

- 3.2.3 Strengthening a set of trade and industrial policies to support the fair and inclusive green transition of supported sectors.
- 3.2.4 Creation of a digital repository of training programmes, tools and service providers to support the transition to inclusive and green trade in selected sectors developed.
- 3.2.5 Raising awareness campaigns and training about traceability, digitalisation and new EU regulations on deforestation-free products and corporate sustainability due diligence in the cacao, coffee, sugar cane and palm oil value chains in Guatemala.
- 3.2.6 Adaptation of the software for traceability (INATrace) to the coffee, cacao and sugar cane value chains in Guatemala²⁴.
- 3.2.7 Stakeholders involved in the coffee, cacao and sugar cane value chains in Guatemala use INATrace as a digital traceability tool in order to comply with the new EU regulations.

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

Mainstreaming Environmental Protection & Climate Change

The intervention is fully consistent with the European Green Deal initiative, which proposes transformation of economies and societies to meet climate ambitions. The promotion of green and circular economies, and the compliance with the EU sustainable trade regulations in the framework of the European Green Deal will be instrumental for the implementation of the proposed action. The intervention supports the identification, mitigation and address potential environmental impacts on selected supply chains of the target sectors, strengthening Guatemala's transformation towards a society and economy anchored in a circular and green economy that underpins the global transition towards a low carbon economy that leads to the creation of green jobs. Parties to the UNFCCC have recognised the importance of involving women and men equally in the implementation of national climate policies that are gender responsive. The relationship between climate change and gender inequality has been well established since the Paris Agreement. Women can contribute to the management, sustainable use and conservation of soils, water, forests and oceans significantly²⁵.

In this regard, component 1 and 3 of the action focus on building capacities for compliance with EU sustainable trade regulations in the framework of the European Green Deal in agricultural supply chains (coffee, cocoa, palm oil, sugar cane²⁶ and wood), with emphasis on MSMEs and cooperatives, as a way of achieving sustainability and impacting on the creation and/or sustaining of green and decent jobs. For this objective, the action supports the strengthening of an enabling policy environment for responsible and deforestation-free agricultural supply chains through the development and implementation of national policy and regulatory frameworks promoting sustainable trade. It will also allow to raise awareness and increase national capacity on EU regulatory developments on Deforestation Free-Products of relevant stakeholders. Digital traceability tools will be developed to support compliance of key agricultural value chains in Guatemala with the EU sustainable trade regulations in the framework of the European Green Deal. Compliance with the EU requirements to fight global deforestation and forest degradation driven by EU production and consumption will ensure that a set of key goods placed on the EU market will no longer contribute to deforestation and forest degradation in the EU and elsewhere in the world. Since the EU is a major economy and consumer of these commodities, this step will help stop a significant share of global deforestation and forest

²⁴ Producers offer information to the final consumer through the QR code and carry out georeferencing through the mobile application to verify that their production practices are deforestation-free and in line with due diligence requirements.

²⁵ ¿Porqué considerar el género al hablar de adaptación al cambio climático? CMNUCC. Gobierno Guatemala. <https://www.undp.org/es/guatemala/publicaciones/por-que-considerar-el-genero-al-hablar-de-adaptacion-al-cambio-climatico>

²⁶ Sugar cane is included, in spite of the fact that this value chain does not fall within the scope of the EU regulation on the marketing of deforestation-free products and is therefore not subject to the duty of strict traceability from the production unit. Its inclusion is due to the fact that this sector is associated with very intensive deforestation processes and that the European Commission has indicated its intention to progressively expand the list of products subject to the Regulation on deforestation-free products.