GEF-8 REQUEST FOR CEO CHILD ENDORSEMENT/APPROVAL

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General Child Project Information

Child Project Title

Honduras Mesoamerica Forest IP Project: Conserving the Intact Forests of the Honduran Moskitia

Region	GEF Project ID
Honduras	11276

Country(ies)	Type of Project
Honduras	FSP

GEF Agency(ies)	GEF Agency Project ID
IUCN	

Project Executing Entity(s)	Project Executing Type
Secretariat of Environment and Natural Resources (SERNA)	Government
Wildlife Conservation Society (WCS)	CSO

GEF Focal Area (s)	Submission Date
Multi Focal Area	6/11/2024

Type of Trust Fund	Project Duration (Months)
GET	48

GEF Project Grant: (a)	Agency Fee(s) Grant: (b)
3,519,725.00	316,773.00

PPG Amount: (c)	PPG Agency Fee(s): (d)
150,000.00	13,500.00

Total GEF Financing: (a+b+c+d)	Total Co-financing
3999998	23,963,182.00

Project Sector (CCM Only)

AFOLU

Rio Markers

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Principal Objective 2	Significant Objective 1	Principal Objective 2	Significant Objective 1

Project Summary

Provide a brief summary description of the project, to offer a snapshot of what is being proposed. The summary should include: (i) what is the problem and issues to be addressed? ii) as a child project under a program, explain how the description fits in the broader context of the specific program; (iii) what are the project objectives, and if the project is intended to be transformative,

how will this be achieved? and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. (max. 250 words, approximately 1/2 page)

1. The Mesoamerican Critical Forest Biome is vital and irreplaceable; however, despite these factors, it is considered among the world's most threatened. In Honduras nearly half Intact Forest Landscapes have been lost between 2000 and 2020. The Moskitia Intact Forest Landscape (IFL) provides numerous benefits to local communities. Its rich biodiversity sustains traditional livelihoods such as hunting, fishing, and gathering of non-timber forest products, ensuring food security and cultural continuity for indigenous populations. Nonetheless, it faces threats from various sources, including: i) legal and illegal small- and large-scale cattle ranching; ii) agricultural expansion; iii) illegal logging and timber harvesting; iv) forest fires; v) hurricanes; vi) illegal hunting and wildlife trade; vii) illegal roads, among others. Consequently, many of the indigenous peoples, women, and youth living in the project sites also experience high rates of poverty, limited economic and educational opportunities, and rely heavily on natural resources and subsistence agriculture, making them highly vulnerable to external factors, including climate change.

2. The Honduras Mesoamerica Forest Child project objective is to contribute to the protection of critical forest ecosystems in Honduras and Mesoamerica, while improving the well-being of indigenous peoples by recognising their indispensable role in forest conservation. In particular the project is aligned with the GEF strategy on forests[1] and is designed to deliver global environmental benefits (GEB) in biodiversity, climate change mitigation and adaptation, international waters, and land degradation and forests, through empowering Indigenous Peoples and Local Communities (IPLCs) the project and addressing the drivers of deforestation and forest degradation at the landscape level. It will target three different sites in Honduras' northeastern departments of Gracias a Dios, Olancho, and Colon, namely the Rio Platano Biosphere Reserve (RPBR), Tawahka Asagni Biosphere Reserve (TABR), and the indigenous forests of Warunta.

3. The project aims to facilitate transformational change that supports the conservation of preserved forests in the Honduran Moskitia through a set of targeted interventions addressing the main drivers of deforestation and forest degradation. Interventions will focus on strengthening multi-level governance and policy coherence, mobilizing new and additional financing for forest conservation, enhancing regional cooperation, knowledge sharing, and awareness raising. The project also aims to support conservation led by indigenous peoples and local communities. The project's objectives will be achieved through four interlinked components as follows: 1) Enabling conditions for the protection and conservation of primary forests; 2) Accelerated protection and restoration of primary forests; 3)Increased investment in positive/nature landscapes and livelihoods; and 4) Fostering knowledge management, cooperation and coordination.

4. Global Environmental Benefits (GEB) focus on three main areas: biodiversity, land degradation, and climate change mitigation. The project will contribute to improved management of 1,083,281 ha of existing terrestrial protected areas; the restoration of 500 ha of land ecosystems; improved management practices (OECM creation) in an area of 65,245 ha and supporting 46,100 (18,100 women, 28,000 men). In addition, the project will contribute to Greenhouse gas (GHG) emissions reduction of 7,278,152 metric ton of CO_2e through improved land management and reduced deforestation. 5. The project is a part of the Mesoamerica CFB IP

and creates synergies with Regional Coordination Project and the Nicaragua Child Project. In particular, the Honduras project will contribute to the objectives of the Nicaragua Child Project through the support of cross-border cooperation in the Moskitia region. The project, especially through Output 1.1.3, will develop a pathway for collaboration between the two countries in Moskitia and support the exchange of knowledge between IPLC organisations. Moreover, the Honduran child project will contribute to the Regional Coordination Project (RCP) with its participation on the regional coordination platform (4.1), knowledge exchange activities (4.2 especially 4.2.1 and 4.2.3) as well as by coordinated regional level monitoring of the programme activities (4.2.5). Additionally, through outputs 1.2.2 and 2.1.2 it will support the regional level analyses with the collection of national level data. [1]https://www.thegef.org/sites/

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[1]https://www.thegef.org/sites/

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[1]https://www.thegef.org/sites/default/files/documents/2024-05/GEF-StrategyOnForests-final_0.pdf

Child Project Description Overview

Project Objective

Improved and consolidated conservation of the critical ecosystems in the Honduran Moskitia through strengthened governance, promotion inter sectoral coordination and policy coherence; strengthened protection and restoration of ecosystems; promotion of deforestation-free livelihoods and knowledge cross-fertilization.

Project Components

1 - Enabling conditions for the protection and conservation of primary forests

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
796,755.00	5,375,735.00

Outcome:

1.1: Strengthening local and national mechanisms to support the conservation of primary forests in the Honduran Moskitia.

1.2: Key national and regulatory instruments prioritize primary forest conservation in the Honduran Moskitia.

1.3: Improved multi sectoral platforms for forest conservation and management.

Output:

1.1.1: Awareness and advocacy plan for the protection and conservation of primary forests aimed at policy makers, sectoral entities and the private sector.

1.1.2: Strengthening local governance structures to improve the effectiveness of the protection and conservation of the primary forests of the Honduran Moskitia, through zoning and norm building processes in at least 2 of the territorial councils.

1.1.3: Strengthened agreements for cross-border protected areas collaboration.

1.2.1: Updated Sub-national policies, regulations and cross-sectoral instruments that support the protection and conservation of primary forests in the Honduran Moskitia.

1.2.2: Information to support fact-based decision making on forest conservation interventions.

1.3.1: Creation or strengthening of multi-sectoral platforms.

1.3.2: Multisectoral meetings of stakeholder groups and sectors to agree actions and goals for primary forest conservation.

2. Accelerated protection and restoration of primary forests

Component Type	Trust Fund
Investment	GET
GEF Project Financing ($)	Co-financing ($)
1,402,842.00	9,565,634.00

Outcome:

2.1: Improved protection of primary forests in the Honduran Moskitia, particularly within protected areas.

2.2: Increased area of OECMs that protect primary forests integrity and expand functional connectivity.

2.3: Ongoing restoration of 500 ha to increase primary forest connectivity.

Output:

2.1.1: Strengthening protected area management instruments and tools of ITCs and state government institutions.

2.1.2: Assessment of the risk of collapse of the of lowland rainforest in Honduras

2.1.3: Information about the contribution of protected areas and indigenous peoples to conserve the primary forests of the Honduran Moskitia and advance the global biodiversity framework to support fact-based decision-making.

2.2.1: National frameworks or protocols for the implementation of OECM.

2.2.2: Establishment of an OECM zone to support the conservation of primary forests of the Honduran Moskitia.

2.3.1: Updated assessment of the restoration area in agreement with the ICTs and in the framework of the process of remediation and reclamation of areas.

2.3.2: Key priority areas for the restoration of indigenous territorial areas.

3. Increased investment in positive forest/nature landscapes and livelihoods

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
648,930.00	4,424,894.00

Outcome:

3.1: Increase in financial resources for the conservation of primary forests of the Honduran Moskitia.

3.2: Increase in the number of forest-friendly initiatives

Output:

3.1.1: Analysis of funding gaps and barriers to investment in primary forest landscapes and forest-linked livelihoods in RPBR, TABR, Warunta, <mark>and local government capacity building on climate financing.</mark>

3.1.2: Innovative financing instruments and tools to increase investments in primary forest protection, protected areas, OECMs, and forest linked livelihoods in RPBR, TABR and Warunta.

3.2.1: <mark>Carbon credits mechanisms to incentivise forest-friendly endeavours.</mark>

3.2.2: <mark>Define a negotiation protocol mechanism for indigenous peoples on the issue of carbon credits.</mark>

3.2.3: Project preparation mechanism to allow access to private and development financing.

4.4. Fostering knowledge management, cooperation and coordination

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
393,014.00	2,679,865.00

Outcome:

4.1 Improved national and regional coordination for primary forest

4.2: Lessons on primary forest protection and conservation models are available worldwide

Output:

4.1.1: Long-term communication plan to mobilize support for the conservation of primary forests and critical forest biomes

4.2.1: Knowledge platform on critical forest biomes
4.2.2: Lessons, forest management and governance models, and integration of IPLCs, women and rural youth into decision-making processes documented and disseminated

4.2.3: South-South cooperation/knowledge exchange with other critical forest biomes.

4.2.4: Annual <mark>national coordination and knowledge sharing workshops.</mark>

4.2.5: Harmonized annual program planning, reporting, monitoring and evaluation.

M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
110,578.00	718,895.00

Outcome:

Project monitoring

Output:

Project monitoring

Project evaluations MTR /FE

Component Balances

Project Components	GEF Project Financing ($)	Co-financing ($)
1 - Enabling conditions for the protection and conservation of primary forests	796,755.00	5,375,735.00
2. Accelerated protection and restoration of primary forests	1,402,842.00	9,565,634.00
3. Increased investment in positive forest/nature landscapes and livelihoods	648,930.00	4,424,894.00
4.4. Fostering knowledge management, cooperation and coordination	393,014.00	2,679,865.00
M&E	110,578.00	718,895.00
Subtotal	**3,352,119.00**	**22,765,023.00**
Project Management Cost	167,606.00	1,198,159.00
Total Project Cost ($)	**3,519,725.00**	**23,963,182.00**

Please provide Justification

CHILD PROJECT OUTLINE

A. PROJECT RATIONALE

Describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Since this is a child project under a program, please include an explanation of how the context fits within the specific program agenda. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

1. Honduras is the second-largest country in Central America with a population of 10.433 million[1][2] inhabitants and a territorial extension of 11.19 million hectares. In recent years, the GDP of the country has been growing at an average rate compared to that of the region; however, this country remains as one of the poorest and highly unequal countries in the region[2][3]. The agricultural sector plays an important role in the Honduran economy. This sector is responsible for around 73% of the country's total exports and employs 30% of Honduras' workforce. However, the majority of workers in this sector are small-scale, rural-based, subsistence farmers, with a large proportion living in poverty (80% of impoverished households depend on income from agriculture). Moreover, this sector faces significant impacts due to its exposure to external shocks, being the sector most affected by climate change[3][4]. In 2019, the Global Climate Risk Index[4][5] classified Honduras as the second country most affected by extreme weather events between 1998 and 2017. Overall, Honduras is highly vulnerable to the effects of climate change due to its high exposure to climate-related hazards such as hurricanes, tropical storms, floods, droughts, and landslides[5][6]. Climate change poses a risk to crucial ecosystems like mangroves, coral reefs, forests, and fisheries. Moreover, Honduras grapples with the economic and social challenges associated with climate-induced disruptions, exacerbating existing vulnerabilities.

2. Honduras has exceptionally high biodiversity due to its tropical location, situated between two oceans, and its topographical conditions. All these factors create a wide variety of environments and habitats, encompassing eight different ecoregions and 60 terrestrial and coastal marine ecosystems. According to the Secretariat of Environment and Natural Resources known as "SERNA", the country boasts 7,524 registered species of vascular plants, 718 species of birds, 228 species of mammals, 211 species of reptiles, and 111 amphibians, 2,500 species of insects and 672 species of fish. Additionally, out of those, 131 species are included on The International Union for Conservation of Nature (IUCN) Red List of threatened species[6][7] as critically endangered and 4 as already extinct.

3. Covering over 56% of Honduras' territory, forests play a crucial role in delivering a range of environmental services and goods vital for the well-being of numerous communities residing in these areas[7][8]. Nevertheless, the rate of tree cover loss is high by regional and global levels, with 12 percent lost between 2010 and 2021, driven mainly by small farmer- and commercial agriculture expansion. Tree cover loss is

further affected by the 59.2 percent of rural families in Honduras who use firewood for cooking, and by illegal logging and drug production- activities.[8]9

4.   Nevertheless, the region faces threats from deforestation and forest degradation, which have accelerated in this Important Forest Landscape (IFL) in recent years. This acceleration is primarily due to shifting agriculture, commodity-driven deforestation, cattle ranching, illegal mining, organized crime, and illicit activities. These activities have increasingly occurred over the past two decades, leading to a significant loss of forest cover and jeopardizing the integrity and functioning of many forest ecosystems, both inside and outside protected areas. According to *Table 1*, the overall loss of IFL between 2000 and 2020 reached 23%, with the highest annual rate of IFL loss recorded between 2016 and 2020 at 2%. Honduras ranked as the second country with the highest IFL loss, reaching 46% over those 20 years. This rate is the second highest among the IFLs in Mesoamerica, following Nicaragua, which experienced a 54% loss in IFLs. Furthermore, these countries exhibited the same trend of increasing annual rates of IFL loss between 2016 and 2020, mirroring the Mesoamerican pattern of IFL loss.

Table 3. IFL loss between 2000 and 2020

Country	IFL extent in 2000 has	IFL extent in 2013 has	IFL extent in 2016 has	IFL extent in 2020 has	IFL extent in 2000 -2020has	Average annual rate (%) of IFL loss 2000-2013	Average annual rate (%) of IFL loss 2013-2016	Average annual rate (%) of IFL loss 2016-2020
Mexico	1,499,074	1,456,957	1,430,428	1,404,675	6%	0.2%	0.6%	0.5%
Guatemala	567,951	492,289	476,603	384,695	32%	1.0%	1.1%	4.8%
El Salvador								
Honduras	676,114	481,409	461,241	352,968	48%	2.2%	1.4%	5.9%
Nicaragua	1,027,237	636,228	613,131	475,968	54%	2.9%	1.2%	5.6%
Panama	1,444,654	1,344,293	1,340,200	1,318,333	9%	0.5%	0.1%	0.4%
Subtotal IP countries	**5,220,000**	**4,411,175**	**4,321,603**	**3,936,346**	**25%**	**1.2%**	**0.7%**	**2.2%**
Costa Rica	319,092	309,576	309,359	305,509	4%	0.2%	0.0%	0.3%
Belize	424,914	404,684	369,043	358,432	16%	0.4%	2.9%	0.7%
Total Mesoamerica	5,959,037	5,125,435	5,000,006	4,600,287	23%	1.1%	0.8%	2.0%

Source: IFL mapping team (2020) data

5.   This encompasses the IFL, shared by Honduras and Nicaragua, it is ranked as the second largest IFL in the Mesoamerica Critical Forest Biome (CFB). Primary forests in Honduras and the Moskitia region, are a crucial part of the Mesoamerican biodiversity hotspot, and are facing severe environmental challenges. These forests are not only vital carbon sinks but also home to a rich array of biodiversity. The Moskitia IFL is a vital ecosystem that provides a home for a wide variety of plant and animal species, including the cocobolo (*Dalbergia retusa*), Central American river turtle (*Dermatemys mawii*), keel-billed toucan (*Ramphastos sulfuratus*), white-lipped peccary (*Tayassu pecari*), harpy eagle (*Harpia harpyja*), baird's tapir (*Tapirus bairdii*), scarlet macaw (*Ara macao*), and jaguar (*Panthera onca*)[9]10. It also plays an important role in regulating the climate and preventing flooding.

6.   The Honduran Moskitia is situated in the northeastern corner of Honduras, along the Mosquito Coast that stretches into Nicaragua. The Honduran portion of Moskitia covers approximately 16,630 km^2 in the departments of Gracias à Dios, Colon and Olancho. It includes two protected areas: the Río Plátano

Biosphere Reserve[10][11] covering an area of 8323.39 km² in the departments of Gracias á Dios, Colón, and Olancho (depicted with green in the figure below); and the Tawahka Asagni Biosphere Reserve[11][12] covering an area of 2509.42 km² in the departments of Gracias á Dios, Olancho, and Colón (depicted with bright yellow in the figure below). A third project intervention area - Warunta (depicted with orange in the figure below) - situated in Gracias á Dios was proposed to become a national park, but never officially recognised as such.
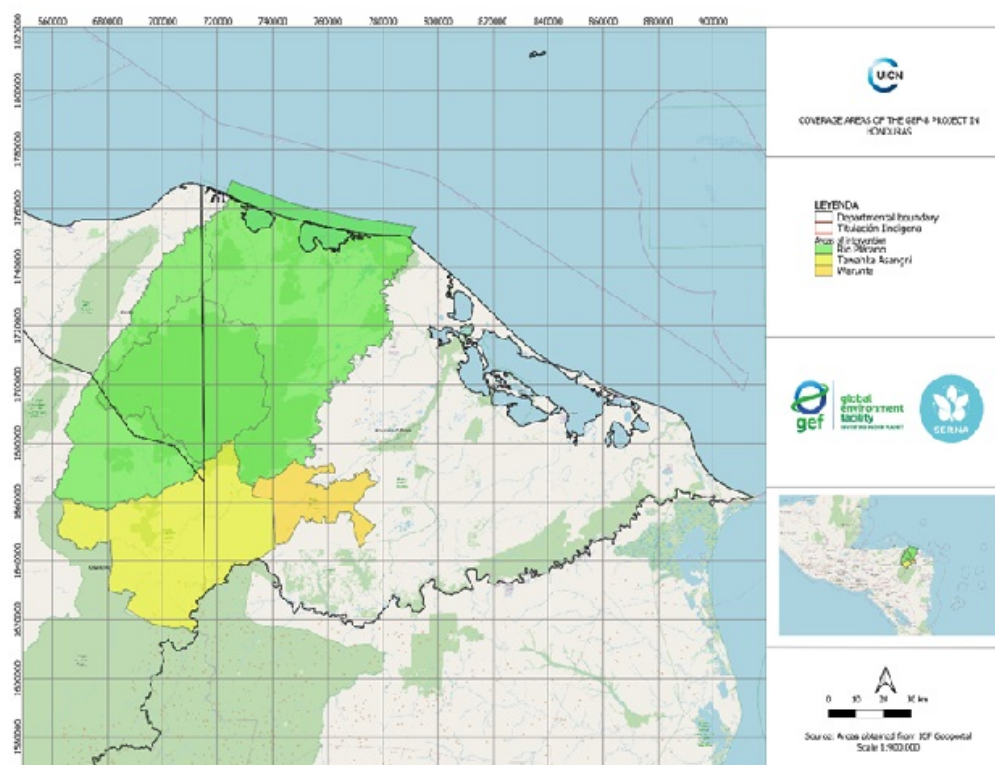

Figure 1, Intervention area

7. The Río Plátano Biosphere Reserve is comprised by three zones: the buffer zone in the western part of the reserve, the cultural zone in the eastern part of the reserve and the core zone. Around 85% of the land was transferred to Honduras' Forest Conservation Institute (ICF in spanish abbrevation) which is responsible for the management of the area, though later the cultural area of the reserve was later recognised as communal land (Local governance background). The Core zone is a zone of absolute protection, where only research, conservation, and restoration are permitted. Moreover, under the Decree-Law No. 170/97 population residing within the core zone had to be relocated into other areas. The cultural zone has ass an objective to protect the anthropological and cultural resources and to enable indigenous and Afro-Honduran peoples to maintain their way of life, customs and traditions.[12][13] The buffer zone in the western part of the Rio Plátano Reserve has as an objective to protect the core zone, reduce deforestation, limit human

settlements, increase forest cover etc.[13][14] The Forest Law No. 98/07 defines management guidelines for these later areas which are following also aligned with the Managed Resource Protected Area (IUCN Category VI) guidelines.

8.   The Tawahka Asagni Biosphere Reserve was declared with the Decree 157/99 a Managed Resource Protected Area (IUCN Category VI). The reserve is contiguous with the Rio Platano Biosphere Reserve and is managed from ICF, since in 1997 the land titles were transferred to AFE-COHDEFOR (now ICF) . That said, later the area within the Gracias á Dios department was recognised as communal land part of the Tawahka indigenous territorial councils (ITC). The area has been facing in-migration pressures connected to cattle ranching and agriculture since the beginning of the century.

9.   Despite the existence of these two protected areas deforestation in Moskitia has been significant. According to data from Intact Forest, the Moskitia IFL lost a total of 323,440 hectares between 2000 and 2020, representing a deforestation rate of 48%.[14][15] Furthermore, *Figure 2* offers a more detailed explanation of the exact zones that had been affected by the increase in deforestation. According to it, during 2016 and 2020, the Moskitia experienced higher and constant deforestation, leading to several negative consequences such as the reduction of wildlife habitat, an increase in the impact of climate change, and an elevated risk of flooding and landslides. Additionally, it undermined the livelihoods of local and indigenous communities.
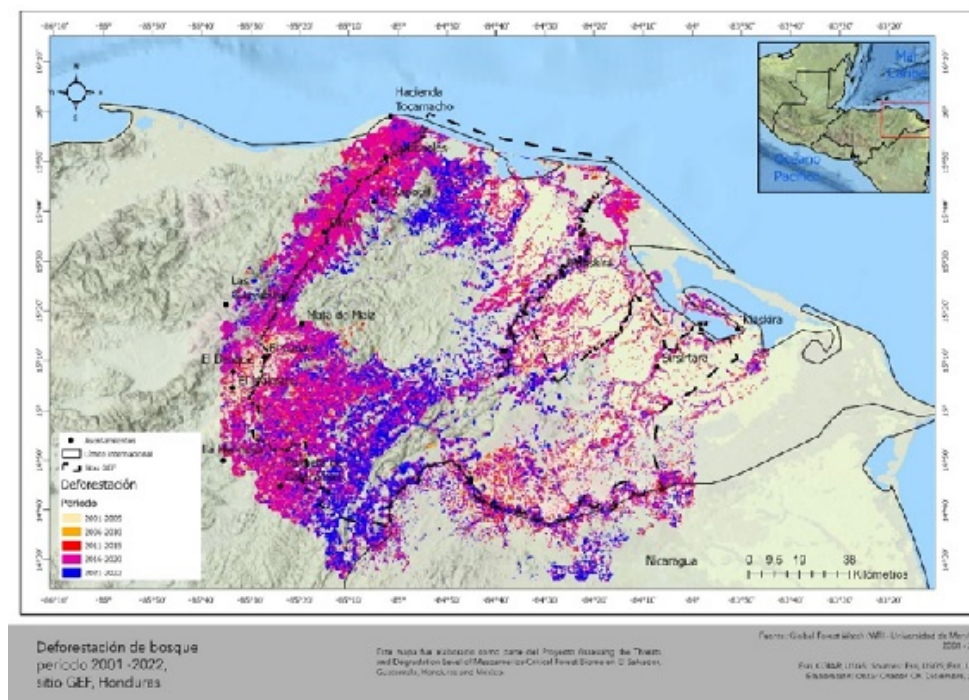

Figure 2, Map of deforestation "Moskitia"

10. Besides deforestation and forest degradation, climate change and extreme climate events in Honduras also impact biodiversity and exacerbate social and economic problems such as food insecurity, poverty, migration, and infrastructure challenges, among others. In Honduras, including the project intervention areas, livelihood opportunities are limited, with few sources of income and food. The agricultural sector has a low adaptive capacity due to weather conditions, making it highly vulnerable. Consequently, the country faces high systemic vulnerability and significant climate risks.

11. Future climate projections indicate an increase in average temperatures by 1°–2.5°C by 2050 and 3°–4.3°C by 2100, a decrease in annual rainfall of 9–14 percent by 2050 and 20–31 percent by 2100, an increased frequency of extreme weather events, especially in the northeast, and a bi-coastal sea level rise of 0.4–0.86 meters by 2100. These climate projections are projected to decrease yields of maize (by 12 percent) and beans (by 32 percent) by 2050 compared to 2000. [15][16] Such climatic events will directly or indirectly impact the country's environment and key sectors of its economy and society.

Drivers of deforestation and environmental degradation:

12. The effects of climate change are expected to intensify existing impacts on biodiversity, leading to increased rates of deforestation and forest degradation. These impacts are primarily driven by human activity. According to the analysis developed for this project "*Assessment of threats and levels of degradation in priority areas and ecosystems*" which supported the identification of deforestation drivers in *"The Moskitia"*, the main threats to this IFL include the expansion of cattle ranching, transportation corridors, agricultural expansion, energy production, mining, and the extraction of trees and other woody vegetation. Significant processes of forest cover loss, fragmentation, and degradation have been identified, particularly in the vicinity of the RPBR, associated with cattle expansion. Additionally, significant processes of forest loss and degradation are observed in the Warunta, Mocorrón, and Rus regions. These activities are worsened by the participation of organized crime, engaging in illicit actions like drug and human trafficking, thereby posing a significant threat to these ecosystems.[16][17]

13. Notably, cattle ranching is the primary driver, accounting for 90% of deforestation in Mesoamerica. In Honduras, more than 90,000 hectares of forest were affected by approximately 816 wildfires, caused by activities such as the cultivation of illegal crops and cattle ranching. [17][18] Meanwhile, in the Moskitia IFL, the situation is similar. Between 2000 and 2010, as much as one-third of the Moskitia experienced deforestation due to illicit activities of non-native individuals involved in unauthorized logging of valuable hardwoods and cattle ranching. According to ICF, since 2016, the RPBR has lost 2,700 hectares of forest cover every year, with around 90% of those losses related to illegal cattle ranching.[18][19] The expansion of livestock farming has led to the displacement of indigenous communities, who have been forced off their traditional lands by non-native settlers seeking to take possession of their territory, in this process, the land

underwent conversion from biodiverse forests or subsistence agriculture to sparsely stocked cattle pastures, integrating into what is known as the 'cattle economy'.[19][20] [20][21]

14. The construction of new roads is a severe driver of deforestation, interconnected with cattle ranching and drug trafficking. This threat is concentrated in the northern, southern, and southwestern regions of the Moskitia, particularly around the Rio Plátano Biosphere Reserve. The presence of illicit and clandestine roads has led to a doubling of primary forest loss in Gracias a Dios between 2019 and 2021. These roads have not only fragmented the ecosystem but also potentially facilitated land colonization processes.[21][22] In addition to constructing illegal roads and runways, criminal groups operating in the eastern jungles of Honduras also engage in the illegal harvesting of valuable woods like mahogany and cedar, further exacerbating the rapid pace of deforestation.[22][23]

15. On the other hand, agricultural productivity has been identified as a leading factor in deforestation, as farmers may expand crop areas to compensate for lost production and declining productivity. In the Río Plátano area, for example, certain lands are recognized as agricultural frontiers, where large landowners clear land for agricultural purposes, unrelated to narcotrafficking. This put increasing pressure on the indigenous communities residing there, who depend on the ecosystems to maintain their livelihoods.

16. Overall, drug trafficking represents the one of the main roots of deforestation, according to a study published in 2017 in the journal Environmental Research Letters,[23][24] Cocaine trafficking could be responsible for about 30 percent of deforestation in Central America, due to drug traffickers cutting down forests to create airstrips for small planes, build clandestine roads, and launder money on livestock farms. Regarding the situation in Moskitia, it parallels the Central America scenario where, about two decades ago, drug trafficking escalated due to the shift in routes in response to US drug interdiction tactics in Mexico and the Caribbean. As a result, the loss of primary forests in The Moskitia has nearly doubled between 2019 and 2021. Nowadays, projection indicates that if the rate of deforestation continues, most of the Moskitia forest and the way of life it sustains could be lost by 2050, or much sooner in many parts.[24][25]

ROOT CAUSES:

17. There are several interlinked causes in the project area that have led to the degradation and deforestation of the IFL. At the core of it are the poor living conditions of the rural population and the indigenous communities. In the Moskitia region, multidimensional poverty stands at 71.8%, which is above the national average of 67.2%, reflecting the limited access that the community has to basic services such as education, healthcare, and sanitation. Limited opportunities outside the exploitation of the forest resources have been created, increasing the pressure on ecosystem services and making them highly vulnerable to the effects of

climate change and variability. In recent years, this has led to the population facing high food insecurity, with 43% of people lacking reliable access to affordable and nutritious food. [25][26]

18. Insecure land tenure has worsened the situation, with unequal distribution of land and weak enforcement of land tenure for smallholder farmers and indigenous communities. This has increased economic, political, and social power inequality, leading to disrupted livelihoods and environmental degradation. Additionally, gender inequalities exacerbate the situation for women, who are often left behind in processes related to access to land markets, forest management, and decision-making. Furthermore, despite the existence of various regional and national policies concerning forest and biodiversity conservation in Honduras, there remains a lack of strong institutional presence, enforcement of regulations, and effective local government structures. Government bodies lack sufficient financial, technical, and human resources to adequately facilitate the integration and monitoring of conservation efforts at regional, national, and local levels.

Baseline:

-

Policy and regulatory framework:

19. In Honduras, the Secretariat of Natural Resources and Environment (SERNA) oversees the coordinating and evaluating policies related to the environment, ecosystems, the protection of flora and fauna, the National System of Protected Areas and the National Parks System, as well as their overall coordination. However, the implementation of the corresponding norms and policies is the responsibility of the Secretariat of Agriculture and Livestock (SAG), with the support of the National Institute of Forest Conservation, Protected Areas and Wildlife (ICF).

20. The country has promoted multiple policies, strategies, regulatory frameworks and mechanisms to advance on the conservation and management of IFL, despite significant challenges. On an international level, the Government of Honduras has committed to a range of multilateral environmental agreements (MEAs): such as the United Nations Framework Convention on Climate Change (UNFCCC) and Paris Agreement; Declaration on Forests; Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES); International Labour Organization (ILO) Convention 169 on Indigenous Peoples; U.N. Declaration on the Rights of Indigenous Peoples; Nagoya Protocol on Access to Genetic Resources; World Heritage Convention; RAMSAR Convention; EU Forest Law Enforcement, Governance and Trade (FLEGT) Voluntary Partnership Agreement (VPA).

21. On a regional level, the policy framework is guided by the Central American Commission for Environment and Development (CCAD), an integral part of the Central American Integration System (SICA). Moreover, it focuses on developing a regional environmental cooperation regime to enhance the quality of life in member states. The Critical Forest Biome of Mesoamerica Integrated project aligns with policy frameworks such as Regional Environmental Framework Strategy (ERAM) 2021-2025, Regional Strategy on Climate Change (ERCC), and the Agriculture, Forestry and Other Land Use (AFOLU) 2040 Regional Initiative. The Mesoamerica

project facilitates cooperation for economic and social development, employing instruments like the Master Plan for the Mesoamerican Biological Corridor 2030 and the Mesoamerican Environmental Sustainability Strategy 2020-2025. Beyond government-centric mechanisms, collaboration with indigenous peoples and forest-dependent communities involves the Mesoamerican Alliance of Peoples and Forests (AMPB) as a coordination space, and the Asociación Coordinadora Indígena y Campesina de Agroforestería Comunitaria Centroamericana (ACICAFOC), which aims to promote sustainable resource management for marginalized communities.

22. On a national level, Honduras has a well-developed set of national policies, institutions and initiatives supporting protection, sustainable use, and restoration of forests through mechanisms such as protected areas, indigenous lands, community forest management, biological corridors, productive landscape restoration, and micro-watersheds. Some of these laws are:

- **General Environmental Law[26][27] (1993):** fostering sustainable environmental management and conservation. These include establishing a framework to guide agricultural, forestry, and industrial activities in a manner that ensures the conservation and sustainable use of natural resources and overall environmental protection.

- **Forestry, Protected Areas and Wildlife Law[27][28] (2008):** Protect and conserve the country's forest resources, protected areas and wildlife, ensuring their sustainable use for present and future generations. Include the creation of a National System of Protected Areas, the regulation of the exploitation of forest resources, the protection of wildlife, the prevention of forest fires, the promotion of reforestation and the recovery of degraded areas, as well as the regulation of tourism and recreational activities in protected areas, among others.

- **National System of Environmental Impact Assessment (SINEIA)[28][29] (2015):** This mechanism involves a set of public and private entities, which within the framework of a scheme of maximum coordination and administrative simplification, work simultaneously and reciprocally within a hierarchical structure whose leadership is exercised by the Secretariat of Environment.

- **National Climate Change Adaptation Strategy for the Agrifood Sector of Honduras 2015-2025[29][30] (2015):** Strengthening the current public policy framework, incorporating appropriate and timely strategies and measures aimed at reducing socio-environmental and economic vulnerability and improving adaptive capacity, particularly of the populations, sectors and territories most exposed to climate hazards. This aims to improve environmental quality while considering the possible contribution to global mitigation.

- **National Biodiversity Strategy and Action Plan[30][31] (2018-2022):** Provide general guidance to guide the actions of the different actors towards biodiversity conservation.

- **National Program for the Recovery of Degraded Ecosystem Goods and Services[31]32 (2018):** Strategic Planning Instrument to comply with the General Environmental Law, with the International Commitments of the Framework Convention on Climate Change and the 20/20 Initiative, basically encouraging the Recovery of Goods and Services of Degraded Ecosystems in Honduras

- **National Program for the Conservation of Terrestrial Ecosystems (PNCET)[32]33 (2021):** To conserve terrestrial ecosystems inside and outside protected areas as a tool for reducing emissions from tool for reducing emissions from avoided deforestation avoided deforestation and increase carbon sequestration of carbon sequestration, for climate change mitigation, ensuring the climate change mitigation, ensuring the sustainability of ecosystem goods and ecosystem services for the benefit of the population.

- **Special Law on Forest Carbon Transactions Forest Carbon Transactions for Climate Justice[33]34 (2023):** Establish the legal, administrative, technical and financial administrative, technical and financial for the use and distribution of the environmental, social and economic benefits and economic benefits generated from the sustainable management of forest carbon sinks results-based forest carbon sinks.

23. Besides the establishment of protected areas, other conservation initiatives, such as the 'Other Effective Area-based Measures of Conservation' (OECMs), should be recognized by their contribution to biodiversity conservation. OECMs are areas that are achieving the long term and effective in-situ conservation of biodiversity outside of protected areas. According to the Convention Biological Diversity (CBD), OECMs are "A geographically defined area other than a Protected Area, which is governed and managed in ways that achieve positive and sustained long-term outcomes for the in-situ conservation of biodiversity, with associated ecosystem functions and services and where applicable, cultural, spiritual, socio–economic, and other locally relevant values". They can be designated under a range of governance regimes and implemented by a diverse set of actors.

24. In Honduras, there is no official policy or regulation on the definition of OECMs, but there are several potential areas that can be defined and supported.

Local governance background:

25. The current state of forests in Honduras, particularly in the Moskitia region, has been significantly shaped by historical policies and events, especially concerning the recognition of indigenous land rights. This historical context involves a long struggle by indigenous communities, including the Miskitu, Pech, Tawahka, and later the Garífuna, for legal recognition of their territories and self-governance rights.[34]35

26. The Moskitia region and the Bay Islands were ceded to Honduras by the British Crown via the 1859 Wyke-Cruz Treaty which recognized indigenous peoples' rights to the territory. While the National Agrarian

Institute (INA) did not recognize any land titles inside Gracias à Dios in 1976, the colonization reached Moskitia in 1970s-1980s when Ladino settlers from Olancho and Colón started moving to Gracias á Dios. The settlers cleared forests for farms and became de facto landowners of the cleared area which became private property. Land policies of the 1990s titled these lands as a way of providing capital and credit to individual farmers. The establishment of the Río Plátano Biosphere Reserve and the Tawahka Asangni Biosphere Reserve tried to limit the deforestation, but as mentioned transferred the land right to ICF. Moreover, the lack of governance presence did not manage to control the settler expansion, while narco-traffickers also started taking advantage of the remoteness of the area. These developments contributed to the indigenous communities' efforts to gain recognition of their communal land rights.[35][36]

27.   The establishment of ITCs in 1992 was a critical milestone. This initiative was driven by the indigenous organization MASTA (Mosquitia Asla Takanka or 'Unity of La Moskitia') to address the developments in Moskitia. Nevertheless, while INA started recognizing communal land titles in 1993, before 2012, the Miskitu people were only granted 496 titles, covering 21% of the Moskitia. The significant breakthrough happened in August 2012 with the first intercommunity title (título de propiedad intercomunitario) in Honduras issued to the territorial council KATAINASTA by INA. By 2013, all background studies were completed for the area outside the Rio Plàtano Biosphere Reserve. However, titling the land inside the reserve meant that ownership would need to be transferred by ICF to INA and the ITCs. The intercommunity land titling of all twelve Miskitu was completed in 2016 covering 83% of the Gracias a Dios Department and 12.5 % of Honduras. The Intercommunity land titles legalized the Miskitu territorial rights through the establishment of the twelve ITCs in which local governance is situated under the umbrella political structure of MASTA. [36][37]

28.   The organizational structure of each council includes a general assembly, directive council, executive committee, council of elders, and committee for transparency. The general assembly is the maximum authority of the ITC. It holds meetings; establishes measures for managing territory and resources; and resolves social, economic, and cultural issues in coordination with corresponding state agencies. In operational terms ITCs develop "territorial life plans" that guide the management of the area, including environmental, social, economic, and cultural issues. [37][38]
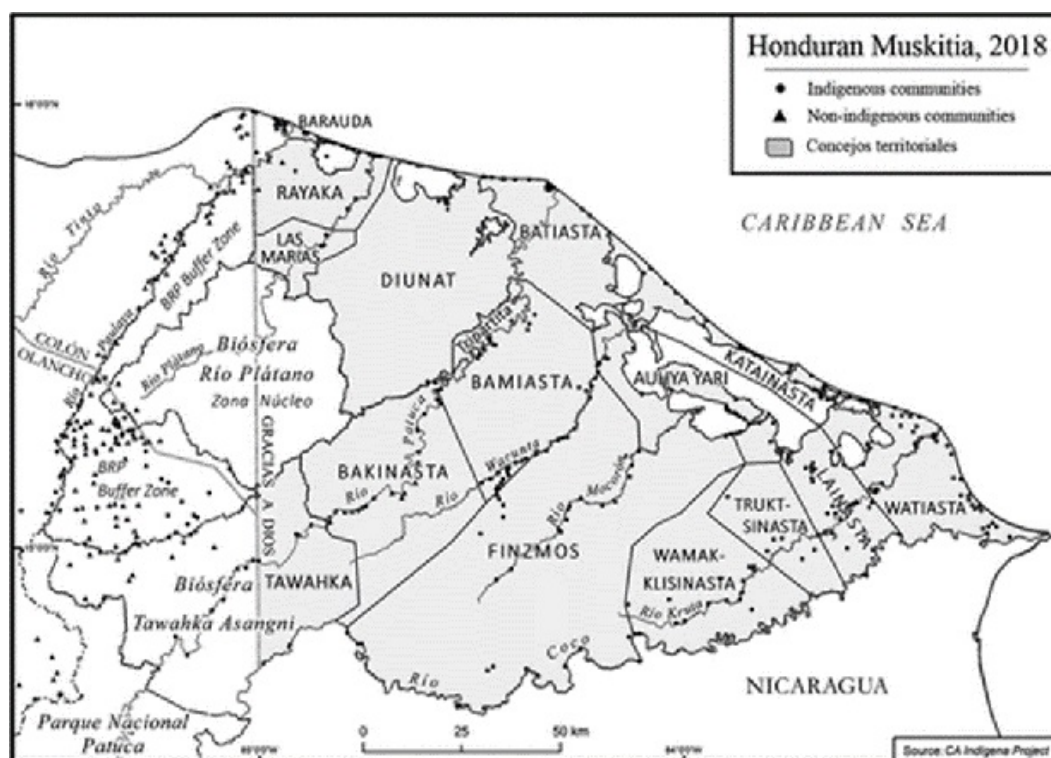
Figure 3, Moskitia and the indigenous territorial councils[38][39]

Financial mechanisms

29.   Based on the results of the analysis of the market systems/value chains, the four business ideas that align with the objective of this project, aimed at conserving and reducing the deterioration of the intact forests of The Moskitia, are: (i) Ecotourism in its various forms; (ii) Carbon credits; (iii) Souvenir handicraft products and tourist services; and (iv) Processing of edible products.

30.   Payment for PES (Payment for Ecosystem Services) or compensation mechanisms requires strong organization and the strengthening of community-based structures to manage these types of funds. Simultaneously, regulations for both social and ecological processes, as well as reinvestment, need to be established. Moreover, while the cultivation of cocoa and the processing of timber and forest by-products have the potential to access a market and generate employment and income, they may also encourage the forest's use for production and commercialization. Therefore, if these two chains are implemented, they must be managed in an integrated manner, with specific areas designated for cocoa cultivation and the application of agroforestry systems (SAF).

31.   The main actors in financing associated with forests and agricultural systems are:

•   ICF: The ICF (Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre) is the National Institute of Conservation and Forestry Development, Protected Areas, and Wildlife in Honduras.

Its primary mandate is to manage and conserve the country's forests, protected areas, and wildlife while promoting sustainable development.

- BANADESA: National Bank for Agricultural Development, It is an autonomous institution that aims to promote development in the country and provide access to credit for entrepreneurs and livestock and cattle farming, among others.

- BANHPROVI: The Banco Hondureño para la Producción y la Vivienda (Honduran Bank for Production and Housing) plays a significant role in financing Honduran development by channelling funds through other financial institutions to finance growth and development in various sectors.

- FIPAH: The Foundation for Participatory Research with Honduran Women is an organization dedicated to empowering Honduran women through participatory research and development initiatives. FIPAH focuses on addressing gender inequalities, promoting women's rights, and improving socio-economic conditions for women in Honduras.

Project baseline

32.   Besides national actors, it is important to mention the role of international cooperation and its contribution as resource mobilizers, especially organizations with strong work in forest conservation, with the potential to access funds, such as the Green Climate Fund; other cooperation actors who can mobilize their own resources or from other specialized funds dedicated not only to the projection, conservation and restoration of forests and landscape.

33.   Ongoing initiatives and investments are actively supporting the conservation of the Moskitia forests, aligning with the overarching goals of the project. Regionally, Honduras collaborates with neighbouring countries on several initiatives and projects dedicated to the conservation and sustainable management of Mesoamerican forests. These efforts encompass the Regional program for Reducing emissions from deforestation and forest degradation in developing countries (REDD+), the 5 Great Forests of Mesoamerica initiative, AFOLU 2040, and the Mesoamerican Alliance of Peoples and Forests

34.   Regional REDD+ Program[39][40] support six countries in establishing, enhancing and utilising implementation and financing mechanisms for the restoration of forest landscapes and provided training courses for the specialist personnel in these countries.

35.   The 5 Great Forests Initiative[40][41] aspires to transform agriculture and food systems and protect intact forested landscapes in Mesoamerica's Five Forests, to adapt to and mitigate climate change, protect biodiversity, and improve livelihoods. The first phase of the initiative was implemented by Wildlife Conservation Society (WCS) in Central America (Belize, Guatemala, Honduras, Nicaragua, Panama, Costa Rica, and El Salvador). The initiative promotes the adoption of climate-resilient alternative livelihoods; the development of policies and incentive programs; reducing illegal trafficking; and promote improved protection, management, governance, and monitoring of forests. The second phase of the initiative is supported by the EU and the European agencies (AECID, GIZ, ASDI, Expertise France). The initiative is organized in four components 1. data for decision making, 2. forest governance, 3. sustainable production and trade, and 4. environmental rights and forest conservation. The Initiative will provide co-financing on an IP level (RCP).

36.   The SICA Regional Initiative AFOLU 2040[41][42] seeks to promote a comprehensive approach to landscape restoration, where forest areas will be rehabilitated and conserved, biological corridors will be established through the adoption of resilient agroforestry and pastoral systems, and agricultural areas will be transformed by adopting sustainable low-carbon practices, seeking to increase productivity and achieve land degradation neutrality. The strategy is developed along five components, with components 1. Conservation of Forests and Forest Ecosystems, and 2. Conservation of the region's main forest areas and their ecological connectivity, being pertinent to the IP objectives.

37.   The Mesoamerican Alliance of Peoples and Forests champions the rights of Indigenous Peoples and Local Communities (IPLCs) and fosters community-driven forest conservation. The Alliance implements the Mesoamerican Territorial Fund [42][43] that has developed develop a financial mechanism for the promotion of governance and local (territorial) development in the forested regions of Mesoamerica. The Fund is supporting actions Honduras and Moskitia in cooperation with MASTA . It provides direct financing linked to performance in local forestry and agroforestry landscapes, placing emphasis on territorial rights of indigenous peoples and local communities.

38.   A number of projects have been developed at a national level, serving as a foundation for this project. For instance, the project financed by the GIZ, 'Improving the Management of Natural Resources in Indigenous Territories,' will provide valuable lessons related to enhancing the management of natural resources. This project will specifically focus on food security, income generation, and climate change adaptation in the Moskitia region. Additionally, the World Bank has provided funding of 2.72 million USD for the project 'Improving the Livelihoods of Miskito Indigenous Peoples in The Moskitia,' which commenced in 2020 and will conclude in 2024. This project will offer valuable insights into subprojects within the targeted area, aiming to promote entrepreneurship, foster innovation, and enhance social and community capabilities. Moreover, the Inter-American Foundation has provided financing of over 143,803 USD for a project aiming to improve agricultural production and rural enterprises within the Pech indigenous community.

39.   At a local level, current projects developed by National Protected Areas System of Honduras (SINAPH for its acronym in Spanish), such as 'Support Honduras in the Conservation of Biodiversity and Protected Areas of the Honduran Atlantic Coastline,' are aligned with this project's components and activities. They promote conservation and natural resource management measures implemented in protected areas in the department of Colón. Additionally, ICF projects in the Rio Platano Biosphere, such as 'Strengthening the Conservation Management of the Río Plátano Biosphere' and 'Integrated Management of the Río Plátano Biosphere,' can complement the project by improving landscape management and land governance. This includes adopting zero-deforestation approaches to livestock and coffee value chains, reducing forest fires and illegal logging, and increasing the presence of conservation institutions in the protected area.

40.   Taken together, these advancements, initiatives, projects, and political actions align with the objectives of this IP, aiming to facilitate transformative changes in conserving and safeguarding Honduras' Moskitia IFL. The underlying threats to Honduras' forests, along with potential solutions, are pertinent not only to Honduras but also to all Mesoamerican countries, presenting significant opportunities for collaboration, partnership, and scaling up. Nevertheless, information provided by the Joint Research Centre (JRC) shows that from 2000 to 2020, the IFL in Honduras decreased by 48%, indicating that there is still much more that

needs to be done to address the underlying drivers of deforestation and forest degradation in the country and the region.

Barriers

41.   The proposed program intervention will have to confront the following barriers that limit addressing the degradation and loss of primary forest in Honduras:

• Barrier 1. Limited capacity and support for protected area management and the implementation of other effective conservation measures based on specific geographical areas (Political)

42.   Central American countries face substantial challenges regarding environmental governance to support forest conservation. In the case of Honduras, there is extensive regulation regarding the delimitation of protected areas, covering more than 30% of the national territory. At a national level the ICF administers and manages the National Protected Areas System of Honduras SINAPH, which are the main body responsible for managing and ensuring the conservation of these protected areas in the country. However, it is also recognized as a weakened institution that requires strengthening in various areas, including financial resources, human capabilities, transparency, equipment and training, innovation and technology, scope and results, and administrative processes, among others.

• Barrier 2. Limited mechanisms for transboundary forest conservation (Technical)

43.   This barrier is caused by the limited effective regional communication between authorities in Honduras and Nicaragua regarding the conservation of the Moskitia, possibly due to a lack of willingness, differing political priorities, limited budgets, varying levels of priority in relation to forest conservation, distinct legal frameworks, and cultural disparities, among other factors. There is a crucial need to integrate forest and forest management into land use planning and zoning at both regional and national levels.

• Barrier 3 – Weak local and national governance (Institutional):

44.   In general, forest and remote rural areas are characterized by weak institutional presence, where local authorities have limited power, leaving areas under the control of criminal groups that use violence to enforce their own rules and determine land tenure. In the case of The Moskitia, the situation has been similar, creating a need for local governments to increase technical assistance, institutional capacity, and resources. In Honduras, there is limited capacity on the ground to enforce the regulatory framework related to forest conservation. Moreover, there is an overlap of mandates between Institute of Forest Conservation and Development, Protected Areas and Wildlife (IFC) and INA in terms of protected area management that can generate a lack of coordination of functions, as well as the disproportionate management of available funds, causing some activities to be overfunded while others lack funding altogether.

• Barrier 4 – Insufficient financial resources to sustain long-term efforts to conserve and restore intact forests (Financial)

45.   The region faces major challenges and obstacles hindering development and access to innovative financing and investments for forest conservation. Firstly, local communities inhabiting the region encounter difficulties accessing credit and financing for zero deforestation activities. Additionally, insufficient specialized technical assistance hampers the effective utilization of financial resources. Furthermore, constrained implementation and investment in sound soil management practices, coupled with the high fragmentation of landscapes, impede the effectiveness of investments in forest landscape restoration strategies. Changes in the cost-

effectiveness of land, driven by real estate development under the 'Mountain View' concept, and the high rate of land leasing by farmers, diminish the incentive for forest conservation. Addressing these challenges is crucial for fostering sustainable development and facilitating access to financing and innovative investments. At a national level in Honduras, institutions and organizations that are presented in the IP lack the funds to achieve the long-tern objectives of conservation and restoration.

- Barrier 5 – Society does not recognize, value or pay for the value of intact forests (Social)

46. The exceptional value of primary Mesoamerican forests and their ecosystem services often goes unrecognized. Without incentives for preservation, these forests are perceived solely for their economic value, limiting the population's willingness to recognize their ecological importance and to pay for environmental services as an appreciation of the benefits provided by forested and natural landscapes. Furthermore, there is an absence of quantification and monitoring of ecosystem and primary forests' environmental services that are not integrated into the country's national accounts system.

- Barrier 6 –Limited coordination between conservation and development initiatives (Informational)

47. At different levels, various initiatives aimed at contributing to forest protection and restoration are being implemented and planned. For example, the Regional Initiative AFOLU 2040, The 5 Great Forests Initiative, investments from the Forestry and Climate Change Fund, the Mesoamerican Territorial Fund, the UK's Biodiverse Landscapes Fund, the GEF Small Grants Program, and the International Climate Initiative (IKI) Small Grants Program, among others. The various donors and executing entities endeavour to collaborate as much as possible. However, there is no regional-level coordination mechanism in place to facilitate strategic synergies for advancing intact forest conservation, which lead to insufficient coordination between initiatives, duplication of efforts, conflicting agendas, and reduced impact.

48. This is coupled with poor dissemination of knowledge, characterized by limited access and capacity to extract information from existing projects and initiatives and deficiencies in effectively managing knowledge platforms. The hindered knowledge management is primarily attributed to the scarcity of trained personnel, highlighting the crucial need for continuous training initiatives and improved access to efficient platforms. Overcoming these limitations is essential for optimizing the utilization of knowledge management resources, enhancing the project's overall effectiveness, and facilitating informed decision-making processes at the regional level. However, this governance system still needs to be strengthened. There are limited technical capacity and tools, as well as intersectoral-multilevel monitoring and coordination activities with key actors working reduce threats within the reserves. There is also limited capacity of national agriculture and forestry programs to promote inter-institutional coordination and the implementation of measures aligned with conservation objectives. Therefore, there is a strong need for support related to provide capacity building of local actors and to strengthen governance systems to ensure transparency, accountability of the decision-making process and ensure conservation of forest areas.

Long term solutions

49. The existing baseline presents complex interactions, and without a comprehensive, multi-level intervention to address the causes and reduce pressures, it is likely that the levels of deforestation and forest degradation will increase in the Moskitia. Therefore, to improve the current situation, four major transformations need to occur:

1. Change societal attitudes about primary forests, to ensure that their intrinsic value and contributions to society are recognized, valued and paid for.

2.   Change the regulatory and enforcement processes, ensuring: (i) that there is multi-sectoral policy coherence, (ii) that decisions are taken based on evidence of the societal benefits and costs of intervening on primary forests, and (iii) that government funding and green financing mechanisms effectively support forest conservation.

3.   Improve land governance in the areas where primary forests are located, ensuring that rights of local communities to their lands and territories are recognized and enforceable.

4.   Change the living conditions of the people who live where primary forest are located, ensuring that they can have a decent standard of living from forest positive and non-forest activities.

50.   The long-term goal of this project is to strengthen the conservation and safeguarding of Honduras' Moskitia IFL, contributing to sustaining the livelihoods of local communities and society at large. This will be achieved by addressing current drivers of environmental degradation and promoting the protection, conservation, and restoration of primary forests through various land uses (e.g., secondary forests, agroforestry systems, farmland), while also sustaining the livelihoods of local communities. These efforts will contribute to the conservation of globally significant biodiversity and to mitigating the impacts of global climate change.

51.   In the mid-term, achieving this strategy involves creating enabling conditions for change, focusing on: (i) conserving existing forests; (ii) building capacities to mitigate drivers of environmental degradation by promoting forest-related livelihoods to increase economic opportunities for rural communities, including women and rural youth; (iii) strengthening local, national, and regional governance; and (iv) developing enabling conditions to sustain changes and long-term action (e.g., ensuring adequate long-term financing and raising awareness about the value of forests and their contributions).

Incremental reasoning for GEF financing

52.   In the baseline scenario, national institutions, local governments, and civil society organizations have limited capacities and knowledge regarding the integration of conservation and natural resource management priorities into their long-term strategies, land-use zoning plans, and governance programs. Additionally, there is a lack of coordination between agencies responsible for protected areas and other organizations promoting agricultural, tourism development, and other productive activities that may impact the protection of primary forests.

53.   GEF financing aims to address these challenges by providing evidence of the benefits of ecosystem services derived from forest conservation and restoration, considering evidence of climate change adaptation and economic development. This will increase political capital to incentivize forest conservation efforts. To achieve improved conservation and connectivity on a larger scale, GEF financing will catalyse new and additional funding for forest conservation in Honduras. This will involve innovative finance approaches working with private sector actors, as well as engagement and outreach to international providers of climate and conservation finance.

54.   Additionally, despite efforts to strengthen incentives, policies, and regulatory frameworks, there is a need to integrate forest management into land use planning and zoning at the local, national, and regional levels. This integration will enhance coherent regulations and financing for the sustainable management of forests and protected areas. Therefore, the funding from the GEF represents an opportunity to generate innovative models of environmental governance, conservation, and finance for the Moskitia region.

Integrated forest management is a well-recognized unique governance effort through which Honduras can pioneer innovative mechanisms linking forest management to the broader Central American Region.

55.   At the national level, the project will strengthen governance structure by enhancing coordination between central government institutions that are responsible for PA management (ICF) with the Indigenous Governance Structures (Indigenous Territorial Councils - ITC), improving planning on the local level (ITC life plans) and promoting participation of IPLCs, women and youth in decision making (Component 1). Multisectoral platforms will bring together local and national government institutions, the private sector, IPLC organisations to ensure knowledge exchange (Component 4), improved governance (Component 1), and increased flow of funds for the conservation of primary forests (Component 3). The project will build on the regional work on the IUCN criteria to develop a national framework for the implementation of OECM and establish an OECM within the communal lands, also supporting the reclamation and restoration of indigenous territorial area (Component 2).

56.   On a cross-border level the project will strengthen cooperation with the development of a roadmap for cooperation and grassroot exchanges (Component 1). Lastly on a regional level the project will ensure knowledge exchange and coordination with other counties and organisations. The Honduras Child project is expected to significantly contribute to the regional territorial working group of the regional coordination platform, through documenting, disseminating and promoting lessons learned for the adoption in policies on the regional level (Component 4).

Project's objective and justification

57.   The Honduras Mesoamerica Forest Child project is vital for the overarching goal of protecting and restoring forest landscapes, ensuring the long-term conservation of biodiversity, and supporting the livelihoods of local communities.

58.   To achieve transformational change necessary for conserving and safeguarding Honduras' Moskitia IFL, the project focuses on safeguarding and protecting these areas, implementing effective restoration practices to maintain biodiversity, preventing fires to mitigate greenhouse gas emissions, increasing livelihood benefits for rural families to enhance their income and quality of life, and preserving ecosystem services in general. To accomplish these objectives, the project aims to strengthen national and regional governance. This involves collaborating with the Government of Honduras and other partners to enhance the capacity of national institutions for forest management and protection, supporting the development and implementation of sustainable land use practices, promoting the restoration of degraded forests, and raising awareness among the Honduran people about the importance of forests.

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[35] Los consejos territoriales en la Muskitia, Honduras available here , Herlihy, P. H., & Tappan, T. A. (2019). Recognizing Indigenous Miskitu Territory in Honduras. Geographical Review, 109(1), 67–86

[36] Ibid.

[37] Ibid.

[38] Source: Herlihy, P. H., & Tappan, T. A. (2019). Recognizing Indigenous Miskitu Territory in Honduras. Geographical Review, 109(1), 67–86. https://doi.org/10.1111/gere.12309)

[39] https://www.giz.de/en/worldwide/79241.html

[40] https://capacity4dev.europa.eu/info/5gf_en

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B. CHILD PROJECT DESCRIPTION

This section asks for a theory of change as part of a joined-up description of the project as a whole, including how it addresses priorities related to the specific program, and how it will benefit from the coordination platform. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the guidance document. (Approximately 3-5 pages) see guidance here

1. Project interventions will focus on three sites in Honduras' northeastern departments of Gracias a Dios, Olancho, and Colón. Over 100,000 people, encompassing indigenous communities such as Mistiku, Pech, Tawahka, and Garifuna, inhabit the project site. These areas hold significance at regional, transboundary, national, and local levels due to their importance for forest ecosystems, stored carbon, globally noteworthy biodiversity, and essential ecosystem services like climate regulation and clean water provision.

2. The proposed project will work to facilitate transformational change that supports the conservation and protection of the Moskitia, through a set of targeted interventions that address the main threats of deforestation and forest degradation highlighted in the previous section. The Theory of change aims to achieve transformative change through the following levers of transformation:

- **Governance and policy coherence**: Through inter-institutional coordination with various public and private sectors, strengthening capacity for integrated land use planning – Component 1.

- **Financial leverage**: Mobilize new and additional funding for conservation of CFBs through innovative finance including carbon offsets and deforestation free value chains – Component 3.

- **Innovation and learning**: Incorporate the perception of target groups and technical indicators in the conservation of critical ecosystems into strategic planning – Component 4, Outputs 1.2.1 and 2.1.1.

- **Multi-Stakeholder dialogues**: Support high-level dialogues to both align and enhance existing programs and develop new initiatives and partnerships to enable and incentivize forest conservation; Facilitate high-level roundtables with private sector leaders to support and enable conservation and deforestation free commitments and action to boost market access and recognition of nature positive activities – Component 4, Outcome 1.3 and Output 3.1.1.

3. To help overcome the identified barriers, the project will follow the structure of the Mesoamerican Forest Programme and is articulated around four interrelated components focusing on: enabling conditions for the protection and conservation of primary forests (component 1), accelerated protection and restoration of primary forests (component 2), increased investment in positive forest/nature landscapes and livelihoods (component 3), and fostering knowledge management, cooperation and coordination (component 4). All this in line with an inclusive approach that includes special conditions to facilitate the access of women and youth to national and municipal programme offerings.

4. The project will address the barriers with coordinated actions. In particular

- Barrier 1, Limited capacity and support for protected area management and the implementation of other effective conservation measures based on specific geographical areas will be addressed by component 2, with the adoption of improved management practices and the establishment of OECMs;

- Barrier 2. Limited mechanisms for transboundary forest conservation (Technical)

- Barrier 3, Weak local and national governance (Institutional) will be addressed by component 1 through strengthening cross-border coordination and local management policies and tools ;

- Barrier 4, Insufficient financial resources to sustain long-term efforts to conserve and restore intact forests will be addressed mainly by component 3 that will and partly from component 2 which will support conservation efforts;

- Barrier 5, Society does not recognize, value or pay for the value of intact forests will be addressed through Component 2,3, and 4 with a combination of forest value conservation, revenue streams from carbon credits, and knowledge management;

- Barrier 6, Limited coordination between conservation and development initiatives (Informational) will be addressed by

5. The project considers that primary forest degradation is curtailed by the development of viable forest-linked livelihoods in the surrounding areas and that rural youth can develop viable productive livelihoods from forest-related economic activities. Therefore focuses, through component 3, on strengthening deforestation-free value chains and revenue streams (e.g. through carbon credits), contributing to long-term financial flows. It also considers that strengthened local land governance and improved land tenure, in combination with support from the central government, will curtail deforestation. Therefore Component 1 supports local governance and through multi-stakeholder dialogues – including IPLc, women, and rural youth in the decision-making process - aspires to build trust and cooperation. Component 2 supports improved PA management, creation of OECMs and forest restorations since sustainable forest management is linked with viable livelihoods.

6. Following the above, the project contributes to the development of expanded protection of primary forest (Component 2), increased value of natural capital and forest-friendly production (Components 1 and 3), supportive frameworks (Component 1 and 4), and to global commitment (Component 2).

7. This project is part of a GEF regional program called Critical Forest Biomes for Mesoamerica. At the regional level, there will be a knowledge management platform that will facilitate sharing experiences between countries, prioritizing topics, and identifying and proposing actions that will enable the region to advance toward managing these critical ecosystems within the framework of its four components identified in the proposal. At the country level, Mexico, Honduras, El Salvador, Guatemala, Nicaragua, and Panama will each have a national project, where actions will be carried out in the territory within the framework of each component and the identified national landscapes. The actions of the national projects will be implemented in each country landscape, and through component 4 (knowledge management) and the Regional Program, interactions will be promoted between the different States and national actors to increase and strengthen collaboration between countries. This collaboration aims to improve the management of these ecosystems through existing governance strategies and platforms tailored for each case.

The four components work in synergy to ensure resilience to future driver changes and include adaptive management as an integral part of the pathway to system transformation. The alternative deforestation-free livelihoods will contribute to overcoming current barriers and provide IPLCs with a viable alternative to anthropogenic and climate change drivers, increasing their adaptive capacity to external disturbances. At the same time, through improved understanding of the IPLCs contribution to biodiversity conservation, the recognition on the intrinsic and instrumental value and contributions of IFL to the society and the economy, evidence-based decision making, and strengthened governance capacities of the territorial councils the project provides mechanisms for adaptive management.
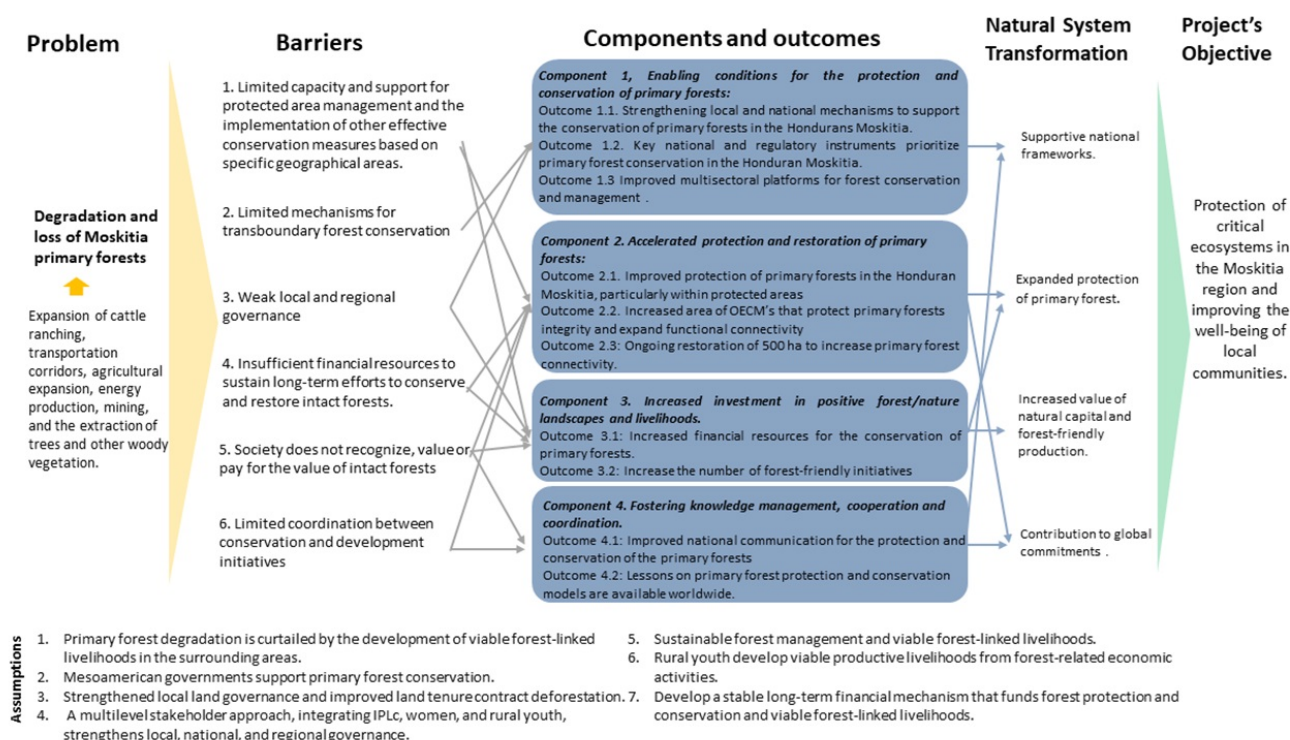

Figure 4, theory of change

8. Transformative change supporting conservation of the project landscapes, IFLs and beyond will occur through the following linked components and the referential activities:

Component 1. Enabling conditions for the protection and conservation of primary forests:

9. This component will facilitate advances in adopting, integrating and harmonizing policies and regulatory frameworks favourable to forest conservation and indigenous peoples' rights, thus contributing to policy coherence. This will provide innovative governance additionality by strengthening the existing multi-tier indigenous governance framework of nine indigenous territories in the IFL to prepare and implement indigenous territorial regulations, building indigenous leadership, technical and administrative capacities at the landscape, territorial, and community levels. These indigenous territorial regulations will be aligned with relevant governmental national and municipal laws, policies and regulations and will be supported by multi-stakeholder and intersectoral management committees and co-management mechanisms in protected areas. This component will also provide legal and regulatory additionality by supporting the participatory preparation and implementation of indigenous regulations, led by the indigenous territorial councils and federations, that regulate access, use, protection, control and exclusion of land and natural resources in the nine indigenous territories. The component will be implemented by WCS and SERNA and will involve all national stakeholders included in table 4.

- o **Outcome 1.1. Strengthening local and national mechanisms to support the conservation of primary forests in the Honduran Moskitia.**
  - ▪ Output 1.1.1. Awareness and advocacy plan for the protection and conservation of primary forest aimed at policymakers, sectoral entities, and private sector.
    - ▪ Activity 1.1.1.1. Develop and implement, with an intercultural vision, a campaign to raise awareness and advocate for the protection and conservation of indigenous lands and territories and primary forests of the Honduran Moskitia.

10. Aligned with Program communication strategy, this activity entails the development and execution of awareness-raising campaigns targeted at policy makers, sectoral entities, the private sector to emphasize the importance of protecting and conserving primary forests of the Honduran Moskitia. Taking into consideration the importance of IPLCs, women and youth in forest sustainable management and conservation the campaigns will be designed with social inclusion and intercultural strategies in mind. The campaigns will advocate the rights of indigenous peoples – following gender responsive guidelines - to secure protection, security, collective management, and the respect of the totality of collective and titled lands of the indigenous peoples of the Moskitia as an integral part of forest sustainable management and conservation.

11. The campaign will also advocate for strengthening the capacities of "mobile courts" in understanding and prosecuting illicit activities related to environmental and indigenous rights violations, including mobilizing such courts to the Honduran Moskitia and training judges and attorneys on relevant environmental and indigenous law.

12.   The advocacy campaign will be implemented with the utilization of different available media at both local (Catacama and Culmi, Sicopaulaya, Zona de Mosquitia) and national levels. This will also include the identification of specific information related to the protection and conservation of primary forests of the Honduran Moskitia. in the Honduran Moskitia to be shared at a regional level though the Regional Coordination Project.

- Output 1.1.2 Strengthening local governance structures to improve the effectiveness of the protection and conservation of the primary forests of the Honduran Moskitia, through zoning and norm-building processes in at least 2 territorial councils.
  - Activity 1.1.2.1. Support territorial and national dialogues between indigenous institutions (MASTA, UPINMH), municipalities, SERNA, ICF to reach agreements for territorial and forest management in the Mosquitia.

13.   This activity will allow the establishment of a permanent dialogue between the central government including the SERNA, ICF and the IPLC governance institutions including but not limited to the MASTA, FINZMOS, Tawahka, BAMIASTA, the ITC (Rio Platano Biosphere Reserve), and women organisations such as Mixed Cooperative of Miskito Women (MOMANASTA) and Women Association in Miskita (BUKARIMAT). The project will support the development of the institutional and operational arrangements and support the meetings during the project implementation period. The dialogue platform will work as an umbrella platform for the operationalization of other project deliverables such as 2.1.1.2 and 2.1.1.3 and will be key for the local level policy coherence.

Output 1.1.3: Strengthened agreements for cross-border protected areas collaboration.

- Activity 1.1.3.1. Diagnostic report on the potential for cross-border collaboration and management with Nicaragua, as well as strengthening the dialogue between indigenous peoples of Honduras and Nicaragua, to implement forest conservation activities and achieve objectives.

14.   The report will identify key aspects of collaboration, including needs and opportunities, and develop a pathway for collaboration between the two countries. The report will build on the Honduras-Nicaragua bilateral work of WCS. Capitalizing on the knowledge created concerning the Moskitia ecosystems, as well as the cooperation of Indigenous peoples at a local level, the report will prioritize and provide a plan for the implementation of cross-border activities incorporating specifically gender-responsive approaches to empower IPLC women in the cross-border area.

15.   The activity will also support cross-border dialogue among indigenous peoples for the implementation of forest conservation activities, strengthening existing mechanisms such as the SISKrutara and the Binational Indigenous Coordination Muishka.

Outcome 1.2. Key national and regulatory instruments prioritize primary forest conservation of the Honduran Moskitia.

- Output 1.2.1. Updated Sub-national policies, regulations and cross-sectoral instruments that support the protection and conservation of primary forests in the Honduran Moskitia.

- Activity 1.2.1.1. Promote respect for indigenous peoples' rights to collective and titled lands through updated 'life plans' and municipal policy guides.

16. This activity involves the preparation of Municipal land-use planning guidelines and the revision of ITCs 'life plans' to support the integration of the protection and conservation of primary forests. The plans and guidelines will serve as a framework to incorporate sustainable land-use practices that prioritize the protection and conservation of primary forests of the Honduran Moskitia. The revision will take into consideration the regional and national guidelines and will promote gender and youth integration within a framework of gender and youth responsive approach, ensuring alignment with Global biodiversity framework (GBF) gender mainstreaming guidelines. The development will take into account and enforce the rights and mandate of the ITCs promoting policy coherence on the ITC level.

Output 1.2.2. Information to support fact-based decision making on forest conservation interventions.

- Activity 1.2.2.1. Assessment of the contribution of the Moskitia landscape to provide habitat for endangered species, and contribution to revert the extinction risk of species extinction.

17. The project will support the development of an assessment of the role of primary forest from Moskitia to provide habitat for endangered species, and contribution to revert the extinction risk of species. In particular the project will support the calibration of the Species Threat Abatement and Recovery (STAR) methodology for Moskitia landscapes.

Outcome 1.3 Improved multisectoral platforms for forest conservation and management

- Output 1.3.1. Creation or strengthening of multi-sectoral platforms.

    - Activity 1.3.1.1. Strengthen the AFOLU national roundtable to integrate consideration at Moskitia level for coordination and funding.

18. The project will strengthen the National AFOLU roundtable in Honduras. The national AFOLU roundtable is the national platform on AFOLU to support the SICA Regional AFOLU 2040 initiative. The roundtable brings together national stakeholders including government agencies and NGOs to align the national actions with the regional level strategy. The project will ensure that the national level agenda is shared and debated as part of the Moskitia coordination platform (product 4.1.1) and finance coalition (product 3.1.4), to ensure intersectoral dialogue and coordination also takes place in the Moskitia, bringing together all relevant stakeholders and especially IPLC and women organisations such as MOMANASTA and BUKARIMAT.

Output 1.3.2. Multisectoral meetings of stakeholder groups and sectors to agree actions and goals for primary forest conservation.

- Activity 1.3.2.1. Develop and implementation monitoring of affirmative action protocols to include rural women and youth in programme implementation plans and decision-making processes.

19.   This activity entails the development of protocols designed to actively incorporate women and rural youth into the implementation plans of forest conservation programs. These protocols will outline specific strategies and mechanisms for ensuring the meaningful participation of women and rural youth in decision-making processes related to forest conservation. By developing inclusive protocols, the aim is to create opportunities for women and rural youth to contribute their perspectives, insights, and expertise to the planning and execution of forest conservation initiatives. This activity seeks to promote gender equality, social inclusion, and youth empowerment within the context of forest conservation, ultimately enhancing the effectiveness and sustainability of conservation efforts. To ensure capitalisation on previous work, continuation, and meaningful women representation the activity will ensure the participation of women and women productive organisations in Moskitia, included but not limited to as MOMANASTA and BUKARIMAT. In addition, the project will monitor the implementation of the protocols for the duration of the project implementation period.

Activity 1.3.2.2. Implement Free Prior and Informed Consultation (FPIC) during project implementation

20.   This activity involves the implementation of FPIC protocols, during project implementation. This activity involves the implementation of Free, Prior and Informed Consent (FPIC) protocols, the implementation of FPIC for at least 4 indigenous peoples (i.e. Miskitu, Tawahka, Pech and Garifuna), verifying the implementation of the minimum requirements to be fulfilled and monitoring the implementation of FPIC.

Component 2. Accelerated protection and restoration of primary forests:

21.   This component aims to accelerate the protection and restoration of the primary forest in the area of The Moskitia, addressing the lack of capacity and resources used for protected areas and OECM (Other Effective Conservation Measures). By doing this, it is expected to improve the management of those areas, increase the ecosystem monitoring programs, and invest in enhancing the livelihoods of local communities.

22.   The project will highlight the influence and roles of key stakeholders, aiming to increase and strengthen multi-sectoral capacities to ensure their ability to deal with the deforestation drivers. The component will be implemented by WCS and SERNA and will involve all national stakeholders included in table 4, especially the ITCs within the Rio Plàtano and Tawahka Asangni Biosphere Reserves (Output 2.1), the Warunta ITC (Output 2.2 and 2.3).

o **Outcome 2.1. Improved protection of primary forests in the Honduran Moskitia, particularly within protected areas.**

▪ Output 2.1.1. Strengthening of protected area management tools and instruments of ITCs and state government institutions.

▪ Activity 2.1.1.1. Updating and strengthening the implementation of the management plans of the Rio Platano Biosphere Reserve and the Tawahka Asangni Reserve by reactivating the co-management of the communal and tilted lands of the ITCs

23.   The activity will support the updating of the Rio Platano Biosphere Reserve and the Tawahka Asangni Reserve management plans and strengthen their implementation by providing key equipment and capacity building. The process will reactivate the co-management of the communal and titled lands of the ITCs. The activity will ensure that the management plans will be gender and youth responsive to empower women and youth in terms of roles & responsibilities, access & control over resources, access to knowledge, participation in decision making following relevant GBF and UN Women guidelines.

- Activity 2.1.1.2. Support the state government and the ITCs in the development of at least 4 territorial land reclamation protocols for the for the reclamation of indigenous people's land in the project area.

24. The activity will support the development of at least four land reclamation protocols tailored to the ITCs. This effort will receive support from IUCN and WCS, along with guidance and assistance from territorial councils. Through ongoing dialogue facilitated by activity 1.1.2.1, state government institutions and ITCs will collaborate to formulate a strategy and mechanisms for the restoration of indigenous lands indigenous and/or other areas in coordination with indigenous peoples within the project area.

- Activity 2.1.1.3 Develop institutional and operational arrangements for a corps of indigenous community rangers integrated into the ITC and training of the rangers.

25. The project will support the development of the institutional and operational arrangements for an indigenous community forest guard body. The guards' body will be embedded in the ITC and will be help the implementation of the 'life plans' elements that support forest sustainable management and conservation.

- Output 2.1.2. Assessment of the risk of collapse of the lowland rainforest in Honduras

  - Activity 2.1.2.1. Assessing the risk of collapse of lowland rainforests in Honduras.

26. This activity involves preparing a comprehensive national regional assessment of the risk of collapse and extension of critical Mesoamerican Forest biomes, integrating analysis of emissions associated with deforestation, biological effects such as biome changes, and economic value chain impacts, while incorporating relevant information from the project area. By conducting this assessment, the aim is to holistically evaluate the current threats and vulnerabilities facing critical lowland rainforest landscapes in Honduras, while also contributing to the regional level assessment. This assessment will not only consider factors such as deforestation rates, habitat fragmentation, and species loss. Furthermore, it will assess the biological effects, such as potential changes in biomes, and evaluate the economic impacts across value chains associated with forest ecosystems. By integrating data and insights from the project area, the assessment will provide valuable information to inform conservation strategies and prioritize interventions aimed at safeguarding Mesoamerican Forest biomes.

- Output 2.1.3 Information of the contribution of protected areas and indigenous peoples to conserve the primary forests of the Honduran Moskitia and the advancement of the global biodiversity framework to support fact-based decision making.

  - Activity 2.1.3.1 Identify and evaluate the contribution of indigenous peoples and protected areas in reversing the risk of collapse of lowland rainforests in Honduras and the extinction of species.

    27. The objective is to enhance the availability and accessibility of biodiversity-related data, particularly concerning the contribution of protected areas and indigenous peoples to the conservation of primary forests (GBF target 1) and how the conservation of this habitat contributes to reduce species extinction risk (GBF target 4). The project will support the collection of data in pilot areas during the implementation period of the project. This pilot initiative aims to demonstrate the value of utilizing comprehensive biodiversity information for fact-based decision-making processes. By strengthening the linkages between biodiversity data and decision-making, this activity

seeks to advance the global biodiversity framework and support evidence-based conservation strategies in the Moskitia.

28. In this activity, the project will use and calibrate the STAR assessment approaches to assess the contribution of primary forest protection to reduce species extinction risk, to inform conservation management plans in the project intervention area and to support the monitoring of threats based on global data layers (e.g., Global Forest Watch, NASA GEDI, NASA/USGS Landsat, and NASA/NOAA VIIRS, Smart-fire).

o **Outcome 2.2. Increased area of OECM's that protect primary forests integrity and expand functional connectivity.**

▪ Output 2.2.1: National frameworks or protocols for the implementation of the OECM.

▪ Activity 2.2.1.1 Contribute to the finalization of the policy framework for OECMs in Honduras, building on the work already developed by SERNA and IUCN.

29. The Project will contribute in the finalization of the policy framework for the OECMs in Honduras. The project will support the finalization of the framework ensuring alignment with the previous worked developed by SERNA and the regional IUCN framework. The protocol will adhere to the IUCN framework concerning gender equity and indigenous peoples and will further promote gender-responsiveness though the operationalisation of gender related OECM criteria.

▪ Output 2.2.2. Establishment of an OECM zone to support the conservation of primary forests of the Honduran Moskitia.

▪ Activity 2.2.2.1. Identification and characterization of the Warunta area as a potential OECM area in the Moskitia.

30. This activity involves identifying potential OECM sites in Moskitia. By conducting a comprehensive assessment of suitable areas, including those within the project area, stakeholders aim to identify sites where OECMs can effectively protect primary forest integrity and enhance functional connectivity. This initial step is crucial for informing subsequent actions and interventions aimed at expanding OECMs. An initial analysis of potential OECM sites were conducted during project design. IUCN will also guidance for OECM will be applied with ad-hoc support from the regional level.

▪ Activity 2.2.2.2. Delimitation, zoning and defining land use standards for OECM Warunta.

31. The project will support the identification of the physical boundaries of the proposed OECM and the characterization of the areas that are included in it, in terms of land use management. Through the above the activity will support formalization of one OECM and support the land councils of Finzmos, Bakinasta, Katainasta and Bamiasta in the delimitation, zoning and definition of regulations governing the use, access, control and protection of natural resources, as well as the definition of governance models for the indigenous territory of Warunta.

o **Outcome 2.3: Ongoing restoration of 500 ha to increase primary forest connectivity.**

▪ Output 2.3.1: Updated assessment of the restoration area in agreement with the ITCs and the framework for remediation and reclamation of areas.

▪ Activity 2.3.1.1. Develop an updated assessment of local priority areas for forest restoration according to the ICF Methodology and the Restoration Opportunity Assessment Methodology (ROAM) in agreement with and reaching the free, prior and informed consent of indigenous peoples.

32. This activity involves developing an updated evaluation of priority areas at the local level for the restoration of forests using the Restoration Opportunities Assessment Methodology (ROAM). Stakeholders will utilize ROAM and/or the ICF methodology the to assess and prioritize areas with the highest potential for restoration within Moskitia and Honduras. By conducting this evaluation, stakeholders will identify key restoration opportunities based on ecological, social, and economic criteria, taking into account factors such as biodiversity value, connectivity, and stakeholder engagement. This assessment will guide decision-making and planning processes for restoration efforts, ensuring that resources are allocated effectively to maximize the ecological and socio-economic benefits of restoration activities.

▪ Output 2.3.2: Key priority areas for the restoration of 500 ha of indigenous territorial areas.

▪ Activity 2.3.2.1. Support pilot community-based restoration (including agroforestry, sustainable timber, community nurseries and gardens, etc.) under local community management with the active participation of women and young people.

33. The project will support restoration of 500 ha from local communities, including agroforestry, sustainable timber, community nurseries, and gardens, under local community management with active participation of women and youth. The project will support with technical assistance with forestry technicians to make management plans. These projects will restore degraded landscapes and enhance ecosystem connectivity while promoting gender and youth inclusion. By actively involving women and youth in the management and implementation of restoration activities, this activity ensures their meaningful participation in decision-making processes and empowers them to contribute to the restoration of Mesoamerican primary forests of the Honduran Moskitia. Through this activity, key priority areas for community restoration are identified and addressed, furthering the goal of increasing Mesoamerican primary forest connectivity.

Component 3. Increased investment in positive forest/nature landscapes and livelihoods:

34. This component aims to ensure the Long-term implementation of the strategies proposed under Components 1 and 2 addressing the lack of private investment in conservation and deforestation-free supply chains, capacities and tools to assess and compare biodiversity impacts of companies, loan portfolio, limited conservation investment opportunities. This involves formulating a strategy for the national incentives under BANADESA (National Bank for Agricultural Development) and BANHPROVI, as well as to support the implementation of mechanisms under the Special Law on Forest Carbon Transactions Forest Carbon Transactions for Climate Justice (2023). The above will aim to facilitate investment in conservation. The execution of these strategies will prioritize inclusivity, reinforcing the active involvement in decision-making and equitable distribution of benefits among local communities, indigenous peoples, women, and youth. The component will be implemented by WCS and will involve all national stakeholders included in table 4. The component will also engage especially ITCs in RPBR, TABR and Warunta that will receive targeted support.

Outcome 3.1: Increased financial resources for the conservation of primary forests.

Output 3.1.1: Analysis of funding gaps and barriers to investment in primary forest landscapes and forest-linked livelihoods in RPBR, TABR and Warunta and local government capacity building on climate financing.

- Activity 3.1.1.1: Assessment of financial gaps and barriers and of the potential and possibilities for increased investment in primary forest landscapes and livelihoods related to protected areas and the Moskitia OECM delimited area.

35. The activity will support an in-depth analysis of the financial gaps and barriers for investments focusing on effective management of Protected areas (PAs), and OECMs, including forest conservation in general through ICF to ensure the safeguarding of the forest.

Activity 3.1.1.2 Capacity building of local governance on climate in environmental and climate finance.

36. The project will support capacity building of local governance representatives on the potential use of the Climate and Biodiversity financing to support forest conservation and restoration.

Output 3.1.2: Innovative financing instruments and tools to increase investments in primary forest protection, protected areas, OECMs, and forest linked livelihoods in RPBR, TABR and Warunta.

- Activity 3.1.2.1. Support the design and implementation of a payment for ecosystem services mechanism to support the contribution of ITCs to forest conservation in protected areas and the Moskitia OECM delimited area.

37. The project will support the development of a payments for ecosystem services scheme based on the existing national legislation and the consultation with the indigenous people's governance structures. The mechanism will support the contribution of the indigenous peoples and ITCs to foresee conservation in the PAs and the OECM in Moskitia

Outcome 3.2: Increase the number of forest-friendly initiatives

- Output 3.2.1: Carbon credits mechanisms to incentivize forest-friendly endeavours.
  - Activity 3.2.1.1. Capacity building for indigenous peoples in the legal framework linked to the forest carbon law.

38. This activity aims to enhance the knowledge, skills, and resources of indigenous communities within the Moskitia region by implementing capacity-building initiatives such as workshops, training sessions, and educational programs. The goal is to empower indigenous communities to gain a deeper understanding of their rights, responsibilities, and opportunities concerning forest carbon management, and to promote their active participation in decision-making processes, conservation efforts, and sustainable development practices.

Activity 3.2.1.2 Define a negotiation protocol for indigenous peoples on issues related to carbon credits.

39. This activity consists of establishing a negotiating protocol tailored to address carbon credit negotiations by indigenous peoples. The protocol aims to provide a structured framework for engaging in negotiations that uphold the rights, interests and concerns of indigenous communities in the context of carbon credit transactions. It includes guidelines for initiating and conducting negotiations, outlining key principles such as transparency, inclusiveness and respect for indigenous knowledge and sovereignty.

Activity 3.2.1.3 Support the Government of Honduras in the socialisation of the regulation of carbon credits aimed at the indigenous peoples of the Moskitia.

40. The project will support the Government of Honduras in the process of socializing regulations related to carbon credits. The objective is to facilitate a broad outreach effort to ensure that the indigenous peoples of the Moskitia are informed and involved in the development and implementation of regulations governing carbon credits. The socialization process will prioritize meaningful dialogue and consultation with indigenous communities to gather their views, address their concerns, and incorporate their perspectives into the regulatory framework. By promoting transparency, inclusiveness, and respect for indigenous rights and traditional knowledge, the project aims to foster effective collaboration between the government and indigenous communities.

Output 3.2.2: Define a negotiation protocol mechanism for indigenous peoples on the issue of carbon credits.

- Activity 3.2.2.1. Support the establishment and development of deforestation-free value chain activities, aggregate (cocoa and non-timber products).

41. The project will support the establishment and development of deforestation free value chains (including but not limited to non-timber forest products; spice, seed and nut agroforestry; cacao, ecotourism). Through workshops, training sessions, and educational programs, stakeholders will enhance their understanding of climate finance mechanisms and opportunities for investment in primary forest landscapes and forest-related livelihoods. This activity aligns with Component 3's rationale by addressing barriers to investment and strengthening local capacities in accessing financial resources for forest conservation.

Output 3.2.3: Project preparation mechanism to allow access to private and development financing.

- Activity 3.2.3.1. Support for the development and implementation of investments through a project preparation mechanism in support of indigenous peoples' families and organizations.

42. The project will develop a mechanism to assist local entrepreneurs to prepare bankable business proposals to access private investment or support from development financing sources (e.g., philanthropic contributions, development banks). This will be done with the development of a Project Preparation Facility.

43. The project will utilize the knowledge of 3.1.2, 3.2.1, and 3.2.2 to identify the key financing sources and beneficiaries of the Project Preparation Facility (PPF).

44. Beneficiaries are expected to include i) community enterprises in the forestry, agricultural and tourism sectors, (ii) indigenous peoples' groups managing OECMs, (iii) women-led businesses and (iv) initiatives led by rural young entrepreneurs. Among others, the project will support financial illiteracy, especially among women and train women and women-led organizations. TA on forest positive and biodiversity outcomes of business proposal and business plans sustainability will be provided by the regional project. The national project will be supporting the development of the feasibility study and or relevant documentation for the investments.

Component 4. Fostering knowledge management, cooperation and coordination:

45. This component aims to promote knowledge exchange, enhance awareness, and generate evidence to support forest and biodiversity conservation within the framework of the Critical Forest Biome Integrated Program and especially through the Regional Coordination Platform. It aims to develop high-level events and

communications to forestry and non-forest governmental audience and the civil society encompassing the dissemination of best practices for social inclusion in forest conservation and restoration processes. It will focus on strengthening local monitoring systems to track presence and threats to species at risk of extinction, building on existing dataset, citizen knowledge, and technologies. This will allow the generation of evidence and of global environmental benefits associated with Regional Technical Working Group. The component will be implemented by SERNA and WCS and will involve all regional and national stakeholders included in table 4, though knowledge exchange activities.

o **Outcome 4.1: Improved national communication for the protection and conservation of the primary forests.**

▪ Output 4.1.1: Long-term communication plan to mobilize support for the conservation of primary forests and critical forest biomes.

▪ Activity 4.1.1.1. Generate intercultural communication material to support the implementation of the communication strategy at local and national level.

46. This activity focuses on generating intercultural and gender responsive communication material to support the implementation of the communication strategy of the national project in alignment with the Programme communication strategy. The project will develop informative and persuasive content, including publications, videos, and social media campaigns, to raise awareness and mobilize support for the conservation of primary forests and critical forest biomes. By disseminating this material through various communication channels, including websites, newsletters, and public events, stakeholders will engage diverse audiences and foster a shared understanding of the importance of forest conservation.

47. In plan will also take into consideration the preferred national and local means of communication (e.g. WhatsApp channels, Facebook etc.) in the implementation of communication activities.

o **Outcome 4.2: Lessons on primary forest protection and conservation models are available worldwide**

▪ Output 4.2.1: Knowledge platform on critical forest biomes.

▪ Activity 4.2.1.1. Document and disseminate knowledge in the Project area through the Programme's knowledge-sharing platform.

48. The activity will support the documentation and dissemination of project and project area relevant knowledge outputs to be disseminated through the programme's knowledge platform, aa well as SERNA, ICF and IUCN platforms when possible. Data, evidence, and key documents will be disseminated through the annual workshop of output 4.2.4. and shared on a regional level through the delegation to the regional coordination platform technical working groups. The Honduras child project is expected to contribute significantly to the territorial working group of the regional coordination platform, sharing experiences from the activities of component 1 and 2.

▪ Output 4.2.2: Lessons learned from forest management and governance models, and integration of IPLCs, women and rural youth into decision-making processes documented and disseminated.

▪ Activity 4.2.2.1. Systematize lessons learned and participate in the annual workshop to exchange lessons on models of protection and conservation of primary forests at national and regional level.

49. This activity involves systematizing lessons learned from forest protection and conservation models implemented in Honduras focusing on IPLCs, women and rural youth. Stakeholders will gather, analyse, and document key insights, successes, challenges, and best practices derived from the project's initiatives. By systematically organizing this information, stakeholders will create valuable resources for knowledge sharing and dissemination, facilitating the exchange of experiences and lessons learned with regional and international stakeholders. The lessons learned will be incorporated in national and local policies including local policies and plans developed in components 1 and 2. Moreover, key national lessons learned will be communicated on a regional level through the Regional Coordination Platform and the regional exchanges.

▪ Output 4.2.3: South-South cooperation/knowledge exchange with other critical forest biomes.

   ▪ Activity 4.2.3.1. Promote the active participation of Honduras in South-South exchanges with other forest biomes projects and programmes.

   50. This activity aims to promote the active participation of Honduras in South-South exchanges with other forest biome countries. By actively engaging with counterparts from other critical forest biomes, Honduras will have the opportunity to share experiences, learn from best practices, and explore collaborative solutions to common issues. These exchanges will facilitate the transfer of knowledge, technologies, and innovative approaches, enhancing the capacity of all participating countries to address the conservation and management of primary forests effectively. Through this activity, Honduras will contribute to broader efforts aimed at promoting global cooperation and solidarity in forest conservation and sustainable development. The activity will also provide the opportunity of the national delegation to participate in the Regional Coordination Platform in person meetings.

▪ Output 4.2.4: Annual national coordination and knowledge sharing workshops.

   ▪ Activity 4.2.4.1. Organize national coordination and knowledge-sharing workshops

51. Annual national coordination and knowledge sharing workshops will be organised for knowledge sharing between multi sector stakeholders (government, private sector, Civil Society Organizations (CSOs)) involved in the project activities.

▪ Output 4.2.5: Harmonized annual program planning, reporting, monitoring and evaluation.

   ▪ Activity 4.2.5.1 Prepare national inputs for Honduras into the harmonized monitoring and evaluation framework of the integrated programme.

52. This activity involves preparing Honduras national inputs for annual program planning, reporting, monitoring, and evaluation, including gender disaggregated data according to the M&E plan. Stakeholders will collaborate to gather relevant data, insights, and progress updates on forest protection and conservation initiatives in Honduras. These inputs will be compiled, analysed, and formatted to align with the requirements of annual program planning, reporting, monitoring, and evaluation processes. By ensuring the availability of accurate and comprehensive information, stakeholders will support the harmonization of program activities and facilitate effective decision-making, accountability, and learning within the project. Additionally, these inputs will contribute to the broader efforts of regional and international coordination and cooperation in forest protection and conservation initiatives.

Relevant Stakeholders

Table 4, Relevant stakeholders

Stakeholder	Role/Contribution
Regional Level	
Central American Integration System (SICA)	Highest-level institutional framework for political, social, and economic regional integration, as well as the coordination of regional environmental and agricultural policies, strategies, and cross-sectoral programs and initiatives. SICA is a key to support policy coherence on a regional level, as well as adopt and disseminate good practices. SICA will be engaged though the regional coordination platform and the IP to strengthen the utilisation of knowledge.
National Level	
Secretariat of Environment and Natural Resources (SERNA)	Honduran public body responsible for formulating, coordinating, and evaluating policies related to the protection and use of water resources, renewable energies, hydroelectric and geothermal energy generation and transmission, mining activity, and hydrocarbon exploration and exploitation. Additionally, it oversees the coordination and evaluation of policies concerning the environment, ecosystems, and the National System of Protected Areas of Honduras (SINAPH). SERNA is a key stakeholder that will promote policy coherence on a national level, as well as a key institution for the utilization of knowledge. In terms of advocacy.
Institute of forest conservation (ICF)	The Institute of Forest Conservation, Protected Areas, and Wildlife is the state body responsible for administering policies, plans, programs, and projects related to forest resources. Its mandate is to ensure their rational and sustainable management at the public, private, and community levels. ICF is a key stakeholder for the improvement of management practices in the PAs of the Rio Plàtano and Tawahka Asangni Biosphere Reserve. It is also a crucial member of the multistakeholder platforms in terms of governance within the cultural zone on the Rio Plàtano Biosphere Reserve.
Secretariat of Agriculture (SAG)	Among the main roles is to promote sustainable agricultural and livestock development in the region, coordinating with other governmental institutions and local and international organizations to implement comprehensive rural development projects that benefit the communities of the Moskitia.

	The SAG is key stakeholder in terms of policy coherence and innovative livelihoods. As mentioned, cattle ranching is a key driver of deforestation in Moskitia. SAG can play a significant role in rationalising policies, as well as promoting deforestation free value chains.
Local Level	
Indigenous Territorial Councils	The territorial councils serve as representatives of the communities within the Moskitia region and hold the highest authority in dealings with government bodies and international cooperation. Structured with a board of directors, the councils appoint a president, who assumes the highest position and is responsible for overseeing the council's management. ITCs are key for the implementation of all project activities, and inherently involved in the implementation of improved PA management practices in the cultural zone of the Rio Plàtano Biosphere Reserve, the implementation of OECMs, and the restoration activities. The development of deforestation free value chains and revenue streams in for indigenous peoples is key to remove barriers in Moskitia.
The Tawahka Indigenous Federation of Honduras (FITH)	Protecting and preserving Tawahka culture, traditions, and ancestral lands. FITH is a key stakeholder in terms of multi-stakeholder platforms, as well as advocacy for the rights of indigenous peoples. Its participation would contribute to policy coherence and promoting indigenous knowledge.
Federation of Pech Indigenous Tribes (FETRIPH)	Protecting and preserving forests against illegal occupation by settlers and to promote alternative livelihoods in a unique access and benefit sharing scheme. FETRIPH is a key stakeholder in terms of multi-stakeholder platforms, as well as advocacy for the rights of indigenous peoples. Its participation would contribute to policy coherence and promoting indigenous knowledge
Unity of the indigenous and black peoples of the Honduran Moskitia (UPINMH)	It represents both indigenous peoples and Black communities, with a focus on economic development. The aim is to provide income and jobs for the people of the region through industries like cocoa production, artisanal fishing, and basic grains. Likewise, it advocates

	for the implementation of sustainable practices while creating economic opportunities.
	UPINMH is a key stakeholder in terms of multi-stakeholder platforms, as well as advocacy for the rights of indigenous peoples. Its participation would contribute to policy coherence and promoting indigenous knowledge.
MASTA	It is an indigenous federation representing the Miskitus of the Honduran Moskitia. It works to protect indigenous culture and territorial rights, strengthen local governance and natural resource management, and improve regional health and education systems. The Miskitus have 12 territories, each of which elects a territorial council. MASTA is a key stakeholder in terms of multi-stakeholder platforms, as well as advocacy for the rights of indigenous peoples. Its participation would contribute to policy coherence and promoting indigenous knowledge
Armed Forces (Green Battalion)	The specific mission is to protect forests from illegal logging, provide protection to rural populations, and combat drug trafficking. The Green Battalion is key for providing the background for the implementation of improved PA management, as well as securing the land reclamation protocols for indigenous land.

Table 5, Stakeholder involvement

Stakeholder	Outputs involve
WCS (EE)	1.1.1-1.1.2-1.1.3-1.2.1-1.2.2-1.3.1-1.3.2-2.1.1-2.1.2-2.1.3-2.2.1-2.2.2-2.3.1-2.3.2-3.1.1-3.1.2-3.2.1-3.2.2-3.2.3-4.1.1-4.2.1-4.2.2-4.2.3-4.2.4
SERNA	1.1.1-1.1.2-1.1.3-1.2.1-1.2.2-1.3.1-1.3.2-2.1.1-2.1.2-2.1.3-2.2.1-2.2.2-2.3.1-2.3.2-3.1.1-3.1.2-3.2.1-3.2.2-3.2.3-4.1.1-4.2.1-4.2.2-4.2.3-4.2.4
ICF	1.1.1-1.1.2-1.2.1-1.3.1-1.3.2-2.1.1-2.1.2-2.1.3-2.2.1-2.2.2-2.3.1-3.1.1-3.1.2-3.2.1-3.2.2-3.2.3-4.1.1-4.2.1-4.2.2-4.2.3-4.2.4
SAG	1.1.1-3.2.1-3.2.2-3.2.3
ITCs	1.1.1-1.1.2-1.1.3-1.2.1-1.2.2-1.3.1-1.3.2-2.1.1-2.2.2-2.3.1-2.3.2-3.1.1-3.1.2-3.2.13.2.2-3.2.3-4.1.1-4.2.1-4.2.2-4.2.3-4.2.4
FETRIPH	1.1.1-1.1.2-1.2.1-1.3.1-1.3.2-3.1.1-3.1.2-3.2.1-3.2.2-3.2.3
FITH	1.1.1-1.1.2-1.2.1-1.3.1-1.3.2-3.1.1-3.1.2-3.2.1-3.2.2-3.2.3
UPINMH	1.1.1-1.1.2-1.1.3-1.2.1-1.3.1-1.3.2-3.1.1-3.1.2-3.2.1-3.2.2-3.2.3
MASTA	1.1.1-1.1.2-1.1.3-1.2.1-1.3.1-1.3.2-3.1.1-3.1.2.3.2.1-3.2.2-3.2.3
GREEN BATTALION	1.1.1-1.1.2-1.2.1-1.3.1-1.3.2-2.1.1

Institutional Arrangement and Coordination with Ongoing Initiatives and Project.

Please describe the Institutional Arrangements for the execution of this child project, including framework and mechanisms for coordination, governance, financial management and procurement. This should include consideration for linking with other relevant initiatives at country-level (if a country child project) or regional/global level (for coordination platform child project). If possible, please summarize the flow of funds (diagram), accountabilities for project management and financial reporting (organogram), including audit, and staffing plans. (max. 500 words, approximately 1 page)

IUCN is the GEF implementing Agency (IA) and will be responsible for the overall quality assurance and oversight of the project while SERNA and WCS will act as Executing Agencies (EA) and will be responsible for managing and executing GEF's funds, under IUCN's supervision.

Governance and technical advice

A Project Steering Committee (PSC) will be established to provide strategic guidance for the project and as the highest level of the project governance. The PSC have the function to provide overall guidance and recommendations; ensure the project maintains its objectives and achieves expected outcomes; address project issues as raised by the Project Management Unit (PMU); review and validate the project annual workplan; monitor project risks and mitigation measures implemented and validates the annual project implementation report. The PSC will also be responsible for nominating a National Coordinator. The PSC will be chaired by the SERNA as a national focal point of the Honduras Child Project and as the Honduras representative at the Regional Program Level. SERNA will also act as the PSC Secretariat. The members of the PSC (SERNA, IUCN and Unity of Indigenous and Black Peoples of the Moskitia (UPINMH)) are expected to meet at least every 12 months. The Chair of the PSC will also be responsible to participate in the Program Steering Committee.

To improve the coordination and planning of activities, a technical committee composed of representatives of the executing agencies Secretariat of Environment and Natural Resources (SERNA) and WCS; main project partners such as the Secretariat of Agriculture of Honduras (SAG), Institute of forest conservation (ICF), Indigenous federation representing the Miskitu people (MASTA), the Tawahka Indigenous Federation of Honduras (FITH), Federation of Pech Indigenous Tribes (FETRIPH), etc. The technical committee shall be consulted and shall provide technical advice when requested by the PSC.

Implementation

SERNA will act as the executing agency, will recruit a Project Management team with experience in managing international funds to establish the PMU. The PMU will be composed by a project coordinator, a financial and administration assistant, a monitoring and evaluation officer, a gender expert, a communication which will be recruited through a competitive process according to SERNA procurement and fiduciary guidance. The PMU and especially the GESI officer will be responsible for the implementation of the indigenous peoples plan and the management of all grievances following the Grievance Redress Mechanism The PMU will coordinate directly with SERNA and WCS for the project execution team and will be responsible for performing day-to-day implementation coordinating and supporting project implementation, supervising activities during the project lifecycle, and operating in close consultation and in coordinating with local governments and other relevant stakeholders

For implementation, SERNA will cooperate closely with the ICF and provide funding for the implementation of activities within its mandate. Similarly, WCS will cooperate with Agency for the development of La Moskitia (MOPAWI) in the implementation of specific activities with indigenous peoples.

The diagram below illustrates the project institutional arrangements:

Global Environment Facility (GEF)

Co-financing Entities

Governance

IUCN (IA)
(Coordination)

Project Steering Committee (PSC)

| National Institution/Operational focal Point: SERNA | Partner Institutions: UNIMPU | Implementing partners IUCN |

National Project Director

Technical Committee

| National Director | National Institution: SERNA |
| Coordinator: IUCN | Executing Agencies |

Project execution

Executing Agencies

SERNA
WCS

Project Management Unit -PMU

| Project Coordinator | Project Team | Partner Institutions |

Implementation

Project beneficiaries

Legend:
- Guidance
- Financial flow
- Reporting
- Goods and services

Local indigenous governance institutions and NGOs are crucial partners, and coordination with relevant bodies is vital for the project's success. Effective engagement offers the project the chance to advocate for the broader adoption of its approaches, increased uptake of its outputs, and enhanced sustainability beyond its duration. The project will proactively foster collaboration to enhance implementation synergies and further integrate forestry conservation.

Other key stakeholders include government institutions such as INA, SAG, Universidad Nacional de Ciencias Forestales (UNACIFOR), and the municipal government. These institutions will operate within their mandates, ensuring the long-term effectiveness of project activities through their engagement at various levels. Additionally, the armed forces and judiciary will significantly contribute to the development and enforcement of relevant policies, particularly land reclamation protocols, during the project's implementation period.

For co-financing, the project will collaborate extensively with other organizations and ongoing projects in the area, such as the Wildlife Conservation Society (WCS) initiatives in the Moskitia. These partnerships will include relevant actors such as Forests of the World, the World Wildlife Fund (WWF), and MOPAWI. Moreover, governmental institutions will also contribute to co-financing through the budgets of INA, SAG, UNACIFOR, and the municipal government. Further details on co-financing are available in the relevant annex.

The project will build on work that has already been implemented by the regional REDD+ Program and the 5 Great Forests of Mesoamerica initiative, as It will capitalise on the previous work of WCS in Moskitia and on national level (WCS is an EE and will be co-financing the project implementation). The project will also through MOPAWI capitalise on the work of the Mesoamerican Alliance of Peoples and Forests in Moksitia. Lastly, through the multistakeholder platforms on national and regional level the project will contribute in the formulation and operational feasibility of the AFOLU 2040 initiative in Honduras.

Where feasible, the project will establish cost-sharing agreements, such as for part-time staff roles, with various relevant projects within their portfolios.

Will the GEF Agency play an execution role on this child project?

If so, please describe that role here and the justification.

n/a

Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing (max. 500 words, approximately 1 page)

1. The Program will coordinate actions with the following ongoing initiatives:

   - The GEF Small Grant Program (SGP) implemented by United Nation Development Programme (UNDP) in all Mesoamerica countries.

2. Besides GEF initiatives, the project is also aligned with regional policies and instruments from the SICA, including:

   - The Framework Regional Environmental Strategy (2021-2025): The project is in line with the 'Forests and Sustainable Landscapes' strategic line of the ERAM and contributes to the four expected results (4.1 to 4.4) that focus on landscape governance, increase forest restoration, increase the value of forests, and develop instruments, tools and mechanisms for sustainable forest use.

   - Regional Strategy on Climate Change: The project is in line with the strategic objective 1.3 of reducing vulnerability of forest ecosystems and biodiversity through policies, incentives and scientific knowledge creation. Action 1.3.2 focus on the development of policies and economic incentives, this includes the implementation of payment for ecosystem services, implement REDD processes, and to include a gender perspective.

   - Regional agro-environmental and health strategy (2009-2024): The project will contribute to advance three action lines: (i) Action Line 2.5, action 2.5.2 to reduce emissions from deforestation, (ii) Action line 3.1, action 3.1.3 to improve the management of protected areas, and (iii) Action line 4.5 to incentive and strengthen conservation-linked businesses.

   - Regional Strategic Program for the Management of Forest Ecosystems: The project will contribute to the four components of the PERFOR: (i) component 1 focused on strengthening governance, including land rights, engaging indigenous peoples and women, (ii) component 2 that includes potentiating community forestry, (iii) component 3 that includes developing new financial instruments including payment for forest ecosystem services, and (iv) component 4 that includes establishing intersectoral policies and plans and promoting forest restoration.

- Rural youth strategy of the SICA region (2022-2030): Project activities will support that this strategy is operationalized in the target intact forest landscapes.

- Regional Policy for Gender Equality and Equity (PRIEG) and SICA Central American Integration System (2014-2025): In line with this policy, the project will take affirmative actions to incentive that women participate in governance and decision-making processes and the development of forest-linked production initiatives.

3. At the national level, the project is aligned with several policies and instruments related to biodiversity, climate change and forestry. These include:

4. Alignment with national policies and instruments:

- Biodiversity strategies and action plans:

  o Honduras National Biodiversity Strategy and Action Plan 2018 - 2022.

- National climate change strategies:

  o Honduras National Climate Change Strategy.

- National forest policies and plans:

  o Honduras National Forest Policy and Protected Areas and Wildlife 2013-2022.

Table On Core Indicators

Core Indicators

Indicate expected results in each relevant indicator using methodologies indicated in the GEF-8 Results Measurement Framework Guidelines. There is no need to complete this table for climate adaptation projects financed solely through LDCF and SCCF.

Indicator 1 Terrestrial protected areas created or under improved management

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
1083281	1083281	0	0

Indicator 1.1 Terrestrial Protected Areas Newly created

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0	0	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
1083281	1083281	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
			1,083,281.00						
RIo Platano	201	Habitat/Species Management Area		832,339.00			34.00		
Tawaka Asagni	41045	Habitat/Species Management Area		250,942.00			8.00		

Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
500	500	0	0

Indicator 3.1 Area of degraded agricultural lands under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
Rangeland and pasture	500.00	0.00		

Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
	500.00		

Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

0	65245	0	0

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
	65,245.00		

Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.4 Area of High Conservation Value or other forest loss avoided

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
		50,000.00			
Warunta	555582985		65,245.00		

Documents (Document(s) that justifies the HCVF)

Title

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)	1471338	7278151	0	0
Expected metric tons of CO_2e (indirect)	2207007	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)		7,278,151		
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting		2025		

Duration of accounting	20		

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO₂e (direct)	1,471,338			
Expected metric tons of CO₂e (indirect)	2,207,007			
Anticipated start year of accounting	2024			
Duration of accounting	20			

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	14,000	18,100		
Male	26,000	28,000		
Total	**40,000**	**46,100**	0	**0**

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

• Indicator 1: Sum of the areas designated as protected areas within the project area for the Moskitia. The selection of PA targeted for improving management effectiveness was done with Government agencies and additional stakeholder when needed (I.e., subnational governments).

• Indicator 3: Sum of the areas identified as priority for forest landscape restoration, including mainly degraded forest land and to a lesser extent cropland/pasture. This was set in line with the national plan for ecosystem restoration, including both agricultural and forest restoration practices.

• Indicator 4: Sum of all areas proposed by the child national project for improved management, includes 4.5 Terrestrial OECMs supported in terms of finance access, political and regulatory framework (65,245 ha).

• Indicator 6: sum of:

o   a) Carbon sequestered or emissions avoided in the sector of AFOLU (direct).

127.   Calculations for this indicator were made using the EX-Ante Carbon-balance Tool (EX-ACT) version 9.4.1. The calculations assumed a moist tropical climate with high activity clay soils, with an implementation phase of 5 years and a capitalisation phase of 15 years for the project. Global warming potential was calculated using 100-year AR6 figures. Reduced emissions from avoided deforestation assumed a tropical moist deciduous forest type, changing to grassland, starting with 714,213 ha (estimated forested in 2020) and reducing by 33% to 476,019 ha without the project and by 32% to 485,665 ha with the project (using areas and deforestation rates retrieved from baseline studies which can be found in tables in the "Calculations" tab of the EX-ACT spreadsheet), both without fire used.

128.   Afforestation/reforestation efforts on 500 ha (Indicator 3.2) assumed land-use change from annual fallow to planted tropical rainforest, without fire used. Management for forest degradation assumed initial degradation of 25%, moving to 41% without the project (calculated using figures from baseline studies which can be found in the "Calculations" tab of the EX-ACT spreadsheet) and 40% with the project, with no fire in either scenario.

•   Indicator 11:

46,100 people (28000 Men, 18100 Female)

129.   The direct beneficiaries correspond to the entire population of the communities in the project intervention areas of La Moskitia, meaning those who will benefit directly from conservation activities, sustainable use or restoration of the areas, investments in restoration and sustainable land management, as well as those who will participate in capacity building at the local or national level. The direct beneficiaries were estimated based on the latest census data for communities within the boundaries of the project targeted protected areas and the OECM. Additional beneficiaries include those that will receive capacity building at a National and local level. There is no duplication between the two sets of beneficiaries.

Key Risks

	Rating	Explanation of risk and mitigation measures
CONTEXT		
Climate	Substantial	Climate change will strongly affect ecosystems in the Moskitia, which are vulnerable to changes in temperature and precipitation regimes. These changes can alter habitat suitability, disrupt ecological processes, and contribute to habitat loss and fragmentation. Consequently, this can result in shifts in species distributions, loss of biodiversity, and degradation of ecosystem services vital for human well-being. Mitigation Strategies: Ensure that program actions are aligned with both national and regional climate change strategies and action plans.

Environmental and Social	Moderate	The project area encompasses several social risks that may impede the meaningful participation and representation of local communities. These risks include socio-economic disparities, imbalances in land tenure, poverty, limited opportunities for young people, and the presence of illegal groups in the area. Mitigation Strategies: Implement a gender and stakeholders engagement action plans.
Political and Governance	Moderate	Lack of presence of governance agencies due to the difficulties in accessing the Moskitia, which can also result in limited access to public services and minimal political participation in decision-making processes. Mitigation strategies: Maintain fluid communication with pertinent authorities at the regional, national, subnational and local levels. When there are changes in the authorities, inform progress and provide information.
INNOVATION		
Institutional and Policy	Low	Communities' needs are left behind in political and institutional processes. Mitigation strategies: Maintain fluid communication with key stakeholders to promote policy coherence. Provide factual information to support informed analysis and decision-making.
Technological	Moderate	outdated technologies in sectors such as agriculture, transportation, and energy may impede efficiency, productivity, and sustainability, exacerbating vulnerabilities. Mitigation strategies: Elaborate comprehensive strategies that prioritize investment in capacity building, and technology transfer initiatives tailored to the region's unique socio-economic and environmental context.
Financial and Business Model	Moderate	Limited infrastructure and transportation networks in the region can restrict access to markets for local businesses as well High levels of poverty, unemployment, and social inequality in the region can affect consumer purchasing power, market demand, and the availability of financial resources for investment. Mitigation strategies: Collaboration between government agencies, private sector stakeholders, development organizations, that combines efforts to improve infrastructure, strengthen regulatory frameworks, promote entrepreneurship and innovation, enhance access to financial services.
EXECUTION		
Capacity	Moderate	The availability of skilled personnel, including project managers, technical experts, and community facilitators, may be limited in the Moskitia, which can hamper the implementation of initiatives requiring specialized knowledge and skills. Mitigation strategies: building institutional capacity fostering partnerships and collaboration, promoting community engagement and empowerment, and investing in human resource development and capacity-building initiatives.
Fiduciary	Moderate	Land tenure issues, and limited enforcement of laws and regulations can create uncertainty for businesses and investors, affecting long-term planning and investment decisions. Limited access to formal financial services, including banking and credit facilities, can constrain business growth and

		expansion opportunities in the Moskitia. Mitigation strategies: Collaboration between government agencies, private sector stakeholders, development organizations, that combines efforts to improve infrastructure, strengthen regulatory frameworks, promote entrepreneurship and innovation, enhance access to financial services.
Stakeholder	Moderate	Transformational change will require strong stakeholder engagement and participation throughout the program implementation. Mitigation strategies: Prepare sound stakeholder analyses and actions plans. Ensure communication and collaboration with key stakeholders during program implementation.
Other	Substantial	The presence of illegal groups in the Moskitia has created safety concerns in the local communities, which might lead them to withdraw from participating in the activities of this project. Mitigation Strategies: 'Establish with local groups which are the safe areas and seek support from external agencies that can enhance the safety of the area.
Overall Risk Rating	Moderate	The overall risk rating of the project, synthesized from the thematic risk categories above is moderate.

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Explain how the proposed interventions are aligned with GEF- 8 programming strategies, including the specific integrated program priorities, and country and regional priorities, Describe how these country strategies and plans relate to the multilateral environmental agreements, such as through NDCs, NBSAPs, etc.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how.

(max. 500 words, approximately 1 page)

1.   The proposed project will contribute to the overall GEF-8 targets involved in the Mesoamerica program, aiming to improve conservation efforts in primary forests and increase awareness and information dissemination regarding the importance of Intact Forest Landscapes (IFLs). The interventions outlined in this project directly support these goals by focusing on conservation and safeguarding efforts in Honduras' Moskitia IFL. These efforts not only contribute to the preservation of biodiversity and ecosystem services but also align with Honduras' national priorities for environmental protection and sustainable development. Additionally, our project supports the objectives outlined in various multilateral environmental agreements (MEAs) to which Honduras is a party, such as the Convention on Biological Diversity (CBD) and the UNFCCC).

GEF-8 Strategy alignment

2.   The Honduras Child project is aligned with the Mesoamerica CFB IP objective and the GEF-8 Theory of Change, particularly focusing on "Incentives and improved policy options that promote innovations and behaviour change for sustainability and resilience in target systems" and "Natural capital, nature-based solutions, and ecosystem services that underpin the transformation of target systems" (GEF/R.08/28, pp. 15).

3. The objectives of the Honduras Child Project will be achieved through four key components, which collectively address the four levers for systems transformation outlined in the GEF-8 strategy: governance and policies, financial leverage, innovation and learning, and multi-stakeholder dialogues. Furthermore, the project will tackle cross-cutting themes from the GEF-8 Theory of Change, including gender-responsive approaches, resilience, private sector engagement, behaviour change, and environmental security. The Project will specifically enhance the rights, participation, and benefits of Indigenous Peoples and Local Communities (IPLCs), women, and youth, integrating these focuses throughout the Program, beyond the basic requirements of safeguard systems. Private sector engagement is prominently featured in Component 3 and plays a role in the multistakeholder platforms of Component 1.

Alignment with the GEF-8 Amazon, Congo, and Critical Forest Biomes Integrated Program (IP)

4. The project is aligned with the Objectives, Key Interventions, and Selection Criteria of the GEF-8 Amazon, Congo, and Critical Forest Biomes Integrated Program (IP). In particular, the program will contribute in i) strengthening the management of existing forests, including those in protected areas and protected area systems (national and sub-national); ii) promoting Other Effective Area-Based Conservation Measures (OECMs) and various Nature-based Solutions to achieve conservation outside the protected areas, iii) develop integrated land-use planning to prevent large-scale deforestation; iv) supporting conservation-friendly livelihoods at the local level; v) strengthening multi-scale and multi-stakeholder governance and law enforcement; vi) promoting regional cooperation; vii) improving resource mobilization and contribute to the implementation of the international development agenda viii) supporting analysis to enhance the role of forest conservation.

GEF-8 Focal area and MEA alignment

5. The Honduras Child Project will focus on the GEF Focal Areas biodiversity, land degradation, and climate change. The Honduras Project does not directly contribute to the other focal areas and therefore they are not reflected as targeted Focal Areas.

6. The RCP and the IP will contribute directly to GEF-8 BD Objectives:

7. Biodiversity

- BD Objective 1: To improve conservation, sustainable use, and restoration of natural ecosystems

  o Financial Sustainability, Effective Management, and Ecosystem Coverage of Protected Area Systems: The project will contribute to i) effective protection of ecologically viable and climate-resilient representative samples of the country's ecosystems and adequate coverage of threatened species at a sufficient scale to ensure their long term

persistence through component 2 by strengthening the capacity of the national child project to implement improved management, OECMs, and targeted restoration to support primary forests; ii) sufficient and predictable financial resources available, including external funding, to support protected area management costs at the site and system-level, though component 3 enabling leverage of funds on the regional level, as well as providing support to the child project for innovative financing; iii) sustained individual and institutional capacity to manage protected areas such that they achieve their conservation objectives through component 2 as mentioned above and component 4 through knowledge management and regional coordination.

- o Sustainable Use of Biodiversity and in particular sustainable use of wild and native species from terrestrial and freshwater through Component 2 (increased effectiveness of PA management) and component 3 with the promotion of deforestation-free value chains.

- o Biodiversity mainstreaming in priority sectors through Component 1 and natural component 3

- BD Objective 3: to increase mobilization of domestic resources for biodiversity through capacity building and regional mobilisation to leverage funds on a regional level (Component 3)

8. Land degradation:

- The RCP and the IP will contribute to the LD focal area under Component 2, specifically to the GEF-8 LD Objectives:

  - o 2: Reverse land degradation through landscape restoration though forest and agroecosystem restoration including ad-hoc support for implementation of restoration suitability assessment.

9. Climate Change:

- The RCP and the IP will contribute to the CC focal area under Component 2, specifically to the GEF-8 CC Objective:

  - o 1.4. Promote Nature-based Solutions with high mitigation potential through enhanced protection of intact forest ecosystems with high mitigation potential that are aligned with country climate strategies as stated in the NDC as well as the SICA AFOLU 2040 initiative.

10. 2030 Agenda for Sustainable Development:

The Honduras Child Project will contribute towards the following targets:

- Goal 5, targets 5.1 and 5.5. The project will implement affirmative actions to facilitate the engagement of women in forest conservation actions and decision-making and into viable forest-linked productive activities.

- Goal 13, target 13.2. The project will advocate for and mainstream the importance of forest conservation for climate change mitigation.

- Goal 15, target 15.2 and 15.5. The core of the project is to protect primary forest, restore forest areas to rebuild functional connectivity.

11. The Honduras Child Project contributes to Nature and Systems Transformation and is alignment with the MEA Guidance (CBD: Post 2020 GBF, COP14/30 decisions on primary forests, UNFCCC: Paris Agreement, Katowice Forest for Climate Declaration, REDD+ framework, net zero decarbonization by 2050, UNCCD: LDN, including response hierarchy of avoiding, protecting and reversing land degradation). It is also contributing to Global Commitments (UNFF UN Strategic Plan for Forests, including six Global Forest Goals, High Ambition Coalition for Nature and People), the Sustainable Development Goals, and Levers for Raising Ambition (e.g. Bonn Challenge, New York Declaration on Forests).

12. UNCBD

The Honduras Child Project will result in major biodiversity benefits, including reductions in the rates of loss and degradation of globally primary moist tropical forest ecosystems; enhancement of the habitat and connectivity value of the ecosystems and their surrounding production landscapes; as well as enhanced biodiversity.

13. In particular, the project will directly contribute to the following indicators:

- GBF Target 1: Plan and Manage all Areas To Reduce Biodiversity Loss - Conservation status for Mesoamerican Forest biomes using the Red List of Ecosystems – Output 1.2

- GBF Target 3: Conserve 30% of Land, Waters and Seas- Coverage of protected areas and OECMs – Output 2.2.

- GBF target 4: Halt Species Extinction, Protect Genetic Diversity, and Manage Human-Wildlife Conflict- Realized contributions of IPLCs, OECMs and PAs in addressing the loss of IFL to reduced risk of extinction of threatened species. – Output 2.1

UNFCCC

The project is in line with the UNFCCC and in particular with the Paris Agreement (article 5.1). The project will contribute to 7,278,152 metric ton of CO2e of Greenhouse Gas Emissions Mitigated through avoided deforestation, while it will also contribute in the increased adaptive capacity of IPLCs in Moskitia through diversified and more resilient livelihoods.

15. UNCCD

The project will contribute to the following key Land Degradation Neutrality targets[1][44].

- Component: Prevention and reduction of land degradation.
  - M2. By 2030 the country's forest cover has increased by 6% (370,000 ha). According to the baseline of the NDT Program - Honduras, there is a decrease in the forest structure of 5.57% (3,688.44 Km²), likewise wetlands have been reduced by 10.04% (208.50 Km²) of their total area.
  - M5. Carry out resilient landscape management processes in protected areas.

16. The Program will coordinate actions with the following ongoing initiatives:

- The GEF Small Grant Program (SGP) implemented by United Nation Development Programme (UNDP) in all Mesoamerica countries.

17. Besides GEF initiatives, the project is also aligned with regional policies and instruments from the SICA, including:

- The Framework Regional Environmental Strategy (2021-2025): The project is in line with the 'Forests and Sustainable Landscapes' strategic line of the ERAM and contributes to the four expected results (4.1 to 4.4) that focus on landscape governance, increase forest restoration, increase the value of forests, and develop instruments, tools and mechanisms for sustainable forest use.

- Regional Strategy on Climate Change: The project is in line with the strategic objective 1.3 of reducing vulnerability of forest ecosystems and biodiversity through policies, incentives and scientific knowledge creation. Action 1.3.2 focus on the development of policies and economic incentives, this includes the implementation of payment for ecosystem services, implement REDD processes, and to include a gender perspective.

- Regional agro-environmental and health strategy (2009-2024): The project will contribute to advance three action lines: (i) Action Line 2.5, action 2.5.2 to reduce emissions from deforestation, (ii) Action line 3.1, action 3.1.3 to improve the management of protected areas, and (iii) Action line 4.5 to incentive and strengthen conservation-linked businesses.

- Regional Strategic Program for the Management of Forest Ecosystems: The project will contribute to the four components of the PERFOR: (i) component 1 focused on strengthening governance, including land rights, engaging indigenous peoples and women, (ii) component 2 that includes

potentiating community forestry, (iii) component 3 that includes developing new financial instruments including payment for forest ecosystem services, and (iv) component 4 that includes establishing intersectoral policies and plans and promoting forest restoration.

- Rural youth strategy of the SICA region (2022-2030): Project activities will support that this strategy is operationalized in the target intact forest landscapes.

- Regional Policy for Gender Equality and Equity (PRIEG) and SICA Central American Integration System (2014-2025): In line with this policy, the project will take affirmative actions to incentive that women participate in governance and decision-making processes and the development of forest-linked production initiatives.

18. At the national level, the project is aligned with several policies and instruments related to biodiversity, climate change and forestry. These include:

19. Alignment with national policies and instruments:

- Biodiversity strategies and action plans:

  o Honduras National Biodiversity Strategy and Action Plan 2018 - 2022.

- National climate change strategies:

  o Honduras National Climate Change Strategy.

- National forest policies and plans:

  o Honduras National Forest Policy and Protected Areas and Wildlife 2013-2022.

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[1] Please note that these are the targets for which the IP and the RCP have the greatest contribution. The RCP and the Mesoamerica CFB IP also contribute to a lesser extent to other to targets.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed during Project Preparation as per GEF Policy and are clearly articulated in the child Project Description (Section B).

Yes

1) Does the project expect to include any gender-responsive-measures to address gender gaps or promote gender equality and women's empowerment?

Yes

If the child project expects to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment, please indicate in which results area(s) the project is expected to contribute to gender equality:

Closing gender gaps in access to and control over natural resources;

Yes

Improving women's participation and decision-making; and/or

Yes

Generating socio-economic benefits or services for women.

Yes

2) Does the child project's results framework or logical framework include gender-sensitive indicators?

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during Project Preparation as required per GEF policy, their relevant roles to project outcomes has been clearly articulated in the Child Project Description (Section B) and that a Stakeholder Engagement Plan has been developed before CEO endorsement.

Yes

Select what role civil society will play in the Project:

Consulted only; Yes

Member of Advisory Body; Contractor;

Co-financier; Yes

Member of project steering committee or equivalent decision-making body ; No

Executor or co-executor;

Other (Please explain)

Private Sector

Will there be private sector engagement in the Child project?

Yes

And if so, has its role been described and justified in section B "Child project description"?

Yes

Environmental and Social Safeguards

We confirm that we have provided information regarding Environmental and Social risks associated with the proposed child project or program, including risk screenings/ assessments and, if applicable, management plans or other measures to address identified risks and impacts (this information should be presented in Annex E).

Yes

Please provide overall Project/Program Risk Classification

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
	Medium/Moderate		

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described during Project Preparation in the Project Description and that these activities have been budgeted and an anticipated timeline for delivery of relevant outputs has been provided. This includes budget for linking with and participation in knowledge exchange activities organized through the coordination platform.

Socio-economic Benefits

We confirm that the child project design has considered socio-economic benefits to be delivered by the project and these have been clearly described in the Project Description and will be monitored and reported on during project implementation (at MTR and TER).

1.   Through project implementation, the socio-economic benefits that will be generated for the population involved include, firstly, the protection and conservation of primary forests. This recognizes the work of indigenous communities in protecting and conserving these forests, as well as addressing the problems related to the lack of presence of authorities and political actors in the area, which over the years has led to an increase in illegal activities and settlements. Moreover, it aims to integrate the conservation of primary forests at the economic, social, and institutional levels, as well as into municipal land-use planning guidelines and ITCs "life plans."

2.   Beyond this, the project seeks to generate and adopt new and better sustainable practices, whether applied to territorial planning or value chains, which prioritize the inclusion of women and rural youth. This involves capacity-building initiatives in developing deforestation-free value chains and workshops on forest management and indigenous rights, ensuring that these groups become participatory actors in decision-making. This guarantees their active participation, the generation of employment, and technical training. The activities involved in this project focus on improving the livelihoods of local communities, with an emphasis on sustainable forest management and gender inclusion.

GEF Financing Table

Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant($)	Agency Fee($)	Total GEF Financing ($)
IUCN	GET	Honduras	Biodiversity	BD STAR Allocation: IPs	Grant	1,759,863.00	158,387.00	1,918,250.00
IUCN	GET	Honduras	Climate Change	CC STAR Allocation: IPs	Grant	175,986.00	15,839.00	191,825.00
IUCN	GET	Honduras	Biodiversity	BD IP Matching Incentives	Grant	586,621.00	52,795.00	639,416.00
IUCN	GET	Honduras	Climate Change	CC IP Matching Incentives	Grant	58,662.00	5,279.00	63,941.00
IUCN	GET	Honduras	Land Degradation	LD STAR Allocation: IPs	Grant	703,945.00	63,355.00	767,300.00
IUCN	GET	Honduras	Land Degradation	LD IP Matching Incentives	Grant	234,648.00	21,118.00	255,766.00
Total GEF Resources ($)						**3,519,725.00**	**316,773.00**	**3,836,498.00**

Project Preparation Grant (PPG)

Was a Project Preparation Grant requested?   true

PPG Amount ($)   150000

PPG Agency Fee ($)   13500

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	PPG($)	Agency Fee($)	Total PPG Funding($)
IUCN	GET	Honduras	Biodiversity	BD STAR Allocation: IPs	75,000.00	6,750.00	81,750.00
IUCN	GET	Honduras	Climate Change	CC STAR Allocation: IPs	7,500.00	675.00	8,175.00

IUCN	GET	Honduras	Biodiversity	BD IP Matching Incentives	25,000.00	2,250.00	27,250.00
IUCN	GET	Honduras	Climate Change	CC IP Matching Incentives	2,500.00	225.00	2,725.00
IUCN	GET	Honduras	Land Degradation	LD STAR Allocation: IPs	30,000.00	2,700.00	32,700.00
IUCN	GET	Honduras	Land Degradation	LD IP Matching Incentives	10,000.00	900.00	10,900.00
Total PPG Amount ($)					**150,000.00**	**13,500.00**	**163,500.00**

Please provide Justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total($)
IUCN	GET	Honduras	Biodiversity	BD STAR Allocation	2,000,000.00
IUCN	GET	Honduras	Climate Change	CC STAR Allocation	200,000.00
IUCN	GET	Honduras	Land Degradation	LD STAR Allocation	800,000.00
Total GEF Resources					**3,000,000.00**

Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing($)	Co-financing($)
CFB MesoAmerica IP	GET	3,519,725.00	23963182
Total Project Cost		**3,519,725.00**	**23,963,182.00**

Confirmed Co-financing for the project, by name and type

Please include evidence for each co-financing source for this project in the tab of the portal

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
Recipient Country Government	Secretariat of Natural Resources and Environment	In-kind	Recurrent expenditures	15000000

Recipient Country Government	National Conservation Forest Institute	In-kind	Recurrent expenditures	6000000
Civil Society Organization	MOPAWI	In-kind	Recurrent expenditures	600000
Civil Society Organization	Wildlife Conservation Society	Grant	Investment mobilized	1000000
GEF Agency	IUCN	Grant	Investment mobilized	1363182
Total Co-financing				**23,963,182.00**

Please describe the investment mobilized portion of the co-financing

IUCN project in the area will ensure synergies and specific strategies between two projects in the field in all the project components and in strengthening capacities for the effective management of protected and conservation areas and development of more sustainable economic alternatives that favour the connectivity and restoration of priority landscapes..

ANNEX B: ENDORSEMENT

GEF Agency(ies) Certification

GEF Agency Coordinator	Date	Project Contact Person	Telephone	Email
GEF Agency Coordinator	9/6/2024	Tea Garcia		tea.garcia-huidrobo@iucn.org
Project Coordinator	6/4/2024	Nadia Mujica	50660221799	nadia.mujica@iucn.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Please attach the Operational Focal Point endorsement letter(s) with this template.

Name of GEF OFP	Position	Ministry	Date (MM/DD/YYYY)
Malcolm Stuffkens	Depuy Minister of Natural Resources	Secretariat of National Resources and Environment	4/23/2023

ANNEX C: PROJECT RESULTS FRAMEWORK

Please indicate the page number in the Project Document where the project results and M&E frameworks can be found. Please also paste below the Project Results Framework from the Agency document. For the Integrated Programs' global/regional coordination child project, please include the program-wide results framework, inclusive of results specific to the coordination child project. For any country child project, please ensure that relevant program level indicators are included.

Outcome	Indicator	Baseline	Mid-term target		Source of verification	Assumptions / Risks

				Final target		
Component 1 - Enabling conditions for the protection and conservation of primary forests						
Outcome 1.1: Strengthened local, and national mechanisms to support the conservation of primary forests in the Honduran Moskitia.	Indicator 1: Number of strengthened local, national, and regional governance structures.	0	1	2	Annual, Mid-term and Terminal evaluation reports. Minutes of the meetings from the Technical Committee on Forests	Assumptions: Target include 1 national guide for strengthening justice sector capacity and 1 national roadmap for decentralisation of forestry powers to local governments Risk: National Ministries will not approve the proposals during the time of project implementation.
	Indicator 2: Number of local and national instruments that use nature positive criteria for their design and implementation	0	1	3	Annual, Mid-term and Terminal evaluation reports. SE-CCAD reports and minutes of meetings. Central American Agricultural Council (SE-CAC) reports and minutes of meetings. Approval from Council of Ministers.	Assumption: Target include 1 report on transboundary analysis, 1 document constituting the Rural Youth Network and 1 Capacity Building Plan. Risk: the instruments will not be approved by the Council of Ministers during the time of project implementation.
Outputs to achieve outcome 1.1	Output 1.1.1: Awareness and advocacy plan for the protection and conservation of primary forests aimed at policy makers, sectoral entities and the private sector. Output 1.1.2: Strengthening local governance structures to improve the effectiveness of the protection and conservation of the primary forests of the Honduran Moskitia, through zoning and norm building processes in at least 2 of the territorial councils. Output 1.1.3: Strengthened agreements for cross-border protected areas collaboration.					

Outcome 1.2: Key national and regulatory instruments prioritize primary forest conservation in the Honduran Moskitia.	Indicator 3: Number of updated policies and regulations that support primary forest protection and conservation	0	2	4	Annual, Mid-term and Terminal evaluation reports. Approval from environmental government agencies.	Assumption: Ppolitical determination and dedication from both national and municipal governments are crucial. Effective collaboration and cooperation among governmental agencies and local governance organizations are essential. Flexibility and adaptability in policy instruments are necessary to address and prioritize urgent environmental challenges. Risk: The challenging context of the Moskitia can prevent the development of any new policy or instrument.
	Core Indicator 11: People benefiting from GEF-financed investments disaggregated by sex (count)	0	23,050 (9,050 women, 14,000 men)	46,100 (18,100 women, 28,000 men	Annual, Mid-term and Terminal evaluation reports. Approval from environmental government agencies.	Assumption: Ppolitical determination and dedication from both national and municipal governments are crucial. Effective collaboration and cooperation among governmental agencies and local governance organizations are essential. Flexibility and adaptability in policy instruments are necessary to address and prioritize urgent environmental challenges. Risk: The challenging context of the Moskitia can prevent the development of any new policy or instrument.
Outputs to achieve outcome 1.2	Output 1.2.1: Updated sub-national policies, regulations and cross-sectoral instruments that support the protection and conservation of the primary forests of the Honduran Moskitia.					

	Output 1.2.2: Information to support fact-based decision making on forest conservation interventions.					
Outcome 1.3: Improved multisectoral platforms for forest conservation and management.	Indicator 4: Number of IPLC, women and rural youth organisations involved into decision making processes at national and/or local level	0	5	10	Annual, Mid-term and Terminal evaluation reports. Minutes of the meetings from organisations involve in forest conservation.	Assumption: The Project will support the development or updating of free, prior informed consent (FPIC) protocols for 4 indigenous peoples (i.e., Miskitu, Tawahka, Pech and Garifuna) and nationally. Likewise, the development of protocols designed to actively incorporate women and rural youth. Risk: Traditional leaders within indigenous communities may resist the implementation of FPIC protocols if they perceive it as a threat to their authority or control over decision-making processes.
Outputs to achieve Outcome 1.3	Output 1.3.1: Creation or strengthening of multi-sectoral platforms. Output 1.3.2: Multisectoral meetings of stakeholder groups and sectors to agree actions and goals for primary forest conservation					
Component 2 – Accelerated protection and restoration of primary forests						
Outcome 2. 1: Improved protection of primary forests in the Honduran Moskitia, particularly within protected areas.	Indicator 5: Increased management effectiveness of the protected areas that include primary forests with METT scores that improved at least by 10%.	0	1	2	Annual, Mid-term and Final evaluation reports.	Assumption: The METT accurately reflects the management effectiveness of protected areas, particularly concerning primary forests. Risk: Conflict or disagreements within local communities or between stakeholders involved in protected area management could disrupt efforts to implement changes and improvements.

Outcome 2. 1: Improved protection of primary forests in the Honduran Moskitia, particularly within protected areas.	Core indicator 1: Terrestrial protected areas created or under improved management (hectare)	0	0	1,083,281	Annual, Mid-term and Final evaluation reports.	Assumption: The METT accurately reflects the management effectiveness of protected areas, particularly concerning primary forests. Risk: Conflict or disagreements within local communities or between stakeholders involved in protected area management could disrupt efforts to implement changes and improvements.

Outputs to achieve Outcome 2.1	Output 2.1.1: Strengthening protected area management instruments and tools of ITCs and state government institutions. Output 2.1.2: Assessment of the risk of collapse of the lowland rainforest in Honduras Output 2.1.3: Information about the contribution of protected areas and indigenous peoples to conserve primary forests of the Honduran Moskitia and advancement of the global biodiversity framework to support fact-based decision making.

Outcome 2.2: Increased area of OECMs that protect primary forests integrity and expand functional connectivity.	Core indicator 4: Area of landscapes under improved practices (hectare) Indicator 6: Area (ha) of newly established OECMs that protect primary forests integrity and expand functional connectivity.	0	0	65,245	Annual, Mid-term and Final evaluation reports. Verification of the areas (ha) established as OECMs	Assumption: There is suitable land available for designation as OECMs, including areas with primary forests, and that this land is not already allocated for conflicting land uses. The stakeholders involved will collaborate and cooperate in the establishment of OECMs. Risk: Local conflicts over land tenure or resources management that causes the delay on the implementation of OECMs
	Core Indicator 11: People benefiting	0	2,690 (1,342 women, 1,348 men)	2,690 (1,342 women, 1,348 men	Annual, Mid-term and Terminal evaluation reports.	Assumption: There is suitable land available for designation as OECMs, including areas with primary

	from GEF-financed investments disaggregated by sex (count)				Approval from environmental government agencies.	forests, and that this land is not already allocated for conflicting land uses. The stakeholders involved will collaborate and cooperate in the establishment of OECMs. Beneficiaries are not additional to Core indicator 11 under Outcome 1.2 Risk: Local conflicts over land tenure or resources management that causes the delay on the implementation of OECMs
Outputs to achieve Outcome 2.2	Output 2.2.1: National frameworks or protocols for the application of OECM. Output 2.2.2: Establishment of an OECM zone to support the conservation of primary forests of the Honduran Moskitia.					
Outcome 2.3: Ongoing restoration of 500 ha to increase primary forest connectivity.	Core indicator 3: Area of land and ecosystems under restoration (hectare) Indicator 8: Area of land restored (ha)	0	150	500	Annual, Mid-term and Final evaluation reports.	Assumption: The project will support restoration from local communities, including agroforestry, sustainable timber, community nurseries, and gardens, under local community management with active participation of women and youth. Restoring degraded landscapes and enhance ecosystem connectivity while promoting gender and youth inclusion Risk: Technical challenges such as limited availability of suitable planting materials, lack of expertise in restoration techniques, and adverse environmental conditions may

						impede the success of restoration projects.
	Core Indicator 11: People benefiting from GEF-financed investments disaggregated by sex (count)	0	1,345 (671 women, 674 men)	2,690 (1,342 women, 1,348 men	Annual, Mid-term and Terminal evaluation reports. Approval from environmental government agencies.	Assumption: There is suitable land available for designation as OECMs, including areas with primary forests, and that this land is not already allocated for conflicting land uses. The stakeholders involved will collaborate and cooperate in the establishment of OECMs. Beneficiaries are not additional to Core indicator 11 under Outcome 1.2 Risk: Local conflicts over land tenure or resources management that causes the delay on the implementation of OECMs
Outputs to achieve Outcome 2.3	Output 2.3.1: Updated assessment of the restoration area in agreement with the ITCs and the framework for the remediation and reclamation of areas. Output 2.3.2: Key priority areas for the restoration of 500 ha of indigenous territorial areas.					
Component 3: *Increased investment in positive forest/nature landscapes and livelihoods*						
Outcome 3.1: Increased financial resources for the conservation of primary forests.	Project Specific Indicator 1: Number of payments for ecosystem services mechanisms developed.	0	0	1	Annual, Mid-term and Final evaluation reports. Mechanism documentation	Assumption: Landowners and stakeholders will voluntarily participate in these PES schemes, generating enough demand among potential buyers, such as governmental agencies, individuals, or corporations. Risk: Some landowners can free ride by actually not delivering the PES. Likewise, the demand for ecosystem services

						may fluctuate due to economic, political, or environmental factors, leading to uncertainty in PES markets.
Outputs to achieve Outcome 3.1	Output 3.1.1: Analysis of funding gaps and barriers to investment in primary forest landscapes and forest-linked livelihoods in RPBR, TABR, Warunta, and local government capacity building on climate financing. Output 3.1.2: Innovative financing instruments and tools to increase investments in primary forest protection, protected areas, OECMs, and forest linked livelihoods in RPBR, TABR and Warunta.					
Outcome 3.2: Increase the number of forest-friendly initiatives	Indicator 9: Number of new women or youth led businesses supported	0	10	20	Annual, Mid-term and Final evaluation reports. Number of women and young businesses establishes.	Assumption: Participation in workshops, training sessions, and educational programs will enable women and young people to support their businesses and adopt forest-friendly practices. Risk: Communities might don't find the same revenue from forest-friendly initiatives making them return to deforestation economic activities.
	Indicator 10: Number of business plans developed to implement forest-friendly goods and services	0	20	40	Annual, Mid-term and Final evaluation reports. Business plans finalised.	Assumption: Strengthen of mechanisms that can finance forest-friendly initiatives such as the BANHPROVI products and services and the SAG grants. Risk: Communities might don't find the same revenue from forest-friendly initiatives making them return to deforestation economic activities.
Outputs to achieve Outcome 3.2	Output 3.2.1: Carbon credits mechanisms to incentivize forest-friendly endeavours. Output 3.2.2: Define a negotiation protocol mechanism for indigenous peoples on the issue of carbon credits, Output 3.2.3: Project preparation mechanism to allow access to private and development financing.					
Component 4 - Fostering knowledge management, cooperation and coordination.						

					Annual, Mid-term and Terminal evaluation reports. Reports from exchange visits. List of participants of events held during exchange visits.	Assumption: The regional coordination project will coordinate visits to foster knowledge exchange with other forest programs in the Amazon, Congo, Indo-Malaysia, West Africa and Guinea. Risk: Coordination with other GEF Integrated Program is weak and hinders the organization of exchange visits.
	Indicator 11: Number of south-south / lessons exchange events with other initiatives of the GEF Amazon, Congo, and Critical Forest Biomes Integrated Program.	0	1 exchange visit	2 exchange visits		
Outcome 4.1: Improved national communication for the protection and conservation of the primary forests	Indicator 12: Number of private sectors, indigenous peoples' organizations, women and civil society organizations representatives participating in the national and regional coordination platforms.	0	0	10	Annual, Mid-term and Terminal evaluation reports. Minutes of the meetings from the Technical Committee on Forests SICA Council of Ministries approval of the proposals	Assumption: The regional project will support SE-CCAD in the elaboration of a protocol to regulate and formalise the participation of the private sector, civil society, indigenous peoples, and forest communities in the Technical Committee on Forests. One organization of each group will participate in the Technical Committee on Forests. Risk: The Council of Environmental Ministers will not approve the protocol for inclusion of the new actors within the project implementation timeframe. New actors' representatives will not be interested/will not have financial resources or technical capacity to participate at the regional level decision making process.

Outputs to achieve Outcome 4.1	Output 4.1.1: Long-term communication plan to mobilize support for the conservation of primary forests of the Honduran Moskitia. and critical forest biomes.				
Outcome 4.2: Lessons on primary forest protection and conservation models are available worldwide	Indicator 13: Level of capacities, technical cooperation and technology transfer on CFB within and between participating countries (measured by tailor-made KAP survey among stakeholders).	0	20% of KAP responders will increase their scores by 10%.	50% of KAP responders will increase their scores by 10%.	Annual, Mid-term and Terminal evaluation reports. (10% increased of the KAP)	Assumption: Capacity building activities, technical cooperation initiatives, and technology transfer efforts are relevant and responsive to the needs and priorities of stakeholders involved in CFBs.

Risk: Weak coordination mechanisms and communication channels among participating countries and stakeholders may hinder effective cooperation, knowledge exchange, and technology transfer on CFBs |
| | Indicator 14: Number of lessons learned documents. | 0 | 5 | 10 | Mid-term and Terminal reports. | Assumption: Systematically organizing the lessons learned, creating valuable resources for knowledge sharing and dissemination, and facilitating the exchange of experiences and lessons learned with national and local stakeholders.

Risk: Iincomplete or inaccurate information, leading to misunderstandings, misinterpretations, or ineffective application of lessons learned in future activities. |
| | Indicator 15: Number of local and national lessons sharing events. | 0 | 4 workshops | 6 Workshops | Annual, Mid-term and Terminal evaluation reports. Workshop reports | Assumption: Key stakeholders will be participating in the annual workshops to ensure knowledge sharing. |

					List of participants and reports from workshops.	Risk: Key stakeholders may not fully engage or actively participate in the annual workshops, potentially due to conflicting priorities, lack of interest, or perceived relevance of the workshops to their work or objectives.
	Core Indicator 11: People benefiting from GEF-financed investments disaggregated by sex (count)	0	2.000 (500 women, 1,500men)	4,000 (1,000 women, 3,000 men	term and Terminal evaluation reports. Workshop reports List of participants and reports from workshops.	Assumption: Key stakeholders will be participating in the annual workshops to ensure knowledge sharing. Risk: Key stakeholders may not fully engage or actively participate in the annual workshops, potentially due to conflicting priorities, lack of interest, or perceived relevance of the workshops to their work or objectives. Beneficiaries are not additional to Core indicator 11 under Outcome 1.2
Outputs to achieve Outcome 4.2	Output 4.2.1: Knowledge platform on critical forest biomes Output 4.2.2: Lessons learned from, forest management and governance models, and integration of IPLCs, women and rural youth into decision-making processes documented and disseminated Output 4.2.3: South-South cooperation/knowledge exchange with other critical forest biomes. Output 4.2.4: Annual national coordination and knowledge sharing workshops. Output 4.2.5: Harmonized annual program planning, reporting, monitoring and evaluation.					

ANNEX D: STATUS OF UTILIZATION OF PROJECT PREPARATION GRANT (PPG)

Provide detailed funding amount of the PPG activities financing status in the table below:

Project Preparation Activities Implemented	GETF/LDCF/SCCF Amount ($)		
	Budgeted Amount	Amount Spent To date	Amount Committed
Consultancies (CEO endorsement, coordination, ecosystem risk of collapse, project annexes)	111,235.82	105,636.00	5,599.82
Field Visit- Indigenous preliminary consultation (MOPAWI)	8,264.18	8,264.18	0.00
Logistic/operational support	7,500.00	4,231.00	3,269.00
Travel	15,000.00	12,685.00	2,315.00
Workshops	8,000.00	3,745.82	4,254.18
Total	**150,000.00**	**134,562.00**	**15,438.00**

ANNEX E: PROJECT MAP AND COORDINATES

Please provide geo-referenced information and map where the project interventions will take place

Location Name	Latitude	Longitude	GeoName ID
Warunta Moskitia	15.326719	-84.238231	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Moskitia	15.35071	-84.97735	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Rio PlatanoBiosphere Reserve	15.58079	-84.97735	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Tawaka Asagni Biosphere Reserve	14.88904	-85.18557	

Location Description:

Activity Description:

Please provide any further geo-referenced information and map where project interventions are taking place as appropriate.
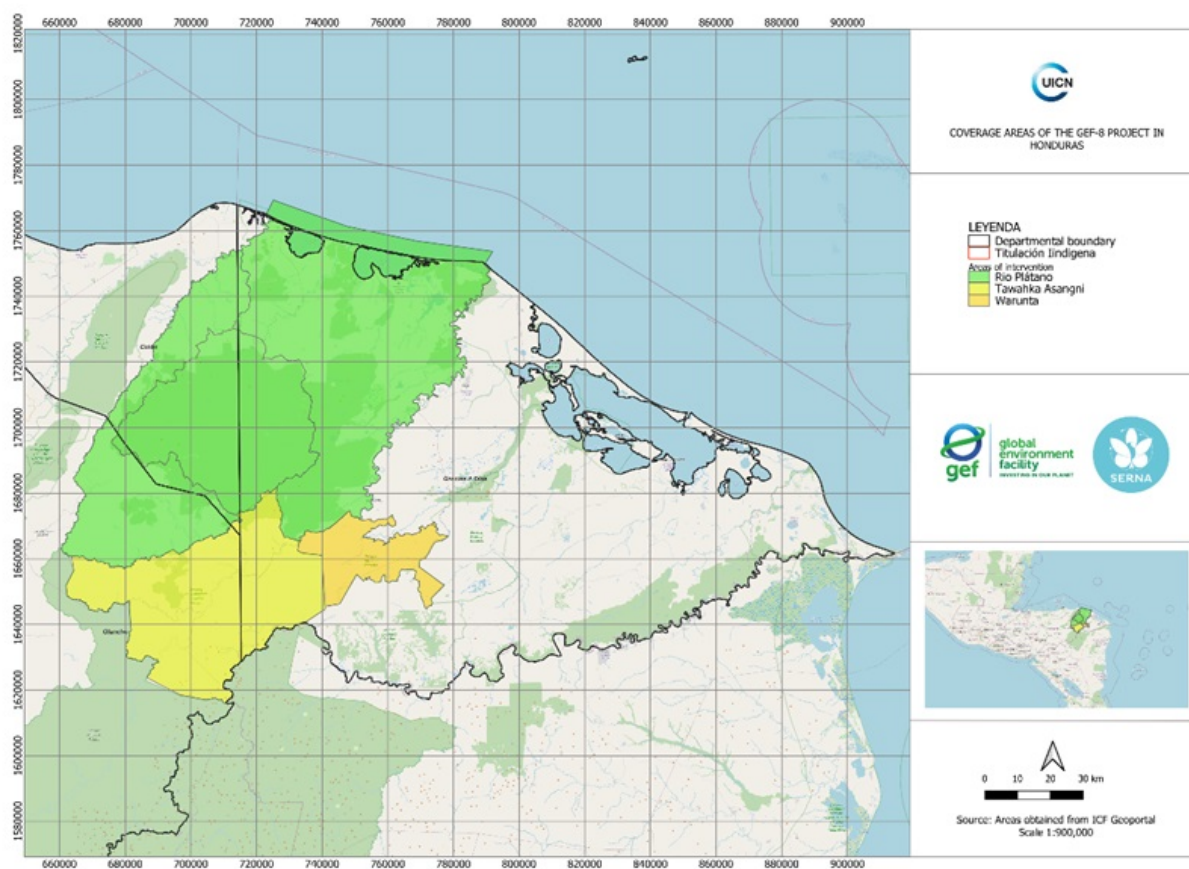
Figure 7- Intervention Area

Figure 8- Protected Areas
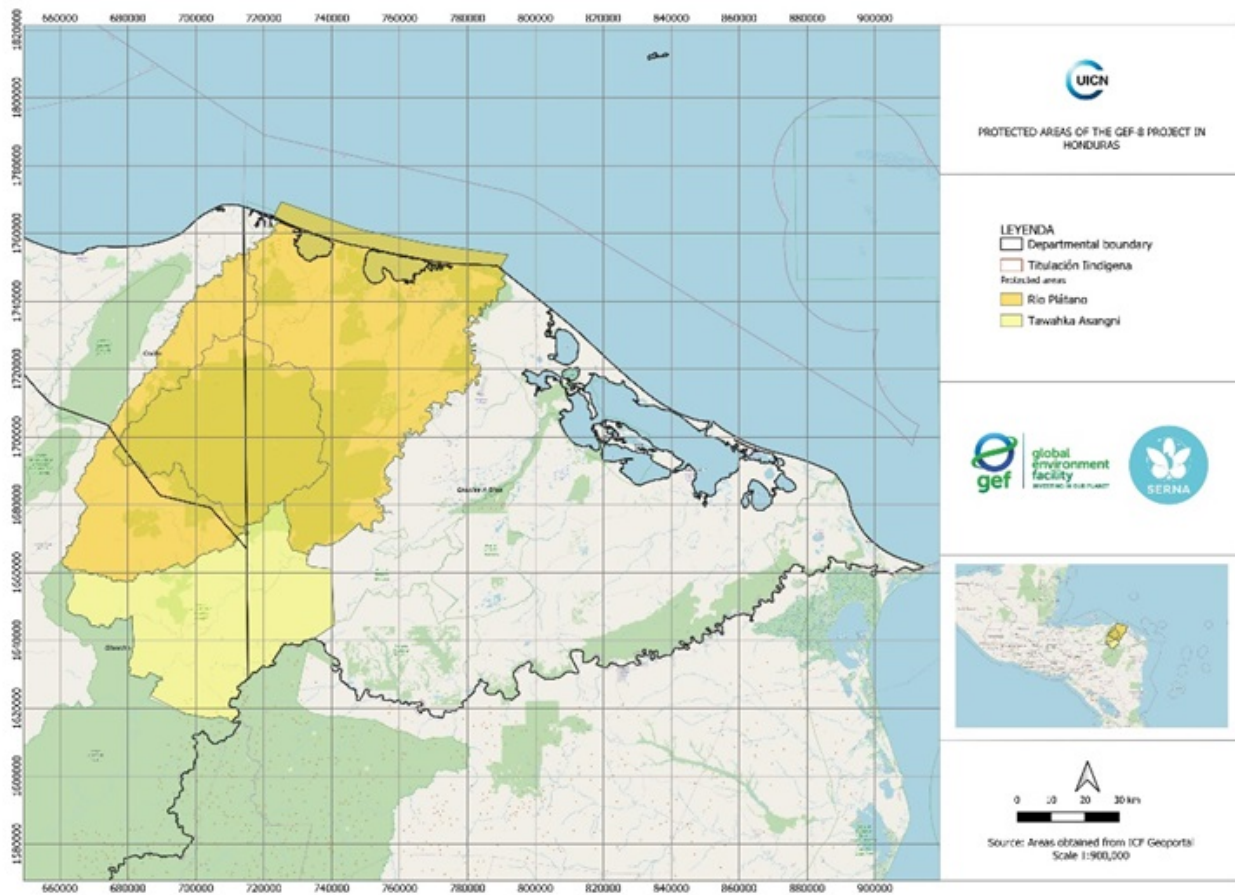
Figure 9- Degraded Land Warunta

MAP OF DEGRADED PLOTS IN WARUNTA, ACCORDING TO LAND USE MAP (1898.4 HECTARES)

Symbology
- Communities
- Rivers
- Protected areas
- Indigenous councils
- Degraded land

Source: Parcels obtained from the land use map
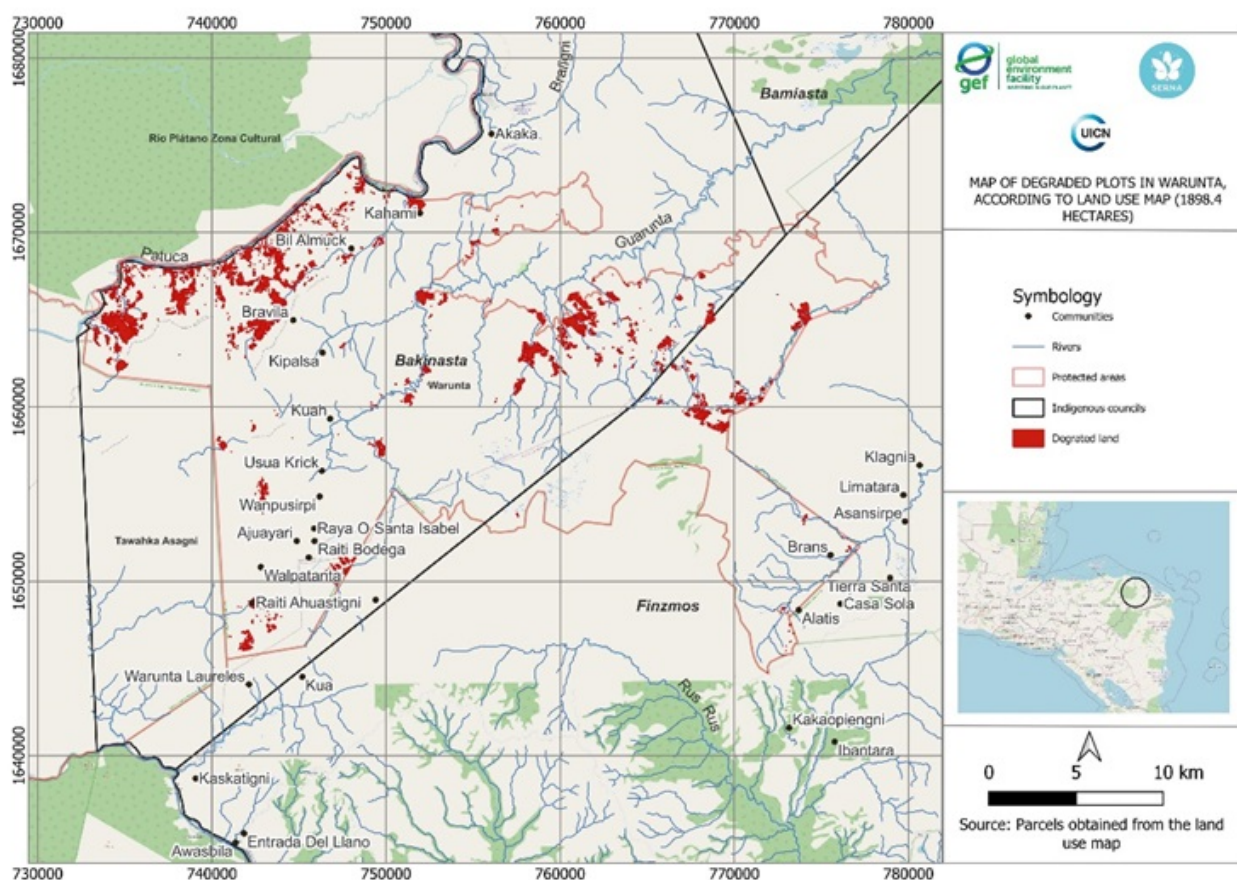
ANNEX F: ENVIRONMENTAL AND SOCIAL SAFEGUARDS DOCUMENTS INCLUDING RATING

Attach agency safeguard datasheet/assessment report(s), including ratings of risk types and overall project/program risk classification as well as any management plans or measures to address identified risks and impacts (as applicable).

Title

5. Honduras- Gender Action Plan

4. Honduras - Grievance mechanism

3. Honduras Indigenous people plan

2. Honduras SEP

1. ESM Checklist Honduras

ANNEX G: BUDGET TABLE

Please upload the budget table here.

Appendix A: Indicative Project Budget Template

Expenditure Category		Component (USDeq.)			Total (USDeq.)	Responsible Entity
		Sub-Total	M&E	PMC		(Executing Entity receiving funds from the GEF Agency)[1]
Consultants	1.2.2 National data collection on Information to support fact-based decision making on forest conservation interventions.	35 000			35 000	WCS
Consultants	1.1.3 Diagnostic report on the potential of cross-border collaboration and management with Nicaragua.	15 000			15 000	WCS
Consultants	1.2.1 Municipal land-use planning policy guides with respect of the indigenous peoples rights on collective and titled lands	20 000			20 000	WCS
Consultants	1.2.1 Revision of territorial "life plans" to integrate the protection and conservation or primary forest	20 000			20 000	WCS
Consultants	1.3.2 Develop affirmative action protocols for including women and rural youth within program implementation plans	7 000			7 000	WCS
Consultants	2.2.2 Identification and characterisation of OMEC Guarunta in the Moskitia	30 000			30 000	WCS
Consultants	2.2.1 Foster the capacity of actors and the effective management for the delimited OECM.	35 000			35 000	WCS
Consultants	1.1.2 Native technical personel to ensure institutional presence during the project	55 000			55 000	WCS
Consultants	2.2.2 Zoning and survey of the OECM area.	25 000			25 000	WCS
Consultants	2.2.2 Conservation Plan for OMEC	40 000			40 000	WCS
Consultants	2.2.2 Gender responsive strategy and Management Plan for the OMEC	40 000			40 000	WCS
Consultants	3.1.1 Development of gender responsive capacity building material on climate and forest conservation financing	20 000			20 000	WCS
Consultants	3.1.2 Development of a pilot mechanism for payment for ecosystem services (carbon credits)	60 000			60 000	WCS
Consultants	3.2.1 Development of forest friendly finacning mechanism for BANHPROVI products and services and the SAG grants focusing on IPLC and women	60 000			60 000	WCS
Consultants	M&E Baseline study	-	3 000		3 000	SERNA

Contractu al Services – Company	M&E Mid term evaluation data gathering	-	40 000		40 000	SERNA
Contractu al Services – Company	M&E Terminal evaluation data gathering	-	60 000		60 000	SERNA
Contractu al Services – Company	PMC Annual audits	-		12 000	12 000	SERNA
Consultan ts	2.1.1 Development of the institutional and operational arrangements for an indigenous community guard force.	15 000			15 000	WCS
Consultan ts	2.1.1 Development of a gender responsive manual for the indigenous community guards	30 000			30 000	WCS
Consultan ts	2.1.1 Development of 4 land reclamation protocols incorporating gender considerations	60 000			60 000	WCS
Consultan ts	2.2.2 Mapping potential OECM areas	60 000			60 000	WCS
Consultan ts	2.3.2 Identification of restoration opportunities to support gender inclusion	20 000			20 000	WCS
Consultan ts	3.1.1 National assessment of financial gaps and barriers for IPLCs and women in Moskitia	25 000			25 000	WCS
Consultan ts	2.3.2 Technical consultancy for sustainable agricultural production on restored areas t	40 000			40 000	WCS
Consultan ts	1.3.2 Consultancy for FPIC implementation	80 000			80 000	WCS
Consultan ts	2.2.1 Policy framework for the OECMs in Honduras	60 000			60 000	WCS
Consultan ts	2.3.2 Nursery personnel	20 000			20 000	SERNA
Consultan ts	3.2.2 TA (extentionist) for the establishment and development of deforestation free and women empowering value chains	37 500			37 500	WCS
Consultan ts	3.2.2 TA (agricultural finance) for the establishment and development of deforestation free and women empowering value chains	37 500			37 500	WCS
Consultan ts	3.2.3 TA for the development of documentation	37 500			37 500	WCS
Consultan ts	3.2.3 Feasibility screening of projects	37 500			37 500	WCS
Contractu al Services – Company	1.1.1 Gender responsive advocacy plan incorporating IPLC consideration	20 000			20 000	WCS
Consultan ts	2.1.2 National assessment of the risk of collapse and extension of critical Mesoamerican Forest biomes.	83 200			83 200	WCS

Consultan ts	2.1.3 National data collection on the contribution of protected areas and indigenous peoples and women to the conservation of primary forests and the advancement of the global biodiversity framework to support fact-based decision making.	40 000			40 000	SERNA
Consultan ts	2.1.1 Updating of the PA management plans and incorporation of gender considerations	40 000			40 000	SERNA
Contractu al Services – Company	4.1.1 Development of a gender responsive communication plan	20 000			20 000	WCS
Contractu al Services – Company	4.1.1 Awareness video on OECM and restored areas	10 000			10 000	WCS
Contractu al Services – Company	4.1.1 Communication material for the project	10 000			10 000	WCS
Consultan ts	2.3.1 Updated evaluation of priority areas at the local level for the restoration of forests according to Restoration Opportunities Assessment Methodology (ROAM).	70 000			70 000	SERNA
Contractu al Services – Company	4.2.2 Publications	15 000			15 000	WCS
Equipmen t	1.1.3 Equipment to support small scale actions during cross-border pilot echanges (restoration equiplment)	19 827			19 827	WCS
Equipmen t	2.1.1 Basic equipment for Resource Guard personnel	22 500			22 500	SERNA
Equipmen t	2.1.1 Biodiversity management equipment	22 500			22 500	SERNA
Equipmen t	2.2.2 Partial physical delimitation of and signs for OEMC	50 000			50 000	WCS
Equipmen t	2.3.2 Seed collection equipment and seeds for restoraion	20 000			20 000	SERNA
Equipmen t	2.3.2 Equipement for restoration	25 000			25 000	SERNA
Consultan ts	Chief Technical Advisor (CTA) / Project Director	117 000		143 000	260 000	SERNA
Consultan ts	KMAL and M&E Expert	60 000			60 000	WCS
Consultan ts	KMAL and M&E Expert	160 000			160 000	SERNA
Consultan ts	Gender, Indigenous Peoples and Social Inclusion Specialist	142 500			142 500	WCS
Consultan ts	Communication expert	50 000			50 000	WCS
Consultan ts	Field Technical Coordinator	180 000			180 000	WCS
Consultan ts	Restoration and innovative financial mechanisms for conservation expert	75 000			75 000	WCS

Trainings, Workshops, Meetings	1.1.1 National advocacy events	40 000			40 000	WCS
Trainings, Workshops, Meetings	1.1.2 Support territorial and national dialogues	50 000			50 000	WCS
Trainings, Workshops, Meetings	1.1.3 Implementation of cross-border collaboration and management activities	25 000			25 000	WCS
Trainings, Workshops, Meetings	1.2.1 Workhsops for the development of ITC gender responsive "life plans"	30 000			30 000	WCS
Trainings, Workshops, Meetings	1.3.1 National AFOLU roundtable to intgrate Moskitia-level consideration for coordination and financing.	40 000			40 000	SERNA
Trainings, Workshops, Meetings	2.1.1 Workshops for the development of land reclamation protocols with the inclusion of women leaders	50 000			50 000	WCS
Trainings, Workshops, Meetings	2.1.1 Specialised training for new Guards based on the gender responsive manual	40 000			40 000	WCS
Trainings, Workshops, Meetings	2.2.2 Workshops for the Identification and characterisation of OMEC Guarunta in the Moskitia	60 000			60 000	WCS
Trainings, Workshops, Meetings	2.3.2 Exchange of experiences	30 000			30 000	WCS
Trainings, Workshops, Meetings	3.1.1 Capacity building of local governance on gender responsive climate in environmental and climate finance	30 000			30 000	WCS
Trainings, Workshops, Meetings	3.2.1 Capacity building for indigenous peoples in the legal framework linked to the forest carbon law.	30 000			30 000	WCS
Trainings, Workshops, Meetings	3.2.1 Workshops to define a negotiation protocol for indigenous peoples on issues related to carbon credits.	30 000			30 000	WCS
Trainings, Workshops, Meetings	3.2.1 Workshops for training and awareness raising about the regulation of carbon credits aimed at the indigenous peoples of the Muskitia.	25 000			25 000	WCS
Trainings, Workshops, Meetings	3.2.2 Workshops for the establishment and development of deforestation free and women empowering value chains	20 000			20 000	WCS
Trainings, Workshops, Meetings	4.1.1 Dissemination worskhops (including facilitating women participation)	40 000			40 000	WCS
Trainings, Workshops, Meetings	M&E Inception Workshop	-	7 578		7 578	SERNA
Trainings, Workshops, Meetings	4.2.2 National knowledge sharing workshops (including facilitating women participation)	50 000			50 000	WCS
Trainings, Workshops, Meetings	1.3.2 Workshops to suport the FPIC implementation taking into consideration gender needs for participation	20 000			20 000	WCS
Travel	1.1.1 Travel to Regional gender responive advocacy events	20 000			20 000	WCS

Travel	1.1.2 Travel for territorial and national dialogues	20 000			20 000	WCS
Travel	3.2.4 Participation to High-impact and promotional events	30 000			30 000	WCS
Travel	4.2.3 Participation to South-South cooperation/knowledge exchange with other critical forest biomes.	27 000			27 000	WCS
Travel	4.2.4 Participation in Annual regional knowledge exchange workshops.	79 014			79 014	SERNA
Travel	1.1.3 Travel for cross-border collaboration and management activities	30 000			30 000	WCS
Travel	1.3.2 Travel to suport FPIC implementatio (including facilitating women participation)	20 000			20 000	WCS
Works	2.1.1 Partial support to basic infrastructure (kiosks, benches, small rest areas, trails, awareness centre)	40 000			40 000	SERNA
Works	2.3.2 Nursery for the production of forest seedlings	40 000			40 000	SERNA
Works	2.3.2 Restoration of degraded areas prioritising opportunities that strengthen gender inclusion	51 000			51 000	SERNA
Other	Offices rents, utilities, licences	-		12 606	12 606	WCS
Grand Total		3 241 541	110 578	167 606	3 519 725	

[1] In exceptional cases where GEF Agency receives funds for execution, Terms of Reference for specific activities are reviewed by GEF Secretariat

Please explain any aspects of the budget as needed here

This section, does not allowed to upload excel documents. Please find project budget as part of the annex documents of this proposals in the portal. It is also available as an object into the current version of the CEO Endorsement.

ANNEX I: RESPONSES TO PROJECT REVIEWS

From GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF.

Responses to Council comments

Answers to Council comments:

GEF STAP comments	Responses
It is recommended that a detailed stakeholder register of at least all the regional and national level actors is developed as part of the regional co-ordination project and maintained by the implementing agency.	A list of relevant national and regional stakeholders is developed under the stakeholder engagement plan, or the section of this CEO "stakeholder analysis"
It is important to properly identify and define the program elements where innovative approaches are going to be tested in order to design the regional and national child projects to ensure rigorous testing of ideas, identifying of pathways for scaling, and learning and sharing from innovations.	This point was addressed by the Honduras child project, by the innovative approaches are going to be related to the development of innovative financial mechanisms and investments that enhance environmental governance in the Moskitia, under component 3, the project would explore innovative investment and forest-friendly initiatives.
The Implementing agency should ensure that the KM plans are further articulated and developed during the design and roll-out of child projects. STAP would also recommend that a KM strategy for the whole IP is developed and that its design and implementation are included among the proposed outputs for the Regional Co-ordination (child) Project.	This point is addressed first on a National level by developing specific Knowledge Management (KM) for each child project, this centred on the specify context and objectives for each project. These KM plans delve further into the dissemination of best practices and lessons learned, as well as the strategies that could be employed to disseminate that content on a national level. Moreover, for the Honduras context, the component 4 would develop the activities related to knowledge management and exchange.

Regional (El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama). Mesoamerica Critical Forest Biome Integrated Program (GEFID: 11273). Agencies: FAO, IUCN; GEF Project Financing: $58,147,493; Co-financing: $438,166,265.

✓ Canada Comments

Biodiversity

• Mesoamerica has more that 20,000 species of vascular plants, bird species, reptiles, fishes, and reptiles, of which more than 3650 are endemic. Thousands of these are also threatened or endangered. The region also hosts many of the billions of North American migratory birds fly through Mesoamerica or stop for the winter. However, Mesoamerica is often neglected for financing given the attention to the Amazon. A strong recognition of the importance of the Mesoamerican region as a biodiversity hotspot should be acknowledged, and followed by adequate levels of financing when opportunities present themselves such as in this case.	The recognition of Mesoamerica as a biodiversity hotspot is acknowledged in the Mesoamerica Integrated Programme. The programme incorporates key activities to contribute to GBF Target 1"Plan and Manage all Areas To Reduce Biodiversity Loss - Conservation status for Mesoamerican Forest biomes using the Red List of Ecosystems", "GBF Target 3: Conserve 30% of Land, Waters and Seas- Coverage of protected areas and OECMs", and "GBF target 4: Halt Species Extinction, Protect Genetic Diversity, and Manage Human-Wildlife Conflict- Realized contributions of IPLCs, OECMs and PAs in addressing the loss of Intact Forest Landscapes to reduced risk of extinction of threatened species". Component 2 of the Honduras Child Project contributes to the increased protection of primary forests in protected areas in 1,083,281 has., increased area of OECMs that protect the integrity of primary forests and expand functional connectivity, and 500 ha under restoration.

Climate

• It should also be noted the Mesoamerica region is one of the most vulnerable areas in the world to climate, with hurricanes and huge losses occurring every year. Climate change also has an impact on the forests of the region, as populations from the highly affected dry corridor of Central America move towards forested areas and expanding the agricultural frontier, thus contributing to deforestation. Support to the project will help address the multiple issues affecting forests, as well as, socio-economic issues such migration to the North from Central American countries, as people will have better livelihood alternatives in their own countries.	The importance of climate change in the region has been recognised in the Mesoamerica CFB IP and the Guatemala Child Project in particular. A climate analysis was produced as part of the design. Also, the promotion of NbS for forest conservation and the improvement of people's resilience are considered in the child project. Furthermore, component 3 supports innovative deforestation free value chains that can improve people's livelihood in the country.

Indigenous Peoples

• Experience in the region shows that indigenous and local peoples have to be part and parcel of the project planning. The proposed project should have an engagement/consultation strategy with local and indigenous peoples in order to be able to implement it. Development of the strategy should include input from Indigenous peoples.	The Mesoamerica CFB IP considers IPLC as an integral part for its successful implementation and the development of feasible transformative pathways. The Honduras' Child Project considers as a key part of the project the Strengthen local communities to support primary forest conservation, described in Outcome 1.1. Also, contribution of indigenous people to forest conservation in Pas will be part of the output 2.1.3

<table>
<tr><td colspan="2">and outcome 2.2 about increasing the protection of primary forest with OECM's that will be developed also with Indigenous people to increase

Forest conservation with the participation of indigenous people will be key part of the project.</td></tr>
<tr><td colspan="2">Other</td></tr>
<tr><td>• Finally, in accordance with GOAL A of the GBF "The integrity, connectivity and resilience of all ecosystems are maintained, enhanced, or restored, substantially increasing the area of natural ecosystems by 2050", and target 2 of the GBF: "Ensure that by 2030 at least 30 per cent of areas of degraded terrestrial, inland water, and coastal and marine ecosystems are under effective restoration, in order to enhance biodiversity and ecosystem functions and services, ecological integrity and connectivity", and TARGET 12, "Significantly increase the area and quality and connectivity" the project should include Costa Rica. Approximately two thirds of Parque Nacional la Amistad, one of the areas targeted by the project, lies within Costa Rica. This gives ample reason for the country`s inclusion in the project.</td><td>N/A</td></tr>
<tr><td colspan="2">Deforestation/Small-Scale Farming/Soil (MSF):</td></tr>
<tr><td>• Recommend including a new indicator that shows the net impact of the Programs in halting and reversing ecosystem loss, in particular deforestation, in particular for the Amazon, Congo, and Critical Forest Biome Integrated Program and the Net-Zero Nature Positive Accelerator Program.</td><td>The Honduras' Child Project follows the structure of the Regional Project's Results Framework to allow regional aggregation.

The Mesoamerican CFB IP developed project specific results frameworks and through Output 4.2.5 will ensure that a regional level M&E framework is in place to monitor the project impacts. The CFP will monitor the project impact in terms of reduced deforestation. Please note that reduced deforestation is part and parcel of the GHG emission avoidance estimations as they are part of the with and without project scenarios assumptions. In addition, the application of the IUCN red list of Ecosystem at biome level (RCP Indicator 1. Outcome 2.1) will account for changes in extent and conditions of Mesoamerican forest at regional level, which will indirectly provide evidences on the IP impact in halting deforestation.</td></tr>
</table>

• The current core indicators can show only the positive impacts of the Programs (e.g. CI3, CI4, CI5 ad CI6) but fail to consider any negative change such as deforestation leakage (I.e. improved protection/conservation in one area leading to more deforestation in other or new areas), which may be directly or indirectly related to policy reforms, a whole-of-government strategy, integrated approaches or others that the GEF Programs try to achieve.	The Honduras Child Project follows the structure of the Regional Project's Results Framework to allow regional aggregation. As mentioned above, the project will monitor deforestation as part of its national and regional level M&E framework. That said, please note that the Mesoamerica CFB is obliged to follow GEF guidelines and report on the relevant GEF indicators and sub-indicators. In addition, the application of the IUCN red list of Ecosystem at biome level (RCP Indicator 1. Outcome 2.1) will account for changes in extent and conditions of Mesoamerican forest at regional level, which will indirectly provide evidences on the IP impact in halting deforestation, including potential leakages.
• GEF should consider including a new core indicator for the two Programs, or at least a project level-indicator for the projects that aim to halt and reverse deforestation: o a net change in forest area (considering both forest gain and loss) in the target landscapes, or o a change in area affected by deforestation in the target landscapes	The Honduras Child Project follows the structure of the Regional Project's Results Framework to allow regional aggregation. As mentioned above, the project will monitor deforestation as part of its national and regional level M&E framework. National child projects under the IP will be encouraged and receive advisory from the Regional Coordination Project to monitor deforestation and forest degradation in a scientifically-robust manner (e.i. using globally recognised and consistent data sets such as those produced by the Joint Research Center and Global Forest Watch), since this will be required to apply the IUCN Red List of Ecosystem at biome level, which is the case of Guatemala child Project.
Supporting smallholder farmers through the Amazon, Congo, and Critical Forest Biome Integrated Program (CFB IP): • We want to underscore that supporting smallholder farmers is critical for halting deforestation and inclusive transition toward deforestation-free supply chains. And, this Program must ensure that smallholder farmers in deforestation-risk commodity chains receive as much attention as other local community groups receive through this IP. In particular for the private sector engagement, we recommend the projects under this IP reinforce technical, financial and legal support for smallholder farmers within deforestation-risk commodity chains in order to help them adopt innovative, low-	The Honduras Child Project recognizes the importance of smallholder farmers for halting deforestation and inclusive transition toward deforestation-free supply chains. As mentioned, Component 3 of the project includes specific actions to support the development of deforestation-free and climate resilient livelihoods for small-holder farmers and IPLC. The child project aligned this particular component with available policies and financing to promote deforestation-free livelihoods. Outputs 3.2.2 and 3.2.3, and with a more macro focus output 3.2.1, specifically focus on this.

cost biodiversity-friendly practices and secure their legal rights (ToC 3).	
✓ Germany	
Comments Germany approves the following PIF in the work program but asks that the following comments are taken into account: Germany welcomes this proposal, which will contribute to the conservation and restoration of forest landscapes in six countries in Mesoamerica. At the same time, Germany has the following comments that it suggests being addressed in the next phase of finalizing the program proposal.	N/A
Suggestions for improvements to be made during the drafting of the final program proposal: • The goals are highly aggregated, and some remain rather abstract. Therefore, Germany recommends that all indicators include concrete measurement criteria (e.g., which parameters will determine whether land is "under restoration" in component 3).	A specific results framework has been developed for the Honduras Child Project, including the definition of the indicators following the GEF template. Areas to be restored have been identified during the Project Formulation process. The overall areas and the maps can be found in the project' proposal package.
• Germany highly appreciates that the program proposal sets very ambitious goals for forest conservation and restoration in a highly complex and conflictive political environment. However, we feel that the threat of mining and land speculation for protected areas as well as the complex and conflictive political environment need to be stronger considered in the analysis. The proposal needs to include how political decision-makers will be encouraged and empowered to assume the responsibility for law enforcement regarding environmental and human rights legislation (in particular regarding protected areas and IPLCs).	The Honduras Child Project acknowledges the highly complex and conflictive political environment, especially taking into consideration how illegal activities are a driver that erodes IPLCs rights and livelihoods leading to accelerated deforestation rates. The Honduras Child Project has incorporated specific activities to strengthen the participation of IPLCs in decision making, safeguard the rights of IPLCs, and improve law enforcement. IPLCs participation is strengthened in Components 1 and 4 of the RCP, while child projects incorporated environmental and human rights legislation enforcement in their activities. For instance, activity 1.1.2.1 will Support territorial and national dialogues between indigenous institutions (MASTA, UPINMH), municipalities, SERNA, ICF to reach agreements for territorial and forest management in the Mosquitia, while activity 1.3.1.1 will strengthen inter-sectoral roundtables and working groups in each State to promote coherence between environmental and agricultural policies, with the participation of state and federal sectoral authorities, inter-municipal organisations, and organisations of forest communities and farmers, and facilitate coordinated environmental law

	enforcement for specific environmental crimes or socio-environmental conflicts related to threats to primary forests and their connectivity.
• We also appreciate that the proposal refers to the Team Europe Initiative 'Five Great Forests of Mesoamerica'. In addition, we encourage to coordinate with the REDD Landscape III Program, funded by Germany, which operates under the umbrella of the aforementioned initiative.	The development of the Honduras Child Project has included consultations with multiple stakeholders, the description of the baseline and the identification of potential synergies and cooperation mechanisms with other projects, including those funded by Germany, such as Selva Maya II and EU Great forest. During implementation active collaboration will be developed with EU Project to avoid duplication and increase impacts.
• Supply chains and voluntary commitments by the private sector are only briefly mentioned. Germany suggests including the promotion of regulatory conditions for transparency and traceability along strategic supply chains (in particular against the background of the evolving EU legislation on deforestation-free supply chains).	The Honduras Child Project addresses financing gaps and barriers to investments in the conservation of primary forest as part of the analysis to identify regulatory conditions for transparency and traceability along strategic supply chains under Component 3. Output 3.1.2 linked to innovative financing instruments to increase investments for forest conservation. The selection of the activities was based on a sound assessment of the baseline and existing opportunities.
• Lastly, Germany welcomes that indigenous peoples and local communities (IPLC) are recognized as important allies for forest conservation in Mesoamerica. However, the following IPLC-related aspects need to be considered in the solution strategies: IPLC territorial governance structures, threats of forced displacement, land grabbing as well as infiltration by organized crime and political actors.	As mentioned above, the Honduras' Child Project considers IPLC rights crucial for a sustainable transformative pathway. Due to this situation project intervention area are located in la Mosquitia but not only inside the P.As, but also in all the department to promote connectivity and a sustainable landscape management compatible with forest conservation and sustainable development with the Territorial Councils (governance structures of the indigenous people in La Mosquitia) that includes improve IPLC's governance and livelihoods. To achieve this, the Honduras Child Project the project development an Indigenous Peoples and gender Plan. It is worth stating that activity 1.3.1.1 will strengthen inter-sectoral roundtables and working groups in each State to, among others, facilitate coordinated environmental law enforcement for specific socio-environmental conflicts related to threats to primary forests and their connectivity, promote gender equality and protecting IPLC rights.
✓ United States Comments	
• We appreciate the draft Work Programmes' focus on our planet's most critical forest ecosystems which must be conserved to meet	The Honduras Child Project recognizes that land clearance for commodity production is a key driver of tropical deforestation. The Honduras Child

global climate and biodiversity goals. Given that the largest driver of tropical deforestation is land clearance for commodity production we would expect GEF projects to clearly define that problem and orient their work programs towards addressing it. We would appreciate greater emphasis on sustainable forest management that recognizes the need for alternative livelihoods to conserve global forest ecosystems. We would strongly advocate for GEF projects to clearly orient their projects around helping countries decouple commodity production from deforestation.	Project strengthens policy and regulatory instruments and multi-sectoral platforms (component 1) and provides alternative livelihoods that decouple commodity production from deforestation (component 3) to address this issue.