

Integrated management of multiple use landscapes and high conservation value forest for sustainable development of the Venezuelan Andean Region

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10678

Countries

Venezuela

Project Name

Integrated management of multiple use landscapes and high conservation value forest for sustainable development of the Venezuelan Andean Region

Agencies

FAO

Date received by PM

12/9/2021

Review completed by PM

4/22/2022

Program Manager

Pascal Martinez

Focal Area

Multi Focal Area

Project Type

FSP

PIF ☐

CEO Endorsement ☐

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

January 13, 2022:

Please indicate the name of the "Focal Area Outcomes" in Table A.

March 10, 2022:

Thank you for the inclusions. Cleared.

Agency Response

February 28, 2022

Noted. The names of the focal areas have been included in Table A.

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

January 13, 2022:

In the Taxonomy, please add "Sustainable Forest/woodland Management", "Climate Change Mitigation" and "Agriculture, Forestry, and other Land Use".

March 10, 2022:

Thank you for the additional information. Cleared.

Agency Response

February 28, 2022

Thank you for the comment, the mentioned topics have been included.

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

January 13, 2022:

Thank you for providing the co-financing letters. Cleared.

Agency Response

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

The Project Coordinator cost can't be covered by the components but the PMC. If some exception can eventually be assessed by the GEF Secretariat (but in any case not to such extent of 58% as it is now), it must be strongly justified in the ToR of the National Project Coordinator. We consider the coordination of such a +\$5.3 million project is a full time job. In addition, please note that the TORs indicate contribution of the Project Coordinator in components 2 and 4 whereas these components are not charged to cover his/her cost in the budget. Why components 1 and 3 should be charged then? The same applies for the Administrative Management and follow-up assistant. Please amend as needed.

March 10, 2022:

Thank you for providing an explanation of the reasons why project coordinator and the administrative management and follow-up assistant are being charged to the component in addition to the PMC. However, according to the TORs, it is clear that both positions' responsibilities are mainly managerial in nature. Also, if the project coordinator is acting as such only half of this time, how his/her duties will be fully undertaken? Per GEF Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC. Please consider utilizing both portions allocated to PMC (GEF portion and co-financing portion) to cover the project coordinator and the administrative management and follow-up assistant. For this project, the co-financing portion allocated to PMC is \$2.2 million and out of \$45.7 million of co-financing, \$22.2 million (48%) are presented as public investments and grants. There should be enough resources for these staff costs to be covered by the co-financing resources. Please amend as needed.

April 20, 2022:

Thank you for the clarification. We take note in particular of the limitations in terms of cash support from the co-financing. Considering the role of the follow up Assistant which is in majority technical, we suggest to replace this staff by another one specialized on Knowledge Management fully covered by component 4. In this arrangement, the Project Technical Coordinator would have more resources from the PMC (the \$50,250 which are currently allocated for the Assistant) to cover more management activities and the Assistant, who would be focused on Knowledge Management, would provide limited support on an as-needed basis to the Project Technical Coordinator. This, of course, should be reflected in the TORs of the Assistant who could be named Knowledge Management Specialist. The contribution of the

components to the Project Technical Coordinator would be decreased from 54% to 23% of his/her cost. Please consider this option.

April 22, 2022:

Thank you for the consideration. Cleared.

Agency Response

February 28, 2022

Thank you for the comment. The project coordinator has both technical (in all project components) and administrative roles. This has been clearly indicated in the terms of reference (Annex M of the PRODOC) and this cost has been distributed to the four components, as can be seen in the updated budget.

Kindly note that the work of "administrative management and follow-up assistant" will concentrate in monitoring, support knowledge management (component 4) and project administration (PMC).

April 19, 2022

Thank you for the comment. Please note that the project coordinator requires technical competencies to be able to guide, under the direction of the executing entity, the design of land use planning, restoration plans, productions systems, pilot programs and value chains, as mentioned in the TORs, being also able to liaise and dialogue with the personnel of the 14 municipalities and different stakeholders and ensuring a high level collaboration between the multiple institutions that will be participating in the project. The role of orientation and guidance of those processes, will be complemented by technical consultants and personnel from counterparts.

Given that the coordinator requires a technical background, the managerial roles of the coordination will be supported by the management and follow up assistant, while financial matters will be handled by the financial assistant, in order to ensure that every aspect of project execution will be adequately covered. This will also be supervised by the National Project Director. Therefore, it is highly recommended that the cost of the coordinator is distributed along the technical components and the project management allocation. The TORs of the coordinator, financial assistant and management and follow up assistant have been updated in Annex M of the Agency Project Document to clarify and better reflect the overall structure of the PMU.

Regarding PMC, and as expressed in the GEF guidelines, there is effectively a portion of co-financing that contributes to project management, that represents the estimation of in-kind resources required for the project: the time dedicated by the National Project Director and staff at the national and local levels from the Ministry of Popular Power for Ecosocialism (MINEC) and associated entities: National Reforestation Company (CONARE), National Park Institute (INPARQUES), Latin American Forest Institute (IFLA), National Foundation for Environmental Education FUNDAMBIENTE, Tree Mission and Ecosocialist Territorial Units (UTEC). This also considers the costs of office spaces to host the project team, office inputs and material and travel support. The public

investments of the co-financing are programs and projects that will complement this project components, supporting field activities such as reforestation, activities in watersheds, establishment of forestry and agroforestry plantations, and activities required to fulfill LDN commitments.

Regarding the co-financing portion in grants, as expressed in the letter of co-financing, it corresponds to FAO projects destined to quick recovery of livelihoods in Venezuela. The funds will be provided to beneficiaries and local communities in several parts of the country, and regarding this project, in the municipalities of Merida, Trujillo, Barinas, Portuguesa and Lara, FAO will ensure complementarity with the GEF project activities in order to achieve greater impacts for both initiatives. It must also be noted that FAO will participate with in-kind contribution to the PMC. In the states of Lara and Merida, FAO maintain offices and vehicles that will be readily available for the project team, and will also facilitate databases on existing organizations of producers, private partners and NGOs in the project intervention area. Likewise, FAO will facilitate communications with local authorities in municipalities and parishes (administrative division).

In this context, kindly consider that the co-financing portion of the PMC is indeed contributing considerably to cover costs of the day-to-day project execution, but cannot cover the costs of the coordinator and assistant, being an in kind contribution.

April 21, 2022

Thank you for the comment and the suggestion, which after due consideration is welcomed. The TORs (Annex M of the Agency Project document) and budget have been adjusted accordingly.

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request

January 13, 2022:

Please add in the table the total of the amounts spent and committed. If the sum of the 2 totals is different from the total budget, please clarify what the Agency plans to do with the outstanding resources.

March 10, 2022:

Thank you for clarifying. Cleared.

Agency Response

February 28, 2022

Noted. Annex C has been updated with the total amount spent and committed.

Core indicators

**7. Are there changes/adjustments made in the core indicator targets indicated in Table E?
Do they remain realistic?**

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

We don't find the calculation of the GHG emissions mitigation. Please upload the supporting document of the climate benefits calculation as at PIF stage.

March 10, 2022:

Thank you for providing the Annex N. In order to clarify the calculation of all the GHG mitigation sources, please upload the Ex-ACT tool (Excel file) which was used for this project (as at PIF stage).

April 20, 2022:

Thank you for uploading the EX-ACT tool. Cleared.

Agency Response

February 28, 2022

The estimates of GHG emission mitigation are 2,392,849 tCO₂e. The calculations have been included as Annex N of the Agency Project document.

April 19, 2022

Noted, the Excel file containing the Ex-ACT tool has been uploaded to the portal and included in Annex N of the Agency Project Document.

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

1. The paragraph 3 beginning with "To preserve the ecological heritage..." could be more relevant under the baseline scenario. Please consider the relevance of moving it.
2. The description says "The projected population for 2015 is 30,620,404". Please update.
3. The production of coffee and cocoa is not presented as the first cause for the increase of the agricultural frontier (paragraph 73). Please elaborate further on the relative importance of the coffee and cocoa in the environmental degradation as compared to subsistence and profitable crops and on the relevance of targeting these commodities to address environmental problems in the project area.
4. It is explained that the substitution of shade-grown coffee and cocoa has occurred in large part due to price controls at the producer level established by the Venezuelan State. Please elaborate further on how these price controls caused the substitution and whether these controls are still in effect and could undermine the project results in the future.

March 10, 2022:

1. Thank you for the justification. In the part II of the portal entry, the titles are different from the Portal entry template, this is why the first section about the "context" is confusing. Please use the portal entry structure as follows:

- a. The global environmental and/or adaptation problems, root causes and barriers that need to be addressed;
- b. The baseline scenario and any associated baseline Programs;
- c. The proposed alternative scenario with a brief description of expected outcomes and components of the project;
- d. Alignment with GEF focal area and/or Impact Program strategies;
- e. Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing; ⓘ
- f. Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF);
- g. Innovativeness, sustainability and potential for scaling up. ⓘ

2. Thank you for the update. Cleared.

3. Thank you for the clarification. Nevertheless we don't see it reflected in the Portal entry (the paragraph 134 is on other topic and is not mentioning the reduction of

deforestation). In addition, we don't find the Prodoc uploaded in the Portal (the document titled "GEFID 10678 PRODOC GCPVEN020GFF 02_28_2022" is actually the word version of the CEO Endorsement Request). Please ensure the clarification is well reflected in the text of the Portal entry and upload the Agency Prodoc.

4. Thank you for the clarification. Cleared.

April 20, 2022:

1 and 4. Thank you for the amendments and clarification. Cleared.

Agency Response

February 28, 2022

1. Thank you for the comment. After consideration, Paragraph 3 was not moved as this is the first time that ABRAEs are explained and seems better located at the beginning of the document to provide context to the reader.

2. The last population census was conducted in 2011. The official population projections for 2021 and 2022 are 32,985,763 persons and 33,360,238 persons respectively. Paragraph 7 of the PRODOC was updated.

3. Indeed, coffee and cocoa cultivation is not a main driver of deforestation and land use change. Also, due to the cost of the supplies very little or no chemical fertilization and pesticides are used. The main issue with coffee and cocoa fields is that they were neglected when market prices severely declined. This situation has changed since now coffee and cocoa are now traded in international prices (USD equivalent) and there is growing demand for specialty coffee and cocoa. Improving these cultivars by implementing agroforestry and sustainable agriculture practices is at the core of the project strategy to reduce deforestation and land use change (see paragraphs 134 to 137 of the PRODOC). Paragraph 134 was expanded to better explain the benefits associated with the implementation of better agricultural practices in coffee and cocoa cultivation.

4. Regarding price controls the situation has changed. Coffee prices were regulated until September 2019. Since then, there has been no price controls. The price fluctuates according due to demand and supply. Cocoa does not have price control. Paragraph 84 was expanded to describe the current situation. In addition, the project will promote that coffee and cocoa producers move towards more stable and fair markets like organic and fair trade. An opportunity is the recent adoption of regulations for artisanal coffee and the protocol for organic coffee certification (issued on 24 January 2022). The scope of these regulations is explained in paragraph 119.

April 19, 2022

1. Point taken. The titles have been adjusted as requested.

3. Noted. As responded to the comment of 14 January 2022, coffee and cocoa cultivation are not major drivers of deforestation and land use change in the project target area. However, they can be relevant to address environmental problems in the project area, as described in paragraph 134, where the benefits of these crops are explained. A text has been included into paragraph 73 for clarity.

To expand on the previous response, please note that while in other parts of the world, coffee and cocoa plantations contribute to deforestation, this is not the case in the Venezuelan Andes. In the project area the expansion of the agriculture frontier has been caused mainly by the expansion of subsistence crops and harvests that are more profitable than coffee and cocoa (that have been long-standing traditional crops in the area). The decrease in productivity, substitution, or abandonment of coffee and cocoa plots contributed to this scenario. This in turn was caused by unstable prices and other production-related factors. Please see section 'the problem and its causes' in the project document.

As explained before, coffee and cocoa fields were neglected because of market conditions. The producers are small farmers that have limited investment capacity and linkages to the value chains. It was also explained that the market situation has changed, therefore in the current scenario there is a clear incentive to improve cocoa and coffee plots. To further elaborate on the question of 14 January 2022:

i. Agroforestry coffee and cocoa cultivation has positive contributions to biodiversity conservation. Please see following reference as examples of this:

Abada Mbolo, M. M., Zekeng, J. C., Mala, W. A., Fobane, J. L., Djomo Chimi, C., Ngavounsia, T., ... & Tamanjong, Y. V. (2016). The role of cocoa agroforestry systems in conserving forest tree diversity in the Central region of Cameroon. *Agroforestry systems*, 90(4), 577-590.

Mortimer, R., Saj, S., & David, C. (2018). Supporting and regulating ecosystem services in cacao agroforestry systems. *Agroforestry Systems*, 92(6), 1639-1657.

Bakermans, M. H., Rodewald, A. D., Vitz, A. C., & Rengifo, C. (2012). Migratory bird use of shade coffee: the role of structural and floristic features. *Agroforestry Systems*, 85(1), 85-94.

Bakermans, M. H., Vitz, A. C., Rodewald, A. D., & Rengifo, C. G. (2009). Migratory songbird use of shade coffee in the Venezuelan Andes with implications for conservation of Cerulean Warbler. *Biological conservation*, 142(11), 2476-2483.

ii. Expanding coffee and cocoa agroforestry is a core element of the project strategy, but by no means the only action to reduce deforestation and land use change. Agroforestry systems will contribute to improve biodiversity conservation and the livelihoods of rural families.

iii. The project includes a comprehensive approach to incentive coffee and cocoa agroforestry production. It will work on the production side by improving agricultural practices and ecological production that meet market requirements (e.g., zero deforestation) (output 2.1.1) and strengthening collaboration mechanisms output 3.1.1). In addition, the project will work on the demand side by strengthening the linkages of the value chains (outputs 3.1.2 and 3.1.3). This in line with the recommendations to "increase reforestation" of the Program on Forests (PROFOR, www.profor.info). Please see the corresponding policy brief and the full document in <https://www.profor.info/content/coffee-and-cocoa-agroforestry-systems-pathways-deforestation-reforestation-and-tree-cover>.

Regarding the Agency PRODOC, it is uploaded in the Portal. Nevertheless, an updated version named ?GEFID 10678 Venezuela FAO PRODOC 04_19_2022? has been uploaded, so kindly consider this as the more recent version.

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

1. Please clarify the national process regarding the Land Degradation Neutrality (LDN).
2. Please complete the description with the presentation of the local baseline (organization and work of the institutions and other relevant entities at municipality level) so that we can better understand how the project will be implemented locally in the project area. For instance we learn under the baseline scenario about "municipal technical marketing boards of the coffee and cocoa value chains". What are they?
3. Please clarify the land tenure and rights of project beneficiaries (producers and community forestry).
4. The presentation of the direct beneficiaries, including the private sector, and their organization and initiatives remains vague in the baseline scenario. Please elaborate further on the project beneficiaries, including the main private sector actors of the value chains, how they are articulated and what are their respective mandate, initiatives or partnerships (if any) that could be useful for the implementation of the project. For

instance under the alternative scenario we learn about ONUDI coordinating the actors in both coffee and cocoa value chains and it is not mentioned in the baseline.

March 11, 2022:

1, 2, 3 and 4. Thank you for the additional information. Cleared.

Agency Response

February 28, 2022

1. Noted. A new paragraph 107 was included to clarify this matter.
2. The municipal roundtables will be participation platforms for local stakeholders of the coffee and cocoa value chains. A roundtable will be established on each of the 14 target municipalities. These roundtables (i) will provide inputs to identify key issues to be discussed in the national committees and (ii) will facilitate cooperation and coordination among value chain members at the local level. The text of output 3.1.1 (paragraphs 191-193) was adjusted to better explain this matter.
3. Thank you for the comment. Agrarian land tenure conditions are explained in new paragraphs 115-117. Forestland tenure is explained in a new paragraph 106. There is no risk that land tenure rights are negatively affected. The project will implement demonstration pilot land use plans (output 1.2.2) to improve the integrated management of forest and agricultural land. Also, there will be support to producers to improve the management of their agricultural plots (output 2.1.1).
4. Noted. Regarding the project beneficiaries, they are detailed in new Table 18.

Regarding value chain stakeholders, key stakeholders are listed in Table 13 and a new Table 15 was included to provide information about the actors of the value chains, their forms of organization and current indicatives.

Regarding private initiatives found in the project area, a new Table 21 was added to list them.

Regarding ONUDI's work in the coffee and cocoa value chains, since 2018 they execute the project "Promoting the integral development of seven agricultural value chains". This is explained in paragraphs 122 and 306 of the agency project document. Paragraph 122 was expanded to better explain the aims of the national action plan.

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

January 18, 2022:

1. Strengthening conservation actions at the landscape level is said to be one of the 2 key actions of the project strategy. These actions appear overall mainly indirect through alleviating the pressure on forests. Please clarify how concretely this key action will be implemented on the ground throughout the relevant components.
2. Under the output 1.2.2, it is unclear what concretely are the 300,000 ha of land under improved management benefitting to biodiversity (what land use?). Are they included in the demonstration pilot areas along with the restored lands? This expected result (core indicator 4.1) is not mentioned in the description of the output 1.2.2. Please clarify and complete accordingly.
3. The project interventions seem to be exclusively focused on the 14 municipalities of the project area. It is unclear what activities will allow scaling the impact of the project (in addition to the KM approach). Couldn't the component 1 in particular be used also to improve the integrated planning capacity at broader scale especially considering national institutions are involved? Please consider improving the proposal on that regard.

March 11, 2022:

1, 2 and 3. Thank you for the clarification. Cleared.

4. In addition: the organization of this section is difficult to read because most of the outputs and outcomes are written with a smaller font than the rest of the text (format issue). Please use an adequate and more visible font for the titles (components, outcomes and outputs) so that we can see clearly the different parts of the project description.

April 20, 2022:

Thank you for the format improvements. Cleared.

Agency Response

February 28, 2022

1. Thank you for the comment. The strategy is explained in paragraph 130. In addition to strengthening capacities and tools for landscape-level management there will be a demonstration exercise to prepare and implement a landscape management plan in three municipalities of the western slope of the Cordillera de Maricao. This exercise will be a learning showcase for other municipalities and stakeholders. The demonstration exercise is part of output 1.1.2, the text was expanded to better explain this intervention (see paragraphs 152 - 155).

2. Map 5 of Annex E1 shows the location of the target areas for restoration of agricultural land (core indicator 3.1), restoration of forest land (core indicator 3.2), landscapes under improved management (core indicator 4.1) and agricultural land under improved management (core indicator 4.3). The 300,000 ha indicated in output 1.2.2 are located in ABRAEs' buffer zones (they are outside of the protected areas). They do not contain the 1,246 ha of forest land to be restored and the 4,000 ha of agricultural land to be restored. See paragraphs 168 and 171, and Annex E2.

3. The project intervention is focused on 14 municipalities it is not feasible to directly work with more. It is foreseen that (i) the training of personnel of national entities (MINEC, MPPAPT) and municipal officers (paragraph 146), (ii) the collaboration with local universities (paragraph 148), (iii) the training of grassroot organisations (paragraph 149), and (iv) the demonstration landscape management plan (paragraph 153) will catalyse that other municipalities become interested in integrated landscape management. To assist the neighbouring municipalities the project can (i) organise exchange visits, (ii) make available pertinent technical documents and guidelines, and (iii) provide technical assistance for the initiation of their own pilots on integrated landscape management (this has been included in new paragraph 145). It is foreseen that MINEC will foster the transfer of pertinent experience and knowledge to other regions of the country.

April 19, 2022

4. Noted, the fonts have been increased in size in the Portal as requested.

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

January 18, 2022:

Yes, cleared.

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

January 18, 2022:

In paragraph 221, please note that cost of US\$ 45,681,355 is actually covered by the co-financing only and the GEF contribution is additional. Please correct accordingly.

March 11, 2022:

Thank you for the correction. Cleared.

Agency Response

February 28, 2022

Noted with thanks. Paragraph 233 was updated.

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

January 18, 2022:

Please clarify the difference made in terms of improved management between the 23,700 ha and the 237,000 ha of coffee and cocoa productive systems. This is not clear in the description.

March 11, 2022:

Thank you for the clarification. Cleared.

Agency Response

February 28, 2022

?Thank you for the comment. This matter is explained in paragraphs 133, 168, 171 and 235 of the agency project document. The strategy will be to use GEF resources to establish 23,700 ha of demonstration plots and scale-up afterwards to the 237,000 ha target with specific interventions of MINEC and the Ministry of Popular Power for Agriculture Productive and Land (MPPAPT). Paragraphs 171 and 172 were modified and expanded to better explain the implementation strategy.

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

January 18, 2022:

1. On innovation, wouldn't the coordination mechanisms for integrated land use planning and management be also relevant? Please consider the relevance of this innovation too.
2. On sustainability and scaling up, please take into account the STAP comment: "consider developing a separate ToC aimed specifically at scaling and durability".
3. We learn that the staff of the institution responsible for managing the ABRAEs has severe logistical and financial limitations to control the areas under their responsibility. These limitations should affect the sustainability of the project results. Please clarify how this problem will be solved after the end of the project.

March 11, 2022:

1. Thank you for the additional information. Cleared.
2. We don't see the development of a separate ToC aimed specifically at scaling and durability. Please complete this section as requested by the STAP.
3. Thank you for the clarification. Please make that point clear also in the Portal entry in the text under the sustainability section.

April 20, 2022:

2. Thank you for providing this specific TOC. In the paragraph 248, we should read "Figure 9[d]" instead of "Figure 3[d]". Please correct the reference.
3. Thank you for the additional information. Cleared.

April 22, 2022:

Thank you for the correction. Cleared.

Agency Response

February 28, 2022

1. Noted with thanks. Indeed the coordination mechanism (output 1.1.2) is innovative. An additional paragraph (239) was added to include other innovative items.
2. MINEC has confirmed that they will sustain and scale-up project results after closure. Regarding coffee production, the recently issued regulations on artisanal coffee, operation of associations of coffee producers or processors and torrefactors, and organic coffee will facilitate producers support and open market opportunities (see paragraph 119).

3. Please consider that MINEC has confirmed that they will strengthen their work in ABRAEs during project implementation through a number of investments listed in the cofinancing letter.

April 19, 2022

2. Point taken. The ToC has been expanded including short and long term results (Figure 7a), and also a separated ToC (Figure 9), responding the request from STAP, has been included into the 'Innovativeness, sustainability and potential for scaling up' section. The ToCs has been uploaded into the Portal in a separate file also for better visualization.

3. Noted, the text has been included as part of the 'Innovativeness, sustainability and potential for scaling up' section (paragraph 246).

April 21, 2022

2. Thank you kindly for the notification, the text has been corrected.

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

January 13, 2022:

Yes, cleared.

Agency Response

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

Stakeholders

**Does the project include detailed report on stakeholders engaged during the design phase?
Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?**

Secretariat Comment at CEO Endorsement Request

January 19, 2022:

The Indigenous Peoples and Local Communities are not included among the stakeholders (this category is checked with a "No" at the beginning of the section). Nevertheless local communities are beneficiaries of the project and should have been involved in the project design and included in the stakeholder engagement plan. Please clarify.

March 11, 2022:

Thank you for the amendment. Nevertheless, we note that important parts of the description (under "Process of consultation..." and "Project stakeholders") are actually wrongly placed under the section "1c. Child Project?" of the Portal entry (it may be a Portal issue). Please move these parts as appropriate in the right section "2. Stakeholders".

April 20, 2022:

Thank you for the amendment. Cleared.

Agency Response

February 28, 2022

Noted with thanks. In the project area there are no indigenous peoples. The local communities are the main project beneficiaries, the category has been updated to reflect this. Local communities are included in the stakeholder engagement plan. The terms used are (i) civil society organizations, (ii) small and medium producers, (iii) community organizations and (iv) community councils. These groups were involved in the project design. A new Table 14 was included to detail when each community was consulted.

April 19, 2022

Thank you kindly for the notification. The text has been moved back to the original section of Stakeholders in the Portal.

Gender Equality and Women's Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request
January 19, 2022:

Yes, cleared.

Agency Response
Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request
January 19, 2022:

Yes, cleared.

Agency Response
Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request
January 19, 2022:

1. The climate risk and mitigation measures are not enough described in the Portal entry. It was indicated at PIF stage in the FAO Climate Screening document that "further assessment of climate risks can be carried out at the PPG stage and should be monitored throughout project development implementation". What are the findings of this assessment? Please elaborate further on this risk which is critical for the sustainability of the project results and which is part of the project design (output 2.1.2).

2. The risks analysis related to the COVID-19 pandemic is very limited mentioning in general terms possible limitations for travel, meetings and consultations. Nevertheless, the pandemic may affect still significantly affect the project and include other important elements such as the availability of co-financing and expertise. At this stage, the main risks need to be clearly presented and also, an opportunity analysis needs to be undertaken. Please elaborate further on the COVID-19 risk analysis and consider the possible opportunities this project can provide to enhance the resilience of the beneficiaries against possible future pandemics (we suggest adding a specific separate note after the risk table). For further clarification, we advice to refer to the note "Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics" shared by GEF Secretariat with the GEF Agencies on September 14, 2020.

March 11, 2022:

1. Thank you for completing the risk matrix. Nevertheless, the Annex II is more general as a ESS supporting document where climate consideration remains limited. The matrix notably only include one line related to climate "Extreme weather events". Please provide a complete and separate climate risk analysis including risks, hazards, vulnerability assessment, exposure and mitigation measures.

2. Thank you for the COVID-19 analysis in Annex O. Cleared.

April 20, 2022:

1. Thank you for the additional information. Cleared.

Agency Response

February 28, 2022

1. Noted. The risk matrix was updated to expand on climate risks. A section about climate risk was added at the end of Annex II of the Agency Project Document.

2. Thank you for the comment. The risk analysis and mitigation actions has been updated. A new Annex O in the Agency Project Document has been included to outline COVID related risks and project contributions to green recovery.

April 19, 2022

1. Thank you for the suggestion. A climate risk analysis has been added as part of Annex II of the Agency Project Document. The updated section includes hazard identification, exposure assessment, vulnerability assessment, adaptive capacity assessment, climate risk classification, modulation of the climate risk by the project, and resilience recommendations and climate risk mitigation measures. Regarding the matrix, our climate risk analysis suggests that droughts and heavy rainfall must be considered in developing the project strategies. In this context, the Agroclimatic Technical Roundtable and the inclusion of climate risks in the development of policies, planning, and management frameworks in the target states of the project are the primary actions to face climate variability exacerbated by climate change in the project region.

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

January 19, 2022:

1. Please attach a budget in Annex E following GEF template which includes a column showing the entity responsible for each budget item (Appendix A: Indicative Project Budget Template of the Guidelines on the Project and Program Policy (2020 update) - GEF/C.59/Inf.03 of July 20, 2020).
2. We note the uploaded OFP letter requesting FAO to be the administrator of the funds for the project. Such arrangement is not aligned with the GEF policy. If the reason is related to a money devaluation risk, we recommend that the GEF Agency mitigate this risk by holding all cash balances transferred by the trustee and disbursing only to the national executing entity on an as-needed basis so the latter is not holding any significant balances in its own account. This does not require dual role of the GEF Agency or any other policy exception.
3. On the coordination with other GEF-funded initiatives, this project should include the FOLUR Impact Program as they share common objectives on two commodities coffee and cocoa. Exchanges on lessons learned and possible stakeholders engagement should be explored.

March 15, 2022:

1. Thank you for providing the the budget using GEF template. The description of some budget items can't be fully read in the first column. Please adjust the size of the cells so that we can read all the text in this column.
2. Thank you for the explanation provided. Nevertheless such request for exception does not fit the conditions included in the GEF Project and Program Cycle guidelines. Please consider the solution proposed by GEF Secretariat in the previous review.
3. Thank you for the consideration. Please move this paragraph 123 in this section under "6.b Coordination with other GEF-funded projects and other relevant initiatives".

April 20, 2022:

1. Thank you for he adjustment. Cleared.
2. Thank you for considering GEF Sec comment. The clarification provided in the review sheet is not fully reported in the paragraph 307. Please copy the full clarification: "To mitigate the risk of money devaluation, the agency can hold cash balances and disburse when required by the MINEC as Executing Entity, has been carefully considered. As mentioned in the OFP letter, MINEC will be the Executing Entity, responsible for the achievement of project outcomes and for the adequate use of all resources. FAO will provide support administering a portion of the resources, disbursing only when required by MINEC and in line with the work plans validated by the project Steering Committee. FAO will also engage into Letters of Agreement with national institutions that will be identified during project implementation, for the execution of activities that correspond to more than half of the project budget, also under the guidance of the MINEC."
3. Thank you for the amendment. Cleared.

April 22, 2022:

Thank you for the amendment. Cleared.

Agency Response

February 28, 2022

1. Noted. Annex E has been updated as requested.
2. Please note that, as mentioned in the updated OFP letter requesting execution support from FAO, the Venezuelan State has been subject to Unilateral Coercive Measures, which affect the actions of public institutions. In this context, and due to the privileges and immunities of FAO, the OFP requests that exceptionally FAO executes the resources for the project, maintaining the MINEC as the institution that must approve the activities foreseen in the Project Document. It is also considered that FAO will

engage with local institutions through letters of agreement for the execution of project activities, as can be seen in the project budget in Annex E. These institutions will be selected following FAO procedures, assessed in order to avoid impacts from the measures mentioned in the OFP letter, and in agreement with MINEC as the main execution entity.

3. Noted. The FOLUR programme was included, see paragraph 123.

April 19, 2022

1. Noted, the size has been increased. Please note that due to limitations with the GEF Portal, an Excel file is also provided in the Agency Project Document (Annex E).

2. Thank you for the comment. The GEFSEC suggestion of January 19, regarding that in order to mitigate the risk of money devaluation, the agency can hold cash balances and disburse when required by the MINEC as Executing Entity, has been carefully considered. As mentioned in the OFP letter, MINEC will be the Executing Entity, responsible for the achievement of project outcomes and for the adequate use of all resources. FAO will provide support administering a portion of the resources, disbursing only when required by MINEC and in line with the work plans validated by the project Steering Committee. FAO will also engage into Letters of Agreement with national institutions that will be identified during project implementation, for the execution of activities that correspond to more than half of the project budget, also under the guidance of the MINEC. Section 6, paragraph 307 has been updated to better reflect this.

3. Noted. The paragraph has been moved as requested , being now paragraph 312.

April 21, 2022

2. Noted. Paragraph 307 has been updated and edited to include the response from the review sheet as requested.

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

To clarify how this project support the country commitments in the framework of UNCCD, please include the alignment of the project with the national objectives established in the Land Degradation Neutrality (LDN) commitments.

March 14, 2022:

Thank you for the consideration. Cleared.

Agency Response

February 28, 2022

Thank you for the comment. New paragraph 312 was included to explain this matter.

Knowledge Management

Is the proposed ?Knowledge Management Approach? for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

Thank you for the presentation of the knowledge Management approach of the project. In addition, please provide a budget including the key deliverables and the timeline of the proposed approach.

March 14, 2022:

Thank you for the additional information. Cleared.

Agency Response

February 28, 2022

Noted. Table 23 of the Agency Project Document now includes a budget and timeline as requested.

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

Yes, cleared.

Agency Response

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

Yes, cleared.

Agency Response

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

Yes, cleared.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

Yes. Some specific comments have been made below on specific annexes. Cleared.

Agency Response
Project Results Framework

Secretariat Comment at CEO Endorsement Request
January 14, 2022:

Yes, cleared.

Agency Response
GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request
N/A

Agency Response
April 29, 2022

Regarding PPO comments from April 22.

1. Thank you. Corrected.
2. Noted with thanks. Section 9 has been updated.
3. Kindly note that the numbers of the project Results Framework refer to the estimated people that will receive the information and will build their capacities. Nonetheless, the project intervention will also provide direct benefits to the families of the beneficiaries, specially of the small cocoa and coffee producers, who are expected to improve their livelihoods, income, and quality of life. In this regard, is considered that the project will directly benefit the people living in the areas of direct intervention of the project in the 14 selected municipalities. A text has been included in the Core Indicators Sections of the portal and into Section "f. Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF / SCCF)", paragraph 243, and Table 11, with the expected distribution of beneficiaries has been moved from the stakeholders section into section f mentioned before, for more clarity.
4. Thank you for the comments. As mentioned in the previous response, the numbers in the project results framework refer to the people that will directly receive the trainings, capacity building and participate in field interventions, while the expected total number of direct beneficiaries is estimated considering also the families of those persons. The project will be able to directly influence the participation of women in the activities mentioned in the gender action plan, where 30% will be the minimum requirement.

Regarding the GEF result areas for gender equality, a text has been included into Section 3, "Gender equality and women's empowerment", paragraph 281, to better clarify the expected contributions, while also considering the findings from the gender analysis, that there is already a marked participation of women at the local level.

Council comments

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

In the annex B, the first comment from Germany is written differently as compared to the comment actually made and the last 2 comments from German are actually those from USA. The comments from Japan, France and Canada are missing. Please amend and complete the Agency responses to Council as needed.

March 14, 2022:

Thank you for completing the Annex B.

1. The comment from France "That is why we insist that this project be subject to rigorous monitoring of the use of the funds allocated" should be responded. Please provide an answer to this comment.
2. It is unclear where and how the last comment from Germany has been addressed "risk ratings should make a clearer reference to the political context and detail both mitigation measures and possible consequences". Please clarify.
3. On USA comment "It would be useful to see short-term and long-term results to help better define the trajectory of the project", please clarify in the response what are the expected short-term and long-term results of the project and where exactly we can find the information in the project description.

April 20, 2022:

- 1, 2 and 3. Thank you for the additional information and clarification. Cleared.

Agency Response

February 28, 2022

Noted with thanks. Annex B was updated.

April 19, 2022

1. Noted. A response to France comment has been included into Annex B. The project will be monitored as established in the Monitoring and Evaluation section, paragraphs 344-349 of the Agency Project Document. FAO in its role of implementing agency will also be monitoring the use of the funds.

2 The risk analysis (Section 5) for the project was reviewed and expanded during project formulation, addressing Germany comments. A response has also been included in the updated Annex B.

3. A response has been included into Annex B to this comment, considering that also a separate ToC has been included as answer to a similar comment from STAR (annex B)

STAP comments

Secretariat Comment at CEO Endorsement Request

January 14, 2022:

The responses to STAP comments are missing. Please complete the Annex B including STAP comments and Agency responses as needed.

March 14, 2022:

1. Thank you for completing the Annex B. Nevertheless this comment is not fully addressed. Please copy the entire table where STAP included its comments and answer to all the comments (not only the "STAP Overall Assessment and Rating".

2. On the first comment responded, we don't see in the ToC "the relationship between different component actions and intended long-term objectives clearer by adding shorter and longer-term outcomes in between". Please complete the response to fully address this comment.

3. The third comment from STAP responded by the Agency includes 4 specific points: please provide a response for all these points.

April 20, 2022:

1, 2 and 3. Thank you for the additional information. Cleared.

Agency Response

February 28, 2022

Noted. Annex B was updated.

April 19, 2022

1. Noted with thanks. The full table of the STAP was copied in Annex B and all comments were replied to.
2. A Separate ToC has been included as requested.
3. Noted. A response has been provided for the 4 points.

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

January 13, 2022:

Please consider the comment above on PPG status.

March 10, 2022:

Thank you for the clarification. Cleared.

Agency Response

February 28, 2022

Annex C with the status of PPG utilization has been updated.

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

January 13, 2022:

Yes, cleared.

Agency Response

Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

January 19, 2022:

Not yet. Please address the comments raised above.

March 15, 2022:

Not yet. Please address the remaining comments.

April 20, 2022:

Not yet. Please address the remaining comments. Also, please remove the highlights in the Portal entry and provide a clean version of the Agency Prodoc (without highlights). This will facilitate the preparation of the documents which need to be circulated to Council before CEO endorsement.

April 22, 2022:

Not yet. Further checking on alignment with GEF policy and guidelines revealed the following issues to be addressed:

1. Sub-total by focal area between table A and D shows differences - in Table A BD = \$3,996,489 and LD \$1,332,363, while in Table D both total \$2,664,726. Please revise to make them match.
2. Budget table: M&E budget under section 9 shows \$154,450 while the budget table \$146,400. Please revise to make them match.

Table 24. Project monitoring and evaluation plan.

Monitoring and Evaluation Activities	Main Responsible	Time Period	Costs \$
1. Start-up workshop and start-up report	FAO Project Coordinator	Up to three (3) months after signing the Financing Agreement.	5,000
2. Multi-level monitoring of the project (national, regional, local)	PMU	Continuous	M&E Specialist 85,800
3. PPR Report	FAO Project Coordinator	PPR is delivered every six (6) months.	2% of the project coordination time, 10% of the M&E Specialist's time
4. Monitoring visits and progress assessment	FAO Management Committee Steering Committee	At least once per year or as needed	FAO visits will be paid for by the GEF Agency fees. Project coordination visits will be covered by the project travel budget.
5. Independent mid-term evaluation	FAO Project Team	At mid-term of project execution	28,500 for external consulting
6. Final independent evaluation	FAO - Office of Independent Evaluation	Year 4, six (6) months prior to project closing.	28,500 for external consulting
7. Final Report	FAO (FAO Venezuela, LTQ, FAO-GEF Coordination Unit, Reporting Unit TCS)	Two months before the end of the project	6,650
Total \$			154,450

5024 Sub-total expendable procurement	22,500	252,500	22,500	84,969	0	0	382,469	382,469	
6100 Non-expendable procurement									
Satellites Images	0	0	0	90,000			90,000	90,000	
Vehicle rental and fuel costs						11,000	11,000	11,000	
6100 Sub-total non-expendable procurement	-	-	-	90,000		11,000	101,000	101,000	
TOTAL	1,266,395	1,791,728	1,041,535	829,544	146,400	253,750	5,329,452	5,245,802	83,650

3. Core Indicators: targets need to be aligned with Project's Results Framework. The target in the core indicator table for Core Indicator 11 Number of direct beneficiaries is 47,283. This target in the results framework is totaling near 16,000. Please revise accordingly.

4. Gender Equality: it is well noted that the project has a gender action plan. The action plans mentions that "as already noted in the gender analysis, the proportion of women and men in the direct beneficiaries is 70% men, 30% women". This is inconsistent with the information provided in core indicator 11. Please clarify. Also in the portal section the agency indicate that it will contribute to closing gender gaps in access to and control over natural resources. The gender action plan does not include any specific activities or indicators that corroborates this. Please provide additional information on how it expects to contribute to this and how the project intends to monitor progress.

May 5, 2022:

Thank you for addressing the remaining comments. The CEO endorsement is now recommended.

Review Dates

**Secretariat Comment at
CEO Endorsement**

**Response to
Secretariat
comments**

First Review	1/19/2022
Additional Review (as necessary)	3/15/2022
Additional Review (as necessary)	4/20/2022
Additional Review (as necessary)	4/28/2022
Additional Review (as necessary)	5/5/2022

CEO Recommendation

Brief reasoning for CEO Recommendations