Sector Brief

Environment

July 2018

Situation Analysis
Guatemala is one of the most biologically diverse nations on the planet, boasting 14 different eco-regions and immense biological and cultural diversity. Four million hectares of sub-tropical forest are found in Guatemala, 70% of which is located within natural protected areas like the Maya Biosphere Reserve (MBR) in the department of Petén and the Sierra de Las Minas Biosphere Reserve (SMBR) in the eastern region of the country. The MBR forms the heart of the largest contiguous tropical forest north of the Amazon, and its nearly 2.1 million hectares are home to iconic wildlife such as the jaguar, puma, and scarlet macaw. This significant natural endowment is complemented by the remnants of ancient Maya cities – a reminder that these forests were once the heart of Maya civilization. Guatemala’s immense biodiversity is a crucial resource to Guatemalan society, owing to the multiple livelihood benefits it generates. These natural resources represent the potential for significant income through sustainable forestry and fisheries, sustainable tourism, and other livelihood opportunities. Despite this rich biological and cultural heritage, natural resources throughout the country are threatened by habitat loss, over-exploitation, trafficking of flora and fauna, agricultural encroachment, climate change, weak governance, and organized criminal activity. Guatemalan agencies responsible for managing the country’s natural resources suffer from chronic underfunding, insufficient human resources for management and protection, and limited institutional capacity.

To compound these threats, Guatemala is one of the top ten countries most vulnerable to extreme weather events and natural disasters. Guatemala’s geographic location makes it prone to tropical storms, droughts, hurricanes and earthquakes, and the incidence of extreme weather events is predicted to worsen as a result of climate change. Geographic location is compounded by high poverty and malnutrition rates, which increase the vulnerability of many Guatemalan households, especially among inhabitants of the Western Highlands.

USAID Response
USAID’s comprehensive approach to conserve Guatemala’s natural resource base incorporates livelihood development, biological monitoring, environmental governance, climate resilience, institutional capacity-building, reliable science and analytics, and cross-sectoral policy initiatives. The focus areas for these interventions include the MBR and SMBR, Alta and Baja Verapaz, the Western Highlands Departments of San Marcos, Quetzaltenango, Totonicapán, Quiché, and Huehuetenango, and national-level initiatives.

USAID has improved livelihoods, maintained forest cover, and enhanced security through ongoing support to community forest concessions in the multiple use zone of the MBR. Activities have opened high value international markets for timber and non-timber forest products, increased incomes well above the Guatemalan minimum wage and generated lasting employment, and engaged local communities in conservation initiatives. Concurrent biological monitoring in the MBR and SMBR has brought iconic species back from the brink of extinction. USAID helped to revolutionize Guatemala’s justice system through support to establish the country’s first Environmental Court and Prosecutor’s Office, in the department of Petén. To raise awareness of laws and penalties associated with environmental and cultural heritage crimes, USAID trained park guards and justice sector personnel in how to recognize, respond to, and prosecute environmental crimes. To foster long-term forest cover, USAID has pioneered support to four carbon sequestration pilot projects, as well as design of the national level Reducing Emissions from Deforestation and Degradation (REDD+) strategy. These efforts will help Guatemala to engage in the global carbon market, enhance incomes, and maintain critical forest cover. As testament to these efforts, Guatemala has signed an agreement with is the World Bank’s Forest Carbon Partnership Facility for
the purchase of carbon offsets. USAID will also help build national capacity to improve management and governance throughout Guatemala’s System of Protected Areas (SIGAP), and pilot interventions in the MBR, SMBR, and select protected areas along the Pacific Coast. This focused strategy will improve conservation approaches through better information on key species and ecosystems, support policy and legislative reforms, build capacity for effective enforcement and prosecution of crimes committed within protected areas, and engage local stakeholders in conservation efforts.

USAID also supports Guatemala to implement its national Low Emission Development Strategy (LEDS), a multi-stakeholder initiative that brings together government, private sector, academia, and community actors to lower greenhouse gas (GHG) emissions across key emitting sectors, such as land use and energy. A bilateral memorandum of understanding between the two countries was signed in 2013 to formalize this alliance. USAID’s Guatemala LEDS program seeks to: 1) establish reliable science and analytics to improve national greenhouse gas inventories; 2) build institutional capacity to identify, design, and prioritize policies and strategies that promote social, economic, and environmental objectives through low emission development; 3) promote implementation of low emission development through demonstrations with agroindustry and small- and large-scale farmers, and; 4) support communication and education of climate change and low emission development.

Results and Accomplishments

- **Income and employment generation** – Over the past five years, efforts to increase access to credit and international markets, and support market-based conservation activities have generated over 11,000 full-time equivalent jobs and $107 million in sales of forest products and services within the departments of Petén, Alta and Baja Verapaz, and the Western Highlands.

- **Tropical Forest Conservation** – USAID supports the maintenance of nearly half a million hectares of biodiversity-rich forest in the Maya Biosphere Reserve. Further, active community forest concessions maintain a near-zero rate of deforestation.

- **International Climate Agreement** – USAID provided technical analysis to review historical GHG emissions and identify preliminary emissions trends in support of Guatemala’s Intended Nationally Determined Contribution development process. This information facilitated Guatemala’s participation in the new international climate change agreement, including ratification of the Climate Paris Accord by the Guatemalan Congress.

- **Institutional Capacity** – Technical experts have been embedded in climate change units at the Ministry of Environment, the Ministry of Agriculture and Livestock, the Planning Secretariat, and the Ministry of Energy and Mines to build capacity from within to implement a LEDS.

- **GOG and Private Sector Support** – Twelve memoranda of understanding have been signed with key counterparts in the GOG and private sector, such as the Guatemala Exporters Association, National Coffee Association, Federation of Cooperatives of the Verapaces, and Chamber of Agriculture, detailing the roles and responsibilities, and priority actions to promote LED implementation in their respective areas.

### Current Projects

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<thead>
<tr>
<th>Project Name</th>
<th>Implementing Partner</th>
<th>Duration</th>
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<tr>
<td>Climate, Nature and Communities in Guatemala (CNCG)</td>
<td>Rainforest Alliance</td>
<td>February 8, 2013 – February 7, 2018</td>
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<tr>
<td>Strengthening Governance in the Maya Biosphere Reserve *Direct apportionment)</td>
<td>U.S. Department of Interior</td>
<td>September 20, 2010 – Present</td>
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<tr>
<td>Biodiversity Project</td>
<td>Chemonics International Inc.</td>
<td>July 12 2018 – May 11 2023</td>
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