PROJECT IMPLEMENTATION REPORT

Project ID:	11071
Project Name:	Supporting the shift to a low-emission, circular construction in Chile
Countr(ies):	Chile
Implementing Agency:	UNEP

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I. Overview

A. Description

Project name
Supporting the shift to a low-emission, circular construction in Chile

Country
Chile

GEF ID	Implementing Agency
11071	UNEP

Executing Entity
Ministry of Environment

Trust Fund	Project Type
GET	FSP

PIR Submission	Fiscal Year , PIR Number
8/28/2026	FY 2026 , 1st PIR

Objective
Accelerate the implementation of the Chilean Long-Term Climate Strategy in the construction and demolition sector through the promotion of low-carbon and circular economy principles.

B. Ratings and Disbursements

Implementation Progress	Development Objective
Highly Satisfactory	Satisfactory

Overall risk
Low Risk

Project Financing	Cumulative Disbursement
3,245,250.00	426,500.00

C. Key Dates

CEO Endorsement/Approval	Agency Approval
11/11/2024	5/13/2025

Implementation Start	First Disbursement
5/13/2025	9/4/2025

Expected MTR 11/11/2028	Actual MTR
Expected Completion 5/30/2029	Actual Completion

II. PROGRESS STATUS AND ISSUES

A. Progress: Information on progress and outcomes of project implementation activities

The first year of the project has primarily been an establishment and activation phase, focused on creating the institutional, technical, and operational conditions required for successful implementation over the coming years. During this reporting period, priority was given to building the project team, establishing governance arrangements, formalizing strategic partnerships and collaboration agreements, contracting key technical studies and specialized consultancies, initiating pilot projects and territorial implementation processes. Overall, the project has reached 24% implementation progress measured as advance in deliverables, slightly exceeding the 23% planned for this stage, in line with the approved project work plan.

These foundational efforts have enabled the activation of the project's main work streams and laid the groundwork for achieving its long-term objectives. The following section provides further detail on the main work streams implemented during the reporting period.

1. National, regional, and local governments adopt circular and low-carbon policies and regulations in the construction and demolition sector.
2. Public and private stakeholders in Chile increasingly adopt and implement circular and low-carbon construction practices.
3. The Chilean construction sector has access to systematized sectoral data and demonstrates enhanced capacity to promote circular and low-carbon approaches in construction and demolition activities.

Under **Component 1** of the Project, significant progress was made in the development of the Legal and Regulatory Strategy. Key achievements also included the establishment of the project's technical support team and the initiation of collaboration with regional and local governments across different regions of Chile, with the aim of generating impact not only at the national level but also at the regional and local scales. Further details are provided below.

- Legal and Regulatory Strategy and Action Plan Framework: Through a collaborative effort between the Ministry of the Environment and Fundación Chile, a Legal and Regulatory Strategy was developed to serve as a roadmap for guiding future legislative and regulatory work. The strategy proposes a six-stage process aimed at identifying legislative and regulatory amendments, as well as new public policy instruments; validating, refining and co-developing these proposals with a broad range of stakeholders; preparing draft regulations; and supporting pre-legislative and pre-regulatory processes to facilitate their adoption. The document also presents the results of the first two stages of the strategy, which identified and prioritized a portfolio of legal, regulatory and policy instruments requiring amendments to enable circularity in the construction sector. Based on this prioritization, key thematic areas were defined for a series of multi-stakeholder working groups, conceived as the main participatory mechanism for the co-development of future proposals. These outputs will also serve as key inputs for the preparation of the project's Action Plan, which is scheduled for development during the following reporting period.
- Establishment of the Legal and Regulatory Team: During the reporting period, a dedicated legal and regulatory team was established to lead the development of the project's regulatory agenda. Terms of Reference were prepared and two specialized consultants in public policy development were contracted to draft two priority regulatory instruments: (i) a regulation under Law No. 20,920 focused on promoting waste prevention and discouraging waste

generation through the Extended Producer Responsibility (EPR) framework; and (ii) a Framework Law on Circular Economy in the Construction Sector. Both consultancies are expected to run for approximately seven months and deliver draft legislative proposals. In parallel, a third expert was contracted to lead the participatory co-development process for these and other regulatory proposals identified during the first stage of the Legal and Regulatory Strategy. Both consultancies were formally launched during the reporting period through their respective kick-off meetings.

- Regional and local government activities: Initial engagement was established with the Los Lagos and Los Ríos Regions through a series of meetings and workshops aimed at identifying the main regional barriers to advancing circularity in the construction sector. Based on these discussions, the project team developed a portfolio of projects and programs that could be submitted by regional governments through different public investment funding mechanisms. In the Los Ríos Region, collaboration with the Municipality of La Unión has advanced towards the submission of an initiative to the 2027 Regional Preliminary Investment Plan (ARI 2027), as part of the project's strategy to unlock regional financing opportunities. Complementing these efforts, territorial engagement was also initiated in northern Chile. A mission to the Tarapacá Region was conducted on 2 July 2026, including meetings with the Municipalities of Iquique and Alto Hospicio, as well as participation in the 2nd Municipal Summit. Initial coordination has also been established with the Chilean Association of Municipalities (ACHM), with the aim of integrating the project's territorial network into ACHM's existing municipal collaboration framework and supporting the future scaling of project activities across municipalities.

Under **Component 2** of the Project, implementation began on the technical standards workstream, while two enabling pilot initiatives were successfully launched. The main achievements and progress made under these activities are presented in greater detail below.

- Technical Standards: As part of efforts to strengthen the national quality infrastructure system, progress was made in designing an action plan to expand the development and adoption of technical standards relevant to circular construction. The plan identifies several implementation pathways, including direct collaboration with the National Standards Institute to develop new technical standards that will complement those already under development under the mandate of the Ministry of the Environment. It also considers collaboration with the Construction Institute through a crowdfunding initiative, for which a cooperation agreement with Fundación Chile is currently under discussion. In addition, CORFO was identified as a strategic partner to support the adoption and harmonization of international standards, particularly those based on ISO, ASTM and European standards. Complementing the development of this action plan, an international review of existing technical standards relevant to the project was carried out during the reporting period. This assessment covered topics such as low-impact design, material health, biomaterials and standardized construction materials, among others. The findings will provide a key technical reference for the development of future national standards.
- CENAMAD Pilot: As part of its efforts to advance circularity in the construction in wood sector, the project initiated a pilot in collaboration with CENAMAD aimed at developing circularity standards for the forestry, timber, and timber-based construction industries. The purpose of this pilot is to lay the groundwork for a circular timber certification scheme that facilitates compliance with the circular public procurement targets established by the State and stimulates low environmental impact timber construction. This effort is aligned with the forthcoming Roadmap for Timber Construction required under Chile's 2025 NDC, positioning circular timber as a key enabler for a more sustainable construction sector.

  During the reporting period, steady progress was made in the execution of the pilot, with four of the eight contractual deliverables submitted to date. A key milestone was the seminar 'From the Forest to Construction' ('Del Bosque a la Construcción'), which gathered 75 participants and included the issuance of certificates of participation. The seminar contributed to the dissemination and positioning of circular timber construction among stakeholders from the forestry, timber, and construction sectors.

  Building on these efforts, technical working tables were held under the initiative 'From the Forest to the Future: Circularity Standards for Sustainable Timber Construction' ('Desde el Bosque al Futuro: Estándares de Circularidad

para una Construcción Sustentable con Madera'). Two sessions were conducted in June 2026, hosted at the UC Innovation Center in Santiago and at the Faculty of Forest Sciences of the University of Concepción. These closed sessions, led by the CENAMAD team, convened key actors from across the value chain to discuss current circular economy practices, levels of implementation, and the main gaps and enablers for their adoption in the national context, providing participatory validation inputs for the Circular Timber Standard under development.

This initiative is also expected to contribute to the implementation of Chile's forthcoming Timber Construction Roadmap under the Nationally Determined Contribution (NDC), positioning circular timber as a strategic solution for reducing embodied carbon and promoting sustainable construction practices.

- CTEC Pilot: To strengthen CTEC's capacity to test alternative circular solutions for road infrastructure, substantial progress was made during the reporting period in the conceptual design of an environmental testing framework that enables the safe use of valorized waste and industrial by-products in road construction.

  The technical foundations of the pilot were established through the completion of three complementary studies. The first provided a baseline assessment of the use of industrial by-products and waste materials in road infrastructure, drawing on both international and national experience. The second evaluated Chile's laboratory capacities, identifying existing testing capabilities relevant to the pilot, together with associated costs, technical requirements, and current gaps. Building on these findings, the third study developed the overall pilot framework, defining its implementation phases and identifying the key environmental variables and performance criteria to be assessed throughout the testing process.

  In parallel, a strategic collaboration was consolidated with the Ministry of Public Works (MOP), specifically with the Directorate of Highways and the General Directorate of Public Works. Through this partnership, the project has benefited from the Ministry's technical expertise and experience in testing alternative materials and waste-derived products for road infrastructure. Key commitments include the review and validation of the pilot's technical progress and major implementation decisions, as well as continued technical collaboration throughout its implementation. The partnership may also facilitate access to road sections for future full-scale field trials and provide additional technical support to strengthen the validation of the proposed testing framework.

  Finally, a strategic partnership is currently being formalized to implement this pioneering pilot initiative. The pilot is expected to be co-financed through contributions from the private sector, particularly from stakeholders associated with end-of-life tire (ELT) management, creating an innovative public-private collaboration model to support the demonstration and future scaling of circular road infrastructure solutions.

Under **Component 4** of the Project, substantial progress was also made in launching key studies, developing methodological approaches, advancing occupational competency profiles, and conceptualizing a remote monitoring tool for the detection of illegal aggregate extraction and illegal construction and demolition (C&D) waste disposal. The main achievements under these workstreams are presented in greater detail below.

- Study to define the social price of environmental impacts of CDW: During the reporting period, the first two technical deliverables were completed, establishing the conceptual and methodological foundations of the study. The first report provides a comprehensive assessment of the current construction and demolition (C&D) waste management context in Chile, including the identification and prioritization of representative C&D waste streams and treatment alternatives to define the life cycle assessment (LCA) case studies that will be evaluated throughout the project. It also highlights key sectoral challenges, including the lack of reliable data, low material recovery rates, and the environmental impacts associated with current waste management practices.

  The second report develops the institutional, conceptual and methodological framework for estimating the social price of environmental impacts beyond carbon in the construction sector. Drawing on international best practices and the Chilean policy context, it establishes the methodological basis for monetizing environmental externalities throughout the life cycle of construction activities, providing a framework to support future incorporation of environmental costs into public investment appraisal, policy design and financial decision-making. Together, these deliverables provide the technical basis for the subsequent development of social price estimates and their application to the selected LCA case studies.

  Another important milestone has been the strengthening of the collaboration with the Ministry of Social Development and Family, which will serve as the project's technical counterpart throughout the development of the

methodology. The Ministry will actively contribute to the definition of key methodological decisions, helping ensure the technical robustness and institutional relevance of the study. This collaboration also creates important synergies with ongoing efforts to integrate circular economy principles into Chile's public investment system, supporting the incorporation of environmental externalities into future investment appraisal processes.

- Study to asses over-specification in the Chilean construction sector: During the reporting period, the study 'Evaluation and Optimization of Design, Construction Works, and Material Use in Projects Pursuing Circularity and Resilience' was completed. The study assessed the causes and impacts of overdesign, overspecification, and oversizing practices in the Chilean construction sector, examining their implications for material consumption, costs, environmental performance, resilience, and innovation. Based on a comprehensive review of international experience, national regulations, expert consultations, and case studies, the study developed a set of technical, regulatory, and capacity-building recommendations aimed at promoting more efficient, circular, and resilient design and construction practices.
- Tools for sectoral surveillance and risk management: To strengthen the capacity of the Superintendence of the Environment (SMA), the National Disaster Prevention and Response Service (SENAPRED), municipalities, and other public authorities to detect and monitor illegal aggregate extraction sites and illegal construction and demolition (C&D) waste disposal, the project is developing a remote sensing tool that supports territorial surveillance and environmental enforcement through the use of satellite imagery.

  During the reporting period, the project established key strategic partnerships to support the development of this initiative. A collaboration was formalized with CIPYCS and CINNDA, which is leading the development of the satellite image analysis component. From a technical perspective, the platform mock-up was completed, providing the first functional and visual representation of the tool and its core features. Development of the satellite image analysis component (the analytical core of the platform) is currently underway and focuses on the processing and interpretation of satellite imagery to identify illegal aggregate extraction sites and illegal C&D waste disposal areas. The initiative was also presented at the 2nd Municipal Circular Economy Summit in the Tarapacá Region, raising awareness among municipal stakeholders about the tool's potential applications for territorial surveillance, environmental monitoring, and enforcement support.
- Occupational competencies: During the reporting period, the project advanced the development of occupational competency profiles for the circular construction sector in collaboration with ChileValora and the Ministry of the Environment. This work resulted in the development of nine new occupational profiles covering key roles across the construction waste value chain, including base recyclers, waste transporters, and scrap and metal recovery workers. Building on these results, a strategic partnership was established with Aceros AZA, ChileValora, and the Ministry of the Environment to strengthen training, certification, and the professionalization of workers in the recycling sector. As part of this initiative, a pilot certification program for base recyclers will be implemented based on the competency profiles developed under the project.

  In parallel, a second phase was launched to develop five additional occupational profiles focused on the circular reuse of timber and the production of wood-plastic composite (WPC) materials. This phase also includes the development of training content and the design of a certification pilot in collaboration with key sector stakeholders.

In Summary: What Have We Achieved in our first year?

- More than 37 institutions now take part in the project’s collaborative ecosystem.
- 7+ outreach and dissemination events
- 629+ participants engaged through project events
- 14+ collaboration agreements and service contracts signed
- 3 enabling pilot projects initiated
- 3 studies and methodological developments underway
- 7 regions across Chile actively collaborating with the project
- 9 occupational competency profiles developed

- 5 additional occupational competency profiles under development
- Four formal governance instances have been convened, including the first Strategic Committee, with the active commitment of the Ministry of Public Works (MOP), Ministry of Housing and Urban Development (MINVU), Ministry of Social Development and Family (MDSF), and the Ministry of the Environment (MMA).

B. Challenges: Information on challenges of project implementation activities

The first year of project implementation coincided with the establishment and operationalization phase of the project. A key challenge during this period was the simultaneous initiation of multiple technical workstreams while, at the same time, recruiting and onboarding the project team, establishing governance arrangements, formalizing partnerships, and activating implementation mechanisms. This was particularly relevant for the design and launch of the pilots and technical studies under Components 2 and 4.

To address this challenge, significant effort was dedicated to refining scopes of work, validating methodological approaches with project partners, and ensuring alignment among technical counterparts before launching activities. While this process required more time than initially anticipated in the Project Document, it contributed to improving the technical quality, ownership, and feasibility of implementation. As a result, all major studies and pilot initiatives planned for the reporting period were successfully contracted and launched, including the CTEC Pilot, the CENAMAD Pilot, the remote sensing surveillance tool, the study on over-specification practices, the study on the social price of environmental impacts of construction and demolition waste, and the associated life-cycle assessment activities.

A second challenge has been maintaining active engagement, alignment, and commitment across a large and diverse stakeholder ecosystem. Given the project's transformative nature, implementation depends on the sustained participation of multiple public institutions, private sector organizations, industry associations, academia, regional governments, municipalities, and technical partners. Keeping stakeholders informed, ensuring alignment of expectations, and maintaining motivation and ownership throughout the implementation process has required substantial coordination efforts and continuous engagement.

To address this challenge, the project invested significant effort in establishing formal governance mechanisms, conducting regular coordination meetings, creating opportunities for technical participation, and ensuring continuous communication of project progress and achievements. More than 37 institutions are currently engaged in the project's collaborative ecosystem, supported by over 230 stakeholder meetings conducted during the reporting period. These efforts have strengthened trust, reinforced institutional ownership, and created a solid platform for the co-development and future adoption of project outputs.

Looking ahead, an important contextual challenge relates to the political transition associated with Chile's presidential elections and the subsequent change in government authorities. Changes in leadership across key ministries and public institutions may affect policy priorities and the pace of adoption of regulatory proposals developed under the project, particularly those linked to Component 1.

To mitigate this risk, the project has invested early in building broad institutional ownership across multiple government agencies and technical levels, thereby reducing dependence on individual decision-makers. During the next reporting period, engagement efforts will focus on briefing incoming authorities, revalidating priorities, and reinforcing the alignment between project objectives and national commitments related to climate change, circular economy, sustainable construction, and the implementation of Chile's Nationally Determined Contribution (NDC). The project team will continue to closely monitor this risk and adapt stakeholder engagement strategies as necessary.

Overall, despite the challenges associated with project start-up, stakeholder coordination, and the evolving political context, implementation progress remains on track and slightly above the level originally planned for this stage of the project, providing a strong foundation for the next phase of implementation.

C. Stakeholder Engagement

The designed Stakeholder Engagement Plan (see in prodoc) identified at least 60 relevant institutions that, based on their respective mandates and perspectives, can make a meaningful contribution to the work and ambition of the project. These institutions represent a broad range of stakeholders, including the private and public sectors, construction-related industry associations in Chile, banking institutions and potential financiers, as well as international agencies. For our project, conforming and strengthening a collaborative ecosystem is one of our top priorities. Building and maintaining this collaborative ecosystem has become one of the project's core implementation strategies, recognizing that systemic transformation in the construction sector requires sustained collaboration across government, industry, academia, financial institutions, and civil society.

During the first year of project implementation, A series of meetings were held with key stakeholders to engage them in the project's collaborative ecosystem. Over 40 stakeholder engagement meetings were conducted, with the participation of 7 municipalities, 19 government agencies (excluding the Ministry of Environment), 13 private sector organizations, and 13 academic institutions. As a result of this process, a public–private collaborative governance structure was established, comprising - at this stage, more than 37 institutions that committed to contributing to the achievement of the project's objectives. The collaboration of these institutions in our project has different ways, some of them are part of our Project Steering Committee (PSC), some of these are partners for communications and disseminations activities, others are consulted for technical contributions, and others for are direct beneficiaries for our capacity building activities and so on.

To ensure traceability and accountability, we record each meeting in an activity log that distinguishes by activity type; for example: prospecting activities versus coordination activities, technical meetings versus communication and dissemination activities, etc. Our log currently contains more than 230 meetings with stakeholders (see Annex 11, Activity Log). In the next paragraph we will specifically address the most significant examples of governance, communication and dissemination activities, and consultation-oriented activities.

Regarding official governance activities, in the reporting period, two meetings of the Project Steering Committee were held, strengthening the project's governance arrangements and inter-institutional coordination. The first meeting, held in December 2025, formally established the Committee, bringing together senior representatives from the Ministry of the Environment, the Ministry of Public Works, the Ministry of Housing and Urban Development, the Ministry of Social Development and Family, UNEP and Fundación Chile; Overall, the composition of this governance body is 40% women and 60% men. The Committee was created to provide strategic guidance from a public policy perspective, prioritize legislative, regulatory and standardization initiatives, and facilitate the implementation of project outcomes across relevant public institutions.

A second extraordinary meeting was convened in March 2026 to review and validate adjustments to the Year 1 work plan requested as part of the GEF implementation process. During the session, the project team presented implementation progress, including technical achievements, enabling activities and budget execution, as well as proposed adjustments to the sequencing of selected workstreams. The meeting also reinforced inter-ministerial collaboration, particularly regarding future joint initiatives related to the integration of environmental considerations into public investment decision-making.

These meetings have contributed to strengthening strategic oversight of the project, fostering ownership among key government institutions, and providing a high-level coordination mechanism to support the implementation and future uptake of the project's outputs across the public sector (See Annex 0 for further details).

Regarding communication and disseminations activities, a key part of our stakeholder engagement plan is the positioning of our initiative among the construction ecosystem in Chile, which is especially important in this establishment year. One of the first activities was to hold the launch event where our project was officially introduced to the construction community in Chile. This event was held on August 12, under the name of 'Moving Toward Circular and Decarbonized Construction in Chile'. This meeting was attended by high-ranking officials such as the Minister of the Environment, the Undersecretary of the Ministry of Social Development, the Executive Director of CORFO, the General Manager of FCH, and GEF, represented by its climate change specialist Esteban Bermudez.

The call and the positioning achieved was an absolute success. There were over 235 attendees in person and another 200 online. Considering only in-person participation, women accounted for 48% (112 participants) of total attendees. In this instance 27 institutions signed the commitment to be part of our collaborative governance, such us: ANARCH, ASCC, Banca Ética (BELAT), State Bank, Santander Bank, Chilean Chamber of Construction, CENAMAD, CHILE GBC, ChileValora, CIPYCS, Construye 2025 Program, CORFO, CTEC, FCH, GEF, INE, INN, INNOVACICLOS, Construction Institute, Ministry of Social Development and Family, Ministry of Husing and Urban Planning, Ministry of Environment, Ministry of Public Works, Circular Economy Network of Construction, SENAPRED, PNUMA, MonGerch and ICHA. This number has risen to 37 institutions that are today part of our collaborative ecosystem. Finally at this time we have managed to have 7 communication and dissemination events which in total counted with 629+ participants.

Regarding consultation-oriented activities, this category includes activities such as workshops, technical meetings and focus groups. We have organized more than 16 workshops on a wide range of topics from territorial challenges to implementing construction projects, discussions on how to promote Regenerative, Adaptive and Resilient Construction sector, Discussion on the problem of illegal aggregates, among others.

Regarding workshops, a training program on circular economy in timber construction was delivered to a diverse group of stakeholders from the timber sector, bringing together +75 participants; 24 women. Participants completed a series of training sessions focused on circular construction principles, sustainable timber management, and opportunities for enhancing resource efficiency across the value chain. Those who successfully completed the program received a certificate of participation. Beyond strengthening technical capacities, the workshop contributed to building a network of practitioners and institutions interested in advancing circular timber construction practices. This network is expected to continue supporting knowledge exchange and provide valuable technical inputs for the development of the future standard on circular timber construction.

Regarding key partnerships, the first year of project implementation has been marked by the establishment of strong strategic collaborations with the Ministry of Public Works (MOP) and the Ministry of Social Development and Family (MDSF), both of which are expected to play a critical role in ensuring the long-term uptake of the project's outcomes.

Collaboration with the Ministry of Public Works has been particularly strengthened through the General Directorate of Public Works and the Directorate of Highways. This partnership has enabled close technical coordination on two strategic workstreams. First, the development of legal and regulatory proposals that support the Ministry's commitments under its Sectoral Climate Change Mitigation and Adaptation Plan and Chile's Nationally Determined Contribution (NDC). Second, the implementation of technical work aimed at enabling the environmentally safe use of industrial by-products and waste materials in road infrastructure, including the review and validation of technical advances and the identification of opportunities for future pilot implementation.

Likewise, collaboration with the Ministry of Social Development and Family has become increasingly relevant during the reporting period. The Ministry has committed to serving as a technical counterpart for the methodological study on estimating the social cost of environmental impacts associated with construction and

demolition waste. This partnership is expected to play a key role in ensuring the robustness and policy relevance of the methodology, while also creating the conditions for the future integration of circular economy considerations into Chile's National Public Investment System, thereby supporting more environmentally informed public investment decision-making.

We have made significant progress in strengthening strategic partnerships with the private sector and industry associations. A key example is our collaboration with the Chilean Chamber of Construction (CChC), through which we are advancing a joint agenda to embed circular economy principles within the construction sector and support the implementation of its sustainability roadmap. Furthermore, we are in the final stages of formalizing two strategic collaboration agreements. One will enable the implementation of CTEC pilot project, while the other will support the certification of competencies associated with new occupational profiles developed in partnership with ChileValora, contributing to the development of the skills needed for a more circular construction industry.

The participation of financial institutions within the project's collaborative ecosystem is also generating valuable input for the future implementation of Component 3. Early exchanges with banking stakeholders and potential financing partners have helped identify opportunities and barriers associated with scaling circular construction solutions, creating a foundation

D. Gender Equality

During the first year of implementation, the project focused on establishing the foundations required for the effective integration of gender considerations across its governance, stakeholder engagement, communication, and capacity-building activities. While the full implementation of the Gender Action Plan (GAP) is scheduled for subsequent phases of the project, important steps have already been taken to ensure that gender equality considerations are incorporated into project design and delivery.

A first priority has been to promote balanced participation in project activities and decision-making processes. Within the PMU, women represent 75% of the total unit, including the PM and the executing agency supervisor. Gender-disaggregated participation data is systematically collected for all project events, workshops, consultations, and capacity-building activities. To date, women represent approximately 45% of total participants across project activities, reflecting a strong level of engagement in a sector traditionally characterized by lower female participation.

The project has also sought to promote gender balance and visibility in its communication and outreach activities. For example, during the project launch event, mixed-gender speaking panels were intentionally designed to showcase diverse leadership and expertise within the construction and sustainability sectors. Similar considerations have been applied to subsequent dissemination and stakeholder engagement activities.

In parallel, gender considerations are being incorporated into the design of future capacity-building and workforce development initiatives. This includes the development of occupational competency profiles for emerging circular economy-related occupations, as well as the design of future training and certification initiatives that aim to expand access to skills development opportunities across different stakeholder groups. The project will continue to explore opportunities to encourage the participation and professional development of women in circular construction value chains, particularly in occupations linked to resource recovery, recycling, materials management, and sustainable construction practices.

The project will also seek collaboration with relevant professional associations, networks, and organizations that promote women's participation in the construction sector, including initiatives such as Women in Construction and other industry platforms.

Looking ahead, the project's communications strategy will provide an important platform for the implementation of the Gender Action Plan. Planned activities include increasing the visibility of women

working in the construction and circular economy sectors, promoting role models and success stories, and collaborating with relevant professional associations and civil society organizations to support women's participation and leadership in the transition towards a circular and low-carbon construction sector.

Overall, the first year of implementation has laid the groundwork for a more systematic integration of gender considerations across project activities, helping ensure that the benefits and opportunities arising from the transition to circular and low-carbon construction can be accessed more equitably by women and men.

E. Knowledge Management

During the reporting period, the project generated a significant body of technical knowledge to support Chile's transition towards a circular and low-carbon construction sector. The knowledge products developed to date includes strategic planning instruments, technical studies, methodological frameworks, and pilot methodologies aimed at informing future policy reforms, investment decisions, and implementation initiatives. It is important to highlight that an important element of the KM approach is the systematic documentation and analysis of lessons learned across all project outputs, ensuring that implementation experience can be shared, replicated, and used to inform adaptive project management throughout the project lifecycle.

Among the most significant products was the Legal and Regulatory Strategy, which identified and prioritized legal, regulatory, and policy instruments requiring modification to accelerate circularity in the construction sector. The project also completed a study on over-specification and over-dimensioning practices in construction, providing technical recommendations to improve resource efficiency while maintaining safety and resilience standards. In addition, the project advanced the methodological framework for estimating the social price of environmental impacts associated with construction and demolition activities, creating an evidence base to support future policy and investment decisions.

Knowledge generation was also supported through the development of the circular road infrastructure pilot and the occupational competency profiles for emerging circular economy occupations. These initiatives combine technical innovation with practical implementation experience and are expected to generate transferable lessons for future replication and scaling.

Several technical workshops, consultation processes, and knowledge-sharing events were organized during the reporting period to validate findings and facilitate dissemination among key stakeholders. Notable examples include the technical working sessions conducted under the CENAMAD pilot for the development of circular timber standards, stakeholder consultations associated with the Legal and Regulatory Strategy, and technical discussions related to the development of the environmental surveillance tool and the methodology for estimating environmental externalities.

The project will continue to strengthen its Knowledge Management approach by ensuring that technical evidence, lessons learned, and implementation experiences are systematically documented and translated into practical tools, guidance, and capacity-building resources that support the adoption of circular and low-carbon practices across the construction sector.

The project includes a structured file database and sophisticated project management software that will serve as the basis for the project's website.

III: Minor Amendments

CONTEXT	
Result Framework	
Components and Cost	

Institutional And Implementation Arrangements	
Financial Management	
Implementation Schedule	
Executing Entity	
Executing Entity Category	
Minor Project Objective Change	
Safeguards	
Risk Analysis	
Increase of GEF Financing up to 5%	
Co-Financing	
Location of Project Activity	
others	

IV: Geographic Coordinates of Project Activities

Location Name	Latitude	Longitude	GeoName ID
Santiago	-33.45694	-70.64827	3,895,114

Location Description:

Capital of Chile, location of most institutions at the national level (ministries and other public entities) and of the project's co-executing agency, Fundación Chile.

Activity Description:

V. ANNEX

Uploaded Document

Document Category	Title
M and E Document	11071_PIR_UNEP_2026_Chile_BC_FY26_Final