

**PROJECT IMPLEMENTATION REPORT (PIR)
FY 2021**

**GEF - IDB
PIR # 3**

IMPORTANT: The reporting period is GEF Fiscal Year (July 1st, 2021, to June 30th, 2022)

PROJECT GENERAL INFORMATION			
Project Name:	Mainstreaming Biodiversity Conservation through Low-Impact Ecotourism in SINAP II (ECOTUR-AP Second Phase)		
Project's GEF ID:	9889	Project's IDB ID:	PN-T1190
Overall Stage:	Disbursing (from eligibility until all operations are closed)		
Country/ies:	Panama		
GEF Focal Area:	Biodiversity		
Executing Agency:	MINISTERIO DE AMBIENTE (MiAMBIENTE)		
Project Finance:	Total disbursements of GEF Grant resources as of end of June 30th, 2022 (cumulative)	US\$150,000.00	
Project Dates:	Date of First Disbursement	10/9/2019	
	Agency Approval Date	11/17/2017	
	Effectiveness (Start) Date	10/10/2018	
	Original Expected Completion Date ¹ (OED)	10/10/2020	
	Current Expected Completion Date (CED)	10/10/2021	
	Expected Financial Closure Date ² (EOC)	1/8/2022	
	Actual Date of Expected Financial Closure Date, if applicable	TBD -second semester of 2022-	

¹ For the GEF, this is equivalent to the project's "Expected Completion Date".

² For the GEF, this is equivalent to the project's "Expected Financial Closure Date".

Project Evaluation:	Mid-term Date	N/A
	Terminal evaluation Date (Actual)	08/25/2022

DEVELOPMENT OBJECTIVE RATING (DO) & ASSESSMENT	
<p>Make an overall assessment and provide a rating³ of “likelihood of achieving project objective” during the period (2021-2022). Describe any significant environmental or other changes attributable to project implementation.</p>	
<p>Project Objective: The general objective of this project is to contribute to improving the conservation and management effectiveness of Panama's protected areas through the promotion of low-impact ecotourism.</p>	
OVERALL ASSESSMENT (DO)	RATING
<p>Unfortunately, very weak performance is evidenced by the very few outputs obtained only a few months before the last disbursement contractual date in 2020. No other outputs are expected to be obtained since the Government of Panama still must return non justified resources to the IDB since October 2021, unfortunately without success. Therefore, the rating for fiscal year 2020-2022 remains as Highly Unsatisfactory (HU) until the operation is able to close financially and operationally in the systems.</p>	HU

PROJECT STATUS UPDATE
<p>There was no execution in 2022, since the execution period ended in October 2021. The operation is not closed yet because the Government has been delayed in returning non justified resources to the Bank.</p>

³ See Annex 1: Definition of Ratings.

IMPLEMENTATION PROGRESS RATING (IP) & ASSESSMENT	
Insert here an assessment and provide ratings ⁴ of overall Implementation Progress, including information on progress, challenges, and outcomes on project implementation activities from July 1 st , 2021, until June 30th, 2022. As applicable, please include information on issues and solutions related to COVID-19.	
OVERALL ASSESSMENT (IP)	RATING
Since the project's execution period ended in October 2021, this fiscal year there was no implementation progress. Thus, the rating remains as Highly Unsatisfactory (HU). The lack of progress observed since the approval of the operation, and essentially due to poor Public Administration efficiency and "force majeure" situations, continues. The operation has shown very limited physical and financial progress since previous 2 fiscal years (2020-2021).	HU

RISK RATING & ASSESSMENT
Make any adjustments necessary to the assessment ratings⁵ of overall Project Risk⁶ that you provided in the last PIR (2021-2022). Please include details and remedial measures for High and Substantial Risks, specifying who will be responsible for these measures.

OVERALL ASSESSMENT (RISK)	RATING
Since the end of 2020, most of the execution and closure difficulties are due to internal problems within the Executing Agency or adverse decisions/weak performance from other public Agencies (Ministry of Economy and Finance, General Controller). Therefore, the rating for fiscal year 2021-2022 persists as Highly Risk (H).	H

⁴ See Annex 1: Definition of Ratings.

⁵ See Annex 1: Definition of Ratings.

⁶ These should include risks identified at CEO Endorsement AND any new risks identified during implementation.

STAKEHOLDER ENGAGEMENT

Please add information on any progress, challenges, and outcomes with regards to stakeholder engagement, based on the project's activities during its implementation through the 2021-2022 GEF Fiscal Year. **As applicable, please include information on issues and solutions related to COVID-19.**

To develop the project's biosecurity plans, the executing agency implemented several participatory workshops in the territories of intervention, which included local experts to collect the community's opinions and local knowledge. Unfortunately, since the operation is closing so early without major progress, these efforts won't show major results for this particular project.

GENDER

Please add information on any progress, challenges, and outcomes with regards to any and all gender-responsive measures that were undertaken in the project's activities during the 2021-2022 GEF Fiscal Year. Also: Were indicators on gender equality and women's empowerment incorporated in the project's results framework? (Yes/No). If applicable, include the indicator with its baseline, target, and current value (2021-2022).

This project's result matrix did not incorporate any disaggregated indicators on gender equality.

KNOWLEDGE

Please add information on knowledge activities and products developed in relation to the project (with GEF or non-GEF resources), with special emphasis on activities carried out during the 2021-2022 GEF Fiscal Year. **As applicable, please include information on issues and solutions related to COVID-19.**

Since the operation is in its closure state since 2021, no knowledge products were developed in order to show results.

LESSONS LEARNED / BEST PRACTICES

If the project generated any lessons learned or best practices during the 2021-2022 GEF Fiscal Year, please provide a short description. **As applicable, please include information on issues and solutions related to COVID-19.**

The Executing Agency doesn't count with the managerial, technical nor fiduciary capacities to execute projects. Additionally, in Panama, even grants require a budgetary assignation to be implemented when executed by a public institution, while obtaining budget and establishing the bureaucratic conditions of budget management is extremely complex and time demanding.

Recommendation:

Future operations in Panama should consider alternative implementing mechanisms, for instance execution by a non-governmental third party.

PROJECT MODIFICATIONS TO THE RESULTS MATRIX

Please report any significant modifications made to the project design since July 1st, 2021. (The basis for comparison is the Project Results Framework Matrix included in the original Request for CEO Endorsement Document.) This should be based on the Project Results Framework Matrix included in the original Request for CEO Endorsement Document.

CATEGORY	YES/NO	APPROVED BY	DESCRIPTION OF CHANGE AND EXPLANATION
Objective	No	2021-2022	N/A
Outcome	No	2021-2022	N/A
Output/Activities	No	2021-2022	N/A
Other	No	2021-2022	N/A

PROJECT EXTENSIONS OR OTHER MODIFICATIONS

Has the project been granted any extension or other modification covered by the OA-420 from July 1st, 2021, until June 30th, 2022? If yes, please explain below. **As applicable, please include information on issues and solutions related to COVID-19.**

No. On September 19, 2020, the Bank received a formal request from the Ministry of Economy and Finance, for a 12-month extension of the last disbursement date, to be able to carry out the priority activities. Weekly follow-ups meetings were held, to monitor the progress of the project and assess the executing unit. However, in April 2021, a review of the delivery timeline for the remaining products was conducted and it was concluded that these could not be delivered before the last disbursement date as agreed. Because of the incapacity of the executing unit to execute the project and per Bank's Policies, **it is not possible to grant a second extension of the last disbursement date.**

As a result, the project is still trying to financially close (pending the return of unused resources from the executing agency) without use of the remaining resources.

ANNEX I

ANNEX 1. DEFINITION OF RATINGS

Development Objective Ratings

1. Highly Satisfactory (HS): Project is expected to achieve or exceed all its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as “good practice”.
2. Satisfactory (S): Project is expected to achieve most of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.
3. Marginally Satisfactory (MS): Project is expected to achieve most of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits.
4. Marginally Unsatisfactory (MU): Project is expected to achieve some of its major global environmental objectives with major shortcomings or is expected to achieve only some of its major global environmental objectives.
5. Unsatisfactory (U): Project is expected not to achieve most of its major global environment objectives or to yield any satisfactory global environmental benefits.
6. Highly Unsatisfactory (HU): The project has failed to achieve, and is not expected to achieve, any of its major global environment objectives with no worthwhile benefits.

Implementation Progress Ratings

1. Highly Satisfactory (HS): Implementation of all components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as “good practice”.
2. Satisfactory (S): Implementation of most components is in substantial compliance with the original/formally revised plan except for only a few that are subject to remedial action.

3. Marginally Satisfactory (MS): Implementation of some components is in substantial compliance with the original/formally revised plan with some components requiring remedial action.
4. Marginally Unsatisfactory (MU): Implementation of some components is not in substantial compliance with the original/formally revised plan with most components requiring remedial action.
5. Unsatisfactory (U): Implementation of most components is not in substantial compliance with the original/formally revised plan.
6. Highly Unsatisfactory (HU): Implementation of none of the components is in substantial compliance with the original/formally revised plan.

Risk ratings

Risk ratings will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risks of projects should be rated on the following scale:

1. High Risk (H): There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.
2. Substantial Risk (S): There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.
3. Modest Risk (M): There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.
4. Low Risk (L): There is a probability of up to 25% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.