1,1E- 03	1,9E-03										
4.D - Wastewater treatment		8,2	0,2										
4.E – Others	NO	NO	NO										
5 – Others	NO	NO	NE							NO	NO	NO	NO

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5.A Indi- rect N2O emissions from the atmo- spheric deposition of N in NOx and NH3			NE										
5.B – Others	NO	NO	NO						NO	NO	NO	NO	
Memoran- dum Items													
Interna- tional Bunkers	758,7	4,5E- 02	2,1E-02						13,9	0,9	1,3	1,1	
1.A.3.a.i – Air Transport	297,8	2,1E- 03	8,3E-03						1,2	0,6	7,7E-2	8,0E-2	
1.A.3.d.i –Inter- national Maritime transport	460,8	4,2E- 02	1,2E-02						12,7	0,3	1,2	1,0	
1.A.5.c- Multilateral Operations													

1.3 Development profile

• Development indicators

Rule of law*	2019	Uruguay ranks first in Latin America and 23rd in the world.
Democracy Index**	2018	Uruguay ranks first in Latin America and 15th in the world.
Economic freedom***	2018	Uruguay ranks second in Latin America and 38th in the world.
Corruption Perceptions Index****	2018	23rd among 180 countries, and 1st in Latin America
Human Development Index*****	2018	Uruguay ranked 57th with a 0.808 index
Gender Inequality Index*****	2018	57th among 160 countries with a 0.797 Index
GDP per capita	2018	Usd 16.603 (Current U\$S)

* World Justice Project (WJP) Rule of Law Index 2019

** The Economist Intelligence Unit (EIU) Index 2018

*** Heritage Foundation Index 2018

**** Transparency International

***** United Nations Development Programme

***** United Nations Development Programme

- **Economic circumstances and social strategies, low emission and clean energy policies**

23. Uruguay has an open economy, fundamental for the development of the country, given its small population and limitations of the domestic market. There has been a gradual growth in the services sector of the country's economy (tourism, transport, logistics, information and communication technologies, banking and government services), yet primary products (meat, soy, dairy and rice) remain the main country's exports.
24. The country seeks a sustainable development process, where economic growth decouples from GHG emissions. In this sense, it must be noted that for the last 12 years (2005 – 2016) Uruguay has grown at an average annual rate of 4.6%. This growth brought along a significant decline in poverty rates, from 39.9% to 9.4%, while extreme poverty was virtually eradicated, dropping from 4.7% to 0.2%. During this period, energy demand from the industrial sector quadrupled and food production was three and a half times greater. The country was able to undergo such a dynamic growth while reducing emissions in the power generation sector, achieving 98% renewable energy supply in 2017, and incorporating adaptation practices across sectorial strategies, thanks to strong public policies on climate change. In this regard the evolution of emissions between 1990 and 2014 has shown only a one digit increase whereas the economy has double its size in constant prices.
25. The country's economy is based on agro-industrial chains, which makes it extremely vulnerable to climate variability and climate change. The country's natural heritage, represented by its varied ecosystems, biodiversity and water wealth spread around the country, is an asset that provides us with the opportunity to develop adaptation and mitigation strategies based on ecosystem recovery and conservation.
26. To contribute to the implementation of a new model of resilient and low-carbon development, Uruguay has enforced in the past few years an ambitious set of early measures, particularly in several key sectors. This was made possible by a large volume of investments promoted by public policies. For example, in the energy sector, the matrix transformation was possible through a public-private investment accumulated for several years, which reached, on average, 3% of the GDP per year. The State also contributed to reducing the emissions of the economy by granting tax benefits to investments in low-carbon production capacities, like afforestation. In this sector, half the plantation costs were subsidized for almost 15 years. Additionally, renewable energy projects were supported under the investment promotion system.
27. In addition, in the cattle raising sector, dairy farming and rice production, public policies fostered large investments and technological changes. This allowed for an increase in productivity and a reduction in emission intensity per unit produced. Uruguay sees the opportunity to continue expanding its food production levels through reliable and environmentally sustainable food in the context of safeguarding food security in line with the Paris Agreement.
28. It is through these actions that the country is contributing to the overarching objective of the Convention, adopting the mechanisms and tools to support and enhance domestic policies, in particular, the Clean Development Mechanism (CDM), and more recently the Nationally Appropriate Mitigation Actions (NAMAs) and REDD+ (Reducing emissions from deforestation and forest degradation).

29. In terms of adaptation, in the past decade Uruguay has been working on strengthening specific public policies, measures and programs. Our priority has been to promote communities that are resilient to climate change and variability, and extreme events, as this is essential to reduce vulnerability with equity and social inclusion. At present, the formulation of the National Adaptation Plan for Agriculture, the National Adaptation Plan for Coastal Areas and the National Adaptation Plan for Cities and Infrastructure are being developed, it is expected that Uruguay also develops a National Adaptation Plan for Energy and one for Health to be operative by 2025.
30. Regarding social inclusion, policies have focused on the most vulnerable population, following initiatives to fight poverty and extreme poverty, and to promote further social equity. Particular attention has been paid to those who are most vulnerable to climate change and variability. The National Resettlement Plan, adopted in 2010, aims to resettle vulnerable families who live in flood-prone and/or polluted areas. A total of 1715 families were relocated between 2010 and 2016, and around 2500 families are expected to have been relocated by 2020. In addition, human resources have been trained in responding to extreme events, and there are several initiatives in place to care for the homeless during the winter months.
31. The strong presence of health care systems nationwide is also crucial when it comes to implementing measures to reduce the impact of these events on people's health.
32. In relation with the gender agenda, the National Gender Council has developed and approved in 2017 the National Gender Equality Strategy 2030 (NGES), which aims to become the integral and integrative road map, to guide medium-term actions of the government in gender equality issues. This strategy is based on a human rights and sustainable development approach, understanding gender equality as an intrinsic component of inclusive and joint societies. It comprises Strategic Aspirations, Policy Guidelines and Strategic Lines of Action. One of the aspirations refers to *"Generate actions towards a sustainable development, from the economic, social, environmental and gender point of view"*. It includes the following lines of action linked to mitigation: *"Promote opportunities to reduce gender gaps in productive and economic processes low in greenhouse gas emissions, identifying adaptation capacities and promoting women's resilience to climate change, both in cities and rural areas, considering the intersection of poverty and vulnerabilities"*.
33. Gender is mainstreamed in the national climate change contributions, programs and projects, with the aim of building sensitive processes and transforming inequalities. The PNCC establishes actions in accordance with the country's priorities and the Gender Policy of the UNFCCC and the GCF, such as gender-based violence, promotion of economic and physical autonomy, and women decision-making, towards sustainable development with full exercise of rights and gender equality

List of national Policies/Programs and Programmatic instruments ongoing and under development

Policy/ Program/ Instrument	Date
National Energy Policy	Approved in 2015
National Water Plan	Approved in 2017
National Climate Change Policy 2050 (PNCC)	Approved in 2016
First National Determined Contribution under the Paris Agreement (NDC)	Approved and presented in 2017
Programming and MRV System	Released in 2019
National Environment Plan for Sustainable Development	Approved in 2019
National Policy for Disaster risk management	Approved in 2019
NAP to Climate Variability and Change for the Agricultural Sector	Completed and published in 2019
National Strategy for Gender Equity 2030	Approved in 2020
Gender and Climate Change Strategy	Approved in 2019
NAP for Cities and Infrastructures (NAP Cities)	Under development, to be completed and published in 2021
NAP for Coastal zone	Under development, to be completed and published in 2021
Long Term Low Carbon and Climate resilient Strategy (LTS)	Under development, to be completed in 2021
Uruguay revised NDC	Has not begun yet, expected to begin in 2021 to be presented in 2022
NAP for the Energy sector	Under initial development
NAP for the Health sector	Under initial development

- **Key economic drivers and anticipated sectors for growth**

34. The Uruguayan economy has gone through 16 continuous years of growth.
35. Uruguay has strong confidence from domestic and foreign investors. During the last decade it was the second country to receive Foreign Direct Investment (FDI) in relation to GDP (5.3%), and the second country in profits reinvested in total profits (61%) in Latin America. The Law of Promotion and Protection of Investments number 16.906 establishes that foreign investment receives the same treatment as national investment, and there are no restrictions on the repatriation of capital, nor on the transfer of profits, dividends and interest.

36. The country has gradually increased the number of services (tourism, transport, logistics, information and communication technologies, financial system and government services), while primary products (meat, soybeans, dairy products, rice, cellulose and wood) continue to have a very high weight in the country's exports.
37. World demand for agricultural products will remain firm in the coming decades, mainly supported by the increased consumption of proteins, fats and sugars in developing countries. Uruguay is part of the main food exporting region in the world (together with Argentina, Brazil and Paraguay) and has 16.4 million hectares suitable for agriculture and cattle production, about 93% of the country's total land area.
38. With a population of 3.49 million people, the country produces food for 28 million. In Uruguay there are no limitations or restrictions on exports of agro-industrial goods. The agro-industrial sector had a participation of 79% of the total of goods exported by Uruguay in 2017. Uruguay maintains a strict policy of sustainable agricultural development, which includes, among others, plans for responsible use and management of soils, and plans for sustainable milk production. The agro-industrial sector is one of the most innovative. In the production of food and leather, 25% of the total investments were made in innovation and almost 30% of the professionals in innovation activities were employed.
39. Due to the above, Uruguay's economy is strongly based on the agricultural sector, which is why it is highly vulnerable to variability and climate change. 70% of the export chain is based on products derived from livestock, agriculture and afforestation, climate-sensitive activities.
40. Another key sector based on natural resources is Tourism, with receipts exceeding 1,800 million USD, it generates more income than the country's traditional exported products. Uruguay is the first country in South America in number of tourists received compared to its population. In 2016, 3,328,450 people visited the country, which represents 98 % of its population. Tourism in Uruguay has gained an increasingly larger share of the national product. In 2015, tourism accounted for 7.1 % of Uruguay's GDP and generated nearly 110,000 jobs.
41. There is a long-term national tourism plan that gives a strategic vision agreed between the public and private sectors to develop this activity in the country. In 2015, the Tourism Law entered into force; it establishes this activity is a right and creates tools to improve the sector's productivity. There is an active promotion policy which, through participation in the most important international fairs and a strong investment in advertising campaigns, puts Uruguay on the map internationally under the brand "*Uruguay Natural*", making it possible to highlight the country's distinctive values as a tourist destination.
42. Finally, Energy has been an economic driver during last years. As mentioned before, based on the guidelines established by the Executive Branch in 2008 and approved by a Multiparty Commission in 2010, the energy policy in Uruguay constitutes a long-term policy and has made a strong commitment to renewable energies, with important goals of incorporation in the short term and attractive tax advantages, these goals were effectively achieved.
43. Uruguay has a privileged location that provides favorable natural conditions for the generation of solar, wind and hydraulic energy. There are also interesting opportunities for generation from biomass associated with agro-industrial production. Both the government and private actors have made important investments in the sector, which since 2010 total

more than USD 7,000 million. Investment in energy infrastructure continues to be one of the government's priorities. In the 2015-2019 infrastructure plan, an amount of USD 4,230 million is expected to be invested in the sector.

44. The Uruguayan model regarding public-private association for the promotion of investments in this sector has proven to be extremely successful and is nowadays reproduced in several countries. The public state energy utility, UTE, has executed several projects under different forms of association with private investors. Various types of investment and financing are presented: ventures and public financing, traditional tenders, leasing contracts, projects financed by multilateral organizations, bi-national ventures and public enterprises with capital market financing and pension funds.
45. The investments made by Uruguay are very relevant compared to other countries. The 2016 report of the REN 21 places Uruguay in the 3rd place in the world in relation to the level of investments in renewable energies as a percentage of GDP. In particular, the incorporation of wind power into the electricity grid stands out, which covered 23% of electricity consumption in 2016. As a whole, renewable energy accounted for 97% of this consumption.

- **Financial system within the country**

46. Uruguay has a stable, transparent, regulated and supervised financial system. There are no limits on capital inflow or outflow, neither exchange controls on foreign currency operations.
47. The financial system is regulated and supervised by the Central Bank of Uruguay (BCU) through the Financial System Regulatory Agency (SSF), taking as reference the standards of the Basel Committee on Banking Supervision in order to define the regulatory framework. The SSF is aimed at ensuring the protection of financial services users, promoting soundness, solvency and transparency of the financial system.
48. In addition, the BCU has a Risk Unit that consolidates the information furnished by financial brokers in relation to the credit history of borrowers, for the purpose of providing greater transparency and market control.
49. The financial system is composed of two public banks, nine private banks and a wide variety of non-banking institutions. The institutional forms are: brokerage cooperatives, external finance houses (offshore banking), rotating savings and credit association companies, currency exchange houses, consumer loan companies, representatives of financial institutions established abroad, financial services companies, fund transfer companies and, lastly, providers of administration, accounting or data processing services.
50. One of the main characteristics of Uruguay's banking system is the high share of public banks, which account for 43% (2017), while the total of all private banks represents 57%. On the other hand, the four main private banks account for 49% of the total turnover of private banking.
51. Currently, the financial market is going through a moment of high-rate growth, great solidity, liquidity and profitability, together with the economic growth of the country in the last years. In accordance with this, the main financial institutions operating in Uruguay have an investment grade at national and international level, which reflects the strength of

the Uruguayan financial system, composed of a small group of banking institutions but all of them with high solvency and liquidity ratios.

52. In October 2020 the Ministry of Economy and Finance joined the coalition of Finance Ministers for Climate Action. As a first step, a working group integrated by this Ministry and the Ministry of the Environment has been created to design and implement a roadmap for sustainable finance in Uruguay. National climate change mitigation and adaptation objectives will be considered in the analysis and design of the macroeconomic policy.
53. The Readiness support “Strengthening strategic frameworks and stakeholders’ engagement to scale up climate financing and enhance NDC implementation in Uruguay” approved in December 2020 for beginning implementation in 2021 includes activities to promote the financial Institutions engagement with Country programming and NDCs process, and a roadmap for sustainable finance.
54. Also, Uruguay participates in the Regional Readiness support: “Enhancing Climate Finance within the Banking Sector in LAC Region” led by Guatemala. It will allow to assess the climate portfolio and further engage national financial institutions in climate financing though providing a regional scope and experiences sharing. Both this regional Readiness Support and the national Readiness Support “Strengthening strategic frameworks and stakeholders’ engagement to scale up climate financing and enhance NDC implementation in Uruguay” combined, will specifically allow for Banco de la República Oriental del Uruguay (BROU, one of Uruguay’s nominated potential direct access entity) to further engage in climate finance and to advance in its accreditation process as well.
55. Finally, Uruguay’s investment grade has been ratified by the main rating agencies: Moody’s, Standard & Poor’s, Fitch Ratings, DBRS and R&I. Balance and macroeconomic stability, the diversification of the economy and an efficient debt management, are some reasons that prompted this trust to Uruguay. The country has achieved sustained improvement of credit rating, attaining in 2015 the BBB/bba2 investment grade.

1.4 Climate change response

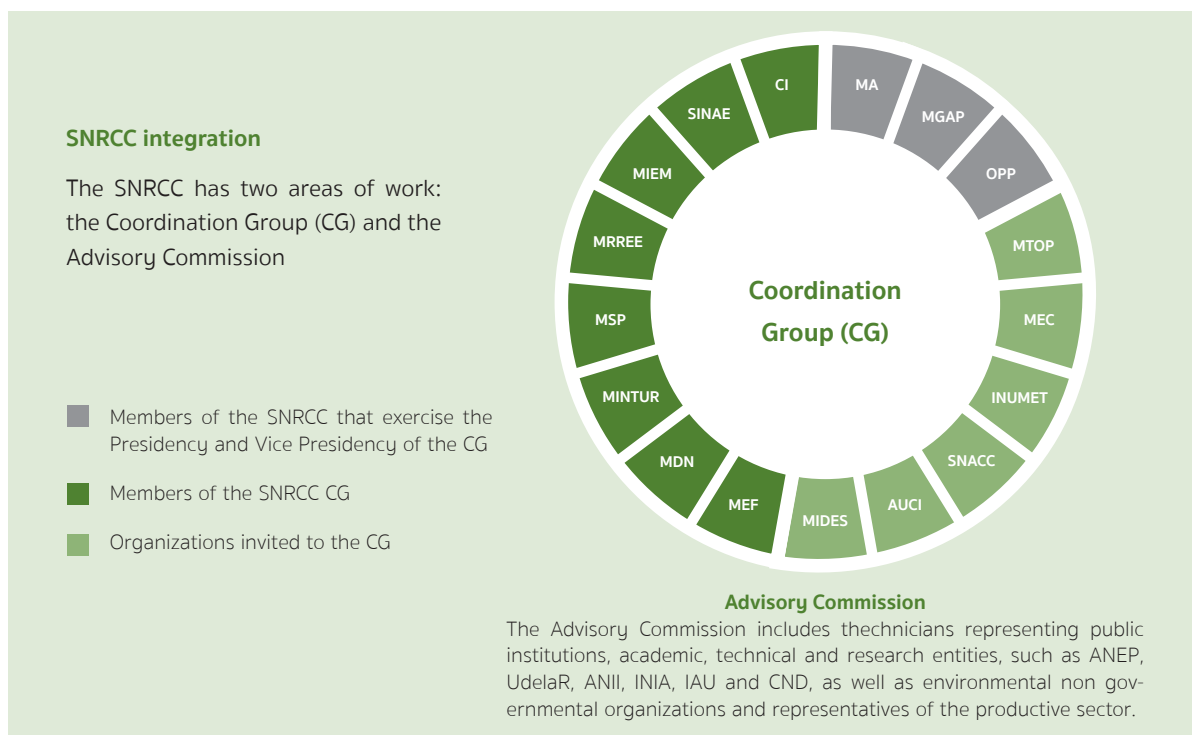
- **National initiatives: climate change mitigation and adaptation policies and monitoring system**

56. Uruguay adopted climate change as a key strategic issue within its institutional framework very early on. The country has a strong political commitment to integrate climate change into the different areas of public policy. This is now possible thanks to a process that promoted the development of domestic tools and capacities in order to create the necessary institutional, regulatory and management framework.
57. The first stage of this process was between 1992 and 2008, when international instruments were ratified, such as the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol. The Ministry of Housing, Land Planning and Environment (MVOTMA²) became the focal point and competent national authority in charge of

² The MVOTMA was the Ministry of Housing, Land Planning and Environment of Uruguay until year 2020, in which it was divided into the MVOT (Ministry of Housing and Land Planning) and the MA (Ministry of Environment) by the Law for Urgent Consideration N°19.889, approved on July 8th 2020 and enacted on July 9th 2020 by Uruguay’s Executive Power.

enforcing the Convention and the Protocol. Additionally, the country strengthened its domestic capacities to develop national greenhouse gas inventories, climate scenarios, and to implement pilot projects on adaptation and mitigation technologies and strategies.

58. The Program of General Measures for Mitigation and Adaptation was declared of Ministerial Interest in 2004. This program included adaptation measures for agriculture, biodiversity and health sectors and for coastal, water and fishing resources. Then, the National Climate Change Response Plan approved in 2010 sets forth an assessment of the vulnerability of agricultural production and land ecosystems, in the energy sector, for coastal areas, urban habitat, health care and the industry and service sectors. In addition, different adaptation measures were identified: comprehensive risk management, water resources, energy, ecosystems and biodiversity, production and consumption and quality of life of the population. Moreover, the Metropolitan Region Climate Plan was adopted in 2012, and introduced adaptation measures for rural, coastal and urban areas in Canelones, Montevideo and San José.
59. Between 2009 and 2014, with the creation of the National Climate Change Response (SNRCC) and the participatory development of the National Climate Change Response Plan, inter-institutional and cross-sectorial coordinated work is promoted. In this period, climate change became part of sectorial public policy and decentralization strategies. Therefore, sectors such as energy, agriculture, tourism, health, disasters risk and water resource management begin to include climate change and variability in their sectorial policies, plans and lines of action. In turn, departmental and local governments began to include the climate change perspective in their institutional design, and plans and lines of action to better face diverse local impacts.



60. Moreover, the National Emergency System was established by Law in 2009 to protect people, essential property and the environment in the face of disaster by joining and coordinating Government efforts and the efficient use of the public and private resources

available, so as to foster favorable conditions for sustainable national development. There is currently a Departmental Emergency Committee in all 19 departments in the country and a Departmental Emergency Coordinating Center. Both provide the necessary conditions for decentralized inter-agency coordination for emergency response and disaster risk reduction, including those caused by climatic events. As part of the progress made in risk management, Early Warning Systems have been designed for several cities in the country, particularly those most vulnerable to floods, and protocols have been devised for each stage of comprehensive climatic disaster risk management, focusing on education and awareness raising and seeking to favor a cultural change towards to a corrective, prospective and reactive or compensatory risk management, empowering communities. Hazard maps have been created based on the different threats (fire, floods, etc.), as well as national, departmental, interdepartmental and sectorial risk plans, and local emergency and contingency plans.

61. As of 2015, the Administration strengthened its commitment to achieve sustainable and resilient development in the country. This can be seen in the support given to the SNRCC, in the creation of a political management position for all climate change affairs within the MVOTMA, and in the creation of the National Environmental System (SNA), the National Environmental Cabinet and the National Environment, Water and Climate Change Secretariat (SNAACC) under the Executive. As of 2016 in particular, this can be seen in the participatory development of a National Climate Change Policy (PNCC) to strengthen the country's structural transformation with a view to 2050. This new perspective strengthens cross-sectorial and interinstitutional work and its engagement in the territory by optimizing management and public policy tools.
62. As per Paragraph 23rd of the PNCC, the National Determined Contributions (NDC) implements such policy, and was prepared within SNRCC, including its public consideration between 24th August and 24th September, 2017. The revised draft after the public consultation was considered by the National Environment Cabinet in October, 2017.
63. Uruguay's NDC aims at attending the provisions established under the Paris Agreement, as well as to promote adaptation and mitigation measures in Uruguay to face the challenge of climate change, under the National Climate Change Policy so as to contribute to the country's sustainable development with a global perspective of intra and inter-generational equity and human rights, thus seeking a more resilient, less vulnerable society, with greater capacity to adapt to climate change and variability, and also a society that is more conscious and responsible towards the challenge of climate change, promoting a low-carbon economy, based on environmentally, socially and economically sustainable productive processes and services, by including knowledge and innovation.
64. The climate change mitigation objectives are considered fair and ambitious considering that Uruguay is a developing country; the particularities of the country's GHG emissions, which mainly come from food production; the country's share of global emissions (0.05% of global emissions), as well as its historical participation.
65. Uruguay's contribution to the last objective of the Convention and to the objective of the Paris Agreement focuses on developing with the least GHG emission intensity as possible, "decarbonizing" its economy over time and also adapting by reducing its vulnerability and

increasing its resilience, all of which should be done in a way that does not threaten food production.

66. Uruguay's NDC includes the five sections: section one presents climate change mitigation objectives; section two presents the context and main measures that contribute to attaining mitigation objectives; section three presents the context and main measures of adaptation to the adverse effects of climate change (*this section must be considered the first Adaptation Communication*); section four presents the context and key measures relative to capacity building and knowledge creation on climate change; the fifth and final section includes information to provide transparency and to improve the understanding of its global targets.
67. Under the framework of the National Climate Change Response System, there is an inter-institutional working group focused on the MRV of the National Climate Change Policy and the measures included in the NDC. The group also works on programming some of the measures included in the Climate Change Policy and in the NDC that are not yet being developed. The MRV System focuses on : i) facilitating the implementation; ii) annual monitoring and five yearly assessment; iii) identifying key stakeholders involved in implementation; iv) technical definitions, indicators and impact of NDC; v) financials needs ; vi) means of implementation including grant and/or concessional public funding, technology transfer and capacity building; vii) gender mainstreaming.
68. In 2019, Uruguay has underlined its commitment to advance in the preparation and presentation of its Long-Term low-emissions development and climate resilient Strategy (LTS) with an aspirational target of CO₂ neutrality by 2050. The planning process for the LTS began in Q3 2020. Uruguay will present its second NDC in 2022, in line with the LTS.
69. The Law for Urgent Consideration N°19.889 approved on July 8th 2020 and enacted on July 9th 2020 by Uruguay's Executive Power of the new government creates the Ministry of Environment, which incorporates the tasks, responsibilities and human resources of the Climate Change Division among other units of the former MVOTMA. Is relevant to notice that CP content and pipeline is validated by the current administration and are aligned with national planning.
70. Regarding to private sector, there are some incipient initiatives which promote climate investments, especially in the agriculture and transport sector. The "natural field board" is leading the development and implementation of a national strategy for the sustainable use of the natural field that contributes to designing norms for the use of the natural field for the conservation of the resource and the environmental services that it provides, develop extension and training activities for the sustainable use of the natural field, consolidate a platform research and a natural field observatory and develop actions to enhance the products of natural field and its environmental services. The board is integrated by the academy, public institutions and farmers organizations. Secondly, based on economic and financial incentives, the transport sector has started to incorporate electric vehicles into its fleet, not only for public transport, there are also some initiatives with freight transport. Moreover, several companies have joined the "Green Fleet Plan" an initiative that seeks to support any company that has utility vehicles, particularly delivery, urban transport and last-mile logistics, in order to support them in the transformation process of their fleets

towards more efficient and sustainable solutions.

71. Finally, It is necessary to mention that the economy of Uruguay entered a recession in the first quarter of 2020, with a greatest socio economic impact of the measures to contain the health crisis caused by the Covid-19 pandemic, which forced a drastic drop in activity in various sectors (e.g. transport, tourism and services), with a deep impact on micro, small and medium size enterprises. In this context, public budget and private sector financing are constrained, and it is urgent to redesign the financing and business models to survive the crisis.

- **Regional engagement**

72. Uruguay has traditionally promoted the strengthening of cooperation among developing countries and in the Latin America region to fight climate change effects and carry out innovative strategies.
73. The Southern Common Market (MERCOSUR for its Spanish initials) is a regional integration process, established by Argentina, Brazil, Paraguay and Uruguay. Since its creation, its main objective has been to promote a common space that generates business and investment opportunities through the competitive integration of national economies into the international market. As a result, it has established multiple agreements with countries or groups of countries, MERCOSUR has also signed commercial, political or cooperation agreements with a diverse number of nations and organizations on all five continents.

1.5 Access to finance

74. Uruguay allocated significant resources and made efforts early on to implement climate change adaptation and mitigation actions. Through different initiatives and instruments the country has encouraged and promoted investment in environmentally friendly technologies and processes, namely tackling the effects and addressing the causes of climate change.
75. In the 2005-2015 period, the foreign direct investment (FDI) captured by Uruguay represented 5.2% of GDP, which set it among the largest recipients of investment in the region in relation with the size of its economy. In this period companies reinvested in Uruguay, on average, 60% of the profits generated. Both domestic and foreign investment is declared of national interest. The law grants the foreign investor the same treatment as the national one. No prior authorization or registration is required to operate and there are no restrictions for the capital transfer or profits from investments or for the purchase and sale of foreign currency.
76. The external financial support received to comply with the commitments taken on under the United Nations Framework Convention on Climate Change has been essential. The financing entailed small scale grants addressing to capacity building, training and knowledge creation initiatives. Implementing project and programs requires additional and specific means of implementation including grant and/or concessional public funding, technology transfer and capacity building, to be provided by developed countries.
77. The assessment conducted in 2017 by the Uruguayan International Cooperation Agency

(AUCI) on the status of international cooperation in Uruguay revealed that 491 international cooperation initiatives were undertaken in Uruguay in 2016, out of which 53 % entailed traditional cooperation, 12% south-south bilateral cooperation, only 2 % triangular cooperation and almost 33% regional and multi-country cooperation. Although the global figure remained unchanged compared to 2012, non-traditional cooperation forms increased in number. Out of the total number of projects, environment came in second in terms of the total number of projects under each main field, and it was the sector with the largest number of projects under traditional, regional and multi-country cooperation forms.

78. It is necessary to highlight the support received from the GEF for the development of mitigation projects related to sustainable and efficient urban mobility, climate-smart livestock production and circular economy. These projects provide the appropriate platforms to develop pilot cases, test technologies, and generates data bases, but to scale up implementation and to combine different sources of financing it is necessary to engage with instruments like the GCF.
79. In the same way, the Adaptation Fund gives the opportunity to implement resilient investment in a low scale, at a local level, but for more ambitious objectives it would be required also to access another kind of financial instrument.
80. Also, the country has the Law of Investment Promotion (Law number 19.906) that grant tax exonerations when private initiatives include clean technologies, among other indicators evaluated. Therefore, the Law has been an important instrument for the promotion of private financing in climate initiatives. The State also contributed to reducing the emissions of the economy by granting tax benefits to investments in low-carbon production capacities, like afforestation. In this sector, half the plantation costs were subsidized for almost 15 years. Additionally, renewable energy projects were supported under the investment promotion system, the introduction of wind power into our country's electricity grid was benefited by the law.
81. To conclude, is important to notice that in the last decade Uruguay has struggled to maintain, or even increase, the levels of international grant-based finance to projects. Most of grant-based support available is for capacity building and/or reporting mechanisms, nevertheless, there has being a very scarce grant-based support for implementation of adaptation and mitigation actions. Being the case that in some sectors or specific measures there is still no revenue generating opportunities, grant based finance is the only possible approach to accelerated implementation and increasing ambition.

1.6 Gaps and opportunities

82. In terms of **adaptation**, based on the lessons learned and outcomes of the actions already undertaken, Uruguay identified a number of measures that would need the support of external means of implementation.
 - Design and implementation of inclusive subnational and sector-specific National Adaptation Plans (NAPs) to support communities and sectors to adapt to climate change and variability in high-priority areas, such as the coastal area, the agriculture, health and

energy sectors, strategic hydrographic basins and urban areas. In particular, the NAP Agriculture, NAP Cities and NAP Coastal zones will be completed by 2021, having identified clear adaptation implementation needs.

- Development of new early warning systems and new climate impact insurances, within the disaster risk reduction framework for the agricultural and health sectors, coastal areas, water resources and, in particular, for flood sensitive urban areas and infrastructure.
- Strengthen climate risk management against floods, through the expansion of vulnerable population resettlement processes and the implementation of new urban land-use planning measures. Moreover, regard drought management, it is necessary to identify new water sources, promote the construction of associative works, such as large reservoirs to serve various users and improve efficiency in water use.
- Promote community-based adaptation strategies as a way to increase resilience and reduce social vulnerabilities in the different areas and contexts of the country.
- Improve the protection of surface and underground water sources, such as aquifer recharge areas, and the implementation of conservation and restoration measures for gallery native forests.
- The introduction of methodologies for loss and damage assessment, as well as reporting, measuring and evaluation systems for adaptation measures.
- Design, adapt and maintain resilient infrastructures, considering the effects of climate change and variability.
- Promote ecosystem-based adaptation, strengthening ecosystem and biodiversity conservation strategies.
- Articulate and develop new integrated information systems and climate services for systematic observation by strengthening academic and monitoring institutions.
- Build research, development and innovation capacities to enhance domestic response to climate change and variability.
- Implement education, training and awareness programs that address climate change response needs.
- Enhance visibility of climate change adaptation measures within the allocations of the national budget, by developing a national system of environmental indicators.

83. In terms of **mitigation**, the actions the country plans to implement and for which support is needed are associated to the four main emitting sectors of the economy: energy, waste, agriculture and forestry.

- The transport sector is one of the action lines identified under the NDCs as having the greatest potential and still lower development in the country. Both the national and subnational governments are willing and committed to advance transport initiatives further and need considerable support. External concessional support is needed to be able to accelerate these initiatives as the sector requires more technology and infrastructure. Thus, it is necessary to

draft investment plans that could provide the mobilization of considerable resources.

- Another action entails the introduction of hybrid and electric vehicles, both for public and private transport. Even though some incentive measures have been adopted (tax benefits) and pilot trials have been conducted, it is necessary to further analyze other tools and their impact based on our national circumstances. There are currently projects and studies underway to test different vehicles, mainly public transport and utility vehicles.
- Energy storage, have been identified to ensure security of renewable energy supply in an energy system that will have an installed wind power capacity over its off-peak consumption by 2016. A feasibility study has been conducted to assess the installation of a water pumping and accumulation plant to store energy by pumping water from a lower to an upper reservoir during peak wind generation hours, when supply exceeds demand. A 200-MW capacity and 12-hour storage plant has been considered and the estimated cost is around USD 300 million. Additionally, Uruguay is looking into the possibility to have an electric vehicle fleet, contemplating strategies to store their battery charge and retuning a certain amount of it at the times of highest demand. The country needs support to continue analyzing and implementing these options.
- Also, the industrial processes sector accounts for 6% of the country's CO₂ emissions. Even though it does not produce a significant amount of GHG, estimates show it will increase in the next years at a similar rate as GDP increase. Thus, it is necessary to identify medium and long-term strategies for this sector. Since cement production accounts for the largest proportion of emissions in the sector, it is necessary to study the technologies that can reduce emissions and the investments needed to implement it.
- The waste sector is relevant not only because of methane emissions but also because of the associated environmental and social aspects. The Working Group for the National Plan for Waste Management (GT/PNGR) was recently created in the framework of the COTAMA (Technical Advisory Commission on Environment); it has a technical and interinstitutional character and its objective is to formulate a National Waste Management Plan. It is imperative to continue taking actions and improve practices in the different subsectors involved. Even though the country has a relevant regulatory framework in place, there is a need of considerable number of resources to implement actions that stem from already defined policies.
- We have identified the need to improve treatment and final disposal systems of solid urban waste (SUW): in particular, the construction of landfills in different areas around the country would provide for an opportunity to undertake associated methane capture and flaring projects with the possibility of energy recovery. SUW are the main sources of emissions in the sector; therefore, to improve their management practices is considered high-priority, as is the opportunity to generate co-benefits from a social, economic and environmental standpoint.
- Additional resources are needed to improve industrial wastewater treatment systems and effluent management in intensive animal farming establishments, in both dairy and meat production. The financial growth experienced over the past couple of years, especially in agriculture, has translated into intensification in livestock farming systems, making it necessary to improve wastewater treatment and effluent management since these are taking on a more notorious environmental impact. Thus, we are interested in the integration of

biogas capture and flaring systems into existing or new anaerobic treatments, with the possibility of energy recovery.

- In terms of solid industrial waste and agro-industrial waste management, we have identified the need to improve waste recovery rates, by increasing the percentage used for recovery processes, anaerobic digestion with the possibility of biogas recovery, alternative fuels and animal feed. These types of actions have already been implemented in our country, but we need to enhance and promote their implementation since they not only allow for the reduction of emissions coming from waste itself, but they also make it possible to create synergies with other sectors, strengthening value chains, creating new jobs and indirect environmental benefits by recycling certain substances and byproducts.
 - In terms of the agriculture and livestock sector, different actions have been put forward under the framework of the smart agriculture policy and additional support is needed to enhance implementation. These are considered win-win actions, as they not only improve mitigation rates but they also help improve productivity in the sector (increased efficiency and reduced livestock farming overheads) and better-quality cattle feed as the pasture area and quality are enhanced.
 - Good practices for manure management. The increased farming land under irrigation contributes both to mitigation and adaptation, since it not only reduces emissions but it can also help prevent substantial direct and indirect financial losses caused by long dry spells.
 - In terms of the forestry sector and REDD+, an increase in the total coverage of tree plantations is expected and, therefore, reaching significant removals. This increase in the total coverage has unfolded hand in hand with in the maintenance of the native forest surface area, protected under the regulatory framework, which has entailed fiscal efforts for the country.
 - To continue promoting this increase and quality improvement of our native forests we need specific support to strengthen the results achieved by the policy. In this sense, and thanks to the recent incorporation of the country into the REDD+ process, we will be able to continue implementing strategies to reduce native forest degradation and promote sustainable management.
84. Regarding **cross-cutting** needs that the country will carry out and for which support is needed are, among others, related to:
- Financial system: new opportunities are opening for national financial institutions and they lack technical capacities and a portfolio of detected climate, green and sustainable business to take advantage of these opportunities. Also, a clear identification of opportunities and implications, as well as an analysis of existing experiences, is needed in order to engage with the financial sector.
 - Private sector (companies and entrepreneurs): there is not enough information on available or viable instruments and no evidence on the profitability of climate investment in Uruguay. Also, there is an increased interest from all sizes of companies, including micro, small and medium enterprises and entrepreneurs to understand how climate action applies to their business models.

- Subnational level: There is a lack of capacities in several levels of subnational governments in order to get involved in climate action, including financial capacities. During NAP coastal zone development there have been successful experiences of working closely with subnational governments staff in order to build these capacities in a few Departments. A needs assessment from subnational governments is necessary. In the framework of the “Social Dialogue” led by Uruguay’s Presidency in 2017, the following proposals from the civil society related to the SDG 13 Climate Action were received: i) strengthening inter-institutional management for the development of comprehensive strategies for climate action, ii) increase capacities at different levels, especially in long-term research, monitoring and prospective studies, iii) promote participation, involving communities in climate action.

2. Country Agenda and GCF Engagement

2.1 Institutional arrangements

- **Strategic role and positioning of the NDA**

85. The Ministry of Environment (MA) is Uruguay’s National Designed Authority (NDA) to the GCF, through its Climate Change Direction. GCF funding for project and programs in the country requires the No-Objection from the NDA. Also, projects and programs to be implemented in Uruguay should be aligned with the National Climate Change Policy, the NDC and Uruguay’s Country Programme, the National Adaptation Plan for Agriculture (NAP Agriculture), the National Adaptation Plan for Coastal zone (NAP Coastal zone) and the National Adaptation Plan for Cities and Infrastructure (NAP Cities) developed, and the National Adaptation Plan for Energy and one for Health to be operative by 2025.
86. The NDA has nominated two national entities for potential accreditation to GCF in order to ensure direct access to the Fund: Corporación Nacional para el Desarrollo (CND) was nominated in November 2016 and Banco República Oriental del Uruguay (BROU) was nominated in April 2018. These were considered to have the institutional baseline capacities to be accredited to GCF and the capacity to build on it to ensure the country’s direct access to GCF in the medium-long term. Both entities have a considerable track-record in climate change and sustainable development projects, and are building on it in the last years. and CND is currently in advanced Stage I of accreditation and BROU has conducted the self-assessment for accreditation and initiated the completion of the Online Accreditation System.
87. CND is an established organization with substantive experience of managing donor funds from multiple sources, which plays an important role in public infrastructure projects in Uruguay, as a facilitator of the public sector and as a contractor of construction services. The entity has been incorporating over time the implementation and management of projects associated with climate change and sustainable development (e.g. designing a financial trust in 2019 for the acquisition of the first meteorological radar of Uruguay) CND is a strategic ally for the NDA for designing innovative financial instruments and public-private partnerships to

implement climate action, and for a more comprehensive engagement with stakeholders that need further involvement in the climate agenda, in particular subnational governments. It is expected this entity to engage particularly in the public sector projects pipeline of Uruguay to submit to GCF, in all the result areas of the GCF. In order to ensure Country Ownership, CND works closely with the NDA in the projects design and in the identification of gaps and opportunities, under the framework of the aforementioned national agendas in sustainable development and related Working Groups. Regarding the Paradigm Shift criteria in projects, CND's role is to provide the tools for envisioning how to catalyze impact beyond a one-off investment and ensure a long-term sustainability, for example by designing innovative instruments blending public, private and multilateral funding. Regarding effectiveness and efficiency, CND can develop and monitor indicators for measuring mitigation and adaptation efficiency and effectiveness in projects best adapted to national circumstances.

88. BROU has been an active financial institution in Uruguay's energy matrix transition to renewable energies. In dialogue with the NDA, specific needs related to BROU's further engagement in climate agenda have been identified in the last consultations (undertake the accreditation Gaps Assessment, develop an Environmental and Social risks Policy and Management System, among others) which are expected to be addressed with future Readiness support. Although the entity is not directly engaged in the projects in the current pipeline, its expected role is related with private sector engagement, particularly in the mid-long term with projects for the agriculture and agribusiness sector as well as energy sector. Its engagement in the climate agenda is expected to increase with diverse initiatives to increase the financial sector engagement in the national climate agenda from 2021 onwards.
89. The NDA has also nominated one regional entity for accreditation to GCF: Latin American Energy Organization (Organización Latino Americana de Energía – OLADE) was nominated in February 2017. Uruguay is a member country of OLADE, represented through its Energy Authority the Ministry of Energy, Industry and Minery. Uruguay maintains a strong collaboration with OLADE in its transition to renewable and green energy and energy efficiency; it is therefore considered that the entity could be a valuable partner for designing and implementing high ambition paradigm shifting projects in the country and the region.
90. An initial ad-hoc coordination mechanism has been established and led by MA, including a direct involvement of the Ministry of Economy and Finance. MA reports all NDA actions and decisions, such as proposal prioritization, to the National Environmental Cabinet (comprised of the President of Uruguay and the Ministries of Environment Agriculture; Industry, Energy and Minery; Health; National Defense and Economy and Finance). MA also consults with relevant stakeholders in the framework of the National Climate Change Response System.
91. Regarding the no-objection procedure, the NDA has established an ad-hoc procedure, which entails the direct consultation with the Ministry of Economy and Finance and, depending on the activities of the programme or project, to have direct consultations with the officials representing the relevant Ministries or national institutions, or subnational governments, appointed to the SNRCC.
92. This coordination mechanism will be maintained and strengthened among institutions involved, looking for a systematic and streamlined participation of all potential beneficiary sectors, including consultation, as appropriate, with the private sector, financial sector and

civil society. This will be implemented through meetings among the main public institutions and in a more flexible basis for other relevant stakeholder: through specific meetings and workshops regarding particular topics, and looking for the engagement of specific private and civil society actors.

• **National climate change engagements with other key international partners**

93. The external financial support received to comply with the commitments taken on under the United Nations Framework Convention on Climate Change has been essential to allow for an uninterrupted implementation of the initiatives developed.

94. For the preparation of the Fourth National Communication on Climate Change Uruguay had the support of the GEF through the Institutional strengthening project of the MVOT-MA³, with the UNDP as the implementing agency. In addition, Uruguay has received support to comply with the submission of the first and second BUR to the UNFCCC and to conduct studies such as the Technology Needs Assessment.

• **Overview of existing national coordination mechanisms for multilateral and bilateral funding at national level**

Partner Name	Area/s of focus	Engagement in country	Accredited Entity
FAO	Land use development and food security	In-country presence. Five-year work plan in consultation with AUCI	Yes
UNDP	Sustainable Development	In-country presence. Five-year work plan in consultation with AUCI	Yes
UNESCO	Strengthen scientific, technological and innovation policies and to ensure international cooperation in the various environmental sciences, basic sciences, engineering and science policy.	It assumes the functions of national office (representation, planning and execution of the programme) for Argentina, Paraguay and Uruguay.	No
UNEP	Sustainable development	In-country presence. Regional Office (Argentina, Chile, Paraguay y Uruguay)	Yes
UNIDO	Industrial Development	In-country presence. Regional Office (Argentina, Chile, Paraguay y Uruguay)	Yes
IADB	Infrastructure, Transport; Energy; Water, Sanitation and Solid Waste; Science and Technology; Education and Job training; Agroindustry; Export of services; Management and Public finances; and Urban development and public safety.	In-country presence. Five-year work plan and annual programs in consultation with Ministry of Economy and Finances.	Yes
CAF	Transport Infrastructure, Innovation, Water, Education and Job Training.	In-country presence. Five-year work plan and annual programs in consultation with Ministry of Economy and Finances.	Yes

³ The MVOTMA was the Ministry of Housing, Land Planning and Environment of Uruguay until year 2020, in which it was divided into the MVOT (Ministry of Housing and Land Planning) and the MA (Ministry of Environment) by the Law for Urgent Consideration N°19.889, approved on July 8th 2020 and enacted on July 9th 2020 by Uruguay's Executive Power.

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WB	Build resilience to economic and weather vulnerabilities; supports Government efforts to refocus the social compact on the young; bolsters Uruguay's continued integration into the global economy	In-country presence. Five-year work plan and annual programs in consultation with Ministry of Economy and Finances.	Yes
PEGASUS CAPITAL ADVISORY	Provide strategic growth capital to middle-market companies operating in the sustainability and wellness sectors.	Outside the country	Yes
EUROPEAN INVESTMENT BANK	Provide finance and expertise for sound and sustainable investment projects, in both the private and the public sector, provide social and economic infrastructure, and address climate change, among others	Outside the country	Yes
UICN	Conservation, environmental and ecological issues	Operates through national members (organizations and individual membership)	Yes

2.2 Roles and contributions of key stakeholders

95. The National Climate Change Policy (PNCC) required a multi-stakeholder and multi-sectorial approach to be able to analyze the national and local impact of climate change and to develop strategic guidelines with a view to 2050. In this context, the initiative was achieved through a participatory process during 2016 with the commitment and participation of public and private sectors. In particular, environmental NGO, University, sub-national institutions, farmer organizations, Forest Producers Association, and The Union of Exporters of Uruguay, among others, were active participants (see ANNEX 1 "list of organization participants at PNCC").
96. In the same way, the First Nationally Determined Contribution (NDC) draft process included public consultations in 2017. During this period, several public, private, NGO and academia institutions provided key information and relevant suggestion to improve the adaptation and mitigation measures.
97. The Country Programme is supported on this institutional framework, policy and planning processes, and the stakeholders involved in both consultations will participate during the implementation, monitoring and evaluation of the strategy adopted. The country has designed and is implementing a Programming, Monitoring, Reporting, and Verification (pMRV) system for the PNCC and NDC which includes and tracks the progress of adaptation and mitigation measures, which have associated the key stakeholders engaged and their participation and role.
98. During 2019, three regional meetings were carried out to engage all relevant actors (the government, the private sector, academia, civil society and other relevant stakeholder groups or sectors). The inputs collected improve the PMRV System, strengthen the whole NDA strategies implementation and the CP in particular. For example, local initiatives with potential for scaling up were identified, like the Management Plan of the Protected Areas on Ecosystem Based Adaptation, with advances in the identification and design of effective economic incentives for the incorporation of sustainable and conservationist practic-

es by the producers. Regarding the Barriers detected, it is key to address and deepen the analysis of the restrictions for financing to reach the subnational level, a topic that was highlighted in the three workshops. Finally, it is worth mentioning that the specific issues addressed in the workshops (livestock in natural field, afforestation and native forest in the North Region, and Management Plans in Protected Areas and Native Forest in the Coastal region) included several measures prioritized in the CP.

99. Throughout this process, the gender mainstreaming has been incrementally considered. As for 2019, organizations will be encouraged to be represented by both women and men. Moreover, women organizations will be invited to participate in preparatory meetings in order to increase their capacity for active participation in climate change activities, and as a result the pMRV system will be improved with a gender approach.
100. Moreover, it should be mentioned that the PMRV has already carried out a pilot gender sensitivity analysis. At the beginning of 2018, within the framework of the National Response System to Climate Change and Variability (SNRCC), the Gender Working Group (GWG) was created with the mission to advance in the integration of the gender dimension in the climate change policy instruments of application. The GWG is integrated by technical referents in gender with knowledge on the subject, among which are representatives of the Gender advisory commissions of each member of the SNRCC. The GWG developed an operational plan to integrate the gender dimension in the NDC implementation process and ensure that the MRV system is sensitive to gender. This mainstreaming process began in 2018 with the identification of gender sensitive setting up categories to the measures in the NDC (gender sensitive, transformative, transformative potential, neutral) and is being further developed during 2019 identifying gender measures, with goals and indicators within the transformative, potentially transformative and gender sensitive. In adaptation to climate change, the focus has been identifying and contributing to the reduction of social vulnerability gaps and risks by promoting the empowerment of women and their active participation in decision-making. In mitigation, the objective is to promote equal opportunities in access to economic resources and low greenhouse gas emissions technologies, with participation of the public and private sectors, in order to contribute to a more equitable development. The process of gender integration in the NDC allows identifying potentially responsive measures, analyzing their sectorial integration as well as financing needs.
101. Also, it is envisaged that the PMRV process will contribute to the identification of climate finance needs and flows, including from the GCF. There is a clear link among these activities and the contribution that the support project will make: the assessment and update, as appropriate, of the Country Programme currently in place will relate and complement the work being made by the MRV working group. In this regard, the stakeholder's involvement will be enhanced through the development of additional activities and workshops.
102. The private sector participation is considered as crucial in updating future Country Programmes and in specific initiatives regarding the GCF Private Sector Facility, for which its involvement will be encouraged. In this context, and focus in sectorial approach, meetings and consultation will be taken place with this sector in order to advance on their engagement to take part in national planning and dialogue exercise, leverage resources and identify new opportunities of investment, among other objectives.

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103. Finally, during May and June 2019 was submitted the final draft of the Country Programme to be reviewed with relevant public stakeholders in the framework of the National Climate Change Response System.

Overview of consultation processes			
Stakeholder group	Date of consultation	Type or objective of consultation	Outcome
Public institutions, subnational government NGO, academy, private sector.	8 workshops during April and May, 2016	Introduction to the process and invitation	List of relevant participants to the PNCC process.
Public institutions, subnational government, NGO, academy, private sector.	3 workshops during May and June, 2016	Backward-looking analysis, of emissions, impacts, actions, policies and institutions.	Concept notes
Public institutions, subnational government, NGO, academy, private sector.	6 workshops during July and August, 2016.	Forward-looking analysis, of problems, strategies and actions.	PNCC Strategic Pillars
Public institutions, subnational government, NGO, academy, private sector. Uruguayan citizens.	Web based consultation	Consultation on the draft strategy.	Inputs on the PNCC draft
Public institutions, NGO, academy, private sector.	Workshop dialogue, November 2016	Consultation on the draft strategy Social Dialogue – Climate Change	Inputs on the PNCC draft
NGO, academy, private sector.	Workshop, December 2016	Contributions to the PNCC	Review of the PNCC Final Draft
National Environmental Cabinet	April, 2017	Approval of PNCC and review of main GCF engagement Strategy and priorities.	PNCC, key priorities of GCF engagement.
NGO, academy, private sector.	4 workshops-August - September, 2017	Consultation of the First NDC, including targets and specific measures.	NDC Draft
National Environmental Cabinet	October, 2017	Approval of First NDC	NDC
National Climate Change Response System	May – June 2019	Review of CP draft including the prioritized PNCC and First NDC strategies and measures.	Final CP Draft
National Designed Authority	June 2019	Approval and submission of the First CP	First CP
Public institutions, NGO, private sector (North Region)	5 th September 2019	Review PNCC and NDC- stakeholders engagement, identification of additional opportunities and/or synergies with the CP.	Inputs on implementation
Public institutions, NGO, private sector. (West Region)	12 th September	Review PNCC and NDC- stakeholders engagement, identification of additional opportunities and/or synergies with the CP.	Inputs on implementation
Public institutions, NGO, private sector (South East Region)	26 th September	Review PNCC and NDC- stakeholders engagement, identification of additional opportunities and/or synergies with the CP.	Inputs on implementation

2.3 Identification of country priorities for the GCF

- **National priorities**

104. The national priorities are determined in the framework of the National Climate Change Policy (PNCC) and the National Determined Contribution (NDC) of Uruguay. As mentioned, the PNCC supports the country's structural transformation with a view to 2050. This new perspective strengthens cross-sectorial and interinstitutional work and its engagement in the territory by optimizing management and public policy tools.
105. The PNCC adopted in 2017 by the National Environmental Cabinet and approved by the Executive Branch by the Executive Decree sets five dimensions (governance, knowledge social, environmental and productive). All dimensions are developed through different courses of action to address climate change, including mitigation and adaptation.
106. As per Paragraph 23 of the PNCC, the NDC helps to implement such policy. Uruguay's NDC includes the main measures that contribute to attaining mitigation objectives (unconditional mitigation objectives and conditional to additional means of implementation) and the main measures of adaptation to the adverse effects of climate change. Moreover, a specific section presents the context and key measures relative to capacity building and knowledge creation on climate change, and a final section includes information to provide transparency and to improve the understanding of the climate change mitigation objectives, and to facilitate monitoring their progress.

- **Key areas of engagement with the GCF**

107. All projects and programs submitted to the GCF by AEs to be implemented in Uruguay should be aligned with PNCC and NDC framework, as well as these must be consistent with GCF policies, principles and access modalities, comply with the investment criteria outlined by the GCF and verify alignment with GCF's fund level strategic impacts across mitigation and adaptation.
108. Regarding the PNCC, the Country Programme embraces all paragraphs and its respective courses of action included in the social, environmental, and productive dimension with a long and medium-term vision respectively. In the case of knowledge, we take into account processes that will enable to generate, obtain and systematize relevant, comprehensive, useful and accessible information for the population and decision-making institutions involved.
109. In relation with the NDC, to implement measures to contribute to the achievement of the conditional mitigation objectives set out in this NDC, the country requires additional and specific means of implementation including grant based and/or concessional public funding, technology transfer and capacity building. For this reason, a first criteria to engage with the GCF is to consider these conditional mitigation measures as short-term strategies.
110. In the case of adaptation, the main priorities, implementation and support needs, adaptation plans and measures to address the adverse effects of climate change requires means of implementation. Uruguay's adaptation priorities for the GCF consider all adaptation

actions and measures which imply direct impact in the expected change in loss of lives, value of physical assets, livelihoods, and/or environmental or social losses as short-term strategies. Particularly, all adaptation measures included in the National Adaptation Plans (NAP agriculture was completed in 2019, NAP coastal zone and NAP Cities and infrastructure will be completed in 2021, and NAP energy and NAP health will be completed by 2025) are strategic to engage with the GCF. At present, we are carrying out a Readiness to supports the Government of Uruguay to advance its National Adaptation Planning process in cities and local governments (NAP-Cities).

111. Additionally, Uruguay is in the view to continue promoting innovative transformative areas. Throughout consultations and in the framework of the existing policies there is the need to foster: transportation projects, including electric, hybrid, and clean hydrogen; cattle, milk and rice production in mitigation and adaptation; soil and ecosystem conservation; coastal, urban and infrastructure mitigation and adaptation, including resettlement of high risk housing and adaptation of middle risk housing; climate services and early warnings; and human health. Also, it is essential that projects take into account vulnerable communities, human rights and gender approaches that can support social equity, while attending climate change issues.
112. As mentioned in the section 1.2. Development Profile, the relevance of the agriculture sector for national economy is well known. Although, as mentioned above, cattle, milk and rice production will be innovative areas to engage with the GCF, other lines of action have or will have other sources of financing (BM, Adaptation Fund). The NDA will seek to address potential synergies with GCF portfolio and investments.
113. Also, the country has identified the paradigm shift potential as a tool to further assess mitigation and adaptation measures in both the PNCC and NDC to be considered relevant by the Country Programme. In the context of Uruguay's Country Programme, "paradigm shift" is defined as driving the development and diffusion (scaling up of the project results) of innovative solutions (technical, social, financial) for mitigation and adaptation. Moreover, the innovative classification is for both national and/or global perspective. Adaptation and mitigation measures were classified high, medium and low level of paradigm shift potential, both high and medium paradigm shift potential are included within the Country Programme. For this classification the NDA based on expert judgement from different areas which weighted the measures. Related to the other investment criteria, they were presented and explained to the experts consulted but not included in this assessment exercise because it was considered that they are applicable exclusively at the project or initiative level, not of a measure.
114. Moreover, an initial number of the adaptation and mitigation measures prioritized in the Country Programme include the identification of its gender sensitive potential, setting up different categories in relation to the potential impact on gender inequalities, defining:
 - **Neutral:** the gender approach is not considered applicable.
 - **Gender sensitive:** it integrates the gender approach from the generation of basic information disaggregated by gender but does not necessarily imply corrective actions.
 - **Gender transformative:** measures that integrate corrective actions of gender inequal-

ities and/or narrowing gaps in traditionally gender-structured sectors; measures that promote cultural changes that allow progress in the deconstruction of concepts linked to sex-generic representations.

- **Potentially transformative:** measures that have a direct impact on gender gaps and , in the absence of specific actions to reverse these, have the impact of deepening them; measures that do not integrate corrective actions of gender inequalities, but have the potential to do so, mainly because the sector has equality policy frameworks or clearly established strategies, allowing and forcing action to be taken to that end.

As a result of this process, forty NDC measures have been categorized by the Gender Working Group in coordination with the pMRV Working Group, in terms of their potential impact on gender inequalities, displayed in communication tools to the citizens; and the process of defining gender measures within the group of potentially transformative has begun.

115. Another source of potential initiatives to be submitted to the GCF could be originated in main capacity building and knowledge creation measures.
116. Considering the country's progress made so far with its access to GCF Readiness and Preparatory support, the priorities for Uruguay's Readiness proposals include: continue strengthening NDA capacities to undertake its fund-related roles and responsibilities to ensure the country's increasingly strategic access to the GCF; continue progressing towards direct access through the support of nominated national entities accreditation; identifying and addressing barriers and building capacities for accelerating private sector and banking sector (public and private) engagement with climate action and sustainability in order to scale up the country's possibilities to access the GCF; identifying and addressing barriers and providing assessments, capacities and financial mechanisms to accelerate adoption of technology for mitigation and adaptation in regional priority sectors such as transportation, coastal infrastructure and climate information services.
117. These previous Readiness and Preparatory Supports have allowed to achieve, among others: i) procedures established and applied, that facilitate a better engagement with the GCF. ii) a monitoring system for climate finance and a pilot applied; iii) a gender and Climate Change Strategy approved and a Gender Action Plan advanced; iv) Two project concept notes and one PPF request have been developed to be submitted to GCF Secretariat v) a private sector engagement roadmap, with focus on communication and sensitization, identification of sectors with potential to crowding-in private investments and coordination with mentoring programs for business models; vi) a nominated direct access entity in process of accreditation (CND), and the other nominated potential direct access entity to GCF, have been held to advance in its accreditation process (BROU).

Related to these previous outputs, it could be mentioned some lessons learned: i) trainings in the framework of the Coordination mechanism related to the Country Programme are very profitable when they refer to a specific prioritized initiative; ii) defining Climate Finance is in itself challenging, much more measuring and monitoring it. Specially, it is highly ambitious to define and agree about criteria needed to adapt or translate the language of projects, programs, policies and investments from different sectors and sources

to climate action, as well as distinguishing the percentage of it which acts on climate; iii) the MRV system has allowed for the effective integration of gender perspective in the NDC. The development of gender capacities must be designed according to the target population, and the design of tailor-made training for technicians and decision-makers is very suitable; iv) aligning the project design with the on-going planning processes such as the NAPs and the MRV framework, and incorporating into the Concept note priorities of different subnational governments which are in disparate situations regarding territorial planning, capacities and budget, is a challenge that needs a considerable amount of time and political timing, but is necessary to ensure the design of a robust Concept note and thorough detection of needs for the PPF proposal; v) the worldwide outbreak of COVID-19 has brought the world to a standstill, and all major economic sectors has been affected, and tourism has been the worst impacted. Within this framework, climate strategies and investments must be redesigned to mitigate the socio-economic impact of COVID-19 and accelerate recovery (Training in access to financing, market intelligence systems and digital transformation, transition to the circular economy and mainstream environmental sustainability in stimulus and recovery packages). Therefore, it is even more urgent to coordinate actions and strategies with entities that directly support the private sector. Finally, it is necessary to promote new initiatives to involve the financial system more strongly, since new opportunities are opening for financial institutions for which they must develop technical capacities and, eventually, new areas of climate, green and sustainable business; iv) it is a challenge for national entities (potential DAE) to advance in the accreditation process. It is crucial to continue the support of national entities and the role of NDA in the monitoring of this process.

118. Other lessons learned taken into account are those generated through the E-mobility Regional Readiness support, which identify and address the main barriers for electric mobility by providing the necessary assessments, capacities and financing alternatives to accelerate adoption of electric mobility technology.
119. Based on these lessons and detected needs, the NDA has included in the pipeline the respective readiness supports and project.
120. Furthermore, the priorities for implementation projects to be presented to the GCF are stated in the table below, in addition to the gaps and opportunities established in paragraphs 82 and 83 above, and those priorities indicated in paragraph 111 above, as well as all adaptation measures to be included in the NAPs for Agriculture; Coastal; Cities and Infrastructures; Health; and Energy to be adopted in the future:

Dimension	National Climate Change Policy	First National Determined Contribution	Shifting to low-emission sustainable development pathways through:				Increasing climate-resilient sustainable development for:				Paradigm shift (High, medium; low -not included-)	Gender Sensitivity
			Low-emission energy access and power generation	Low-emission transport	Energy efficient buildings, cities and industries	Sustainable land use and forest management	Enhanced livelihoods of the most vulnerable people, communities, and regions	Increased health and well-being, and food and water security	Resilient infrastructure and built environment to climate change threats	Resilient ecosystems		
KNOWLEDGE	<p>Paragraph 7: To lay the groundwork for coordinated processes that will enable to generate, obtain and systematize relevant, comprehensive, useful and accessible information for the population and decision-making institutions involved in this Policy</p> <p>Courses of action:</p> <p>i. To strengthen the allocation of national monetary resources and the access to international funding required to generate, obtain and systematize relevant information on climate change and variability, and the actions to address this issue on a comprehensive, useful and accessible manner for decision-making purposes.</p> <p>ii. To promote the generation and access to relevant information by the population and decision-making institutions involved in this Policy.</p> <p>iii. To promote coordination mechanisms among institutions engaged with the generation of information and users of databases.</p>	<p>To achieve, by 2025, a comprehensive system for designing and managing climate services for decision-making in the public and/or private sector for the relevant industries.</p> <p>To achieve, by 2025, a radar network in the country –to complement the existing regional network–, a radio sounding station and a national telemetric rain gauge network that will help monitor flash floods, among other events.</p>					x	x	x	x	High	
							x		x		High	
SOCIAL	<p>Paragraph 8: To promote the adaptive capacity and resilience of the population in the face of climate change and variability and extreme climatic and meteorological events, with emphasis on socially and climatically vulnerable groups in the framework of social policies and social inclusion, thus contributing to improve their quality of life.</p> <p>Courses of action:</p> <p>i. To promote the adaptive capacity and resilience of the population through actions primarily focused on childhood, women, population below poverty line and/or indigence, homeless persons, the elderly, disabled persons and rural population, considering features of exposure of the population to climate change and variability, habitat and natural environment on a comprehensive basis.</p> <p>ii. To enhance the capacity of society, especially for the most vulnerable segments, of knowing the risks inherent in climate change and variability, and of accessing and appropriately construing early warning systems.</p> <p>iii. To further elaborate on resettlement strategies for vulnerable people living in areas under climatic hazards.</p>	<p>To make available, by 2025, georeferenced information of social vulnerabilities associated to adverse climatic events, adopting human rights and gender perspectives and looking at childhood, population below the poverty line and/or indigence, homeless people, older adults, disabled people, afro-descendants, migrants and rural population.</p> <p>To have relocated, by 2025, between 3500 and 6000 of the households in flood or contaminated zones identified through the National Relocation Plan and other national and departmental instruments, enabling access to basic services to relocated population and assigning new uses to give a different significance to flood zones.</p>					x		x		Medium	
							x	x	x	High	Transformative potential	

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Dimension	National Climate Change Policy	First National Determined Contribution	Shifting to low-emission sustainable development pathways through:				Increasing climate-resilient sustainable development for:					Paradigm shift (High, medium; low -not included-)	Gender Sensitivity	
			Low-emission energy access and power generation	Low-emission transport	Energy efficient buildings, cities and industries	Sustainable land use and forest management	Enhanced livelihoods of the most vulnerable people, communities, and regions	Increased health and well-being, and food and water security	Resilient infrastructure and built environment to climate change threats	Resilient ecosystems				
SOCIAL	<p>Paragraph 9: To strengthen the National Integrated Healthcare System for the purposes of contributing to the generation of conditions that ensure the population's comprehensive healthcare in the face of climate change and variability impacts and extreme climatic and meteorological events.</p> <p>Courses of action:</p> <p>i. To reinforce and adapt sanitary reporting and surveillance systems, promoting the incorporation of environmental health indicators.</p> <p>ii. To identify and adapt infrastructure and critical healthcare human resources to face climate change and variability.</p> <p>iii. To foster scientific research and evidence generation, training and spreading of knowledge in order to reduce human health risks relating to climate change and variability.</p> <p>iv. To reinforce Primary Healthcare in order to build the communities' local capacities, promoting the development of resilience to climate change and variability.</p>	To have identified, formulated and implemented by 2025 Environmental Health indicators associated with climate change and health status of the population, contemplating information about the disease burden linked to climate change.										Medium		
		An early-warning system for extreme temperature events (heat and cold waves) will have been developed, and it will have been implemented in at least two departments by 2020.											High	
		To have formulated by 2025 a diagnosis of the response capacity and the infrastructure of health care services and centers to extreme weather events in at least four departments.											High	
		An "Assessment for the establishment of models to predict the behavior of vector-borne diseases and zoonosis linked to climate change" will be under development by 2025.											High	
	<p>Paragraph 10: To strengthen climate disaster risk management at national, municipal and local level, according to the different features and dynamics of the territory, through coordination among the different institutions and the population, arranging regulatory and auditing instruments to reduce vulnerability to climate change National Climate Change Policy and variability and enhance the articulated response to extreme climatic and meteorological events.</p> <p>Courses of action:</p> <p>i. To deepen the implementation of early warning systems, considering the needs and characteristics of target institutions and public.</p> <p>ii. To foster the coordination of instruments and plans that address climate-related risk management.</p> <p>iii. To promote the assessment of losses and damages, and the development of forward-looking and territorial analyses of potential risks and damages relating to climate change and variability.</p>	At least eight flood cities will have a flood early warning system by 2025.					x	x	x			High		
		At least 30 flood cities have maps showing the flood hazards of drainages, riverbanks and/or rising sea levels and storm surges by 2025.					x		x			Medium		
	<p>Paragraph 11: To promote the development of sustainable cities, communities, settlements and infrastructure which are resilient to climate change and variability and contribute to reduce greenhouse gas emissions.</p> <p>Courses of action:</p> <p>i. To deepen the appropriate incorporation of mitigation of and adaptation to climate change and variability into urban planning, spatial planning instruments and landscape.</p> <p>ii. To appropriately incorporate the mitigation of and adaptation to climate change and variability and ecosystem services into housing, infrastructure, equipment and utility design, construction, management and maintenance.</p> <p>iii. To strengthen national, departmental and municipal capabilities through human resource training and funding actions, as applicable, in terms of budgetary competencies at the various governmental levels, relating to mitigation of and adaptation to climate change and variability in cities, communities and settlements.</p>	To have implemented by 2020 a Guide for the Preparation of Land-use Planning Instruments, which includes a climate change and variability adaptation component					x		x			High	Transformative potential	
		Adaptation measures will have been promoted by 2025 in at least 30% of the cities with over 5,000 residents to address vulnerabilities and improve their adaptive capacities.						x		x			High	

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			Shifting to low-emission sustainable development pathways through:				Increasing climate-resilient sustainable development for:					
Dimension		First National Determined Contribution	Low-emission energy access and power generation	Low-emission transport	Energy efficient buildings, cities and industries	Sustainable land use and forest management	Enhanced livelihoods of the most vulnerable people, communities, and regions	Increased health and well-being, and food and water security	Resilient infrastructure and built environment to climate change threats	Resilient ecosystems	Paradigm shift (High, medium; low -not included-)	Gender Sensitivity
SOCIAL	Paragraph 12: To promote the preservation, recovery and restoration of natural ecosystems and the provision of ecosystem goods and services, based on adaptive management through sustainable production and consumption practices, considering climate change and variability. Courses of action: i. To promote the generation of actions and instruments that favor the preservation, recovery and restoration of natural ecosystems, including the recovery of native forests, wetlands and grasslands, to foster the provision of ecosystem goods and services considering climate change and variability.	By 2025, 100% of the native forest area will be protected, with the option of increasing said area by 5%, especially in water resource environmental protection areas, attempting to revert degradation processes (*) – including on REDD+ approaches.								x	Medium	Transformative potential
	ii. To promote sustainable production and consumption patterns in natural ecosystems, considering climate change and variability. iii. To promote the incorporation of mitigation of and adaptation to climate change and variability into protected areas management plans. iv. To generate and spread information on carbon sequestration in wetlands and other natural ecosystems. v. To promote research on climate change effects on Antarctic ecosystems.	The management plans of at least six protected areas will include climate change and variability considerations by 2025.									x	Medium
ENVIRONMENTAL	Paragraph 13: To reduce vulnerability to climate change and variability impacts in fluvial, coastal and marine areas through ecosystem-based adaptation actions that cut losses and damages in uses and infrastructure and in said natural ecosystems. Courses of action: i. To incorporate the mitigation and adaptation stand into the development and enforcement of the regulatory framework applicable to fluvial, coastal and marine areas.	To have mapped by 2020 the coastal vulnerability of the River Plate and the Atlantic Ocean to climate change and variability.					x		x	x	High	Transformative potential
	ii. To strengthen national, departmental and municipal capacities relating to climate risk management and adaptation in fluvial, coastal and marine ecosystems, through human resource training and funding of specific actions, as applicable, in terms of budgetary competencies at the different governmental levels.	To have an adaptive management strategy in 20% of the coastal line of the Uruguay River, the River Plate and the Atlantic Ocean by 2025, prioritizing the most vulnerable stretches.					x		x	x	High	neutral
	iii. To foster the preservation of natural fluvial, coastal and marine spaces and processes which are jeopardized by climate change and variability.	To have, by 2020, a system for monitoring and assessing adaptation actions in the six coastal departments in coordination with institutions dealing with coastal areas.					x		x	x	Medium	
	Paragraph 14 To promote the consideration of climate change and variability in the comprehensive management of water resources, primarily focused on availability and quality thereof. Courses of action: i. To improve the knowledge of climate change and variability impacts on water resources, thus promoting a comprehensive research and monitoring approach in terms of quality and quantity. ii. To incorporate the adaptation to climate change and variability approach into the planning and activities of Regional Boards of Water Resources, Basin Committees and all other competent fields.	To have formulated, adopted and implemented by 2025 three integrated basin management plans that consider climate change and variability.						x		x	Medium	

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			Shifting to low-emission sustainable development pathways through:				Increasing climate-resilient sustainable development for:						
Dimension		First National Determined Contribution	Low-emission energy access and power generation	Low-emission transport	Energy efficient buildings, cities and industries	Sustainable land use and forest management	Enhanced livelihoods of the most vulnerable people, communities, and regions	Increased health and well-being, and food and water security	Resilient infrastructure and built environment to climate change threats	Resilient ecosystems	Paradigm shift (High, medium; low -not included-)	Gender Sensitivity	
PRODUCTIVE	<p>Paragraph 15: To promote agricultural production systems that have improved adaptation capacity and resilience to climate change and variability for the purposes of enhancing their productivity and competitiveness in value chains, while providing for ecosystem services, social equity and food safety.</p> <p>Courses of action:</p> <p>i. Strengthen adaptation to climate change and variability as a fundamental strategy in agricultural production systems, attending in particular to sustainable intensification processes.</p> <p>ii. Strengthen the design and implementation of adaptation measures in the agricultural production systems, especially the inclusion of sources of water, fodder and property management measures.</p> <p>iii. Strengthen the implementation of land use and management plans to reduce erosion and conserve organic matter on agricultural land, further tempering the loss of nutrients towards the water bodies.</p> <p>iv. Promote the sustainable management of the natural field considering the adaptation to climate change and variability and the contribution to reduction of the intensity of greenhouse gas emissions.</p> <p>v. Strengthen the development of climate insurance among other management measures of climatic risks for agricultural production systems.</p> <p>vi. Deepen adaptation to climate change and variability as a national level strategy in animal and plant health.</p>	By 2025, 100% of the area of the shelter and shade forests plantations –which provide shelter and well-being for animals, especially in adverse weather situations– has been preserved (78,000 ha) (*). – including on REDD+ approaches.				x				x	Medium		
		Adoption, by 2025, of good practices of natural land management and management of breeding herds in livestock production in an area ranging from 1,000,000 to 3,000,000 ha (10-30% of grasslands), including the supply of forage, regenerative management and the addition of supplements in times of drought, enhancing extension and livestock innovation mechanisms for that purpose (*).				x			x		x	High	Transformative potential
		To have implemented by 2025 water management models and instruments that promote the rational use of water through reservoirs and dams that are shared among several plots of land.								x		High	
		To have, by 2025, comprehensive information systems for adaptive management in agriculture for the public and private sector, and to have promoted research programs on dryland agriculture, vegetable and fruit crops, forage crops and pastures that better adapt to climate variability.						x	x	x	x	High	
		By 2025, 95% of the agricultural area is under land use and management plans, including plans to reduce erosion and preserve organic matter in croplands, the productivity and water storage capacity have improved, and the risk of erosion during extreme rainfall events has been reduced (*).					x				x	High	neutral
		To have designed and implemented, by 2025, risk transfer instruments, such as climate index-based insurances and the Emergency Agriculture Fund (FAE, for its acronym in Spanish).							x	x		High	neutral
		Paragraph 16: To propel the reduction of greenhouse gas emission intensity and the increase of carbon sequestration from agricultural production systems, including afforestation, as part of the efficiency and productivity improvement, resilience and adaptive capacity, and in coordination with other environment protection policies, aiming at adding value and keeping and/or accessing international markets.	Adoption of good practices of natural grasslands management in livestock production in 3,000,000 ha (30% of grasslands), thus avoiding the loss of soil organic carbon, and favoring carbon sequestration towards 2025 (*).				x				x	High	Transformative potential
	<p>Courses of action:</p> <p>i. To strengthen the adaptation to climate change and variability as fundamental strategy in agricultural production systems, with primary focus on sustainable intensification processes.</p> <p>ii. To reinforce the design and implementation of adaptation measures in agricultural production systems, especially the inclusion of water sources, fodder and estate management measures.</p> <p>iii. To strengthen the implementation of soil use and handling plans to reduce erosion and preserve the organic matter in agricultural lands, thus moderating nutrient losses into the waters.</p> <p>iv. To promote the sustainable management of natural fields, considering climate change and variability and its contribution to the reduction of greenhouse gas emission intensity.</p> <p>v. To foster the development of climate insurances for agricultural production systems, among other climate risk management measures.</p> <p>vi. To deepen the adaptation to climate change and variability as part of the national animal and plant health strategy.</p>	Extension of the adoption of good practices of natural land management and management of breeding herds in livestock production in 3,000,000 ha (30% of grasslands), including adjustments in the forage supply, regenerative management and appropriate nitrogen management towards 2025 (*).				x				x	High	Transformative potential	
		Use of zero discharge technologies for rivers and streams and/or application of good practices of effluent treatment and/or recovery of nutrients, and minimization of methane emissions in at least 75% of dairy farms.				x						High	Transformative potential
		Introduction of intermittent irrigation technology with alternate wetting and drying (AWD) of soils in at least 40% of the rice crop area (64,000 ha) by 2025..					x					High	
		Introduction of slow-release fertilizers and/or adjustments in the timing of fertilizer application in at least 20% of the area of winter agricultural crops, including corn and sorghum towards 2025.					x					High	
		Increase by 5% in the native forest area (42,500 additional ha) by 2025, seeking to reverse degradation processes (*). – including on REDD+ approaches.					x				x	High	Transformative
		Increase of 25% of the area of shelter and shade forest plantations (20,000 ha) by 2025, including silvopastoral systems (*). – including on REDD+ approaches.					x				x	Medium	
		Protection of 100% of the peatland area by 2025 (8,366 ha).					x					High	

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			Low-emission energy access and power generation	Low-emission transport	Energy efficient buildings, cities and industries	Sustainable land use and forest management	Enhanced livelihoods of the most vulnerable people, communities, and regions	Increased health and well-being, and food and water security	Resilient infrastructure and built environment to climate change threats	Resilient ecosystems				
PRODUCTIVE	<p>Paragraph 17: Tend towards the reduction of greenhouse gas emissions from transportation systems, through efficiency enhancement and the combination of energy sources, means and technologies of lower greenhouse gas emissions, making the best use of infrastructure, territory, logistics and other favorable conditions.</p> <p>Courses of action:</p> <p>i. To improve the quality and efficiency of private and urban transportation systems, thus promoting active, multimodal and public transportation over private transportation, for the purposes of reducing greenhouse gas emissions.</p> <p>ii. To foster the use of freight transportation means and/or vehicles of less greenhouse gas emission intensity per carried unit, including road, railway and maritime transportation.</p> <p>iii. To increase the share of electric, hybrid vehicles and other technologies with reduced greenhouse gas emissions in the different subsectors of the transport chain, as well the proportion of ethanol and biodiesel used in motor fuels.</p> <p>iv. To promote the coordination between transportation systems, spatial planning instruments and infrastructure design, for the purposes of improving efficiency and reducing carbon emissions in transportation activities.</p> <p>v. To develop regulatory and financial instruments that promote low-carbon emitting transportation systems.</p>	Further adoption of biofuels: 10% bioethanol blended with gasoline, and 7% biodiesel blended in diesel fuel by 2025.	x								Medium	Transformative potential		
		Further adoption of electric vehicles in public transport: 110 buses and 550 taxis by 2025.		x								High	Transformative potential-neutral	
		Further adoption of utility electric vehicles: 900 units by 2025.		x								High	neutral	
		Replacement of 5% of the fleet of light private vehicles with electric vehicles by 2025.		x								High		
		Network of electric vehicle charging stations throughout the country: extension of the Electrical route to the main roads across Uruguay.		x								High		
		Fast charging network: installation of fast charging stations in direct current.		x								High		
		Extension of the regulation of energy-efficiency labeling in cargo transport and public transport of passengers by 2025.		x								High		
		Establishment of a laboratory to test vehicle efficiency and gaseous emissions (including particulate matter) by 2025.		x								High		
			To have diversified, by 2025, the power grid sources, thus reducing the vulnerabilities resulting from the dependence of hydropower generation on climate conditions, with at least 1,700 installed MW from at least three non-traditional sources, and with the option of power accumulation plants (*).	x									High	
		Ring closure of the high-voltage power supply network throughout the country, to support decentralized electrical power generation from renewable sources: additional 215 km installed by 2025 (*).	x									Medium	neutral	
	<p>Paragraph 18: To deepen the diversification of the energy matrix in sources of low greenhouse gas emission intensity, and expand efficiency promotion and responsible use of energy.</p> <p>Courses of action:</p> <p>i. To promote strategies that allow keeping the share of renewable energies in the electric energy matrix, especially through the incorporation of energy storage systems in the management of variable power sources.</p> <p>ii. To deepen the share of renewable energy and other clean energy sources in the energy matrix.</p> <p>iii. To boost energy efficiency promotion in the industrial, commercial, construction, service and housing sectors, through instruments such as labeling that incorporate information on greenhouse gas emission levels.</p>	Introduction of electricity accumulation technology, including accumulation and pumping systems: 300 MW installed by 2025 (*).	x									High		
		Extension of water sources technologies for power generation (small hydro-electric power plants): 10 MW of installed power by 2025, with a focus on co-benefits for dams for irrigation (*).	x										High	
		Wider use of solar collectors for hot water in large users, industrial and residential users: 100 MWth of installed capacity for 2025 (*).	x										Medium	
		Extension of the Pilot Program for the Improvement of Energy Efficiency in 5% of homes throughout the country by 2025 (*).	x										High	
		Replacement of current equipment with efficient equipment: 80% of built-in LED luminaires in public lighting by 2025 (*).			x								Medium	neutral
		Mandatory labeling of energy efficiency in household devices: other household appliances, gas-burning appliances and wood-burning appliances by 2025 (*).			x								High	
		Implementation of energy-efficiency labeling program in used and non-residential buildings by 2025.			x								High	
		Consolidation of smart grids including household appliances and smart meters in two neighborhoods or towns by 2025 (*).			x								High	neutral

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			Low-emission energy access and power generation	Low-emission transport	Energy efficient buildings, cities and industries	Sustainable land use and forest management	Enhanced livelihoods of the most vulnerable people, communities, and regions	Increased health and well-being, and food and water security	Resilient infrastructure and built environment to climate change threats	Resilient ecosystems				
PRODUCTIVE	Paragraph 19: To foster a cross-sectoral mainstreaming of the climate change and variability approach into the planning and management of tourism activities, establishments and destinations, through the proactive commitment of the sector's players, with a sustainable and resilient model of low greenhouse gas emissions. Course of action i. To enable the access to knowledge and new low-carbon technologies, and the implementation of adaptation measures in tourism activities and infrastructure.	The Green Seal Certification, which includes different actions to achieve a more resilient performance of buildings, through the use of appropriate design and materials to be better prepared in the face of extreme weather events, the implementation of best practices and the installation of devices to efficiently manage and harness rainwater, and prevent erosion, will have been awarded to between 4% and 10% of tourist accommodation services by 2025 (*).			x					x		High	transformative potential	
	ii. To foster the use of meteorological information, early warnings and other climate risk management tools in the planning of tourism activities. iii. To promote sustainability as tourism activity's added value, including the mitigation of and adaptation to climate change and variability, through the implementation of seals and other certification forms, further contributing to educate both the population and visitors.	Extension of the Tourism Green Seal certification to 10% of tourist accommodation services, including best practices in: the adoption of renewable energy for heating domestic water, heating and electricity generation; other efficiency measures; management of wastewater and solid waste including recycling and composting (*).			x								High	transformative potential
	Paragraph 20: To promote industrial production, mining, trade and service systems that are better adapted and more resilient to climate change and variability, and feature low-carbon development. Course of action: i. To promote the introduction of low-carbon technologies, through the development of a legal framework that features appropriate incentives, into industrial production, mining, trade and service systems, with a focus on life-cycle and circular economy.	Replacement of fossil fuels with alternative lower GHG emissions fuels in cement production; up to 30% replacement rate depending on plants and local availability of alternatives.			x								High	
	ii. To assess the needs for adaptation and improvement of resilience in industrial production, mining, trade and service systems in the design of particular plans and projects. iii. To reinforce the monitoring system in place for international standards and requirements applicable to climate change that could affect the international participation and competitiveness of industrial production, mining, trade and service systems, and identify market opportunities.	Development of pozzolanic or composite cements for the partial replacement of the clinker in the late stages of the cement production process. (450 ton of Clinker/year).			x								High	
	Paragraph 21: To promote the comprehensive solid waste and wastewater management to reduce greenhouse gas emissions based on the principle of management hierarchies and circular economy, and the participation of the different governmental agencies. Courses of action: i. To boost comprehensive management models that promote circular economies taking into account the waste management hierarchy principle, considering the reduction of greenhouse gas emissions.	Development of solid urban waste management systems, including improvements in the treatment and final disposal systems. This development includes the extension of capture and burning of CH4 systems and/or the introduction of technologies to reduce CH4 generation to new final disposal sites, so that 90% of the urban solid waste is disposed of in sites with these technologies.			x								High	
ii. To promote the incorporation of low greenhouse emitting technologies into urban, industrial and agricultural solid waste treatment and final disposal systems, and in domestic, industrial and agricultural wastewater treatment systems.	Improvement in the industrial wastewater treatment systems with technologies that reduce CH4 emissions. This includes the implementation of new CH4 capture and burning systems in anaerobic treatments, reaching the treatment systems where 30% of emissions are generated.	x		x								High	neutral	

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As it is shown in the table above, the Gender Sensitivity Analysis has been performed up to date on a limited number of measures in Uruguay's NDC, as a pilot approach. This assessment will continue to be developed for the remaining measures, several of which are also expected to have important contributions in terms of gender transformation.

2.4 Country Portfolio

1. Country projects			
Project Title	Description	Accredited Entity	Submission timeframe
1.1 Global Sub national Climate Fund (SnCF) initiative	To catalyze climate mitigation and adaptation solutions at the subnational level through a transformative finance model. The Fund is designed to overcome private investment and project-level barriers that lead to chronic underfunding of bankable mitigation and adaptation projects at the sub-national level, at the deal size of \$5-\$75 million project funding.	Pegasus Capital for the equity component; IUCN for the TA component	2020/03/20
Fund level strategic impacts		Total financing:	Status
Energy access and power generation Buildings, cities, industries and appliances Most vulnerable people, communities and regions Health and well-being, and food and water security: Infrastructure and built environment:		GCF: 150M USD Private: 600M USD	Approved in B.27 (FP 151 and FP 152) No Objection by Uruguay's NDA 30 th April 2020
Action	Lead	Timeline	
Execution	Pegasus Capital/ IUCN / Gold Standard / BNP Paribas and R20's Consortium	Received TA launching email and national information request in Q2 2021	

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2. Country Project pipeline			
Project Title	Description	Accredited Entity	Submission timeframe
2.1. E-Motion: E-Mobility and Low Carbon Transportation (Sub-Program 2)	The Program aims to enable a large-scale regional transition towards electro-mobility in Latin America focusing on intensive use vehicles leading to reduced fossil fuel consumption, greenhouse gas emissions and air pollutions. E-Motion will be implemented through two Funding Proposals: one by AFD (<i>Sub-Program 1</i>) as an Accredited Entity to cover 8 countries in Latin America, and one by CAF (<i>Sub-Program 2</i>) to cover the following 3 countries: Panama, Paraguay and Uruguay. The underlying objective is to transit to a cleaner, better organized, more efficient, equitable, comfortable, secure, sustainable, and affordable public mass transport systems, using EV as the spearhead to promote this change. The Program focuses on pure electric commercial vehicles i.e., buses, taxis and urban freight vehicles together with the required charging infrastructure and grid upgrades. No private usage vehicles are financed. The main investment area is on electric buses. Investments are linked with new business models and service delivery structures.	CAF	2021/04/16
Fund level strategic impacts		Total financing (Sub-Program 2)	Status
Low emission transport		GCF: USD 113M (USD 60.4M loans and USD 52.4M grants)	Other: USD 144M (56%) No Objection by Uruguay's NDA 29 th April 2021. Funding proposal under revision by GCF Secretariat before presenting to the Board.
Action		Lead	Timeline
Funding proposal presented to GCF Board for approval		CAF	TBD
Project Title	Description	Accredited Entity	Submission timeframe
2.2 E-Mobility Program for Sustainable Cities in Latin America and the Caribbean	This program enables the uptake of EVs by tackling the barriers of high CAPEX, performance risks, and low profitability. The program investment focus is on urban public transport, electric micro-mobility linked to low-carbon urban development, institutional fleets, charging infrastructure, green hydrogen pilots including trucks and Vehicle-to-Grid (V2G) pilot projects, and innovative business models conducive to EV deployment. Electrification of urban public transport results in the largest impact and offers the best cost-benefit ratio. The e-mobility program is matched on a per-project base with an average co-finance ratio of 59% and has a GCF abatement cost of 121 USD/tCO2 avoided.	IDB	Concept Note submitted to GCF in Q2 2021
Fund level strategic impacts		Total financing:	Status
Low emission transport		GCF: USD 250M	Other: USD 362M NDA waiting to receive the Full funding proposal to give the NOL to the Program
Action		Lead	Timeline
Development of Full Proposal		IDB	TBD
NOL from Uruguay government		NDA in consultation with MIEM, MEF and other key stakeholders	TBD

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Project Title	Description	Accredited Entity		Submission timeframe
2.3. Increasing resilience in cities, ecosystems and communities of Uruguay coastal zone	The project aims to facilitate climate change adaptation in coastal infrastructure, buildings, ecosystems and communities located in flood risk areas of the Río de la Plata and Atlantic Ocean coastline, through the implementation of infrastructure works and nature-based adaptation, development of new financial schemes, implementation of technical advice, building capacities, incorporating adaptation protocols at the different levels. It is designed in close coordination with the six subnational governments in the Río de la Plata up to Atlantic coastline. It includes a component on adaptation in vulnerable communities without repayment capacities.	TBD It is expected for CND to be the AE as soon as accredited; if accreditation is delayed, CND would be the EE and the AE identification process would imply sending an invitation to potential AEs along with the CN.		Concept note expected to be submitted to GCF Secretariat in Q2 2021
Fund level strategic impacts	- Buildings, cities and industries and appliances - Most vulnerable people and communities - Infrastructure and built environment - Ecosystem and ecosystem services	Total financing:		Status
	The project is the main next step in the national adaptation agenda, building on the results of the NAP Coastal zone and NAP Cities (to be completed in Q2 2021) and being complementary with the Adaptation Fund approved project for the fluvial coast of the Uruguay River. The project climate rationale has been built upon a study conducted by Uruguay University of the Republic and University of Cantabria (Spain), which identifies the coastal vulnerability and particularly the most vulnerable sites.	GCF: 30 M USD (approx.)	Other: 15 M USD (approx.)	Concept note in advanced status of development, pre-feasibility annex is under development. PPF request in advanced status of development, AE not yet defined, waiting for CND accreditation expected for 2021.
Action		Lead		Timeline
Concept note in advanced status shared informally with GCF		NDA		Q2 2021
Full Concept Note and PPF request submitted		NDA and AE TBD		2021
Implementation of the Project Preparation Facility for support		AE TBD		2022
Funding Proposal submitted		AE TBD		2023
Project Title	Description	Accredited Entity		Submission timeframe
2.4. Consolidating REDD+ readiness and scaling up implementation in Uruguay to support climate change mitigation and adaptation goals	This project to be submitted to the Redd+ SAP Facility, will aim to complete the country's compliance with UNFCCC requirements for Redd+ RBP (which is already advanced) and to implement innovative demonstration activities.	UNEP		CN submitted in March 2021 to Redd+ SAP Facility
Fund level strategic impacts	It will allow implementing the mitigation and adaptation measures compromised in the NDC with additional implementation means, in coordination and synergy with several other national strategies and plans.	Total financing:		Status
Forests and land use Ecosystem and ecosystem services Health, food and water security		GCF: 9,6M USD Other: 8,65M USD		Concept Note submitted and first round of comments from GCF Secretariat received in end April 2021

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Action	Lead	Timeline	
Concept Note submitted	AE UN Environment Programme, EE UNDP, FAO, CND, and Uruguay NDA	Q1 2021	
Development of Full proposal	AE UN Environment Programme, EE UNDP, FAO, CND, and Uruguay NDA	2021	
Project Title	Description	Accredited Entity	Submission timeframe
2.5. Climate Services for strengthening multi-hazard risk management in Uruguay	This project to be submitted to the SAP Facility will aim to promote a National Framework for Climate Services for Uruguay, focusing on developing climate services value chains associated with hydroclimatic pressures such as floods, strong winds and severe weather. The value chains to be developed are intended to build over existing capacities and tools in the country, be end-to-end and result in multisectoral benefits.	TBD It is expected for CND to be the AE when accredited.	Concept note expected to be submitted in Q2 2022
Fund level strategic impacts		Total financing	Status
Most vulnerable people and communities Health and well-being, and food and water security Infrastructure and built environment Ecosystem and ecosystem services	GCF: USD 10M Other: USD 15M	National Working Group for project design is created, Concept Note is in initial scope definition	
Action	Lead	Timeline	
Concept Note submitted	CND, NDA, INUMET (Meteorological Institute of Uruguay), SINAIE (National Emergency System)	Q2 2022	
Development of Full Proposal	CND, NDA and other institutions TBD	2022-2023	
Project Title	Description	Accredited Entity	Submission Timeframe
2.6. Financial tools for adaptation in the agricultural sector	it is proposed to develop a project to encourage and create conditions that facilitate access to financing to promote investment in productive infrastructure that contributes to the sustainability of agricultural production and to adaptation to climate variability and change.	Total financing TBD	Status Preparatory Stage
Fund level strategic impacts			
Forestry and land use Ecosystem and ecosystem services			
Action	Lead	Timeline	
TBD	TBD	TBD	

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3. Country Readiness programme portfolio			
Project Title	Description	Delivery Partner	Submission timeframe
3.1 Green Climate Fund Readiness and Preparatory Support – Uruguay	GCF Readiness Support was used for strengthening the capacity of Uruguay's NDA to undertake its fund-related roles and responsibilities in-country as well as develop a full- Country Programme for engaging with the GCF.	UNDP	13/02/2017
		Total financing:	Status
		USD 370,000	Completed
Action	Lead	Timeline	
Execution	UNDP and Uruguay NDA	Implementation start date: Q3 2017 Implementation end date: Q1 2019	
Project Title	Description	Delivery Partner	Submission timeframe
3.2 Green Climate Fund Readiness and Preparatory Support – Uruguay Second Phase	GCF Readiness Support was used for strengthening the capacity of Uruguay's NDA to undertake its fund-related roles and responsibilities in-country as well as complete a full-Country Programme for engaging with the GCF, and develop two project Concept notes and one PPF request. Qualitative progress will be achieved under this new support from the GCF, since the private sector is expected to engage in specific initiatives and invest in climate friendly projects/programmes. Regarding Uruguay Country Programme, comments to the CP received from GCF Secretariat in an initial revision were addressed by the NDA, and additional comments and suggestions from the GCF Secretariat interdivisional review were received in September 2020. An updated version of the CP considering the GCF Secretariat interdivisional revision suggestions was submitted in December 2020, and it is expected that this version is presented to CIC1.	UNDP	31/05/2018
		Total financing:	Status
		USD 509,696	Completed
Action	Lead	Timeline	
Execution	UNDP and Uruguay NDA	Implementation start date: Q1 2019 Implementation end date: Q4 2020	
Project Title	Description	Delivery Partner	Submission timeframe
3.3 Integrating adaptation into cities, infrastructure and local planning in Uruguay (NAP Cities)	The proposed project supports the Government of Uruguay to advance its National Adaptation Planning process in cities and local governments (NAP-Cities). The objectives of the national adaptation planning process are: (a) To reduce vulnerability to the impacts of climate change, by building adaptive capacity and resilience in cities, infrastructures and urban environments; (b) To facilitate the integration of climate change adaptation, in a coherent manner, into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies that apply to cities and local planning.	UNDP	14/12/2017
		Total financing:	Status
		USD 2,735,615	Under Implementation
Action	Lead	Timeline	
Execution	UNDP and Uruguay NDA	Implementation start date: Q2 2018 Implementation end date: Q2 2021	

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Project Title	Description	Delivery Partner	Submission timeframe
3.4 Support for accreditation gap assessment and action plan to direct access entity – CND	Receive an accreditation Gap Assessment and Action Plan to be able to assess the entity against the GCF Fiduciary Standards.	CND/PwC	28/04/2017
		Total financing:	Status
		USD 28.203	Completed
Action	Lead	Timeline	
Execution	CND	Implementation start date: Q3 2017 Implementation end date: Q2 2018	
Project Title	Description	Delivery Partner	Submission timeframe
3.5 Developing institutional environmental and social safeguards and Gender policies –CND	<p>The purpose of this assignment is for a consultancy firm supports the Government of Uruguay to provide support to the CND to be able to meet the Green Climate Fund (GCF)'s environmental and social safeguards (ESS) for Category C/Intermediation 3 through:</p> <p>(1) A draft organizational gender policy; (2) A draft institutional policy for environmental and social management system, to be based on existing policy and practice; (3) Recommendations for operationalizing the policies, particularly in regard to activities potentially to be financed by GCF resources; (4) ESS and Gender manuals.</p> <p>Support delivered by PricewaterhouseCoopers (PwC).</p>	CND/PwC	25/4/2018
		Total financing:	Status
		USD 94,084	Completed
Action	Lead	Timeline	
Execution	CND	Implementation start date: Q3 2018 Implementation end date: Q1 2019	
Project Title	Description	Delivery Partner	Submission timeframe
3.6 CND capacity strengthening for direct access to GCF in Uruguay	The project aims to support CND capacities to follow up its accreditation process to the GCF and to internalize policies, procedures and capacities identified in the gap assessment and the Readiness Action Plan delivered by PwC in June 2018, and in the ESS and Gender manuals delivered by PwC in December 2018. The expected outcomes are: (i) CND complies with GCF standards and submits the application to the GCF for approval; (ii) CND develops the DAE-GCF work programme (with project pipeline).	CND/UNOPS	17/9/2018
		Total financing:	Status
		USD 91.810	Completed
Action	Lead	Timeline	
Execution	CND	Implementation start date: Q1 2019 Implementation end date: Q1 2021	

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Project Title	Description	Delivery Partner	Submission timeframe
3.7 CND capacity strengthening for direct access to GCF in Uruguay II	The objective of the Project is to support CND in the process of accreditation as a DAE, strengthening its capacities of implementing the new policies and procedures, and engage in climate change project pipeline developed by the NDA according to the Country Programme presented early this year. This includes consultancy support to carry out stage I and II and internalization of policies and procedures, the training of CND personnel in environmental and social safeguards, gender, M&E, and compliance. The expected outcomes are: (i) Accreditation approved by GCF, (ii) Development of project pipeline for climate finance, aligned with Country Programme, initiated.	CND/UNOPS	21/8/2019
		Total financing:	Status
		USD 150,000	Completed
Action	Lead	Timeline	
Execution	CND	Implementation start: Q1 2020 Implementation end: Q1 2021	
Project Title	Description	Accredited Entity	Submission timeframe
3.8 Advancing a regional approach to E-Mobility in Latin America (Regional Readiness support)	The project will support fourteen Latin American countries to identify and address the main barriers for electric mobility by providing the necessary assessments, capacities and financing alternatives to accelerate adoption of electric mobility technology. This will be done with a twofold approach: at a national and regional scale; and the project will focus on public transport and high rate of utilization vehicle fleets. Its objective is to establish enabling conditions to generate aggregated demand in Latin America in terms of electric mobility, which allows countries to generate a new value chain and take advantage of economy of scale, as well as access to the best available technology, through the elaboration of financing projects that can be submitted to the GCF and other international financial sources to implement electric mobility initiatives at the sub-national, national, regional or global scale.	UNEP	31/5/2019
		Total financing:	Status
		USD 2,000,000	Under implementation. Approved by GCF on November 2019, kick off meeting held in February 2019 in Panamá.
Action	Lead	Timeline	
Execution	UN Environment and Uruguay NDA	Implementation start: Q1 2020 Implementation end: Q1 2022	

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Project Title	Description	Accredited Entity	Submission timeframe
3.9 Strengthening strategic frameworks and stakeholders' engagement to scale up climate financing and enhance NDC implementation in Uruguay	<p>GCF Readiness Support will be used for strengthening the capacity of Uruguay's NDA to undertake its fund-related roles and responsibilities in-country as well as identify and address barriers and building capacities for accelerating private sector and banking sector (public and private) engagement with climate action and sustainability in order to scale up the country's possibilities to access the GCF.</p> <p>While considering the Country Programme as a living document, this project will allow to further update the CP considering: the comments to be received by CIC1 revision; the opportunities, needs and gaps identified through the results of the project activities; the results from the LTS and NDC revision processes to be undertaken in 2021-2022, and the capacity building activities in the context of the new Ministry of Environment. It will also be necessary to consider the new GCF CP guidelines and sectoral guides in this further update.</p>	UNDP	2020/08/28
		Total financing:	Status
		USD 593,760	Under implementation. Approved by GCF on December 2020.
Action	Lead	Timeline	
Execution	UNDP and Uruguay NDA	Implementation start: Q1 2021 Implementation end: Q3 2022	
Project Title	Description	Accredited Entity	Submission timeframe
3.10 Enhancing Climate Finance within the Banking Sector in LAC Region (Regional Readiness support)	<p>The objective is to generate evidence on the opportunities and challenges to implement innovative solutions for climate finance, focusing on 3 main lines of action: supporting DAE to assess their portfolio and meet GCF accreditation standards; streamlining financial institutions involvement in NDCs and Country Programme implementation; and promotion of joint investments and strategic alliances.</p>	ALIDE	2020/08/30 by Guatemala NDA
		Total financing:	Status
		USD 1,200,000	Approved by GCF on December 2020.
Action	Lead	Timeline	
Execution	ALIDE and participant countries NDAs	Implementation start: Q2 or Q3 2021 Implementation end: Q3 2022	
Project Title	Description	Accredited Entity	Submission timeframe
3.11 Post Covid-19 green recovery for food, health and water security strengthened by financial and technological innovations in Latin-American countries (Regional Readiness support)	<p>The objective is to strengthen the foundation on which the country's food security sector prioritizes investments for greenhouse gas emissions reduction and resilience jointly with advanced technological trends. The regional Readiness support will contribute to the post Covid-19 recovery in Uruguay's agriculture sector, and will benefit public as well as private actors.</p>	IICA	2020/08/21
		Total financing:	Status
		USD 2,037,047	Approved by GCF on December 2020.

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Action	Lead	Timeline	
Execution	IICA and participant countries NDAs	Implementation start: Q2 or Q3 2021	
Project Title	Description	Delivery Partner	Submission timeframe
3.12 CND capacity strengthening for direct access to GCF in Uruguay III	The project will allow CND to strengthen its capacities as a future Direct Access Entity and to comply with the accreditation standards of the GCF, through: (i) the GCF accreditation process completion; (ii) the incorporation of new skills in climate change projects structuring and environmental and social safeguards, (iii) the development of strategies to develop cleaner production processes and resilient and sustainable infrastructure, and (iv) the deepening in CND's engagement and track record in climate change projects	CND	2020/12/29
		Total financing:	Status
		USD 195,000	Pending approval
Action	Lead	Timeline	
Under Revision	GCF	Implementation start date: TBD	

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4. Accreditation pipeline				
Entity Name	Type	Action	Lead	Timeline
7.1. Corporación Nacional para el Desarrollo (CND)	Direct Access	<p>CND is an established organization with substantive experience of managing donor funds from multiple sources.</p> <p>It was nominated for accreditation to GCF by the NDA in November 2016. Through the last four years in which CND has undertaken GCF accreditation process, the entity has gained knowledge regarding GCF policies and procedures and strengthened its internal capacities, and has increased its strategic engagement in the climate change agenda in general, emerging as a national strategic partner for the NDA for designing and executing mitigation and adaptation projects.</p>	CND, GCF	<p>Nominated for application: Q4 2016 (November)</p> <p>OAS completion: October 2019</p> <p>Effective accreditation: expected for 2021</p>
Fiduciary standards	Projects size	Alignment with the projects pipeline in the CP		
Grants and Project Management	Micro (≤ 10 M USD) and Small (between 10 and 50M USD)	<p>With GCF Readiness support complemented with CND's own institutional resources, the entity has achieved key progress for accreditation. Main results are listed below:</p> <ul style="list-style-type: none"> • the completion of the Accreditation gap assessment and Action Plan in June 2018, and the development of the ESS and gender policies and the respective manuals, delivered in April 2019. • CND participation in the GCF Structured Dialogue for Latin America and the Caribbean in March 2018 in Bogotá • the development of policies and procedures identified in the accreditation gap assessment and Action Plan, • the accreditation application submission through the GCF Online Accreditation System (OAS) in October 2019, receiving the Stage I review report by GCF accreditation team in October 2020, and the resubmission of the OAS in December 2020 • the design and implementation of a stakeholders' participation methodology for projects with gender perspective; the development of an organization gender diagnosis; the obtention of the certificate for the fulfillment of Level 1 "Commitment" of the Quality Model with Gender Equality (QMGE)⁷ in December 2019, granted by the National Institute of Women (INMUJERES); • the beginning of CND environmental management certification (ISO 14001: 2015 standard) and implementation of an occupational health and safety management system (ISO 45001: 2018 standard); • the training of CND staff in the new policies, in project management methodologies, monitoring and projects evaluation, environmental and social risks, gender and climate change; and the improvement of the anti-laundering policy implementation; • the development of a climate change projects pipeline in collaboration with the NDA • It is expected that CND undergoes Stage II of accreditation during 2021. 	<p>2.3 Increasing resilience in cities, ecosystems and communities of Uruguay coastal zone</p> <p>Expected to be the AE if accreditation is accomplished in 2021 and one of the main EE for the project. It is involved in the design of the project CN and PPF request</p> <p>2.4 Consolidating REDD+ readiness and scaling up implementation in Uruguay to support climate change mitigation and adaptation goals</p> <p>Expected to be one of the EE</p> <p>2.4. Climate Services for strengthening multi-hazard risk management in Uruguay</p> <p>Expected to be the AE for this project, building on the entity experience in designing a trust for the first national meteorological radar.</p>	

Entity Name	Type	Action	Lead	Timeline
7.2. Banco República Oriental del Uruguay (BROU)	Direct Access	The BROU was nominated in 2018 by the NDA. It has undertaken its self-assessment and has begun to complete the OAS.	BROU	Nomination for application: Q2 2018 (April)
Fiduciary standards	Projects size		Alignment with the projects pipeline in the CP	
TBD	TBD	A meeting with CND has been facilitated by the NDA for them to share experiences and lessons learned with BROU. In dialogue with the NDA, specific needs related to BROU's further engagement in climate agenda have been identified in the last consultations (undertake the accreditation Gaps Assessment, develop an Environmental and Social risks Policy and Management System, among others) which are expected to be addressed with Readiness support.	Although the entity is not directly engaged in the projects in the pipeline, its expected role is related with private sector engagement, particularly in the mid-long term with projects for the agriculture and agribusiness sector. Its engagement in the climate agenda is expected to increase with the Regional Readiness for financial sector with ALIDE.	

3. Monitoring and evaluation of Country Programme implementation

121. As mentioned above, under the framework of the National Climate Change Response System, there is an inter-institutional working group focused on the MRV of the National Climate Change Policy and the measures included in the NDC. The group also works on programming some of the measures included in the Climate Change Policy and in the NDC that are not being developed yet. There is a clear link among these activities and the assessment and update, as appropriate, of the Country Programme and will complement the work being made by the MRV working group.
122. Moreover, the Country Programme is developed under the framework of the National Climate Change Policy (PNCC) and the National Determined Contribution (NDC). The PNCC defined in paragraph 24th that *"The courses of action outlined in this Policy, as well as the plans, programs and projects required for the mitigation of and adaptation to climate change and variability in Uruguay shall be subject to a national annual, reliable, transparent, timely and comparable monitoring system to be implemented by SNRCC"*. In this context, the MRV will be a strategic process to monitor and evaluate the Country Programme implementation, whenever approved funding proposals from the GCF start implementation. Particularly, the MRV system will serve as a guide to know how far we are from the proposed goals and the need to promote new initiatives to comply with the PNCC.
123. Another information source to update the CP will be the NAPs process currently under development (agriculture, coastal, and cities and infrastructures), the results of the engagement of new stakeholders in the climate agenda, from the Long-Term Climate Strategy (LTS) and second NDC. The process result will generate new measures to address the adverse effects of climate change that will require means of implementation.
124. Otherwise, the projects presented in the pipeline will be monitored on an ongoing basis by the NDA, in coordination with the Accredited Entities, while the inclusion of new projects will be informed to the GCF Secretariat in a timely manner, as new proposals are submitted. Since the projects presented in this document are at different development stages,

the pipeline will require continuous monitoring by the NDA, according to the specificities of each project and the implementation of planned activities. It is worth reiterating that the pipeline can be updated in a timely manner to include new projects, in accordance with the development of new opportunities.

125. Finally, the PNCC outlined in paragraph 25th that it is subject to a five-yearly assessment with the participation of the various institutions involved in this Policy. This type of process will provide new information to update the CP.

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ANNEX 1: List of participants

Academy
Administración Nacional de Educación Pública/ Universidad del Trabajo
Universidad Católica de Uruguay
Universidad de la República (UDELAR)/ Facultad de Veterinaria
UDELAR/Investigación
UDELAR/ Centro Universitario Regional Norte
UDELAR/ Facultad de Veterinaria
UDELAR/ Facultad de Ciencias Sociales
UDELAR/ Facultad Veterinaria
UDELAR/ Enseñanza
UDELAR/ Facultad de Agronomía
UDELAR/ Facultad de Derecho
UDELAR/ Facultad de Arquitectura
UDELAR/ Extensión
UDELAR/ Centro Interdisciplinario de Respuesta al Cambio Climático
UDELAR/ Facultad de Ciencias
UDELAR/ Facultad de Derecho
UDELAR/ Facultad de Arquitectura
UDELAR/ Facultad de Ingeniería
UDELAR/ Instituto de Economía
UDELAR/ Facultad de Ciencias Económicas
UDELAR/ Comisión Coordinadora del Interior
Universidad de Montevideo
Universidad ORT
Universidad Tecnológica
Non-governmental organizations
Amigos del Viento
Asociación Nacional de Organizaciones No Gubernamentales
Centro Uruguayo de Tecnologías Apropriadas
Cultura Ambiental
EL ABROJO
Fundación Amigos de las Lagunas Costeras

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Karumbé
Asociación de Mujeres Rurales
Grupo Guayubira
Red ONG Ambientalista
Redes Amigos de la Tierra
Red Nacional de Educación Ambiental
Vida Silvestre
Private Sector
Asociación de Bancos Privados
Asociación de Concesionarios de Marcas de Automotores
Asociación Cultivadores de Arroz
Asociación de Agencias Viajes
Asociación de Hoteles y Restaurantes del Uruguay
Asociación de Promotores de la Construcción
Asociación de Propietarios de Vehículos de Carga
Asociación de Transportistas de Carga del Uruguay
Asociación Rural del Uruguay
Asociación Uruguaya de Generadores Privados de Energía Eléctrica
Asociación de Arrendadoras de Vehículos sin Chofer
Cámara Autotransporte Terrestre Internacional del Uruguay
Cámara de Empresas Gestoras de Residuos del Uruguay
Cámara de Industrias del Uruguay
Cámara Nacional de Comercio y Servicios
Cámara uruguaya de Turismo
Cámara Uruguaya de Cooperativas de Ahorro y Crédito de Capitalización
CUTCSA
Federación Rural del Uruguay
Federación Uruguaya de Grupos CREA
Gremial Única del Taxi
Intergremial de Transportistas Profesionales de Carga Terrestre
Sociedad de Productores Forestales SPF
Unión de Exportadores
Unión Agencias de Viajes Interior
Central Sindical Única de Uruguay, PIT CNT

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Public Institutions
ANCAP
Obras Sanitarias del Estado
Administración Nacional de Usinas y Transmisiones Eléctricas
Banco de Seguros del Estado
Banco de la República del Oriental del Uruguay
Corporación Nacional de Desarrollo
Comisión Técnica Mixta de Salto Grande
Uruguay XXI
Administración de Ferrocarriles del Estado
Administración Nacional de Puertos
Agencia Nacional de Investigación e Innovación
Ministerio de Defensa Nacional
Ministerio de Educación y Cultura
Ministerio de Economía y Finanzas
Ministerio de Ganadería, Agricultura y Pesca
Ministerio del Interior
Ministerio de Desarrollo Social
Ministerio de Industria, Energía y Minería
Ministerio de Turismo
Ministerio de Relaciones Exteriores
Ministerio de Salud Pública
Ministerio de Transporte y Obras Públicas
Ministerio de Vivienda, Ordenamiento Territorial y Medio Ambiente
Oficina de Planeamiento y Presupuesto
Sistema Nacional de Emergencias
Unidad Reguladora de Servicios de Energía y Agua
Public-Private Organizations
Instituto Nacional de la Carne
Instituto Nacional de la Leche
Instituto Nacional de Logística
Instituto Nacional del Vitivinicultura
Instituto de Investigación Agropecuaria
Instituto Plan Agropecuario
Laboratorio Tecnológico del Uruguay

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Political Parties
Parlamento/Partido Blanco
Parlamento/Frente Amplio
Parlamento/Partido Colorado
Subnational Governments
Congreso de Intendentes
Intendencia Canelones
Intendencia Flores
Intendencia Maldonado
Intendencia San José
Intendencia Canelones
Intendencia Lavalleja
Intendencia Montevideo
Intendencia Maldonado
Intendencia Río Negro
Intendencia Salto
Intendencia de Rocha

Este Programa ha sido elaborado en el marco de los proyectos URU/19/001 Apoyo preparatorio para el Fondo Verde del Clima – Segunda Fase y URU/21/001 Fortalecimiento de las capacidades para escalar la financiación climática en Uruguay, entre los años 2019 y 2021. Ambos proyectos fueron liderados por el Ministerio de Ambiente, implementados por el Programa de Naciones Unidas para el Desarrollo, y financiados por el Fondo Verde del Clima.

