



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

**GEF – IDB**

**IMPORTANT: The reporting period is GEF Fiscal Year (July 1<sup>st</sup>, 2020, to June 30<sup>th</sup>, 2021)**

# of PIR: 5<sup>th</sup>

**PROJECT GENERAL INFORMATION**

|                                       |   |                           |          |
|---------------------------------------|---|---------------------------|----------|
| <b>Project Name:</b>                  | Recovery and Protection of Climate and Biodiversity Services in Brazil’s Southeast                |                           |          |
| <b>Project’s GEF ID:</b>              | 4834  | <b>Project’s IDB ID:</b>  | BR-G1003 |
| <b>Project financial information:</b> | Date of First Disbursement  | 02/01/2017                |          |
|                                       | Total disbursements of GEF Grant resources as of end of June 30 <sup>th</sup> , 2021 (cumulative) | US\$ 18,319,822.35        |          |
| <b>Project dates:</b>                 | Agency Approval Date  | 07/31/2014                |          |
|                                       | Effectiveness (Start) Date  | 01/28/2016                |          |
|                                       | Original Last Disbursement Expiration Date <sup>1</sup> (OED)                                     | 07/28/2021                |          |
|                                       | Current OED   | 07/28/2023                |          |
|                                       | Estimated Operational Close Date <sup>2</sup> (EOC)   | 10/26/2023                |          |
|                                       | Actual Date of EOC, if applicable   | Click here to enter text. |          |
| <b>Project evaluation:</b>            | Mid-term Date   | 10/30/2019                |          |
|                                       | Terminal evaluation Date (Expected)   | 01/28/2023                |          |

<sup>1</sup> For the GEF, this is equivalent to the project’s “Expected Completion Date”.

<sup>2</sup> For the GEF, this is equivalent to the project’s “Expected Financial Closure Date”.

**DEVELOPMENT OBJECTIVE RATING (DO) & ASSESSMENT**

***Make an overall assessment and provide a rating<sup>3</sup> of “likelihood of achieving project objective” during the period (2020-2021). Describe any significant environmental or other changes attributable to project implementation.***

| OVERALL (DO) ASSESSMENT  | RATING |
|--|--------|
| <p>Overall, the project is likely to achieve its development objective given the following considerations:</p> <p>The project Implementation continues to keep a steady pace with minimum delays due to the COVID-19 pandemic, with good progress in components 1 (Reinforcing institutional capacity for managing and monitoring carbon stocks and biodiversity), 2 (Increase of carbon stocks in the Paraíba do Sul River Basin), and 3 (Increasing the Financial Effectiveness and Sustainability of Conservation Units (UCs) along the Serra do Mar Corridor and Promoting Sustainable Economic Activities).</p> <p>For the 2021 reporting cycle, the project’s implementation progress was rated as Moderately Satisfactory (MS).</p> | MS     |

**IMPLEMENTATION PROGRESS RATING (IP) & ASSESSMENT**

***Make an assessment and provide ratings<sup>4</sup> of overall Implementation Progress, including information on progress, challenges, and outcomes on project implementation activities from July 1<sup>st</sup>, 2020, until June 30<sup>th</sup>, 2021. As applicable, please include **information on issues and solutions related to COVID-19.*****

| OVERALL (IP) ASSESSMENT  | RATING |
|--|--------|
| <p>Overall, the project is advancing in the implementation of the updated work plan, although with some delays compared to the original planning and some challenges imposed by the COVID pandemic. Therefore, the implementation progress rating for the fiscal year was Moderately Satisfactory (MS).</p> <p>Progress per component:</p> <p>Component 1 - Reinforcing institutional capacity for managing and monitoring carbon stocks and biodiversity. All outputs are showing progress, and the execution plan includes hiring a Real Time Monitoring Service as well as consultants to support the monitoring activities. This component is implemented by the Ministry of Science and Technology.</p> <p>Component 2 – Increase of carbon stocks in the Paraíba do Sul River Basin. This component is executed by three states: Rio de Janeiro, Sao Paulo and Minas Gerais. All outputs are showing progress. However, during this cycle, the COVID pandemic represented a challenge for the execution of the component, delaying the delivery of some materials by suppliers, causing failed bids, impeded technical visits, and requiring rescheduling some activities. In order to keep the project on track, the executing agency</p> | MS     |

<sup>3</sup> See Annex 1: Definition of Ratings.

<sup>4</sup> See Annex 1: Definition of Ratings.

|  |  |
|--|--|
| <p>coordinated the expansion and adoption of virtual meetings and other mechanisms for disseminating practices, encouraging training and monitoring contracts.</p> <p>Component 3 – Increasing the Financial Effectiveness and Sustainability of Conservation Units (UCs) along the Serra do Mar Corridor and Promoting Sustainable Economic Activities. All outputs in this component are showing progress. Despite the challenges presented by the pandemic, such as limitations for technical assistance technicians (many people in the risk group) and movement limitations by state and municipal decree, field activities and training activities were exchanged from being face-to-face to remote. Some events (seminars and tours) had to be postponed.</p> |  |
|--|--|

**RISK RATING & ASSESSMENT**

*Make any adjustments necessary to the assessment ratings<sup>5</sup> of overall **Project Risk**<sup>6</sup> that you provided in the last PIR (2019-2020). Please include details and remedial measures for High and Substantial Risks, specifying who will be responsible for these measures.*

| OVERALL RATING FOR PROJECT RISK   | RATING   |
|---|----------|
| <p>The operation maintains the “Moderate” (M) risk rating, as in the previous period.</p> <p>The risk related to "Bureaucracy for signing the extension of the project by the parties”, which could cause delays in the execution of the project has been inactivated</p> | <p>M</p> |

**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 2020-2021 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 (2020-2021).*

|  |
|--|
| <p>The original design of the project does not include specific gender related indicators.</p> |
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<sup>5</sup> See Annex 1: Definition of Ratings.

<sup>6</sup> 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 2020-2021 GEF Fiscal Year. As applicable, please include **information on issues and solutions related to COVID-19.*****

The project involves several institutions that implement the components. This represents a challenge since technical knowledge and methodologies in each institution require alignment. Despite the COVID-19 pandemic's challenges, the executing agency (FINATEC) along with the IDB's support, coordinated efforts to identify and mitigate risks from supplier's delay, monitoring and other field activities, adapting the execution with virtual and remote tools.

Furthermore, as this is a project that works with small farmers and rural families, the limitations caused by the pandemic presented a big challenge in terms of aligning expectations about project activities in the field and maintaining engagement from beneficiaries. To this end, during this period component 2 activities were aimed at continuing the implementation of Payment for Environmental Services (PES) schemes (outputs 2.1, 2.2) through remote and in-person technical assistance. Also, activities were focused on the monitoring and verification of compliance with key practices, which are required before the payments under the PES scheme can be approved. Additionally, aiming at maintaining engagement among participants, providing training, and disseminating information related to the project to partners and beneficiaries (output 2.3), several communication activities and remote events took place, and publications were disseminated for delivering key information.

For component 3, all engagement activities and support for certification were maintained and, as described in output 3.2, until June 2021, 41.9% of producers were able to receive a certification (63.6% of the total area), with agroecological certification being the majority option of the beneficiaries.

Also, several advances in strengthening relations with municipal authorities and the project were made 2020/2021:

- In Bananal, in partnership with the city hall, an institutional video on family farming acquisitions for school meals was produced with the support and participation of the local government ([https://www.youtube.com/watch?v=6XGi8NoM1\\_Y&t=129s](https://www.youtube.com/watch?v=6XGi8NoM1_Y&t=129s)).
- The organization of a family farming fair on historic farms in the region is also the result of this partnership. The initiative of the Municipal Department of Culture and Tourism aimed to promote local crafts. Fourteen female farmers and family farmers from the Project were added to it, enriching the fair and bringing a rich opportunity for marketing and dissemination.
- Also, regarding sustainable value chains and public policies articulated by the Project, in February, the Infrastructure and Environment Secretariat published Resolution SIMA 11/2021, which created the *meliponary* category and simplified registration for the management of native bees in the State of São Paulo.
- The results achieved by Project in the State of São Paulo until December 2020 were summarized in a publication and presented to the Municipal Governments. In May 2021 the report was presented to the Municipalities of São Luiz do Paraitinga, Bananal, and Peruíbe. In June, to the municipality of Natividade da Serra.

## **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 2020-2021 GEF Fiscal Year. As applicable, please include **information on issues and solutions related to COVID-19.*****

The state of Sao Paulo environmental system maintains an electronic page of the Project<sup>7</sup> on its website (<https://www.infraestruturameioambiente.sp.gov.br/conexao/>) and continues to prepare a monthly Bulletin with a summary of the main activities carried out and/or programmed, distributed to a network of strategic partners (City Halls, Associations, Unions, NGOs, leaders, and beneficiaries). Also, podcasts are produced and disseminated by WhatsApp, under the name Rádio Conexão and which can also be consulted on the website.

In February 2021, the Project's experiences were presented at the National Seminar on Technologies for Organic and Agroecological Based Production, organized by Pouso Alto Agroecologia and held in partnership with Embrapa and other institutions.

In addition, one of the activities that emerged during the pandemic were posts on social networks, a series of training courses developed by the project, and the elaboration of a standard questionnaire for beneficiaries.

During the quarantine period, ATER (technical assistance and rural extension) activities with farmers started to include inspection and remote guidance by cell phone and video training. It was interesting to see the growing adherence to digital tools by farmers, despite the internet difficulties in some rural neighborhoods. The website of Conexão on SIMA's website presents several videos for rural producers that were previously released by WhatsApp and other social networks. In addition to these, there are also other videos prepared by the Project's extension teams on the YouTube platform:

[\(https://www.infraestruturameioambiente.sp.gov.br/conexao/videos/\)](https://www.infraestruturameioambiente.sp.gov.br/conexao/videos/)

[\(https://www.youtube.com/playlist?list=PLhYTV\\_V-DeIWJnIDtpHTxzDVZ6rslojbN\)](https://www.youtube.com/playlist?list=PLhYTV_V-DeIWJnIDtpHTxzDVZ6rslojbN)

Supporting rural producer organizations has proven to be a successful measure for consolidating sustainable value chains and for strengthening market access for small producers. New business plans were drawn up and the work developed with Fundação Getúlio Vargas came to an end with the publication "Strengthening sustainable value chains"

A report describing the results achieved by the Project in the State of São Paulo until December 2020 was published and distributed among stakeholders.

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<sup>7</sup> The project is known as Conexão Mata Atlântica.

**PROJECT MODIFICATIONS**

**Please report any significant modifications made to the project design since July 1<sup>st</sup>, 2020. (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.**

| CHANGE MADE TO    | YES/NO | DESCRIPTION OF CHANGE AND EXPLANATION |
|-------------------|--------|---------------------------------------|
| Objective         | No.    |                                       |
| Outcome           | No.    |                                       |
| Output/Activities | No.    |                                       |
| Other             | No.    |                                       |

**Has the project been granted any extension or other modification covered by the OA-420 from July 1<sup>st</sup>, 2020, until June 30<sup>th</sup>, 2021? If yes, please explain below. As applicable, please include **information on issues and solutions related to COVID-19.****

|     |
|-----|
| No. |
|-----|

**LESSONS LEARNED / BEST PRACTICES**

**If the project generated any lessons learned or best practices during the 2020-2021 GEF Fiscal Year, please provide a short description. As applicable, please include **information on issues and solutions related to COVID-19.****

| TOPIC/THEME           | LESSONS   |
|-----------------------|---|
| Technical methodology | <p>Holding separate meetings with each state to describe the specifics of each location and align the monitoring methodologies applied.</p> <p>The technical demands of Component 1 are highly complex and thus, demanded innovation strategies (especially in relation on the PES contracts process and its details) to adapt to circumstances in the field. As a lesson learned, the project found that carrying out public hearings for technical clarifications to interested parties was essential, as well as holding individual meetings with different states representatives to meeting specific demands for each region, improving engagement, and avoiding further delays and conflicts.</p> |
| COVID-19              | The use of alternative means to disseminate materials and training, through videos, audios, posters, and online meetings is an adequate adaptation when face-to-face interaction is not possible.   |
| COVID-19              | Limitations of the work of the ATER (Technical Assistance and Rural Extension) Team with beneficiary farmers due to COVID-19 restrictions could be managed by adapting the  |

| TOPIC/THEME | LESSONS   |
|-------------|---|
|             | technical assistance methodology: reducing the number of in-person training and alternating them with some remote activities. |

## 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.