

GEF-8 PROJECT IDENTIFICATION FORM (PIF)

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General Project Information

Project Title

Acción Páramos: conservation, restoration and sustainable use of the páramos in Ecuador

Region Ecuador	GEF Project ID 11386
Country(ies) Ecuador	Type of Project FSP
GEF Agency(ies): UNEP	GEF Agency ID N/A
Executing Partner Conservation International Ecuador	Executing Partner Type GEF Agency
GEF Focal Area (s) Biodiversity	Submission Date 10/17/2023

Project Sector (CCM Only)

Taxonomy

Focal Areas, Biodiversity, Financial and Accounting, Payment for Ecosystem Services, Conservation Trust Funds, Conservation Finance, Protected Areas and Landscapes, Community Based Natural Resource Mngt, Terrestrial Protected Areas, Productive Landscapes, Biomes, Wetlands, Paramo, Influencing models, Strengthen institutional capacity and decision-making, Convene multi-stakeholder alliances, Transform policy and regulatory environments, Stakeholders, Private Sector, Capital providers, Large corporations, SMEs, Civil Society, Non-Governmental Organization, Community Based Organization, Academia, Communications, Awareness Raising, Behavior change, Education, Type of Engagement, Local Communities, Indigenous Peoples, Gender Equality, Gender Mainstreaming, Gender-sensitive indicators, Beneficiaries, Sex-disaggregated indicators, Capacity, Knowledge and Research, Learning, Theory of change, Adaptive management, Knowledge Generation, Knowledge Exchange, Capacity Development, Targeted Research

Type of Trust Fund GET	Project Duration (Months) 60
GEF Project Grant: (a) 4,416,210.00	GEF Project Non-Grant: (b) 0.00
Agency Fee(s) Grant: (c) 419,540.00	Agency Fee(s) Non-Grant (d) 0.00
Total GEF Financing: (a+b+c+d) 4,835,750.00	Total Co-financing 25,190,068.00
PPG Amount: (e) 150,000.00	PPG Agency Fee(s): (f) 14,250.00

PPG total amount: (e+f)

164,250.00

Total GEF Resources: (a+b+c+d+e+f)

5,000,000.00

Project Tags

CBIT: No NGI: No SGP: No Innovation: No

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? (iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the project should be in section B “project description”. (max. 250 words, approximately 1/2 page)

1. The project '*Acción Páramos: conservation, restoration and sustainable use of the páramos in Ecuador*' (hereafter referred to as *Acción Páramos*) is a proposal for a five-year, US\$ 5 million investment to support the implementation of the recently decreed^[1] Páramo Action Plan (of PAN; for its Spanish acronym) for the conservation, restoration and sustainable use of the páramos in Ecuador. The project objective is to promote the conservation, restoration, and sustainable use of the páramo biome in Ecuador and its water resources, biological diversity and ecosystem services, with strategies and actions that guarantee improving the quality of life of the communities and people that depend on páramos. This is implemented through four strategic components (a) conservation, restoration and sustainable use (2) strengthened páramo governance and policy coherence (3) sustainable finance and (4) knowledge management. A fifth component covers operational activities for monitoring, evaluation, and learning. The project will be executed by the Ecuador Ministry of Environment, Water and Ecological Transition (MAATE, for its Spanish Acronym) and co-executed by Conservation International - Ecuador. The project's implementation will be supported by several other public agencies, technical cooperation agencies, NGOs and will benefit mostly the indigenous peoples and local communities (IPLC) in the high Andes of Ecuador.

^[1] Ministerial Decree #100, September 2023

Indicative Project Overview

Project Objective

Promote the conservation, restoration, and sustainable use of the páramo biome in Ecuador and its water resources, biological diversity, and ecosystem services, with strategies and actions that guarantee improving the quality of life of the communities and people that depend on páramo.

Project Components

Component 1: Conservation, restoration, and sustainable use

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
1,900,000.00	20,420,068.00

Outcome:

1.1. The area of páramo that is effectively managed in protected areas of the national protected areas system (SNAP) and other forms of conservation has increased.

1.2 The integrity of ecological, social and cultural functions in páramo landscapes with high degrees of transformation or degradation, has improved.

1.3. The livelihoods of women and men in local communities have been strengthened, thanks to the application of best practices for the sustainable use of the páramos.

Output:

1.1.1. Declarations are finalized of new páramo area(s) under various conservation mechanisms^[2].

1.1.2. Protected areas' administration agencies have strengthened capacities to apply optimal management effectiveness of conservation areas with páramo.

1.2.1. Plans, tools and instruments have been established and implemented for the restoration of degraded páramos.

1.2.2. Areas with a high priority for restoration are included in initiatives to restore the integral functionality of the landscapes, contributing to the resilience of the páramos and its population.

1.3.1. Páramo land users and field practitioners of public and private agencies have strengthened capacities and tools for the application of good practices for páramo management.

1.3.2. Best practices for sustainable use of páramo are being implemented in selected páramo areas by men and women of local páramo communities (including provisions to ensure social inclusiveness and gender equity).

[\[2\]](#) These can be part of the national protected areas systems or other conservation mechanisms (socio bosque, water protection areas, conservation and sustainable use areas)

Component 2: Strengthen páramo governance and policy coherence

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
558,510.00	1,215,000.00

Outcome:

2.1. Páramo governance has been strengthened through well-functioning multi-stakeholder platforms[\[3\]](#)⁹ and mechanisms for stakeholder engagement.

2.2. The policy and regulatory framework for páramo is harmonized among different sectors.

[3](#) Minga de la Montaña and eventually, others.

Output:

2.1.1 Technical roundtable, with representatives from different government sectors, is established to exchange information, coordinate initiatives and optimize investments.

2.1.2. Multi-stakeholder platforms are functioning to engage civil society, particularly men and women of indigenous people and local communities, in integrated management of the páramo biome.

2.1.3. Socio-environmental conflicts (in areas of mining, infrastructure, water management) are identified and addressed.

2.2.1. Gaps and inconsistencies in policies, and regulatory and legal frameworks of páramo governance are identified.

2.2.2. Proposals to address the gaps and inconsistencies in policies, regulatory and legal frameworks are developed and promoted through multi-stakeholder platforms and mechanisms (outcome 2.1).

Component 3: Sustainable finance

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
850,000.00	1,190,000.00

Outcome:

3.1. Sustained and diversified flow of (public and private) financial resources for investment in the sustainable management of páramos, with clear means of access for people, communities and institutions.

Output:

3.1.1. Financial and non-financial incentives that contribute to the conservation, restoration, and sustainable use of the páramos and benefit women and men of the local population (grants, levies, microcredits, market development, etc.).

3.1.2. Financing mechanisms and environmental funds for the conservation, restoration and sustainable use of the páramos have been strengthened in their management, operation and scope and will be equitably administered.

Component 4: Knowledge management

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
780,000.00	910,000.00

Outcome:

4.1. Páramo management and policy making is informed by a publicly available information and monitoring system to analyze, monitor and communicate changes in the landscape and the effects of policies and investments.

Output:

4.1.1. A publicly available national map of the páramo biome is developed (includes ecosystems, conservation-degradation status, land use, and population) to be used in the planning of conservation, restoration, and sustainable use activities.

4.1.2. Publicly available páramo information and communication system, connected to other (existing) national information systems, includes up-to-date knowledge on the ecological, social and economic situation and dynamics of the páramos and their areas of influence.

4.1.3. A páramo monitoring system is developed and implemented, managed by the main public, private and community stakeholders, measuring indicators for conservation, restoration, degradation, sustainable use, water and social well-being.

M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
120,000.00	255,000.00

Outcome:

5.1 Project performance is kept on track to cost-effectively achieve expected results.

Output:

5.1.1. Technical and financial oversight carried out by the Project Steering Committee.

5.1.2. Internal progress and performance monitoring, reporting and review of lessons learnt used to inform adaptive management of the project.

5.1.3. External project evaluations used to improve project performance and sustainability.

Component Balances

Project Components	GEF Project Financing (\$)	Co-financing (\$)
Component 1: Conservation, restoration, and sustainable use	1,900,000.00	20,420,068.00
Component 2: Strengthen páramo governance and policy coherence	558,510.00	1,215,000.00

Component 3: Sustainable finance	850,000.00	1,190,000.00
Component 4: Knowledge management	780,000.00	910,000.00
M&E	120,000.00	255,000.00
Subtotal	4,208,510.00	23,990,068.00
Project Management Cost	207,700.00	1,200,000.00
Total Project Cost (\$)	4,416,210.00	25,190,068.00

Please provide justification

PROJECT OUTLINE

A. PROJECT RATIONALE

Briefly 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. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

The páramo biome in Ecuador^[1]

2. Páramo ecosystems form a natural, high-altitude, grassland biome, covering approximately 4.5 million hectares in the Tropical Andes extending across Venezuela, Colombia, Ecuador, and northern Peru. The páramo landscape forms an ecological archipelago, distributed along the highest parts of the northern Andes, generally between 3,000 and 5,000 meters altitude. It is characterized by high biological, cultural and landscape diversity: it is the most biodiverse high mountain non-forest ecosystem in the world, hosting numerous endemic and threatened species. The páramos are home to many human communities, mostly indigenous peoples' groups that hold rich cultural value and traditional knowledge of land, ecosystem dynamics, and sustainable practices.
3. The páramo biome is of invaluable ecological, sociocultural, and economic importance because it provides important ecosystem services such as water regulation, biodiversity conservation, and carbon storage. One of the key characteristics of the páramo is a dense vegetation of mostly tussock grass in mosaic with peatlands, all with a deep, black soil with high organic matter content. In combination with high cloud cover, continued humid conditions and year-round low temperatures, vegetation and soil ensure that páramo has excellent hydrological properties: it forms the source of all major watersheds in the Northern Andes and is an important source of water for drinking, hydropower, cattle, and agricultural production for most of the region's population. Deep soils with high organic carbon content contribute to carbon stocks that can be five-to-ten times larger than tropical rain forest ecosystems. The spectacular mountain landscape attracts numerous tourists, with national parks such as Cotopaxi, Chimborazo and Cajas forming major destinations for national and international tourists and contributing to the local economy.
4. In Ecuador, the páramos cover over 1.5 million hectares in 17 of its 23 continental provinces. This surface represents five percent of the national land area, which is the highest relative share of páramo in any country. The páramos in Ecuador has a long history of occupation and has been traditionally used for extensive grazing with camelids, transport and rituals. After the Spanish conquest, páramo in Ecuador became permanently used for large-scale grazing with cattle and sheep and for cultivation, particularly potato and grains. After agricultural reform policies in the 1960's and 1970's, indigenous peoples' groups were generally provided with the highest most lands. This resulted in communities inhabiting land in or just below páramo and land use became diversified with family farming and small-scale animal husbandry. Indigenous Peoples and rural communities established a multitude of irrigation channels to bring water from páramo to the fields just below. There is no exact figure of the number of people living in or directly using páramo, but the number has been estimated at 500,000. The total number of inhabitants of parishes^[2] that include páramo, and therefore can be considered as the population living close to the biome, is around four million (2010 Census) or a quarter of the national

population. Given that páramo forms the headwater of nearly all major national watersheds (both draining to the Amazon and the Pacific), is used for drinking water of all Andean cities and for the generation of all hydropower for the country, almost the entire Ecuadorian population benefits indirectly from páramos.

Threats to páramo

5. *Agriculture and grazing:* Despite its enormous ecologic, economic and social importance, the páramo biome is under increasing threat. The growing rural population in the Andes, in combination with degradation of land downslope due to poor land use practices, has pushed the agricultural frontier upslope. This has led to the transformation of large areas of páramo to agricultural fields and sown grasslands. The páramo's natural grassland is widely used for cattle grazing, frequently in combination with prescribed fire to remove the thick tussock grass layer and provide fresh regrowth for cattle. These agricultural activities (crop cultivation and cattle grazing, both extensive and intensive, in combination with fire) are associated with the loss of vegetation cover, lower biodiversity, compaction of soils and loss of hydrological properties. It is estimated that a third of the original páramo cover has already been lost and at least half of the remaining area is affected by different kinds of land use, specifically animal husbandry. In the most transformed parts of páramo, large areas are degraded and the Ministry of Environment of Ecuador (MAATE) estimates that there are almost 60,000 hectares that require urgent restoration of ecological functioning.
6. *Infrastructure:* Many economic development projects have been implemented in páramo, with associated infrastructure and potential social conflicts. Because of the high quantity and quality of water resources, large water infrastructure projects have been implemented in páramo, including in protected areas. For instance, 90% of drinking water of the major Andean cities including Quito, Cuenca, Ibarra and Riobamba is taken from páramos and this requires large reservoirs, pipelines and pumping stations. Also, 70% of Ecuador's electricity is generated by hydropower plants that use páramo water. While most reservoirs are below the actual páramo, some are within the ecosystems and additional infrastructure (transmission lines, access roads) have directly affected páramo ecosystems. Because drinking water and hydropower is considered for general public benefit, there is generally a broad social rationale for these investments. However, locally, particularly in the case of poor development practices, there can be critical negative environmental impacts and social conflicts.
7. *Mining:* More controversial than water infrastructure, is the exploitation of minerals. More than 113,000 hectares of páramo (7.5% of all páramos are included in mining concessions, particularly in the Southern Andes. Multiple (national and international) investments are underway to exploit copper and gold. Metal mining is prominently included in national economic policy but is considered to provide little benefit for the local population. This has led to strong social conflicts, particularly with indigenous peoples and local communities, who feel excluded from policy decisions and economic benefit while worried about environmental pollution and consequences for health. Currently, the national debate about mining in environmental sensitive areas, including páramo, is probably the greatest socio-environmental issue in Ecuador.
8. *The underlying reasons* for the conflicts around economic development projects are governance challenges, because páramo communities do not feel engaged with the decision-making process of national government. These reflect a tension between national economic interest and local social and environmental interest. Also, there is a lack of knowledge about the actual impact of water or mining infrastructure and therefore, impact studies are incomplete or incorrect. Finally, there is a lack of policy coherence: on the one hand Ecuador has

declared páramo as fragile ecosystems where extractive activities should not be allowed but at the same time, the State has the constitutional right to hand out mining concessions in fragile ecosystems, communal ground and even in protected areas when this is considered to be of national interest.

9. Being situated in tropical high mountains, the effects of climate change in páramo are stronger than at other altitudes and latitudes. Climate monitoring has shown that the increase of average temperatures and the variations or precipitation are higher than at sea level. Because of the complex interaction of temperature variation, cloud-cover and air-mass movements in the mountain landscape, scenarios of climate change are particularly uncertain for páramo. The most likely future scenario for páramos in Ecuador is that there is no single tendency of areas becoming wetter or drier, or experiencing more extreme temperatures. Rather, any part of páramo can have some years that are drier and others, that are wetter than normal. The same counts for temperature; while average temperature increased everywhere, the extremes (both high and low) show a highly uncertain and variable pattern.
10. Climate change acts as a threat multiplier: it exacerbates the effects of other pressures on the landscape such as land-use change, unsustainable farming practices and poorly planned development projects (roads, hydropower plants, mining). Poor farmer communities, mostly indigenous peoples, who depend on páramo ecosystems for their livelihoods and culture, are particularly vulnerable to the impacts of these changes because they lack knowledge and means to sustainably use the benefits and services páramo provide (provision of materials, water regulation, tourism, etc.).

Current status of páramo (business as usual scenario)

11. In recent years, there has been a growing awareness of the importance of páramo ecosystems and their critical role in climate action and biodiversity conservation. Several projects, financed with national public funds and with funds from bilateral and multilateral agencies, including GEF, have generated knowledge on the functioning of páramo, developed public awareness, empowered páramo communities and developed examples of good land use practices and pilots for sustainable management approaches. Also, thanks to positive action from public agencies now, more than two-thirds of all national páramos area is included in public protected areas and other conservation mechanisms such as water protection areas,^{[3]⁶} conservation and sustainable use areas^{[4]⁷} and Socio Bosque^{[5]⁸} private reserves. In several parts of Ecuador, including Quito, Cuenca, Loja and the Tungurahua and Napo provinces, endowment funds have been established that channel public funding to watershed conservation, targeting páramo. Finally, because the highly organic páramo soils holds enormous carbon stocks, conservation of the páramos has been explored as a climate change mitigation strategy.

12. Despite considerable progress in good páramo stewardship capacities, páramo continues to be under serious threat. Many protected areas have management challenges and suffer from encroaching agriculture and associated fires, uncontrolled tourism, and poaching. This is particularly the case in the areas outside the national protected areas system, among others because the other conservation mechanisms still have incomplete
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regulation, no management plans and lack control mechanisms. Therefore, even though there are large areas included in different conservation mechanisms, overall management effectiveness and capacity is low and under a business-as-usual scenario, most protected areas are in practice, unprotected.

13. While land-use practices and spatial planning approaches are available for the sustainable management of páramo, they are not widely applied because of the lack of capacity, space, or investment. Indigenous Peoples and Local Communities (IPLC) still have little access to information, technical or financial means to apply sustainable practices. Also, spatial planning of agriculture is poorly regulated and executed and hardly enforced. There are few economic incentives for farmers to apply sustainable management or markets for sustainable produce. Traditional knowledge among IPLC has proven to be apt for the sustainable management of Andean agroecosystems but generally not applicable to the highest-most areas, degraded areas and in the current context of climate change. Finally, the vulnerable overall economic situation of the country has made Ecuador a major emigration country. National (rural-urban) and international (to Europe or North America) emigration is frequent among the marginalized rural areas such as páramo, and severely affected social relationships and land use systems. This may intensify or reduce the pressure on the soils of the paramos depending on economic strategies of the families in the area. Therefore, under a business-as-usual scenario, poor land use practices continue to be applied further affecting páramo and its ecosystem services. The available good land use practices will not be applied or further developed, which will not only lead to further degradation but also to increasing poverty and emigration.
14. While previous initiatives in páramo mostly targeted conservation, good land use practice and community development, very few have targeted the conflicts related to mining. Given that mining projects in páramo have polarized debates and confronted stakeholders, there is an urgent need to generate knowledge on potential impact, strengthen policies and regulations and create engagement mechanisms for stakeholders. If this is not done, mining will likely cause more environmental and social impacts, more conflicts and less overall social basis for good páramo management.
15. The effects of climate change are a major challenge for páramo and have decreased resilience of the ecosystems and human communities. The variability of temperature and precipitation has affected fauna, vegetation and soils and therefore, the capacity to generate ecosystem services. Increased temperatures have triggered further upward encroachment of agricultural production, but the unpredictability of rainfall has made agricultural management difficult and has led to crop loss, increased poverty and further ecosystem degradation. During the last decade, several initiatives have developed climate adaptation strategies for páramo communities, in part based on traditional knowledge and local experience, but these are still not widely applied because of lacking economic opportunities and technical support. Opportunities stemming from carbon mitigation, using the large carbon stocks in páramo soils, are not yet used because of the challenge of quantification and unclear regulation.
16. The **barriers** that prevent the application of effective sustainable management of the páramo biome, are:
 - Uncoordinated, limited, and discontinued application of conservation, restoration, and sustainable use practices, particularly in the uncertain context of climate change;

- Continued lack of information on many aspects of páramo: Ecuador still does not have data on páramo inhabitants, land use or changes in páramo area. There is no monitoring system that can inform planning and policies;
- Incoherent policy framework: conflicting regulations and legal gaps make páramo legislation poor and impossible to apply. Also, the poor collaboration and alignment between sectors (environment, agriculture, mining, infrastructure) constitutes a major barrier for effective management; and,
- Lack of sustained financing: public funding for incentives, strengthened markets for environmental-friendly production and available permanent funding to support pilots are needed to provide good, longer-term páramos stewardship.

Alternative scenario

17. Because of the rising overall environmental awareness and the recognition of the importance of páramo, Ecuador has increased the legal framework. Ecuador is the only country in the world that has included the importance of páramo management in its constitution (2008). The organic code for the environment (COA, 2017^[6]⁹) regulates the management of the páramos, emphasizing the conservation of natural páramo areas and the sustainable management of intervened páramo areas. Ecuador has also developed a national biodiversity strategy and a climate adaptation strategy that also refer to páramo conservation. Finally, Ecuador's Nationally Determined Contribution (NDC) to the Paris Agreement (UNFCCC) mention the conservation of páramos as both mitigation and adaptation strategy. Although these are important regulations, they cannot be implemented without an effective and coherent policy framework.
18. Recognizing the importance of the páramo and the ongoing challenges, in 2021 the National Assembly of Ecuador requested MAATE to build a *National Action Plan (PAN, for its Spanish Acronym) for conservation, restoration and sustainable use of the páramos*. The PAN was developed in 2022-2023 in a participatory manner, in coordination with other public and private entities, IPLC, universities and non-governmental organizations. The PAN, formally launched in September 2023^[7]¹⁰, constitutes the public policy for the conservation and sustainable management of a strategic ecosystem, and is the first of its kind in the country. The action plan is an instrument that seeks to respond to the needs expressed by the main actors involved in its management and that aims to contribute to reversing the environmental degradation of the páramos, as well as the loss of biodiversity and natural capital that sustains the populations settled in them. The PAN provides guidelines and indicates conservation tools to identify, study, generate and implement conservation strategies and mechanisms aimed at combating, mitigating, and curbing the different threats faced by the Ecuadorian páramo through sustainable alternative practices that provide benefits and well-being to local populations. The PAN has seven components:
 - Conservation of páramo ecosystems, their water sources and environmental services;
 - Restoration of the high Andean landscape;

- Sustainable use of páramo, its water sources and areas of influence;
- Research, participatory monitoring and knowledge exchange;
- Governance and governability of páramo;
- Financial sustainability; and,
- Environmental and water education, communication, and training.

19. The present project (Acción Páramos) will support the implementation of the PAN by financing several key elements. Mobilizing initiatives from different stakeholders that contribute to PAN's goals, the project will increase conservation areas and management effectiveness of protected areas and it will apply landscape restoration activities and strengthen sustainable use of key páramo areas. To achieve this, it will strengthen an enabling environment by improving governance and policy coherence, generate knowledge and establish nation-wide monitoring of páramo to inform its management and create sustainable financing for its conservation and the wellbeing of its inhabitants. Being closely connected to the PAN, the current project targets the main drivers and barriers to páramo conservation in Ecuador. Also, this alignment with national policies guarantees ownership and sustainability of the project activities.

20. The project will generate **global environmental benefits**, specifically the conservation of a singular biodiversity in tropical, wet, high, mountain ecosystems. Conserving páramo implies safeguarding a wealth of plant and animal species that cannot be found anywhere else. Páramo is the most species-rich high mountain (above permanent tree line) biome in the world and it has a very high degree of endemism; an estimated 60% of plant species only occur in páramo. It is home to emblematic fauna such as the Andean condor (*Vultur gryphus*; near threatened), Andean bear (*Tremarctos ornatus*; vulnerable), puma (*Felis concolor*), and mountain tapir (*Tapirus pinchaque*; endangered). The Ecuadorian páramos is home to 110 bird species, 75 mammals (20 endemics to the country) and 56 amphibians (45 endemic). Other Global Environmental Benefits is the regulation of the sources of international waters, including a part of the Amazon basin, and climate regulation and adaptation benefits.

Stakeholders

21. Being considered a socio-ecosystem that is important for biodiversity, climate regulation, water resources as well as socio-economic development, the páramo has a broad group of key stakeholders who will be engaged in project implementation:

Civil Society

22. Indigenous Peoples and local communities: Most of the páramo area in Ecuador is inhabited by Indigenous Peoples and local communities (IPLC). Most are of Quichua nationality, but different ethnic groups exist

(Cañari, Chibuleo, Kayambi, etc.). In addition, mestizo^[8]^[11] local communities are present mostly in the far north (Carchi, Sucumbios, Pichincha) and South (Carchi, Loja provinces). These IPLC will be the main beneficiaries of the project and will be engaged in all field-based activities to promote conservation, sustainable use, and restoration. Ensuring a decentralized approach, IPLC will also be engaged in the multi-stakeholder roundtables and benefit from financial incentives (accommodations will be made to ensure incentives are distributed equitably). Particularly with civil society, there will be particular attention to gender equity and social inclusion (GESI). A stakeholder engagement strategy and gender action plan will be developed during the PPG to ensure fair, active, and equitable participation of stakeholders, promoting, and empowering traditionally disadvantaged groups (women, youth, elder, indigenous groups).

23. Private land owners: Several larger extensions of páramo are owned by private landowners, many of them absent (living in cities and managing their property through contracted land managers). These landowners will be engaged in the project along with IPLC in local coordination platforms and may be targeted for conservation and restoration activities. Specific incentives for conservation and sustainable use will benefit this group of land users.
24. Wider (rural and urban) population: Because páramo ecosystem services are fundamentally important for practically the entire Ecuador population and because a broad social basis is needed for páramo conservation, the wider rural and urban population needs to be targeted by communication and education programs to generate awareness on páramo and its wise management.

Governmental agencies

25. The Ministry of Environment, Water and Ecological Transformation (MAATE^[9]^[12]): The environmental authority of Ecuador, responsible for the regulation of natural ecosystem management and conservation and the GEF technical focal point. In the project, MAATE is the National Responsible Entity, co-financier, and member of the Project Steering Committee. It will oversee all activities, including coordination with other governmental agencies. MAATE will benefit from the project through capacity building activities and improvement of management effectiveness of SNAP and other conservation areas. Also, the MAATE will ensure application of páramo information and monitoring systems. MAATE will also contribute to the project objectives through a series of initiatives including the Socio Bosque programme,^[10]^[13] the national landscape restoration project (PNRP), and Amazonia Sin Fuego. Also, MAATE oversees projects funded by international cooperation (GEF, KfW, GIZ, EU, COSUDE, etc.) that are aligned with the Acción Páramos project.
26. The Ministry of Agriculture (MAG^[11]^[14]): MAG promotes and regulates agricultural production and is therefore a key agency to support sustainable use in páramo. By law (COA), MAG is charged with the management plans

of páramo areas that are used for agriculture, following regulations by MAATE. MAG will be engaged in the multistakeholder platforms and decentralized offices will be involved in sustainable use practices.

27. The Ministry of Education^{[12]¹⁵}: Together with MAATE, the Ministry of Education is the authority of formal environmental education in Ecuador. The project will support the programme on páramo communication and education which is implemented by this Ministry and MAATE.
28. The Ministry of Mining and Energy: This ministry is responsible for the development and control of mining activity in Ecuador. Given the already existing and potentially more future social-environmental conflicts around mining in páramo areas, MAATE will convene this ministry to join the work of Acción Páramos, particularly related to Component 1 (in areas in Southern Ecuador with existing debate on mining) and Component 2 (policy coherence).
29. The Ministry of Tourism: Tourism is widely recognized as having a good potential to create sustainable alternative use of páramo. This ministry has been engaged with the development of the PAN Páramos and it will be engaged in Acción Páramos to advise on areas and strategies to promote sustainable tourism in páramo areas (Component 1).
30. Local governments (provinces, municipalities, parishes): As key agencies in the management of páramo, they are responsible, among others, for land planning, water management and direct support for to communities. Also increasingly, there are conservation areas declared by local governments. These agencies will be involved in the establishment and strengthening of conservation areas and restoration activities. They will coordinate through engagement in multi-stakeholder platforms.

Technical cooperation and NGOs

31. Conservation International-Ecuador^{[13]¹⁶}: A leading international NGO supporting nature conservation in the country, CI-Ecuador has a strong track record in managing national and subnational projects in different ecosystems, including páramo. It managed to mobilize multilateral (including GEF), bilateral and private sector funding to Ecuadorian nature conservation and is a stable partner of MAATE. CI will be the co-executing agency for this project, together with MAATE. CI-Ecuador will ensure the timely and effective execution of the project activities and manage grants and contracts with third parties.

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32. Several international agencies, including Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ[14]¹⁷), The Nature Conservancy (TNC[15]¹⁸), Consortium for the Sustainable Development of the Andean Ecoregion (CONDESAN[16]¹⁹), and the Food and Agriculture Organization of the United Nations (FAO[17]²⁰): Many of these agencies are implementing conservation and sustainable development projects in the high Andes of Ecuador, several of which are contributing to the outcomes of the current project. These organizations will not only support the project through providing co-financing but will also collaborate with technical expertise in multi-stakeholder platforms. FAO and CONDESAN execute important GEF projects in the high mountain regions that complement the Acción Páramos project. CONDESAN has also been the co-executing agency of previous (international) GEF projects targeting páramo conservation and the project profits from its expertise (GEF ID 1981 and 4750). TNC supports the Latin American alliance for water funds[18]²¹ and the Ecuador multi-stakeholder alliance for water security (Alianza para la Seguridad Hídrica).
33. National NGOs: There is a healthy network of national non-governmental organizations (NGO) in Ecuador, several of which have a long track record in páramo research, hands-on conservation and restoration work and supporting local governments and planning. The ECOPAR corporation[19]²² is one of the most experienced organization and has more than two decades experience in most páramo areas of the country. Possibly together with other local NGOs, ECOPAR will be engaged in the project (as subcontractor) to ensure capacity building and guiding implementation of conservation, restoration, and sustainable use initiatives with local communities.
34. Research entities: The project will fulfill the need for knowledge generation to support páramo management, thus it will engage research agencies to do targeted research (including biodiversity, water and carbon dynamics), generate data, develop environmental and social maps and establish a monitoring system. The Biosphere Institute of the Universidad San Francisco de Quito,[20]²³ has a broad research agenda in páramo and developed the knowledge and monitoring component of the PAN, will lead these activities in the project together with the Information Directorate of the MAATE (DIAA), convening a network of páramo researchers and research institutions.

Environmental funds

35. Environmental endowment funds: Ecuador is a pioneer in the establishment of environmental (endowment) funds targeting hydrologic ecosystem services. All are public-private enterprises, set up by a municipality or a provincial government with support from technical cooperation agencies. All target páramo ecosystems, being the main water regulating biome. Funds originate from public water use plus seed funding from bilateral donors
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and private sector. Currently, a group of environmental funds from Quito,[\[21\]²⁴](#) Cuenca,[\[22\]²⁵](#) Tungurahua,[\[23\]²⁶](#) Napo[\[24\]²⁷](#) and occasionally Loja[\[25\]²⁸](#), collaborate in a community of practice to share experiences and increase effectiveness. The project will engage directly with the Environmental Trust Fund for the Protection of Water (FONAG) who will co-fund conservation, restoration and sustainable use practices in the páramos around Quito. It will also engage with other environmental funds that are targeting páramos, particularly FONAPA (Water Fund for the Conservation of the Paute River Basin, Cuenca) and the emerging funds in Imbabura and Carchi. FONAG will support the Acción Páramos project to share its experience with the other funds in project influence areas and support the identification of differentiated financial mechanisms and tools for páramo conservation (climate funding, private sector investments, etc.).

36. The Environmental and Sustainable Investment Fund (FIAS[\[26\]²⁹](#)): FIAS is a private entity, with its own legal status, non-profit, governed and subject to the provisions of the Ecuadorian Civil Code. Its objective is to support the financing for environmental management, through the implementation of strategies and financial mechanisms for the protection, conservation, and improvement of natural resources, in accordance with the priorities and environmental policies of sustainable development of the country established by the governing authority, the MAATE. FIAS manages two funds that are relevant to the project: the protected areas fund (FAP) supports protected areas management, including the ones that include páramo. Also, FIAS administrated funds from different donors to support, eg the Socio Bosque programme. The páramo subaccount, in part funded by Produbanco, is managed by FIAS. FIAS funds dedicated to páramo are cofinance for Acción Páramos and also, FIAS will contribute with its technical expertise to support financial sustainability of páramo management.

Private Sector

37. There is an increasing interest and contribution of private sector companies in páramo conservation and management. On the one hand, this has been a result of their direct dependence on water from páramo ecosystems (e.g. water bottling company Tesalia and the national beer company have invested in FONAG) or social corporative responsibility (e.g. Produbanco support to the Socio Bosque program). On the other hand, there are companies interested in reducing their carbon footprint or investing in páramo for climate mitigation, anticipating the developing Law for Zero Carbon in Ecuador (promoting private sector investment). In the current project, Produbanco has already announced cofinancing through continued (and potentially increased) funding to the páramo subaccount of Socio Bosque. The project will contact other companies to follow this example and support different financial mechanisms for páramo conservation based on water or carbon ecosystem services.

Additionality

38. The Acción Páramos project will be additional to current investments to support páramo and will ensure alignment of ongoing and new initiatives.

Two important past regional initiatives funded by GEF, implemented by United Nations Environment Programme (UNEP) and co-executed by MAATE and CONDESAN, have contributed to the recognition of the environmental and socioeconomic importance of páramo and has generated knowledge and practical experience for its conservation. These are 'Conservation of the Biodiversity of the Paramo in the Northern and Central Andes (GEF ID 1981) and 'Multiplying environmental and carbon benefits in high Andean ecosystems' (GEF ID 4750). Lessons from these projects will be included in the current project and activities will build on previous progress towards páramo conservation at local level.

39. Currently, there are three GEF projects under implementation that cover páramos:

- Conservation and sustainable use of biodiversity within the sustainable use areas of the state subsystem of protected areas (SEAP) of Ecuador and its buffer zones (GEF ID 10296, implemented by FAO, co-executed by MAATE and CONDESAN): This project targets strengthened Protected Area governance and local territorial governance and promotes alternative livelihoods to reduce pressure on ecosystem services in the Cayambe Coca and Sangay National Parks. This project contributes partly to the first outcome 2.1 of the proposed project, particularly to improve management effectiveness. Therefore, Acción Páramos will focus conservation activities mostly on areas outside the national protected areas system. The SEAP activities related to sustainable livelihoods contribute to outcome 1.3 of Acción Páramos and the project will ensure to exchange experiences and lessons on livelihood activities with SEAP and apply these in other geographic areas.
- LDN target-setting and restoration of degraded landscapes in Western Andes and coastal areas (GEF ID 10296, implemented by FAO, co-executed by MAATE and CONDESAN): LDN is a GEF full-sized project under land degradation, with the objective to prevent, reduce and reverse land degradation processes to promote the sustainable development of rural communities, ensuring the provision of key ecosystem services and food sovereignty, within the framework of national efforts to achieve land degradation neutrality in Ecuador. This project has a strong focus on sustainable land management and sustainable forest management to avoid degradation, to be applied in the Central Andes of Ecuador (Imbabura, Pichincha, Chimborazo, Tungurahua and Bolivar provinces). These activities of the LDN project contribute to outcomes 1.2 (restoration) and 1.3 (sustainable use) of the proposed project. Therefore, Acción Páramos will ensure to exchange experiences and lessons learned with LDN and apply these in other geographic areas. The LDN project will also set up a national monitoring system of LDN indicators. That system can be integrated and complemented with the páramo information system (Outcome 4.1).
- The binational Integrated Management of Water Resources (IMWR) of the Mira, Mataje and Carchi-Guáitara, Colombia – Ecuador Binational Basins (GEF ID 9566): IMWR is an International Waters project, implemented by UNDP. It targets integrated water resources management in two transboundary basins that include the northernmost

páramos in Ecuador. The project targets identification of water management issues and water resources planning and capacity building to local governments and rural communities. The Acción Páramos project will build on this water management and planning experience to be applied to conservation (Outcome 1.1) and sustainable use (outcome 1.3) goals. Also, Acción Páramos will complement the IMWR project by strengthening conservation of páramo conservation areas in the highest parts of both watersheds.

40. *There are also several other initiatives aligned with Acción Páramos:*

- **KfW - Biodiversity and water resources project:** This US \$16 million investment project will be implemented between 2024 and 2028 with the goal to strengthen participatory mechanisms for the effective conservation of biodiversity-rich mountain ecosystems, which provide ecosystem services to the local population. It is implemented in national protected areas (PANE), protected forests (bosques protectores) and Water Protection Area (Area de protección hídrica, APH), in Carchi, Pichincha, Tungurahua and Chimborazo. This is an investment project, and will greatly complement Acción Páramos. Where Acción Páramos will develop studies, tools and proposals, the KfW project will deploy investments in its areas of action, which partially overlap with Acción Páramos landscapes.
- **GIZ - Mountain Conservation Programme:** This technical programme is commissioned by the German Federal Ministry of Economic Cooperation and Development (BMZ). The main counterpart is MAATE and it is implemented by GIZ, supported by CONDESAN-EcoConsult. The programme aims to improve the restoration of mountain ecosystems impacted by climate change. The target group is the rural population of the Andean mountain ecosystems of Ecuador, primarily indigenous and mestizo small-scale farmers who organize themselves in associations and practice sustainable agriculture and livestock activities. The programme's intervention areas are Bolívar, Cañar, Cotopaxi, Chimborazo and Tungurahua. The Mountain Conservation Programme has a strong focus on landscape restoration and social development, aiming at increasing rural livelihoods, strengthening planning instruments, and supporting the implementation of the Ecuadorian Nationally Determined Contribution (NDC). It will conclude in 2024 with a new phase to be negotiated at the beginning of 2024. The present project proposal will consolidate initiatives of the Mountain Conservation Programme such as the Community of Practice - CoP named Minga de la Montaña and guidelines for highland restoration. Also, the next stage of the GIZ initiatives can build on groundwork done by the present GEF proposal.
- **EU-FAO - Paisajes Andinos:** promoting integrated landscape management for the promotion of sustainable livelihoods in the Ecuadorian Andes. This project, under implementation until October 2025, aims at promoting the conservation of ecosystem services, sustainable livelihoods, and climate change mitigation and adaptation in the provinces of Imbabura, Pichincha, Cotopaxi and Bolívar through the Integrated Landscape Management approach. It supports improved governance instruments, national and local policies for sustainable land management. It also aims at a greater use of land conservation, restoration, and sustainable management mechanisms in productive forest landscapes. And finally, supports increasing productivity in sustainable value chains through rural, market and financial extension services. The Paisajes Andinos project contributes to Acción Páramos with its expertise on conservation and sustainable use practices that can be applied to other intervention areas with GEF funding.
- **FONAG (the Quito water fund):** It is a key actor for conservation and restoration of high mountain ecosystems around Quito but it is also one of the leading agencies with expertise in páramo management and research. It

manages its own páramo reserves but also supports conservation and restoration of páramo áreas of SNAP, as well as communal and private areas. FONAG has established the first APH (Ponce Palugillo) which is the only APH now formally included in SNAP. It has engaged private sector in páramo management and explored methods of valuing soil carbon conservation as a profitable mitigation measure. Also, FONAG manages a high-country research station that contributes to knowledge on páramo functioning and conservation.

- **Amazonia Sin Fuego:** This program, funded in part by the Italo-Ecuadorian Development Fund through FIAS, aims at strengthening the technical and institutional capacities of MAATE to mitigate the incidence of ecosystem fires in the mountains and coastal areas of Ecuador. This work is done through the implementation of integrated fire management actions that contribute to the protection of the environment and improve the living conditions of the communities by promoting good land use practices. It focuses mostly on the high part of the watershed, including páramos in Azuay and Chimborazo.
- **Proyecto Nacional de Restauración de Paisajes (PNRP):** PNRP is the management unit of MAATE that is responsible for the implementation of the national forest restoration plan. Recently, it has developed guidelines for restoration of high Andean landscapes, that include páramo. During the following years, the PNRP will implement the guidelines for high Andean landscape restoration in practice, and the project will support the actual implementation with tools, mechanisms, and pilot actions.
- **MAATE's Education Directorate (DEIAH):** DEIAH manages a training program for facilitators of educational processes in favor of the conservation and sustainability of the páramos. It aims at strengthening knowledge and capacities in methodologies and pedagogical tools to guarantee significant learning in the development of environmental education processes for the conservation and sustainable development of the páramos directed to the watershed committees. It is implemented in the páramos of Carchi, Esmeraldas, Imbabura, Sucumbios and Tungurahua. Acción Páramos will use the lessons from this training programme and strengthen its implementation, together with the Ministry of Education.

[1] Reference source: Hofstede, R., Mena-Vásquez, P. y Suárez Robalino, E. (Eds.) (2023). Los páramos del Ecuador: Pasado, presente y futuro. USFQ PRESS.

[2] Parish is the third-level (local) administrative division in Ecuador.

[3] A relatively new conservation model, declared by the Ministry of Environment, Water and Ecological Transition, targeting the conservation of water resources. They can be private land, state land or communal land, They are expected to become part of the national protected areas system. but in practice, this is not yet the case for most.

[4] A landscape management model, covering both natural and agricultural areas, targeting sustainable use and declared by local governments.

[5] Public incentive for private and communal land owners to compensate for conservation.

[6] https://www.ambiente.gob.ec/wp-content/uploads/downloads/2018/01/CODIGO_ORGANICO_AMBIENTE.pdf

[7] Ministerial Decree 100/2023; <https://www.ambiente.gob.ec/ecuador-ya-cuenta-con-su-plan-de-accion-nacional-para-la-conservacion-restauracion-y-uso-sostenible-de-los-paramos/>

[8] Peoples of Spanish and indigenous descent.

[9] <https://www.ambiente.gob.ec/>

[10] <https://sociobosque.ambiente.gob.ec/>

[11] <https://www.agricultura.gob.ec/>

[12] <https://educacion.gob.ec/>

[13] <https://www.conservation.org/ecuador>

- [14] <https://www.giz.de/en/worldwide/28451.html>
- [15] <https://www.nature.org/en-us/about-us/where-we-work/latin-america/ecuador/>
- [16] www.condesan.org
- [17] <https://www.fao.org/ecuador/es/>
- [18] <https://www.fondosdeagua.org/es/>
- [19] <http://www.ecopar.org.ec/>
- [20] <https://www.usfq.edu.ec/es/institutos-de-investigacion/instituto-biosfera>
- [21] FONAG; <https://www.fonag.org.ec/web/>
- [22] FONAPA <https://www.etapa.net.ec/gestion-ambiental/desarrollo-sustentable/fonapa/>
- [23] FonParTun <https://fondodeaguatungurahua.ec/>
- [24] FODESNA
- [25] FORAGUA
- [26] <https://fias.org.ec>

B. PROJECT DESCRIPTION

Project description

This section asks for a theory of change as part of a joined-up description of the project as a whole. 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 PIF guidance document. (Approximately 3-5 pages) see guidance here

Project Description

- 41. The project aims at improving conservation, restoration, and sustainable use of the páramos. This will be achieved by supporting an enabling environment of knowledge and monitoring, governance, and financing for the actual implementation of best practices. The Theory of Change (TOC) that underlies the project logic can be summarized as: IF social and environmental knowledge about páramo is generated and included in publicly available information and monitoring system AND IF inclusive páramo governance is strengthened, supported by a coherent policy framework AND IF there is sufficient, long-term funding available, THEN a positive enabling environment to effectively promote the conservation, restoration and sustainable use of the páramo biome in Ecuador will be created. IF ALSO good tools and practices for páramo conservation, restoration and sustainable use are applied effectively and coherently to different páramo areas, AND the enabling environment is effectively created, THEN the country has the necessary (personal and institutional) capacities for effective and**

sustained, wise páramo management of all key areas in the country to guarantee the generation of its ecosystem services and improve livelihoods for its inhabitants.

42. To apply this ToC, the project developed two major pathways:

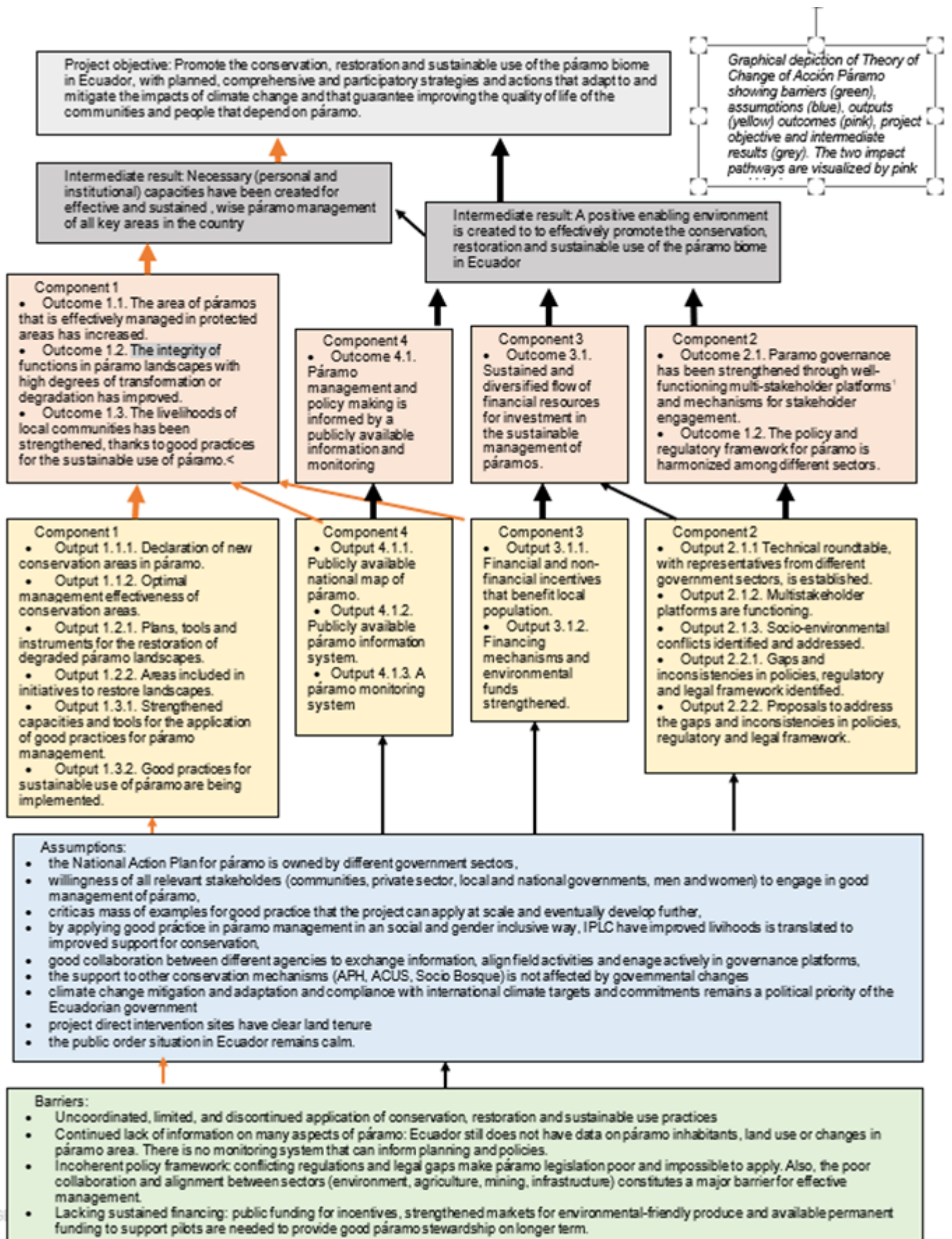
- **Effective application at scale of good practice in conservation, restoration and sustainable use. The project will use proven tools and approaches to páramo conservation and management and apply this to specific areas in the country, but in a combined manner (conservation, sustainable use and restoration in the same landscape), complementary to and coordinated way with other initiatives that target páramo and managed by the main páramo stakeholders. Together, this will create the necessary (personal and institutional) capacities for effective and sustained, wise páramo management of all key areas in the country (orange arrows in graphic depiction of ToC).**
- **Creating an enabling environment for páramo management. To support long-term, sustained, effective páramo management, an enabling environment needs to be strengthened for governance, finance, and knowledge. The project will support this by targeted actions such as analysis, studies, development of roundtables, information systems and the development of plans to create the enabling environment of knowledge, sustained finance, and inclusive governance (black arrows in graphic depiction of ToC).**

43. This Theory of Change assumes that:

- **the National Action Plan for the páramos is owned by different government sectors;**
- **there is willingness of all relevant stakeholders (communities, private sector, local and national governments, men and women) to engage in good management of the páramos;**
- **there is a critical mass of examples for good practice in conservation, restoration and sustainable use practices, existing and under development, that the project can apply at scale and eventually develop further;**
- **by applying good practice in páramo management in a social- and gender-inclusive way, IPLC will have improved livelihoods and this will improve support for conservation;**
- **there is a good collaboration between different agencies (public and private) to exchange information, align field activities and engage actively in governance platforms;**
- **the support to other conservation mechanisms (APH, ACUS, Socio Bosque) is not affected by governmental changes;**

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- **climate change mitigation and adaptation and compliance with international climate targets and commitments remains a political priority of the Ecuadorian government;**
 - **project direct intervention sites have clear land tenure; and,**
 - **the public order situation in Ecuador remains calm.**

44. This theory of change considers the main barriers to effective páramo management: the lack of up-to-date social and environmental information to inform decision-making and monitoring, the lack of sustained, longer-term financial resources and incentives, an incoherent legal and regulative framework, and insufficient possibilities of different stakeholders, particularly IPLC to engage in decision-making of páramo. The ToC also targets to overcome the barriers to the actual application at scale of tools and best practices for páramo conservation, restoration, and sustainable use. This will be done by convening and coordinating ongoing initiatives that promote these tools at local scale, exchange experiences and apply lessons learned in complementary areas.



45. The Acción Páramos project forms the implementation of the main elements of the National Action Plan for the páramos (PAN) and its components are fully aligned to the PAN. Because it is supported by a ministerial decree, the PAN has a national approach, 10-year targets for all strategic areas and calls for action from all sectors, the PAN is an ideal replication, scaling and sustainability strategy for the project results.
46. The project objective is to promote the conservation, restoration, and sustainable use of the páramo biome in Ecuador and its water resources, biological diversity and ecosystem services, with strategies and actions that guarantee improving the quality of life of the communities and people that depend on páramo. This will be achieved by the generation of eight project outcomes, through activities arranged in five project components.

Component 1: Conservation, restoration, and sustainable use

47. The first component constitutes the central work package of the project, where impact on the ground will be generated by improving conservation of páramo areas that are important for biodiversity conservation and water resources conservation, restoration of degraded areas and sustainable use of páramo.
- 48 *Conservation.* Acción Páramos will increase the area of páramo that is effectively managed in protected areas of the national protected areas system (SNAP) as well as other forms of conservation. The project will establish new areas (particularly APH and Socio Bosque areas) and increase effective management strategies for APH, ACUS, Socio Bosque and SNAP. With GEF funding, these activities will cover two areas with a cluster of different conservation modalities (public protected areas, APH, Municipal conservation areas, ACUS, Socio Bosque): the West of Azuay, and the East of the Carchi/Imbabura provinces. The other conservation mechanisms (APH, ACUS, Socio Bosque, municipal reserves) are normally in inhabited areas and conserve a landscape of natural and sustainable use areas. They have proven to be specifically apt for páramo conservation because of their importance for water use and because most páramo areas are outside the public protected areas and are inhabited. Acción Páramos is aligned with other efforts by MAATE and cooperation partners that support management effectiveness in the SNAP and it will apply this experience and lesson learned from participatory management to these other mechanisms. The expansion of areas and the improved management effectiveness will be done in close coordination and full engagement of local stakeholders, to ensure local acceptance and the generation of benefits for men and women in these areas.
49. *Restoration.* The project will apply the guidelines for the restoration of high Andean landscapes, that was developed in 2023 by MAATE's National Project for Landscape Restoration (PNRP, for its Spanish acronym). The project will translate these guidelines into actual plans, practical tools and instruments for the restoration of degraded páramo landscapes. These will be applied, in close coordination with PRNP and local governmental agencies and active engagement of local communities, in selected degraded páramo areas. The integrated approach of landscape restoration (restoring the functioning of landscape level, not only targeting natural areas but also agricultural areas) ensures increased resilience of the ecosystem but also social resilience by restored diverse production areas.

50. ***Sustainable use.*** In the buffer zone of conservation and restoration areas, the project will promote sustainable land use practices. This will be led by MAATE, but engagement with the Ministry of Agriculture (MAG) will be established because, according to the Ecuadorian environmental policy, the sustainable management of páramo that is used for productive activities is the responsibility of MAG following guidelines from MAATE. These activities will build on results and lessons learned from previous and ongoing projects that different development partners (GIZ, KfW, FAO, CONDESAN etc.) have implemented through MAATE in the páramos. These projects have created a wealth of examples of good practice in agriculture and animal husbandry, agroforestry, water management, tourism, sustainable supply chains and bioeconomy, etc. A key lesson is that actual land use (agriculture, crops, intensive animal husbandry) should be limited to areas close to, but not in páramos. In páramo ecosystems, sustainable agricultural activities are limited to extensive animal husbandry, beyond this, economic activities are related to recreation and tourism, and the collection of vegetation material (fiber, wood, berries). These activities have until now mostly been applied at pilot and project level, in a scattered manner. In cooperation with the agencies with practical experience, the Acción Páramos project will apply the sustainable use practices in the selected páramos lands that are associated with conservation and restoration areas, in this same project component. Through the increased capacity of páramos land users and field practitioners of public and private agencies for the application of good practices and the actual implementation of these practices for sustainable use of páramos in areas prioritized for these activities, the project will directly contribute to the improvement of the quality of life of the inhabitants of the páramos. Care will be taken that traditionally disadvantaged groups (women, girls, indigenous peoples' groups, rural poor etc.) will be specifically targeted for these benefits. The ECOPAR Corporation, an NGO with extensive experience in hands-on local conservation and sustainable ecosystem management, will support the development and application of sustainable use practices by local communities.

Component 2 - Governance and policy coherence

51. As part of the strengthening of an enabling environment, there is a need to improve páramo governance. This has two aspects: promote stakeholder engagement in decision making and actual páramo management and improve policy coherence and the legal and regulatory framework. This component targets an important driver of ill-planned páramo management: the insufficient engagement of different stakeholders, particularly the ones that are in direct connection to páramo (IPLC) in decision-making and the perception of marginalization among these groups. Another reason is poor stakeholder engagement and a lack coordination between agencies, which has led to conflicts about issues like mining, land development projects, land tenure, water management and protected areas. Therefore, Acción Páramos will promote stakeholder coordination mechanisms, using the structure of the emerging multistakeholder coordination mechanism: the Minga de la Montaña.^{[1]³⁰} This platform can support the formation of a technical roundtable, with representatives from different government sectors, that functions to exchange information, coordinate initiatives and optimize investments. Also, it will engage civil society, particularly IPLC, in integral management of the páramo biome through creating democratic and inclusive spaces at local and subnational level to exchange information, learning and propose decision making. Finally, within the safe space created by the platforms, the project will identify and address a selection of example socio-environmental conflicts (in areas of mining, infrastructure, water management and land tenure) through mediation processes.

52. Páramo governance will also be improved by creating policy coherence and improved legal and regulatory frameworks. There is an important volume of legislation available for the good management

of the páramo biome, but many are not applied because of the lack of funding, lack of capacity for enforcement, or inconsistencies or gaps in the legislation. The legal framework includes the declaration of páramo as a fragile ecosystem in the national Constitution, the prominent inclusion in environmental, water and agricultural legislation and relevant policies such as the National Biodiversity Strategy, the Climate Adaptation strategy, and the NDC. The National Action Plan aims at connecting this legislation and policies but has identified important gaps such as the incomplete guidelines for different conservation areas, unclear responsibilities between MAG and MAATE about páramo management, unclear regulation about environmental services (including carbon markets) and incoherence related to mining and development projects. Therefore, being an instrument to implement the PAN, the project will identify and document the gaps and inconsistencies in regulatory and legal framework on páramos and proposals will be developed to address these, particularly related to socioenvironmental conflicts.

Component 3. Sustainable Finance

53. While the increased awareness about the importance of the páramos has resulted in increased public and private funding for páramo conservation and sustainable use, this funding has been mostly through (internationally funded) projects and therefore discontinuous, targeting specific issues and geographic regions. Therefore, the generated results are not profiting the entire region or population and there is a high risk of discontinued results when the project funding ends. Given that processes such as improved páramo management, improved social engagement and strengthened governance are, at the best, medium-term goals, these need sustained funding beyond individual projects. Also, to be able to cover the most urgent financing needs of the PAN, much more funding is needed than is currently available; however, several financing mechanisms and opportunities have emerged that can provide a more continued, broad, and sustained financing mechanism for the páramos. This includes environmental (water) funds and national mechanisms such as the Socio Bosque Programme, both of which have páramo conservation as an important target area. While these mechanisms have proven to be sustainable and are growing, most of them are currently benefitting from single sources (drinking water revenues for water funds or public investment for Socio Bosque) and not large enough to fulfill the large demand. Therefore, Acción Páramos will strengthen the existing mechanisms by identifying additional, sustained funds such as for the compensation of emissions or avoided emissions (private sector) or from reducing emissions by conserving soil carbon (private sector and international carbon markets). This might result in blended finance for these funds (private sector, water funds, government funding, international grants, and loans). Among others, the project will support the increase in size of the páramo subaccount of the Socio Bosque Programme, by providing seed funding for other private sector donors. Also, the project will connect the existing funding mechanisms with public sector investments. The major water fund (FONAG) and the national environmental fund (FIAS) will provide the project with their expertise to develop these mechanisms and their coordination.

54. In addition, the project will target supporting the development of incentives (financial and non-financial) for páramo land users, targeting IPLC. This will include a blend of tools, such as fiscal incentives, levies, microcredits, subsidies but also market developments and promotion, that can support the sustainable financing strategy. Therefore, the project will work with public agencies (central and local) to identify these mechanisms and tools and design strategies for its implementation. Through this broad approach, combining different financial and non-financial funding tools and mechanisms, the project aims at engaging public and private stakeholders with increased and sustained páramo financing.

Component 4 - Knowledge and monitoring

55. Even though there is a history of at least two decades during which different agencies have developed páramo conservation and sustainable use projects and research institutions have generated knowledge,

there is still an enormous gap in information to sustain and monitor páramo management. Apart from the existing map of páramo extension and its different vegetation types and conservation areas, there is no spatial data on water, soils, population, agricultural activities, infrastructure, or conservation status or degradation. Therefore, basic planning decisions as to define where to implement restoration or where to promote certain agricultural practices, cannot be made. Also, the effects of interventions in páramo are not monitored and therefore, lessons are not identified in a systematic way and adaptive management is not informed by actual data. Creating more knowledge on páramo is needed to increase capacities of páramo land users and practitioners, as well as to sustain broad communication and create a social basis for wise páramo management. The latter will be supported by and further strengthened by the programme on páramo communication and education which is implemented by MAATE and the Ministry of Education.

56. **Acción Páramos will implement the principal elements of the páramo research, monitoring, and communication components from PAN. This work will be overseen by the Biosphere Institute of the Universidad San Francisco de Quito, who developed this component for PAN, together with the Information Directorate of MAATE. The project will create a map of the páramo biome, covering ecosystems, conservation/degradation status, land use and population, etc.), which is suitable for the planning of conservation, restoration, and sustainable use activities nation-wide. A publicly available páramo information and communication system will be established with updated information. This will be connected to other (existing) national information systems (e.g. biodiversity; MAATE and INABIO, water resources; INAMHI, land use - MAG). This system will include up-to-date knowledge on the ecological, social, and economic situation and dynamics of the páramos and their areas of influence, that sustains communication campaigns to the wider audience. Based on the map and information system, a páramo monitoring system will be implemented, managed by the main public, private and community stakeholders. This system which will build on monitoring systems developed by the NDT project for land degradation, will measure indicators for conservation, restoration, degradation, sustainable use, water, and social well-being and inform overall páramo management.**

Component 5 - Project monitoring and Evaluation

57. **This project management component contributes to the project objective through ensuring efficient and effective project implementation, project oversight and monitoring to inform adaptive management and external evaluations to improve project performance and sustainability.**
58. **The project has a national approach to governance and policy coherence (Component 2), sustainable financing (Component 3) and knowledge and monitoring (Component 4). The field-level activities in Component 1 (conservation, restoration, and sustainable use) target specific key páramo areas, complementary to ongoing initiatives. Conservation activities will target water protection areas, conservation and sustainable use areas and Socio Bosque reserves. Restoration and sustainable use activities will target degraded and community areas. Specific areas will be selected in the north (East of Carchi) and south (West of Azuay) of Ecuador. In total, an estimated number of 7,700 IPLC men and women (53% women) will benefit directly from the restoration and sustainable use activities. Indirectly, all páramo population (estimated at 500,000) will benefit from improved legal framework, information, and sustained finance. Finally, all Ecuadorians will benefit indirectly from the project because they depend on water from the páramos.**

[1] <https://www.mingadelamontana.org/>

Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

If so, please describe that role here. 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

59. The project will collaborate with three GEF projects under implementation that cover páramos:

- **Conservation and sustainable use of biodiversity within the sustainable use areas of the state subsystem of protected areas (SEAP) of Ecuador and its buffer zones (GEF ID 10296):** Acción Páramos will complement this project by focusing on areas outside the national protected areas system. Also, it Acción Páramos will ensure exchanging experiences and lessons on livelihood activities with SEAP and apply these in other geographic areas.
- **LDN target-setting and restoration of degraded landscapes in Western Andes and coastal areas (GEF ID 10296):** Acción Páramos will ensure to complement the area-based activities of LDN by focusing at other geographic areas. Also, both projects will exchange experiences and lessons learned and apply these in other geographic areas. The LDN project will set up a national monitoring system of LDN indicators, which can be integrated and complemented with the páramo information system (Outcome 4.1).
- The binational IMWR project of the Mira, Mataje and Carchi-Guáitara, Colombia – Ecuador Binational Basins (GEF ID 9566) The Acción Páramos project will build on IMWR's water management and planning experience to be applied to conservation (Outcome 1.1) and sustainable use (outcome 1.3) goals. Also, Acción Páramos will complement the IMWR project by strengthening conservation of páramo conservation areas in the highest parts of both watersheds.

60. The project will also collaborate with other initiatives by bilateral development partners that target páramo conservation. It will complement the KfW - Biodiversity and water resources project: where Acción Páramos will develop studies, tools and proposals, the KfW project will deploy investments in its areas of action, which partially overlap with Acción Páramos landscapes. Also, Acción Páramos will consolidate initiatives of the GIZ Mountain Conservation Programme such as the Community of Practice - CoP named Minga de la Montaña and guidelines for **highland** restoration. The next stage of the GIZ initiatives can build on groundwork done by the present GEF proposal. The project will also coordinate its activities with the EU-FAO - Paisajes Andinos project by including its expertise on conservation and sustainable use practices that can be applied to other intervention areas with GEF funding.

61. Acción Páramos will coordinate its activities with several national (public and semi-public) initiatives. It will ensure collaboration with MAATE-led initiatives on fire management (Amazonía Sin Fuego) by promoting good land use practices in its intervention areas. Also, the project will support the implementation of guidelines for restoration of high Andean landscapes, that include páramo, developed by the National Landscape Restoration Project, and will support the actual implementation with tools, mechanisms, and pilot

actions. Acción Páramos will use the lessons from MAATE Education Directorate's training programme and strengthen its implementation, together with the Ministry of Education. Finally, it will coordinate with the Quito Water Fund (FONAG) using its frontline experience in environmental fund operations and water protection area (APH) management as well as using the data and knowledge obtained through its high-country research station.

62. Core indicator 1: The project will support the declaration of new conservation areas in the páramo landscape, outside the national protected areas system. It is estimated that the project can support the fulfillment of the Ministries' target of 250,000 hectares of water protection areas (APH), of which there still is a gap of 80,000 hectares (approximately 40,000 hectares in páramo). This includes four APH (considering the modal size of an APH is 10,000 hectares of páramo area). The project will support the definition of management models to improve management of all APH (170,000 hectares of which 40,000 ha are in páramo). Also, the project will support management effectiveness of a cluster of conservation areas in the south, including Cajas National Park (28,544 hectares), Quimsacocha recreation area (3,217 hectares), the newly established Machangara-Tomebamba Wildlife Refuge (24,958 hectares) and adjacent smaller decentralized protected areas (Mazán: 2,023 hectares and Curiquinge-Gallocantana: 1,229 hectares). Another cluster will be in the north of Ecuador, probably the Cordillera Oriental de Carchi decentralized area (20,440 hectares) plus the highest part of La Bonita-Cofanes-Chingual (53,093 ha, of which 8,229 hectares are in páramo) and extending south to the Taita Imbabura (3,717 hectares) and Pimampiro (3,600 hectares) decentralized areas. Around these clusters of SNAP protected areas of different management regimes, several associated conservation areas including APH, ACUS and Socio Bosque areas exist. All together, these areas cover approximately 180,000 hectares of conserved páramo area.
63. Core indicator 3: For restoration, the project will support the strategy development of the national restoration programme, target degraded community-owned areas adjacent to the new APH areas and protected areas targeted for conservation (see core indicator 1). It is expected that this will work with four communities, each with 100 hectares.
64. Core indicator 4: Sustainable management practices will be applied to the areas of influence of the conservation areas mentioned in core indicator 1. It is expected that the project will work with communities around the four newly established APH and the two protected area clusters. This involves two communities in each APH (8 communities) and five communities in each PA cluster (10 communities) and considering these manage an average area of 1,000 hectares, this is estimated to cover 15,000 hectares for improved management. This is the directly, positively affected area; through upscaling and knowledge exchange, much more area will benefit from the project.
65. Core indicator 11. Sustainable management practices will directly benefit the members of the 15 communities that are targeted by outcome 1.3 (see core indicator 4). With an average

of 500 members, this includes an estimated number of 7,500 people. Given that particularly in the south there has been a strong outmigration of men, there are likely more women than men (53% versus 47%) among the direct beneficiaries. Additional direct beneficiaries will be trained field practitioners and staff of municipalities and local NGO, adding up to an estimated 200 people. Indirectly, the project will benefit many more people who can learn from the scaling of best practices and others who benefit from renewed water-security and other ecosystem services.

Core Indicators

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)
180821	0	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)
40000	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)
TBD	TBD	Others	40,000.00			

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)
140821	0	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)
Cajas National Park	900789	National Park	28,544.00						
Cordillera Oriental de Carchi decentralized area	N/A		20,440.00						
Curiquire - Gallocanta area	N/A	Others	1,229.00						
Decentralized protected	N/A	Others	2,023.00						

areas Mazán									
La Bonita-Cofanes-Chingual area	555636659		53,093.00						
Machangara-Tomebamba Wildlife Refuge	N/A	Wilderness Area	24,958.00						
Pimampiro decentralized area	555759523		3,600.00						
Quimsacocha recreation area	555592945	Protected area with sustainable use of natural resources	3,217.00						
Taita Imbabura area	N/A		3,717.00						

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)
400	0	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)
Cropland				

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)

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)
Natural grass				

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)
400.00			

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)
15000	0	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)

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)
15,000.00			

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)

Documents (Document(s) that justifies the HCVF)

Title

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	4,081			
Male	3,619			
Total	7,700	0	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)

1: The project will support the declaration of new conservation areas in the páramo landscape, outside the national protected areas system. The project can support the the overall target of 250,000 hectares of water protection areas (APH), with a gap of

80,000 hectares (40,000 hectares in páramo). This includes four APH (modal size of 10,000/APH). Also, the project will support management effectiveness of a cluster of conservation areas in the south, including Around these clusters of SNAP protected areas of different management regimes, several associated conservation areas including APH, ACUS and Socio Bosque areas exist. All together, these areas cover approximately 180,000 hectares of conserved páramo area.

3: For restoration, the project will support the strategy development of the national restoration programme, target degraded community-owned areas adjacent to the new APH areas and protected areas targeted for conservation. It is expected that this will work with four communities, 100 ha each.

4: Sustainable management practices will be applied to the areas of influence of the conservation areas mentioned in core indicator 1. It is expected that the project will work with communities around the four newly established APH and the two protected area clusters. This involves two communities in each APH (8 communities) and five communities in each PA cluster (10 communities) and considering these manage an average area of 1,000 hectares, this is estimated to cover 15,000 hectares for improved management.

11. Sustainable management practices will directly benefit the members of the 15 communities that are targeted by outcome 1.3. With an average of 500 members, this includes an estimated number of 7,500 people. Given a strong outmigration of men, there are likely more women than men (53/47).

Risks to Project Preparation and Implementation

Summarize risks that might affect the project preparation and implementation phases and what are the mitigation strategies the project preparation process will undertake to address these (e.g. what alternatives may be considered during project preparation such as in terms of consultations, role and choice of counterparts, delivery mechanisms, locations in country, flexible design elements, etc.). Identify any of the risks listed below that would call in question the viability of the project during its implementation. Please describe any possible mitigation measures needed. (The risks associated with project design and Theory of Change should be described in the “Project description” section above). The risk rating should reflect the overall risk to project outcomes considering the country setting and ambition of the project. The rating scale is: High, Substantial, Moderate, Low.

Risk Categories	Rating	Comments
Climate	Moderate	The wide specter of negative consequences of climate change are already identified in the country. With regards to páramo: the increase of average temperature at high altitude tends to be higher than at sea level. Also, precipitation regimes are becoming much more irregular and unpredictable. This will affect particularly the sustainable use activities because it influences agricultural activities including the choice of crops and planning of planning and harvest. The project will carry out more in-depth climate assessments during PPG phase, and will select resilient agricultural practice solutions in response to the risks.

Environment and Social	Moderate	<p>Despite overall lack of opportunities in rural communities in the project area to enjoy alternative livelihoods based on sustainable management of natural resources, the project area is not characterized by excessive socio-environmental conflicts such as conflicts between biodiversity conservation and human activities, and the scope of the intervention is prone to soften the existing ones in view of the win-win feature of the páramo (increased livelihoods through sustainable use), which depends on good provision of ecosystem services to thrive. Nonetheless, the project will carry out a socioeconomic assessment in the intervention areas as well as develop robust stakeholder and gender action plans to minimize social and environmental issues with due regard to local communities, women, youth, and other vulnerable groups.</p>
Political and Governance	Moderate	<p>The project is backed by strong support (policy and institutional) from Ecuador's national government because it is implementing the recently launched National Action Plan for the páramos, which has been developed together with different areas of government, community, and private organizations. Also, in the two areas that are foreseen for field implementation in southern and northern areas of Ecuador, there are local government agencies that have shown proactive involvement in conservation actions (for instance, Cuenca municipality and Carchi province). Political and social instability are a more serious risk for project implementation: during the last few years Ecuador has seen at least two widely supported social</p>

		<p>unrest events that particularly involved rural (indigenous) peoples confronting government agencies. These events can affect the operations of the project and the trust between communities and government agencies. This risk will be considered during PPG and arrangements will be made to ensure commitment of both beneficiary communities and local governments to support the project independent of national policy challenges.</p>
Macro-economic		N/A
Strategies and Policies	Low	<p>The project is aligned with strategies and policies stemmed from main commitments of the country under the MEAs, including to the UNCBD, UNCCD and UNFCCC: National Biodiversity Strategy and Action Plan; Land Degradation Neutrality Target Setting National Programme; Climate Change Strategy and NDC. It is directly aligned to national policies and legislation such as the National Action Plan for the páramos, organic environmental code, and the organic law for rural lands and ancestral territories. This alignment risks related to the policy and strategy framework. There is a remaining risk because legal gaps and inconsistencies exist with other strategies and policies, particularly to mining, infrastructure and energy which might create conflicts with planning for conservation, restoration, and sustainable use. The project will mitigate this risk through its outcome 2.2, where these gaps and inconsistencies are identified and addressed.</p>
Technical design of project or program	Low	<p>There is low risk to the main governmental partner (MAATE) to push project objectives toward</p>

		<p>modified objective and goals that are not fully compatible with the project design, after governmental changes (the first one in late 2023, and later during project implementation). UNEP Environment Programme will be part of the project's Project Steering Committee to ensure that the GEF conditions of the project are met. Annual work plans and budgets will be approved by the steering committee.</p>
<p>Institutional capacity for implementation and sustainability</p>	<p>Low</p>	<p>Relatively low and reducing budgets of government agencies have resulted in limited capacities at both national (MAATE) and local (municipal) level. Local governance and inter-institutional coordination system lack clear criteria and coordination and collaboration across the sector and is still limited and/or not effective. To mitigate this, the project counts on co-execution with a well-experienced international NGO (CI) and local partners such as Ecopar and a Universidad de San Francisco de Quito (USFQ) with extensive capacity for páramo management and monitoring. Also, other agencies (GIZ, CONDESAN, FONAG, FIAS, etc.) will contribute their knowledge and experience. Moreover, for project Outcome 1, capacities will be created among government agencies and for Outcome 2 it is envisaged to create intersectoral and multilevel coordination and governance mechanisms.</p>
<p>Fiduciary: Financial Management and Procurement</p>	<p>Low</p>	<p>All agencies, including the MAATE and CI, have long-standing experience with good financial management of GEF projects. UNEP will provide oversight and supervise on these matters from the early</p>

		stages of the project inception phase. Financial audits will take place annually.
Stakeholder Engagement	Moderate	Main stakeholder groups, such as local authorities, IPLC and local NGO's have all expressed interest to engage actively in all project activities. The participatory development of the National Action Plan for páramo has ensured wide stakeholder engagement because it responds to their needs. All project outcomes are of interest to main stakeholder groups. There is some risk related to ongoing stakeholder engagement because a widely set-up project requires a wide and detailed stakeholder analysis that cannot be done during PIF development (this will be completed during the PPG). Also, tensions related to land use conflicts can cause disengagement of important groups. Finally, when the sustainable use activities will not generate the expected positive livelihood effect, communities may lose interest. To mitigate this, all benefits of Outcome 1 will target IPLC. Also, these groups will be actively involved in all other project activities. Environmental conflicts will be targeted directly through output 2.3. During PPG, the project will develop a detailed stakeholder engagement and gender action plan to ensure the participation and benefits to all stakeholders, in particular, women, girls and other disadvantaged groups, and their empowerment through project activities.
Other		N/A
Financial Risks for NGI projects		N/A
Overall Risk Rating	Moderate	

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

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

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)

66. The proposed project is aligned with the CBD's Kunming-Montreal Global Biodiversity Framework (KMGBF) and contributes to each of its four goals (enhanced ecosystem integrity, valuing nature's contribution to conservation and sustainable use, fair benefit sharing and closing the finance gap). Through its set outcomes, it contributes to eleven KMGBF targets:
- Outcome 1.1 (The area of páramo that is effectively managed in protected areas of the national protected areas system (SNAP) and other forms of conservation has increased.) contributes directly to KMGBF targets 3 and 8.
 - Outcome 1.2 (The integrity of ecological, social and cultural functions in páramo landscapes with high degrees of transformation or degradation, has improved) contributes directly to KMGBF targets 2, 8 and 11.
 - Outcome 1.3 (The livelihoods of women and men in local communities have been strengthened, thanks to the application of best practices for the sustainable use of the páramos) contributes directly to KMGBF targets 1, 8, 10 and 11.
 - Outcome 2.1 (Páramo governance has been strengthened through well-functioning multi-stakeholder platforms^{[1]³¹} and mechanisms for stakeholder engagement) contributes directly to KMGBF targets 1 and 22.
 - Outcome 2.2 (The policy and regulatory framework for páramo is harmonized among different sectors) contributes directly to KMGBF target 14.
 - Outcome 3.1 (Sustained and diversified flow of (public and private) financial resources for investment in the sustainable management of páramos, with clear means of access for people, communities and institutions) contributes directly to KMGBF target 19.
 - Outcome 4.1 (Páramo management and policy making is informed by a publicly available information and monitoring system to analyze, monitor and communicate changes in the landscape and the effects of policies and investments) contributes directly to KMGBF targets 20 and 21.
67. The GEF-8 strategy for its biodiversity focal area supports the implementation of the goals and action targets of the GBF. The project directly contributes to GEF-8's objective BD-1 (to improve conservation, sustainable use, and restoration of natural ecosystems) particularly through Project Component 1 that represents half of the project's investments and targets conservation, restoration, and sustainable use of páramo. The project applies GEF-8's management approach, that emphasizes the interdependence of meeting the objectives of protected areas, other natural resource management strategies including sustainable use and OECMs (project Outcome 1.1), and local economic development (Outcome 1.3) and depend on multi-stakeholder approaches, cross-ministry collaboration (Outcome 2.1), and sectoral policy coherence (Outcome 2.2). In addition, within these integrated approaches opportunities to restore areas to ensure the persistence of globally significant biodiversity will be

supported (Outcome 1.2). The project will also apply complementary strategies, including financial sustainability (Outcome 3.1), effective management (Outcome 1.1) and sustainable use of biodiversity (Outcome 1.3).

68. Furthermore, the project contributes to GEF-8 Objective BD3 (to increase mobilization of domestic resources for biodiversity), particularly through project Outcome 3.1 focusing on different financial and non-financial incentives for sustained financing for páramo conservation, restoration and sustainable use, which is in line with GEF-8's strategy to create enabling conditions, including baseline diagnostics, capacity, institutional arrangements, and planning required to mobilize resources at scale.
69. The project is aligned with strategies and policies stemmed from main commitments of the country under the MEAs, including to the UNCBD, UNCCD and UNFCCC: National Biodiversity Strategy and Action Plan; Land Degradation Neutrality Target Setting National Programme; Climate Change Strategy and NDC. It is directly aligned to national policies and legislation such as the National Action Plan for the páramos, organic environmental code, and the organic law for rural lands and ancestral territories. This alignment of risks is related to the policy and strategy framework. There are potential conflicts with other national policies, particularly in agriculture, mining, energy and infrastructure and these inconsistencies will be targeted by work under project Component 2.

[32] Minga de la Montaña and eventually, others.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

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

Yes

Stakeholder Engagement

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

Yes

Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities: Yes

Civil Society Organizations: Yes

Private Sector: Yes

Provide a brief summary and list of names and dates of consultations

- 70. The National Action Plan (PAN) for the páramos was constructed in a participatory manner; local communities were consulted in seven meetings during the construction phase and again, during socialization. NGOs, academies and international agencies were invited to a national workshop. During this process, the idea of a GEF project as a potential way to initiate implementation of the PAN was communicated.
- 71. During PIF development, all directions of MAATE were consulted in a workshop on 12 September. Potential partners (GIZ, CONDESAN, FAO, FONAG, Ecopar, USFQ, FIAS, KfW, CI, TNC) were consulted individually at the start of PIF development (early September) and were invited to a workshop where the main elements of PIF were presented and discussed, roles agreed and indicative cofinancing confirmed (27 September 2023).

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

Private Sector

Will there be private sector engagement in the project?

Yes

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

Yes

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

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 in the Project Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

Indicative 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 (\$)
UNEP	GET	Ecuador	Biodiversity	BD STAR Allocation: BD-1	Grant	4,416,210.00	419,540.00	4,835,750.00
Total GEF Resources (\$)						4,416,210.00	419,540.00	4,835,750.00

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

true

PPG Amount (\$)

150000

PPG Agency Fee (\$)

14250

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non- Grant	PPG(\$)	Agency Fee(\$)	Total PPG Funding(\$)
UNEP	GET	Ecuador	Biodiversity	BD STAR Allocation: BD-1	Grant	150,000.00	14,250.00	164,250.00
Total PPG Amount (\$)						150,000.00	14,250.00	164,250.00

Please provide justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
UNEP	GET	Ecuador	Biodiversity	BD STAR Allocation	5,000,000.00
Total GEF Resources					5,000,000.00

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)

BD-1-1	GET	4,416,210.00	25190068
Total Project Cost		4,416,210.00	25,190,068.00

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	MAATE	In-kind	Recurrent expenditures	3000000
Recipient Country Government	MAATE	Grant	Investment mobilized	5745000
Others	FIAS	Grant	Investment mobilized	3515945
Recipient Country Government	Programa Socio Bosque	Grant	Investment mobilized	4634123
Recipient Country Government	Proyecto Nacional de Restauración de Paisajes	Grant	Investment mobilized	965000
Private Sector	Produbanco	Grant	Investment mobilized	500000
Donor Agency	GIZ	Grant	Investment mobilized	300000
Civil Society Organization	FONAG	Grant	Investment mobilized	5000000
GEF Agency	FAO	Grant	Investment mobilized	485000
Civil Society Organization	TNC	Grant	Investment mobilized	520000
GEF Agency	CI	In-kind	Recurrent expenditures	150000
Others	USFQ	Grant	Investment mobilized	175000
Civil Society Organization	ECOPAR	Grant	Investment mobilized	150000
GEF Agency	UNEP	Grant	Investment mobilized	50000

Total Co-financing				25,190,068.00
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Describe how any "Investment Mobilized" was identified

- MAATE Recurrent expenditures: 3,000,000 (staff time, park management), Investment Mobilized: 5,000,000 investment project funded by KfW (4 M\$ Comp 1, 1 M\$ Comp 2) and 625,000 (25% of budget of Amazonia Sin Fuegos (all Component 1) + Education projects (120,000, All Component 4)
- FIAS: Fondo Areas Protegidas; investments projected in protected areas with páramo (excluded AP that are covered by SEAP project) = \$ 703,189 x 5 yr. All component 1
- Programa Socio Bosque: Funds projected to invest in páramo private and communal conservation areas (\$926,825/yr; 90% public funding, 10% additional Produbanco) All for Component 1.
- Proyecto Nacional de Restauración de Paisajes investments in Páramo restoration: Tree nursery (Nono parish; \$ 5000). Broaden ongoing restoration projects to add páramo landscape: 400 hectares in two areas in Loja province (\$ 480,000), 400 hectares in Pichincha (\$ 480,000). All component 1.
- Produbanco: projected additional funding to subaccount Paramo Socio Bosque for maintenance and operation. All Component 3.
- GIZ: Potential funding from next projected next initiative in high mountain landscape. All for component 1.
- FONAG: Funding for páramo conservation and restoration activities in Pichincha plus research and funds policy support general (to Municipalities and other Funds). 4M\$ Component 1, 500k\$ Component 3, 500k\$ component 4.
- FAO: Funds invested in páramo conservation, restoration, and sustainable use, by the EU funded Proyecto Paisajes Andinos. All Component 1.
- TNC: Support development and implementation of management plans in APH (Component 1; \$300,000), Establishment of governance mechanisms (Component 2, \$115,000), Sustainable finance model (Component 3; \$90,000), Mapping support (Component 4, \$15,000). \$520,000 total.
- CI: Support to protected areas with important páramos extension (Sangay and Llanganates) \$130,000 (Bezos Earth Fund), for component 1 and Project Management Costs. And \$20,000 co-financing from Produbanco
- USFQ: Funds for research on paramo biodiversity inventories, restoration and soil carbon quantification. \$35k/year. \$30k for Component 4, \$5k/yr for project management
- ECOPAR: Projects to support territorial planning for local governments in Northern and Central Ecuador. Restoration project and research (on conservation modalities) \$30k/yr. \$15k/yr for Component 1, \$5k/yr for Component 4, \$5k/yr for project management
- UNEP. Additional to project fee, funds for coordination with other UNEP projects and management support All budget for M&E and project management.

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	Victoria Luque	10/11/2023			victoria.luque@un.org
GEF Agency Coordinator	Robert Erath	10/11/2023		+5073053161	robert.earth@un.org
Project Coordinator	Irene Schuldt	10/10/2023		+593 23987600	

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

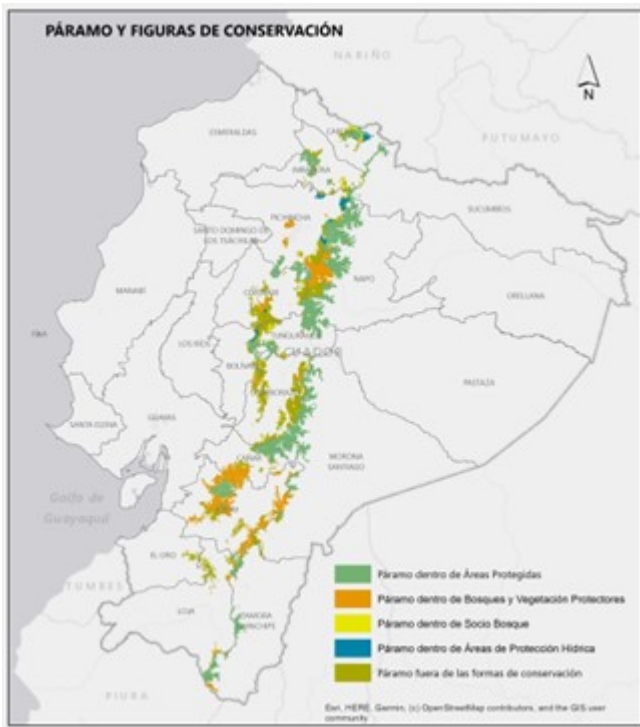
Name	Position	Ministry	Date (MM/DD/YYYY)
Irene Schuldt	Operational Focal Point, Director of International Cooperation	Ministerio de Ambiente, Agua y Transición Ecológica	10/10/2023

ANNEX C: PROJECT LOCATION

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



Map of all páramo area in Ecuador (targeted by national-level components 2, 3 and 4)



Map of páramo área included in different conservation models. The two areas indicated by circles are the clusters of conservation areas, including surrounding páramo, where the project interventions for Component 1 will take place.

ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

Title

SRIF Paramo Ecuador safeguards

ANNEX E: RIO MARKERS

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
No Contribution 0	No Contribution 0	Principal Objective 2	No Contribution 0

ANNEX F: TAXONOMY WORKSHEET

Level 1	Level 2	Level 3	Level 4
Influencing Models	Transform policy and regulatory environments		
	Strengthen institutional capacity/decision-making		
	Convene multi-stakeholder alliances		
Stakeholders	Stakeholder engagement		
	Indigenous peoples		
	Local communities		
	Private sector	Large Corporations	
		Capital providers	
		SME's	
	Civil society	Community-Based	
		Non-Governmental	
		Academia	
	Communications	Awareness Raising	
		Education	
		Behavior Change	
Capacity, Knowledge and Research			
	Capacity Development		
	Targeted Research		
	Knowledge Generation and Exchange		
	Learning	Theory of Change	
		Adaptive Management	
Gender Equality	Gender mainstreaming	Beneficiaries	
		Sex-disaggregated indicators	
		Gender-sensitive in	
Focal Area/Theme	Biodiversity	Protected Areas and	Terrestrial Protected Areas, Productive Landscapes, Community Based Natural Resource Management
		Biomes	Páramo, Wetlands
		Financial and Acco	Payment for Ecosystems Services, Conservation Trust Funds, Conservation Finance