

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

Review PIF 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**

9/25/2020

**Review completed by PM**

**Program Manager**

Pascal Martinez

**Focal Area**

Multi Focal Area

**Project Type**

FSP

## **PIF**

### **Part I – Project Information**

#### **Focal area elements**

**1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?**

## Secretariat Comment at PIF/Work Program Inclusion

### **October 1, 2020:**

No. Most of the resources requested for this project is from the Biodiversity focal area. Nevertheless, the project is not delivering any Biodiversity results in terms of the core indicators. The remaining marginal adjustment flexibility is not enough to use the requested Biodiversity focal area resources for other purposes. Please revise the project accordingly.

### **October 22, 2020:**

We take note of the changes in the resources used from the Biodiversity and Land Degradation focal areas. The new distribution of focal areas resources and the improved consideration of biodiversity results are now aligned. Cleared.

## Agency Response

### **27 Oct 2020**

No response required

### **15 Oct 2020**

Point taken. Please note that the OFP has issued a new endorsement letter assigning \$3million dollars each from their BD and LD STAR resources, for a total amount \$6million.

The link with biodiversity has been clarified in the text. The project will have biodiversity benefits as it will work in buffer zones for ABRAES (protected areas); so, the planning, restoration and monitoring activities will be for the benefit of biodiversity. Core indicators have been adjusted to reflect this. Some paragraphs were expanded with more information on this topic: 14, 15, 36, 73, 74, 80, 89, and 90. In addition, Table 3 was added, which shows how the project will address the main drivers of degradation in ABRAES and their buffer zones. Landscape planning activities under component 1 will include staff from the PA system (Ministry of Ecosocialism).

Although most of the project outputs of the component 2 are linked to reducing land degradation, the scientific literature highlights the potential of forest restoration to mitigate biodiversity losses, recovering not only faunal species diversity, but also functional diversity and ecosystem functions in a relatively short

period of time\*. Therefore, the final results derived from this component will favor the conservation and sustainable use of biodiversity in target municipalities in the Andean region. I

\*Derhé, M. A., Murphy, H., Monteith, G., & Menéndez, R. (2016). Measuring the success of reforestation for restoring biodiversity and ecosystem functioning. *Journal of Applied Ecology*, 53(6), 1714-1724.

\*Hua, F., Wang, X., Zheng, X., Fisher, B., Wang, L., Zhu, J. & Wilcove, D. S. (2016). Opportunities for biodiversity gains under the world's largest reforestation programme. *Nature Communications*, 7(1), 1-11.

#### **Indicative project/program description summary**

**2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

The output 2.1 and the outcome 2.1 are exactly the same and their results are repeated in Table B. Nevertheless, outputs and outcomes are 2 very different elements of the project, the outputs corresponding to activities leading to the outcomes as results. Please revise accordingly the component 2 elaborating on the different outputs that are expected to be implemented to achieve the outcome.

**October 22, 2020:**

1. Thank you for the correction and amendments. Cleared.
2. We don't find the project document with the page numbers the Agency is referring to. Please upload this document in the Portal.

**October 29, 2020:**

The project document uploaded in the Portal corresponds to another project in Chile. Please upload the right document for this project.

**October 30, 2020:**

Thank you for uploading the right document. Cleared.

Agency Response

**27 Oct 2020**

The Project Document has been uploaded to the portal. The description of component 2 can be found in pages 33 and 34 (paragraphs 88-93).

**15 Oct 2020**

Point taken. A mistake occurred during the process of copy-pasting from the word document to the portal . It has been corrected.

On the other hand, in Table B, the project outcome for component 2 was rewritten to enhance the consistency between this project outcome and its outputs. In addition, pages 28-29 were updated to ensure the wording of the outcomes in the text (Section 1a) corresponds to that in Table B.

**Co-financing**

**3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, cleared.

Agency Response

**15 Oct 2020**

No response required

**GEF Resource Availability**

**4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, cleared.

Agency Response

**15 Oct 2020**

No response required

**The STAR allocation?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, Cleared.

Agency Response

**15 Oct 2020**

No response required

**The focal area allocation?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, using \$1,000,000 from the allocated marginal adjustment to complete the required LD resources. Cleared.

**October 22, 2020:**

With the change in the GEF focal areas fund utilized, the country is now using \$2 million from the allocated marginal adjustment (which is \$2,576,227.40 max).  
Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

No response required

**The LDCF under the principle of equitable access**

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

**15 Oct 2020**

No response required

**The SCCF (Adaptation or Technology Transfer)?**

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

**15 Oct 2020**

No response required

**Focal area set-aside?**

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

**15 Oct 2020**

No response required

**Impact Program Incentive?**



Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

**15 Oct 2020**

No response required

**Project Preparation Grant**

**5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, the PPG requested is within the allowable cap. Cleared.

Agency Response

**15 Oct 2020**

No response required

**Core indicators**

**6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

1. The Annex B "GEF 7 Core Indicator Worksheet" is missing. Please provide this Annex B.
2. There is no core indicators for Biodiversity results while most of the requested resources comes from the Biodiversity focal area. Please revise accordingly.
3. As the project is expected to have climate change mitigation benefits, please provide an estimate, even conservative, in terms of emission mitigation benefits (core indicator 6.1).

**October 22, 2020:**

1. Thank you for uploading the GEF 7 Core Indicator Worksheet. Cleared.
2. Thank you for adding the core indicator 4.1 to capture the biodiversity results. Nevertheless, considering the project title and the Component 2 (best practices for reducing forest degradation and loss), it is unclear why there is no benefits reported under Indicator 4.4 "Area of High Conservation Value Forest (HCVF) loss avoided". Please explain and adjust as needed.
3. In the Portal, the expected result in terms of climate benefits is wrongly reported under the Core Indicator 6.2 (outside the AFOLU sector) instead of 6.1 (in the AFOLU sector). Please adjust accordingly. In addition, the expected indirect benefits appear much lower than the direct benefits which is unusual. Please explain (at this stage of concept, the Agency may wish to consider only the direct benefits).

**October 29, 2020:**

2. Thank you for the clarification. Cleared.
3. Thank you for the amendments. Cleared.

Agency Response

**27 Oct 2020**

- 1) No response required

2) It is important remark that the protected areas or parts of them are not explicitly categorized as Areas of High Conservation Value Forest (HCVF) in the Venezuelan regulatory system, however, most of the forests located in the target municipalities have been considered as hotspots because of their high concentration of biodiversity in the most recent scientific literature (Gomez and Molina, 2017\*). Therefore, for the sake of coherence with the Venezuelan regulatory system, the attention was focused on the core indicators 3.1, 3.2, 4.1, and 4.3 instead of 4.4 (Area of High Conservation Value Forest loss avoided).

The above information was included in paragraph 80 of the revised PIF. Also, we have increased the hectares under SLM for the benefit of biodiversity to 250,000. These are activities that will take place in the buffer zones of the ABRAES (to be validated during the PPG). This increase was discussed with the MINEC and target municipalities during a zoom meeting that took place on October 27.

\* Gómez, H. A., & Molina, M. (2007). Principales causas de la deforestación en la vertiente sur del Parque Nacional Sierra Nevada, Venezuela. *Revista forestal venezolana*, 51(1), 25-34.

3) GHG emissions have been moved to 6.1. The total emissions calculated by EX-ACT are 1.9 million tonnes avoided over a 20 year cycle. We had erroneously divided the emissions from the implementation phase and capitalisation phase into direct and indirect emissions, respectively. All emissions calculated are now under direct benefits as they are related to project interventions. During the PPG phase more detailed calculations will be made once agreement has been made with local communities on the types of activities that will be carried out on the ground and we have confirmed existing cofinancing. The Core Indicator Worksheet has also been updated.

### **15 Oct 2020**

1) Core indicator worksheet has been appended as a separate document in the portal.

2) Project Outcomes 1 and 2 and their outputs were rewritten to include explicitly the biodiversity sphere. Core Indicator 4.1 has been updated. In addition, the core indicators selected in Table F take into account different underlying variables related to the biodiversity sphere as described in the section (3). The proposed alternative scenario with a brief description of expected outcomes and components of the project' (see paragraphs 72, 73, and 74).

3) The core indicator 6.1 was estimated through the EX-ACT tool (including the estimation of the Greenhouse Gas Emissions Mitigated in Table F). EX-ACT workbook and KML files used to calculate GHG emissions have been uploaded to the portal.

### **Project/Program taxonomy**

**7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

The Annex C "Project Taxonomy Worksheet" is missing. Please provide the Annex C.

**October 22, 2020:**

Thank you for uploading the Annex C. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

Point taken. Annex C ("Project Taxonomy Worksheet") was appended as a separate document in the portal.

**Part II – Project Justification**

**1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

1. The description is very broad and general, often at country level. We don't see what in this description exactly apply to the targeted project area. Please be more specific about what are the environmental problems, root causes and barriers in the targeted project area.
2. The deforestation in particular is an important justification of the project. Nevertheless, it appears to be very low according to the data provided in the targeted project area: 481 ha/year out of 879,000 ha is equivalent to a rate of 0.05%. Please confirm and explain the environmental problems the project aims to address in the project area.
3. The proposal says "in general, the project seeks to promote conservation, sustainable use of biodiversity". Please clarify what biodiversity you are referring to and what exactly are the activities of the project that will meet this objective.
4. Figures 1d, 2b and 2 are not visible. Please add them in the project description.
5. We don't see where the "previous sections" with table 2 are. Please clarify.

**October 22, 2020:**

1, 2, 3, 4 and 5. Thank you for the additional information and adjustments. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

1) The environmental problems, root causes and barriers in the targeted project area was addressed by applying some changes in the third section (paragraphs from 72 to 93)

2) A recent study (Pacheco, 2016) using satellite imagery on the dynamics of forest cover in the Andes region shows that in 1990 forests covered 1.88m ha (out of 3.2m ha total land). By 2000 and 2014, forest cover had gone down to 1.79m and 1.73m hectares, respectively. This is, between 1990 and 2015 approximately 145,000 hectares of forest were lost at annual rates of 2.55% (for 1990-2000) and 2.02% (between 2000 and 2015). A quick assessment using Hansen Data for the target 12 municipalities shows that between 2000 and 2019, approximately 18,233 ha of forest were lost. This represents nearly one third of the forest loss in the Andean region. The target municipalities also cover around a third of the land area in the Venezuelan Andes. The proposed project will follow a landscape approach to conserve nearly 337,000 ha of productive landscape where biodiversity is satisfactorily represented. It will also support the restoration of 5,246 hectares of forest and agricultural land (with agroforestry). This information was added in paragraph 7.

3) Please, see the reply to question 1

4) For clarity, panels of figures 1 and 2 were separated and relocated

5) Point taken; it was fixed

**2. Is the baseline scenario or any associated baseline projects appropriately described?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

1. The proposal focuses on national and public initiatives/projects. Please complete with: The existing and enabling regulatory framework managing the different land uses and their organization (such as the Areas under Special Administration Regime); The existing institutional framework dealing with land use planning; A description of the targeted value chains and; Any other relevant initiatives supported by the international cooperation (such as the FAO Program which is co-financing the project).

2. The description informs that "Misión Árbol Ecosocialista" has been conducting significant reforestation activities. Please clarify the kind and the purpose of the forest plantations.

**October 22, 2020:**

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

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

1) Paragraph 14 explains the existing regulatory framework managing the different land uses and their organization

2) The paragraph 59 was expanded with additional information about the kind and the purpose of the forest plantations.

**3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

1. The logical link between the environmental problems, the proposed activities to solve them considering the causes, barriers and baseline and the final results is unclear. Please present the Theory of Change of the project.

2. The lack of adequate public policies is one of the identified barriers (paragraph 33). Nevertheless, we don't see in the components description any provision addressing such a barrier (component 1 is focused on capacity building). Please clarify how this barrier will be address by the project.

3. The component 1 includes "coordination, networking and exchange of information and decision-making mechanisms" that may take the form of working groups. It is unclear how these working groups would articulate with/include the involved stakeholders and particularly whether this will actually enable an adequate institutional framework so that the working groups are sustainable after the project. Please clarify.

4. The proposal in the component description rightly pays attention to the situation of COVID-19 pandemic. To address this issue, the description mentions the development an early warning system based on geospatial tools and a training program and implementation of home gardens to enhance food security and livelihood. Will these activities be supported by the project? Please note that while we strongly encourage the project proponents to consider opportunities to

address the current and future pandemics through the project, they have to be consistent with the project components and aligned with the project objectives linked to generating global environment benefits.

5. We don't understand the rational behind the results numbering under component 2: 2.1, 1.3, 1.4 ... Please clarify.
6. The use of SFM including reforestation, forest restoration and multiple use plantations is unclear. Please explain what kind of reforestation/restoration and species are considered and what will be the incentive for the producers to engage in this activities.
7. The component 3 doesn't clearly reflect the different outputs as presented in Table B. Please elaborate further for each of these outputs what the proposed activities are.
8. The paragraphs 78 and 79 are identical. Please remove one of them.

**October 22, 2020:**

1. Thank you for the clarification and the theory of change. Cleared. When uploading the PIF as a separate document, please ensure the theory of change is included.
2. We don't find the information indicated in paragraph 72 which is about the FONACIT. Please clarify. Doing so, please explain how the increased capacity lead to the actual adoption to adequate public policies.
3. The mentioned paragraph 81 is not responding to the comment and the paragraph 83, which actually refers to the working groups, is nearly the same as in the previous version of the PIF (only the mention "even beyond the end of the project" is added). Please explain further what will make the coordination mechanisms sustainable after the end of the project.
4. You may refer to paragraph 86 instead of 84. Please not that the establishment of an early warning system on COVID-19 based on geospatial tools is not directly aligned with the focal area objectives and as such, should not be directly supported with funds of the project.
5. Thank you for the clarification. Cleared.
6. Thank you for the clarification. Please confirm the species used for restoration will all be native species.



7. We don't understand: the only paragraph under component 3 has the number 93 (and not 89) and it is exactly the same as in the previous version of the PIF, without any further elaboration of the proposed activities under this component. Please explain.

8. Thank you for the adjustment. Cleared.

**October 29, 2020:**

2, 3 and 6. Thank you for the clarification. Cleared.

7. The mentioned bullet points are not included after paragraph 93 (which is actually 94 in the Portal). Please complete the information as needed.

**October 30, 2020:**

7. Thank you for the additional information. Cleared.

Agency Response

**15 Oct 2020**

1) The TOC has been included in the revised PIF (Annex D)

2) Apologies for the mistake. The response referred to paragraph 73 which reads:

1. The objective of the proposed project is **to reduce and reverse forest degradation in productive landscapes of the Venezuelan Andean region by creating a favorable environment for biodiversity conservation and sustainable use with an emphasis on Agroforestry Systems (SAF)**, which will contribute to the livelihoods of local populations and provide global environmental benefits through the establishment of a Sustainable Production and Governance Framework based on a landscape approach and the optimization of ecosystem services and livelihoods. In this sense, two approaches will be applied: **i) strengthening of institutional capacities to incorporate the multiple-use landscape approach at different government levels through coordination of the national development goals with the objectives of the different municipalities; creating capabilities for multiple-level coordination to optimize joint planning and coordinated implementation of public policies and intervention in the Andean region; strengthening the dialogue and decision-making mechanisms; incorporating the landscape approach and environmental sustainability criteria in land use planning and development; strengthening the regional applicability of regulations; and obtaining knowledge to support sustainable production and landscape management;** and ii) strengthening the capabilities of coffee and cocoa producers for the

sustainable management of high conservation value forests and soils (including conservation of biodiversity, water resources, and carbon sequestration), since this will contribute to the recovery and maintenance of ecosystem services key for sustainable production; increasing production and productivity; incorporating actions that will contribute to final product improvement for its commercialization with added value, thereby increasing income and improving livelihoods. This will be achieved with an integrated approach to sustainable management and production in the APUs of the Andean region.

3) The working groups (or mesas de trabajo) are networks for exchange of information, for decision-making and to coordinate project investment activities. These spaces are open to interested stakeholders and represent a place where different actors can come and discuss issues for the benefit of the project. It is a space to build trust. This is a common tool used in Latin America. During project implementation, the project management unit will be in charge of acting as secretary of the working groups, preparing materials for discussion and inviting actors to participate and ensuring all voices are heard. If needed, they will act as mediators to ensure the group can make decision. The goal is that, by the end of the project, these working groups are hosted by participating stakeholders, and if useful, that they are sustainable beyond the life of the project (no major costs are expected for the functioning of the working groups)

4) Point taken.

5) No response required

6) Yes, we confirm that all species used for restoration will be native species.

7) Project activities have been included as bullet points after paragraph 93

8) No response required

### **15 Oct 2020**

1) The Theory of Change of the project was updated in line with recent changes in the PIF and included in the section "Alternative Scenario".

2) Please, see the paragraph 72. The project will create capabilities for multiple-level coordination to optimize joint planning and coordinated implementation of public policies and intervention in the Andean region. So, this barrier will be address by the project indirectly through the strengthening of institutional capacities.

3) This topic was clarified in paragraph 81

- 4) This topic was clarified in paragraph 84
  - 5) For clarity, the numbering of the results (project outputs) in components 2, 3, and 4 was omitted.
  - 6) The paragraphs 87, 88, and 89 provide detailed information on this question.
  - 7) The paragraph 89 provides detailed information on this question.
  - 8) The paragraph 79 was deleted.
- 4. Is the project/program aligned with focal area and/or Impact Program strategies?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

No. As mentioned above, most of the resources requested for this project is from the Biodiversity focal area and the project is not delivering any clear Biodiversity results. Please revise the project accordingly.

**October 22, 2020:**

Thank you for the adjustment. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

This topic was addressed in the first item (please see item 1).

**5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

The incremental cost reasoning links the components with the barriers but doesn't mention the baseline it should build on. Please elaborate further how the project components articulate and build on the identified baseline (including the public investments and the FAO co-financing contribution) to meet the project goals.

**October 22, 2020:**

Thank you for the additional information. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

Point taken. Section 5 has been edited to explicitly discuss the baseline and incremental reasoning for each component (paragraphs 97 to 100).

**6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, cleared.

Agency Response

**15 Oct 2020**

No response required

**7. Is there potential for innovation, sustainability and scaling up in this project?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

An important investment is planned to increase the capacity of public institutions for sustainable and integrated planning (component 1). Nevertheless, no mention is made to the sustainability of the results achieved through this key approach. Please elaborate further how the increased public capacity will be sustainable.

**October 22, 2020:**

Thank you for the clarification. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

The following text has been added to this section: "The proposed project will ensure sustainability of results by building capacity of both government officials and local stakeholders. The project seeks to increase capacity of government officials for integrated planning and monitoring of productive landscapes for the benefit of biodiversity. By following an inclusive approach to planning the use of natural resources, stakeholders will make more informed choices that could lead to more sustainable, equitable and economic use of the land. Any activities implemented that come from a consensual approach based on comprehensive information will also be more likely to succeed and more sustainable in the longer term. "

**Project/Program Map and Coordinates**

**Is there a preliminary geo-reference to the project's/program's intended location?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, cleared.

Agency Response

**15 Oct 2020**

No response required

**Stakeholders**

**Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

The proposal indicates that Indigenous Peoples and Local Communities (IPLCs) have participated in consultations during the project identification phase (these categories are checked with a "Yes"). Nevertheless, the IPLCs are not mentioned in the stakeholders that were actually consulted through the virtual consultation process. Please explain how the IPLCs were consulted and how they will be engaged in the project.

**October 22, 2020:**

Thank you for the added mention. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

Paragraph 106 was expanded with information related to this topic.

**Gender Equality and Women's Empowerment**

**Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, cleared.

Agency Response

**15 Oct 2020**

No response required

**Private Sector Engagement**

**Is the case made for private sector engagement consistent with the proposed approach?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

1. The description is very vague regarding the identification of the different private sector stakeholders and how they will be engaged in the project. Please clarify as needed.
2. A table 3 is mentioned but it is not visible. Please make sure this table is included in the proposal.

**October 22, 2020:**

1. Thank you for the clarification. Cleared.
2. Thank you for removing the reference. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

- 1) This section has been edited. The project will work with farmers as project beneficiaries and with private sector platforms as project partners.
- 2) Reference to table 3 is removed

**Risks to Achieving Project Objectives**



**Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

The description mentions that "risks associated with the COVID-19 pandemic will be taken into account". Some risk and opportunity analysis needs to be undertaken at this stage. In particular, important public co-financing is provided, notably as investment mobilized. Can this co-financing be affected by the current pandemic? Please complete accordingly (it can be 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.

**October 22, 2020:**

Thank you for the additional information. Nevertheless, it is general and doesn't fully address the comment (especially on possible impacts). Please make sure the following information can be found in the project description: 1- likely impacts and risks from COVID-19, and how they will be dealt during project design; 2- how risks from COVID-19 have been analyzed and mitigation strategies incorporated into the project design; and 3- Which potential opportunities have been identified to mitigate eventual impacts created by COVID-19 to deliver GEBs and/or climate adaptation and resilience benefits, and contribute toward green recovery and building back better. Relevant information (particularly on point 3) is already present throughout the project description (notably under the baseline scenario). For easy reference and clarity purpose, the Agency could use this information to complete the analysis under the risk section with the 3 points mentioned above.

**October 29, 2020:**

We don't find the mentioned information in the paragraph 120. Please add the information as needed. Doing so, please ensure to provide information on the 3 points raised in our previous comment. So far, the information remains vague and not always specific to the project situation. For instance, the paragraph 120 is very general and as written, it could nearly apply to any FAO project in the world. For a better clarity, we suggest to present the response using the 3 elements mentioned in our previous comment.

**October 30, 2020:**

Thank you for completing the information on the COVID-19 analysis. Cleared.

#### Agency Response

**Oct 27, 2020**

The following text was added (paragraph 120) regarding project implementation and preparation

120. Regarding the impacts caused by the COVID-19 crisis on project preparation, the project will deal with them developing an adaptation of the security protocol described in the Human Resources Guidelines for Offices during the Novel Coronavirus (COVID-19) pandemic by the FAO (online available at <https://bit.ly/2Hoj2Qz>) taking into account the particular characteristics of inhabitants and environmental conditions in the target municipalities. We have also noticed during project preparation that transport and face-to-face meeting costs have increased, so this will be considered in the preparation budget. During project implementation, FAO will use both FAO and WHO's guidance on how to implement farmer field schools (<http://www.fao.org/3/ca9938es/CA9938ES.pdf>) and food safety , respectively.

(link from WHO: [https://apps.who.int/iris/bitstream/handle/10665/331856/WHO-2019-nCoV-Food\\_Safety-2020.1-spa.pdf?ua=1](https://apps.who.int/iris/bitstream/handle/10665/331856/WHO-2019-nCoV-Food_Safety-2020.1-spa.pdf?ua=1))

**15 OCT 2020**

This topic was expanded in paragraph 119

#### **Coordination**

**Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

1. The description is very limited to the information of who will be the implementing and executing agencies and the creation of Project Administration Unit. Please elaborate further on all the involved entities (won't there be a steering committee of equivalent for instance?) and on the coordination mechanism put in place between these entities.

2. All the other GEF investments in the country are presented but we don't know their links with the project. Please clarify how these investments will be coordinated with the new project.

**October 22, 2020:**

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

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

- 1) This topic was addressed in paragraphs 120, 121, 122, 123, and 124.
- 2) This topic was expanded in paragraphs 125, 126, 127, 128, 129, 130, and 131.

**Consistency with National Priorities**

**Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

The description explains how the project contributes to international agreements (CBD, SDG) but there is no relation with the national strategies. Please elaborate on how the project is consistent with the national strategies and plans under the relevant conventions. Considering the focal areas used for this project, please consider in particular the biodiversity and land degradation aspects (with includes the LDN process).

**October 22, 2020:**

Thank you for the clarification. Cleared.

Agency Response

**27 Oct 2020**

No response required

**15 Oct 2020**

This topic was expanded in paragraph 128, 129, 130, 131, and 132.

**Knowledge Management**

**Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, cleared.

Agency Response

**15 Oct 2020**

No response required

**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 PIF/Work Program Inclusion

**October 1, 2020:**

Yes, cleared.

Agency Response

**15 Oct 2020**

No response required

**Part III – Country Endorsements**

**Has the project/program been endorsed by the country’s GEF Operational Focal Point and has the name and position been checked against the GEF data base?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Yes, the project has been endorsed by Mr. Miguel Serrano, the current OFP of Venezuela. Nevertheless, the project title in the LoE is different from the one in the PIF:

- LoE: “Integrated management of landscapes of multiple use and high conservation value for the sustainable development of the Venezuelan Andean Region”

- PIF: “Integrated management of multiple use landscapes and high conservation value forest for sustainable development of the Venezuelan Andean Region”

Please adjust the title in the Portal or amend the LoE accordingly so that so both titles are identical. Amending the LoE is a much better solution as "high conservation value" without "forest" doesn't make sense.

**October 22, 2020:**

Thank you for providing the new Letter of Endorsement which reflects the adjusted contribution of GEF Focal Areas and which refers to the correct project title. Cleared.

**October 30, 2020:**

We noted that the name of the executing agency in the Letter or endorsement "Ministry of Popular Power for Ecosocialism" is different from the name of the executing agency in the project description in the Portal "People's Ministry for Ecosocialism (MINEC)". Please ensure the name of the executing agency in the Letter of Endorsement matches with all the information provided in the project description (including at the very beginning of the project description under "Other Executing Partner(s)", the indicative sources of co-financing, under the section "Coordination" and in paragraphs 35, 59, 128, 131 (which has the wrong number of 5...), in the Risks Table, and as a foot note under table 2. Please apology for not having noted this issue earlier.

**October 30, 2020:**

The you for the amendments. Cleared.

Agency Response

**30 Oct 2020**

Comment noted. Please see the name of the executing agency adjusted throughout the document and portal submission.

**27 Oct 2020**

No response required

**15 Oct 2020**

New OFP letter has been requested and uploaded. The government has now allocated \$3million from LD focal area and \$3million from BD focal area to the project. Total value of the project is \$6million (including fee and PPG)

**Termsheet, reflow table and agency capacity in NGI Projects**

**Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

**15 Oct 2020**

No response required

**GEFSEC DECISION**

**RECOMMENDATION**

**Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?**

Secretariat Comment at PIF/Work Program Inclusion

**October 1, 2020:**

Not yet. Please address the comments made on the proposal.

**October 22, 2020:**

Not yet. Please address the remaining comments.

**October 29, 2020:**

Not yet. Please address the remaining comments.

**October 30, 2020:**

Thank you for addressing the remaining comments. The PIF is now recommended for technical clearance.

**ADDITIONAL COMMENTS**

**Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.**

Secretariat Comment at PIF/Work Program Inclusion

**Review Dates**

**PIF Review**

**Agency Response**

**First Review**

**10/1/2020**

**10/1/2020**



	PIF Review	Agency Response
Additional Review (as necessary)	10/22/2020	10/27/2020
Additional Review (as necessary)	10/29/2020	10/30/2020
Additional Review (as necessary)	10/30/2020	
Additional Review (as necessary)		

**PIF Recommendation to CEO**

**Brief reasoning for recommendations to CEO for PIF Approval**

**Context:**

Venezuela is one of the top 20 megadiverse countries of the world and the Andean region forests, particularly those comprised in the project's area, stand out from other ecosystems as a critical point of global biodiversity. But in this region, land uses put constant pressure on the ecosystems due to the ever-increasing demand for agricultural products, including crops, livestock, coffee and cocoa. As a result, and despite the important cover of protected areas, forests are being lost and fragmented. In the project area, the annual deforestation rate is higher than 2%.

This continuous environmental degradation is allowed by limited institutional capabilities to incorporate and manage a comprehensive multiple use approach of forests and productive landscapes; by the limitations of producers and technical assistance services for the implementation of sustainable forest management, agroforestry and practices in coffee-cacao sectors; and by the vulnerability of coffee-cacao producers in a market where green commodities are not valued.

**Project:**

To address this issue, the project will focus on rural communities and protected area buffer zones and create a favorable environment for biodiversity conservation and sustainable production with an emphasis on Agroforestry Systems through two approaches: (i) strengthening the institutional capacities to implement integrated and multiple-use landscape planning at different government levels (including at local level) and (ii) strengthening the capabilities of coffee and cocoa producers

for increasing their production and productivity while conserving high-value forests and soils and improving the commercialization and added value of their products.

The project is structured with four components: 1- Institutional strengthening for the management of territorial use, production and sustainable management in multiple use landscapes and forests with high conservation value in the 12 selected municipalities; 2- Sustainable commercial production of specialty coffee and fine flavor cocoa in line with livelihood conservation and landscape restoration in the 12 selected municipalities; 3- Strengthening of green marketing based on improving the quality and diversification of coffee and cacao by-products; and 4- Monitoring and Evaluation (M&E) based on adaptive management principles and the delivery of measurable and objectively verifiable results.

### **Innovation, sustainability and potential for scaling up**

In addition to the institutional new arrangements, the main aspects in which innovation processes can be generated are those related to coffee and cocoa productivity and competitiveness with a significant participation of small producers. The project approach using landscape management, increasing capacities and establishing product certification and diversification tools should sustainably be adopted by the producers. The complementarity of the project with national policies and plans is expected to give it a high potential for replication through the dissemination and communication strategy that will help to demonstrate the effectiveness of Sustainable Forest Management, Agroforestry and Land Management.

### **Global Environment Benefits:**

This project is expected bring under improved management 537,000 hectares including 300,000 hectares to benefit biodiversity and 237,000 hectares in production systems and restore 5,246 hectares including 4,000 hectares of degraded agricultural land and 1,246 hectares of forests. It should also provide climate benefits with the mitigation of almost 2 MtCO<sub>2</sub>e of GHG emission. The project will benefit to 47,283 stakeholders.

### **Co-financing:**

The expected co-financing amount of \$45.7 million is mainly provided by the involved ministries of Popular Power for Ecosocialism and of People's Ministry for Productive Agriculture and Lands (including \$20 million as investments mobilized), with an in-kind contribution from the 12 participating municipalities of around \$0.5 million each. The GEF agency FAO will contribute with a grant of \$3.7 million.