

# Transforming Food Systems and Reducing Deforestation in the Protected Areas and Biological Corridors landscapes from the Southern Caribbean Coast and San Juan River autonomous region

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10599

**Countries**

Nicaragua

**Project Name**

Transforming Food Systems and Reducing Deforestation in the Protected Areas and Biological Corridors landscapes from the Southern Caribbean Coast and San Juan River autonomous region

**Agencies**

FAO

**Date received by PM**

12/2/2021

**Review completed by PM**

4/15/2022

**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 3, 2022:**

No, Table A should only include one FOLUR IP outcome, not multiple outcomes based on Focal Areas (which should appear in Table D). The Agency should edit the Table A Focal Area Outcomes field to read as follows: "Transformation of food systems through sustainable production, reduced deforestation from commodity supply chains, and increased landscape restoration"? Please see below and revise accordingly.

## A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund
IP FOLU	Transformation of food systems through sustainable production, reduced deforestation from commodity supply chains, and increased landscape restoration.	GET

Total Project Co:

### **April 6, 2022:**

Thank you for the amendment. Cleared.

### Agency Response

#### **12 April 2022**

No response required

### **10 March 2022**

Noted. Portal and PRODOC have been updated.

### **Project description summary**

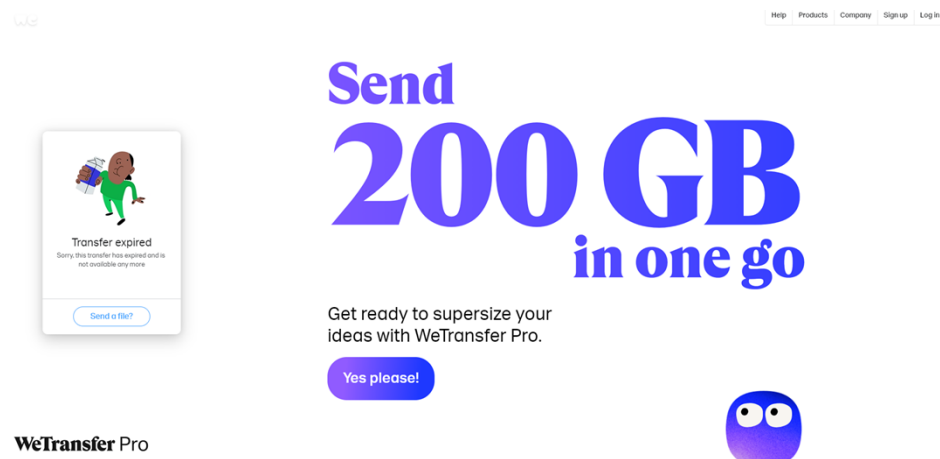
**2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?**

### Secretariat Comment at CEO Endorsement Request

#### **January 3, 2022:**

1. At the beginning of the project description of the Portal entry, the "Expected Implementation Start" of 7/6/2020 is impossible (in the past) and "Expected Completion Date" is missing. Please correct and complete as needed.
2. Please correct "Develop-ment" in the title of Component 1 in Table B (it should be "Development").
3. Where are the Annexes 1, 12, and J and the Appendix 1a, 1b, 2, 3, 4, 6, 7, 8, 9 in the Portal entry? Please explain. Please refrain from copy-paste parts of other documents hoping the reader will look for and may find somewhere else the information referenced in the Portal entry.

4. Please note that we are unable to open the Agency Project Document. The link provided leads to the webpage "wetransfer.com" and shows the following web page. Please upload the Agency Project Document in a readable format in the document section of the Portal.



**WeTransfer** Pro

5. Why "land use" is repeated in the title of the outcome 2.1 (in table B and in the alternative scenario)? Please justify or correct.

6. The indicator "Number of trained people from 6 NPCCS Institutions (MARENA, MEFFCA, INTA, IPSA, INAFOR and GRACCS-Creole GTI in Bluefields and Pearl Lagoon and seven Municipalities" in table B is unclear in terms of number of institutions (there are more than 6). Please clarify.

7. The titles of the Output 2.1.1, 2.1.4, 3.1.2, 3.2.1, 4.1.1, 4.1.2, 4.2.1 and 4.2.2 are different in table B and in the alternative scenario. Please correct.

8. The outputs 2.1.3, 3.1.2 and 3.1.3 are formulated more like outcomes than outputs. Please revise.

9. The output 2.2.2 of table B is missing in the alternative scenario and correspond to the output 2.2.3 in the alternative scenario. Please correct.

10. The title of the Components 3 and 4 are different in table B and in the alternative scenario. Please correct.

11. The title of the outcome 3.2 and 4.2 are different in table B and in the alternative scenario. Please correct.

12. Why is the word "expected" added in the title of several outcomes but not all in the alternative scenario? Please be consistent.

13. In table B, the indicators under components 2 and 3 have targets and those under component 1 and 4 don't have. Please complete.

14. The component 4 is focused on M&E and KM. The contribution of \$11.9 million from co-financing to this component seems to be very high for such a kind of activity: it is by far higher than the co-financing contribution to component 2 which aims at promoting sustainable value chains (a central objective of the FOLUR IP). This is very difficult to understand. Please explain.

**April 6, 2022:**

1. No, the time between the Expected Implementation Start and the Expected Completion Date is 5 years and doesn't correspond to the duration of the project of 48 months as indicated. Please correct.

2. Thank you for the amendment. Cleared.

3. Thank you for including all the annexes in the Prodoc. Nevertheless in the table of content the page numbers are not correct, the annex "Grievance Redress Mechanism" is not referenced and the the size of the Prodoc is larger than the page (format issue, on the right side). Please correct these issues in the Prodoc.

4, 5, 6, 7, 8, 9, 10. Thank you for the consideration and amendments. Cleared.

11. No the outcome 4.2 is still (slightly) different in table B and in the alternative scenario. Please correct.

12. Thank you for the amendments. Cleared.

13. There are still outcomes and indicators without targets. Please complete with the targets indicated in the Project Results Framework.

14. Thank you for the adjustment. Cleared.

**April 14, 2022:**

1, 3, 11 and 13. Thank you for the amendments. Cleared.

Agency Response

**22 April 2022**

No response required

**12 April 2022**

1. Dates have been corrected

2. No response required
3. The table of contents should have updated automatically. It has been manually updated. Grievance Redress Mechanism has been labeled ?Annex I3? and is now in the TOC.
- 4-10. No response required
11. Noted, has been corrected.
12. No response required
13. Noted. Targets have been included for all outcomes in Table B.
14. No response required

### **10 March 2022**

1. Noted, starting and closing dates have been updated.
2. Noted. Title in component 1 has been corrected.
3. Noted. A single project document including all annexes in PDF has be uploaded into the portal.
4. We apologize for the inconvenient with the link. We have developed a new draft of the PRODOC and uploaded it into the portal.
5. This has now been corrected. Please refer to the formulation of outcome 2.1 throughout the text.
6. Point taken. The indicator has been rephrased for clarity as: ?Number of people trained on participatory land use planning from seven municipalities and six National Production, Consumption and Commerce System (NPCCS) institutions" with a target of "65 people trained from the six target municipalities and NPCCS institutions (MARENA, MEFCCA, INTA, IPSA, INAFOR and the GRACCS-Creole Indigenous and Afrodescendant Territorial Government of Bluefields and Pearl Lagoon)"
7. The project description has been revised for consistency throughout the CEO Endorsement Request (Table B, Alternative scenario and Agency Results Framework).
8. Outputs 2.1.3, 3.1.2 and 3.1.3 have been revised as requested. Please refer to the edited version of such outputs throughout the CEO Endorsement request.

9. Table B has been adjusted (deleting the former output 2.2.2 on table B). Please note that the Outcome 2.2 includes only two outputs as we now consistently describe on table B and the alternative scenario.

10. The title of components has been revised for consistency between table B and the alternative scenario.

11. These titles have been revised for consistency between table B and the alternative scenario

12. Point taken. The PRODOC is now consistent

13. Point taken. All outcomes now have targets

14. Point taken. Please note that the distribution of the co-financing has been adjusted.

**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

N/A

**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 4, 2022:**

1. Under the Table C, please clarify the time frame of the GCF project and ensure this timeframe is consistent with the amounts of loans and grants indicated in Table C (for instance, logically, not all the resources from the GCF project could be reported in Table C if the GCF project began before the FOLUR project).

2. The co-financing letter from FAO is not signed. Please provide a signed letter.

3. There is no entities from the private sector contributing to the co-financing. This is surprising especially considering the importance of the exports revenues (\$500 million

from beef export and 70% of the cocoa produced exported to Mesoamerica). The engagement of the private sector (not only at the production level) is crucial in the FOLUR strategy. This also appears in contradiction with the stakeholders engagement plan where the private sector is considered as "co-financers". Please clarify and rectify.

**April 6, 2022:**

1, 2 and 3. Thank you for the clarification and the signed co-financing letter from FAO. Cleared.

Agency Response

**12 April 2022**

No response required

**10 March 2022**

1. The government of Nicaragua has offered to mobilize resources in support of resources in support of the GEF donation through the Project titled: "Comprehensive Climate Action to Reduce Deforestation and Strengthen Resilience in the Bosawas and Rio San Juan Biospheres" (BioCLIMA). This Project was approved by the board of the Green Climate Fund (GCF) on 13 November 2020 through the Central American Bank for Economic Integration (CABEI) as an accredited body and was declared effective on December 9, 2021 indicating the last update of the project timeline to end on December 9, 2028.

The FOLUR project will begin its implementation in year 1, just like the Bioclima project, and this represents a good opportunity to establish the expected synergies and complementarities.

Cofinancing was calculated based on the estimated time of overlap between the two projects.

2. Noted. Signed cofinancing letter attached.

3. The private livestock sector has signed an environmental sustainability agenda within the framework of the National Agricultural Fair (Fenagro), organized by EXPICA and which took place from April 28 to May 3, 2021.

The signatory unionized sector is made up of the Nicaraguan Chamber of Bovine Meat Export Plants (Canicarne), the Nicaraguan Chamber of the Nicaraguan Dairy Sector (Canislac), the Nicaraguan Cattlemen's Federation (Faganic), the Nicaraguan Livestock



Commission (Conagan) , the Association of Breeders of Brahman Cattle of Nicaragua (Acbn) and the Union of Agricultural Producers of Nicaragua (Upanic).

A key point on the agenda is to promote sustainable livestock production strategies that are voluntary, market-oriented, science-based, according to the specific situation and region, which should be designed and implemented locally.

It is at this local and regional level that the FOLUR project has its entry point, given that it plans to support Indigenous and Afro-descendant Small Producers, Cooperatives and Territorial Governments to design collaborative municipal, territorial and communal plans for landscape restoration through silvopastoral systems, cocoa agroforestry systems, forest restoration and reforestation, and protection and sustainable management of native forests (including participatory mapping methodologies).

This planning will facilitate the celebration and formalization of multi-stakeholder and multi-level agreements for landscape restoration and forest conservation in the RACCS and the department of R?o San Juan.

Contribution of the private sector at the local and regional level therefore is expected to be during the first year of the project.

#### **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 3, 2022:**

Yes, cleared.

Agency Response  
**10 March 2022**

No response required

#### **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 3, 2022:**

Yes but the table provided is not correct: the total amount spent is not indicated and when we sum all the expenses, the total is higher than the available PPG budget. Please correct the table.

**April 6, 2022:**

Thank you for the correction. Cleared.

Agency Response

**12 April 2022**

No response required

**10 March 2022**

Point taken. Please refer to the corrected table in Annex C.

**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 3, 2022:**

1. The number of project beneficiaries is missing (core indicator 11). Please complete as needed.
2. The reduction in the deforestation of high-conservation value forest is mentioned among the project environmental benefits. Why is it not reported in the core indicator 4.4? Please consider adding this indicator too.

**April 6, 2022:**

1 and 2. Thank you for the amendment and clarification. Cleared.

Agency Response

**12 April 2022**

No response required

### **10 March 2022**

1. Point taken. Core Indicator 11 has been updated.
2. The target areas are part of the Mesoamerican biological corridor, but they have not gone through the formal HCV assessment. Therefore, we will include the areas under 4.1 "Area of landscapes under improved management to benefit biodiversity" rather than under 4.4. We have also edited the text in section 6 to read:

"To complement the sustainable management and restoration activities, the Project will additionally work on improving the management of 167,236 ha to avoid the deforestation in the buffer zone of the RBIM reserve" and removed reference to HCVF.

### **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 4, 2022:**

1. Some paragraphs in this section are not relevant to the expected information which should be related to the environmental problems, root causes and barriers to be addressed. Are for instance the updated NDC (paragraph 24) and the opportunities for forest restoration in biological corridors (paragraphs 26 to 28) considered as problems or barriers? Too much details on cocoa and cattle value chains are also provided here while most of this information is more relevant to the baseline. Part of the description seems to be copy-pastes from other documents without considering the objective of this section. Please focus on the information which is expected in this section.
2. The description mainly focusses on forest loss in general. To help understand the need for the proposed investments in restoration, please complete the analysis elaborating on 1- how the targeted commodities in particular cause forest loss and degradation in the targeted project area and in particular in the prioritized biological corridor and on 2- how this corridor has been selected (what is happening there in particular that makes it important for the project).

3. The most recent trend of deforestation is not clear. In the paragraph 3, the text says "In that five-year period the net percentage of deforestation dropped significantly to 14,021 ha per annum" but also says just after "Still, gross deforestation for the period was 528,844 ha, equivalent to 105,769 ha per year", which is very different. Also, we learn in the paragraph 15 the "Between 2005 and 2015, some 17,988 ha per year were deforested and converted from forest to agricultural land"... Please clarify.

4. The paragraph 7 says "It is estimated that approximately 84% of what used to be forestland has been changed to other soil uses". It doesn't seem to be consistent with the paragraph 3 stating the forest cover was reduced from 76% to 30% of the territory. Please clarify.

5. In the paragraph 3, we learn that in 2015 forest cover 30% of the national territory and in the paragraph 8, we learn that in the same year 71.1% of country's territory was covered by pastureland. How can this be possible? Please provide consistent data in all the project description.

6. We learn that palm oil is also a key commodity produced in the country. Please justify why it is not considered in the project.

**April 7, 2022:**

1, 2, 3, 4, 5 and 6. Thank you for the consideration, amendments and clarifications.  
Cleared.

Agency Response

**12 April 2022**

No response required

**10 March 2022**

1. The section has been edited to remove information not needed.

2. Additional information on how the corridors were selected on how the targeted commodities cause deforestation has been included

3,4 and 5. Thank you for the comment, The paragraphs have been revised and the descriptive statistics have been adjusted using mainly one source (Nicaragua's Land Use Atlas for 1969 to 2015 available at <http://www.marena.gob.ni/Enderedd/wp-content/uploads/MemoriasOrganizados/Investigaciones/Atlas.pdf>). Please refer to the corrected paragraphs.

6. Although it is true that palm cultivation is present in the target landscape area, the Emissions Reduction Program to combat climate change and poverty on the Caribbean Coast, the BOSAWAS biosphere reserve and the Indio Ma'z biological reserve ( ERPD) indicates that the main direct cause of deforestation in the period 2000 to 2015 is the extensive production of livestock associated with the expansion of the agricultural frontier and therefore the first priority is to work with livestock systems.

In relation to important perennial crops in the project area, cocoa, robusta coffee, oil palm and coconut have been identified. However, the ENDE REDD national strategy has prioritized the cultivation of cocoa given that it is an activity with the participation of companies, as well as individual producers who project a growth of the cultivation area in the project zone and the implementation of the agroforestry system of the cocoa is an opportunity to complement efforts with the actions that will support the Bioclima project in this same geographical area.

Cocoa agroforestry systems, unlike palm systems, can conserve their diversity both at the structural level and in their floristic composition (Schroth & Harvey, 2007). Structural diversity, in the form of various plant layers, and floristic diversity, with the use of a wide variety of species, promote connectivity at the landscape level, as well as the availability of habitats for birds and insects, which they favor biological pest control and services related to crop productivity such as pollination and seed dispersal.

It is important to clarify that all the producers of perennial crops present in the target landscape will participate in the first year of the project in designing collaborative municipal, territorial and communal plans for the restoration of the landscape and it is expected to identify actions to develop with them through the platforms of dialogue and through the mechanisms to replicate the best practices of sustainable management of production landscapes that will support the project.

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

Secretariat Comment at CEO Endorsement Request

**January 3, 2022:**

1. This section is very confusing: some parts are not relevant (such as the consultations held during the Project Preparation Phase - we need to see here a summary of the results, not a description of the consultations) or should be included in other sections of the portal entry (such as 2.4.3 land degradation, the gender analysis, some details of the project intervention area and key characteristics...). Please organize the baseline description summarizing the most relevant information (on stakeholders involved, existing platforms, plans, initiatives and projects) and ensuring the information pertaining to other sections are not described in details under this section.

2. The situation of the private sector stakeholders regarding their involvement in sustainable initiatives either locally or through international initiatives or companies is unclear. Please elaborate further on existing sustainable initiatives the project would be able to build on.

3. The 5 Great Forest of Mesoamerica initiative appears to be potentially very relevant to consider synergies with this project. Please assess the possibilities and benefits to include and articulate with this initiative.

4. Some maps and figures are very small and thus difficult to read, especially under the 2.5 "Baseline: Cacao and Cattle Value Chains". It may be a portal issue. Please try to increase their size so that they can be read.

5. What do "H" and "M" mean in table 5? (please consider this table is in English).

**April 7, 2022:**

1. Thank you for the consideration. Cleared.

2. Thank you for the clarification provided in the review sheet. Please add this information in the Portal entry under the Baseline scenario.

3. Thank you for the clarification provided in the review sheet. Please add this information in the Portal entry under the Baseline scenario.

4. We don't find the section "Baseline: Cacao and Cattle Value Chains" with its maps and graphics which was in the previous version of the Portal entry. Please include this section under the baseline scenario.

5. We don't find the table 5. Please include it.

**April 14, 2022:**

2, 3, 4 and 5. Thank you for the amendments. Cleared.

Agency Response

**22 April 2022**

No response required

**12 April 2022**

1. No response required
2. Noted. Info on private sector baseline activities included under the Baseline Scenario
3. Noted. Info on coordination with the Five Great Forests of Mesoamerica Alliance Initiative has been included under the Baseline Scenario
4. This section had been moved to Annex Q. It is now reinstated in the Baseline Scenario.
5. Table 5 (Participation of women in the cocoa value chain) is part of the Baseline for Cocoa and Livestock Value chains. It is back in the baseline scenario

### **10 March 2022**

1. The section has been edited to focus on most relevant information
2. COCOA. The FOLUR project will coordinate actions with the RITTER company through the project that they execute with the INTER-AMERICAN DEVELOPMENT BANK / MULTILATERAL INVESTMENT FUND / Nicaragua / Intelligent Cocoa Production / NI-T1274.

The project aims to contribute to improving the income and resilience of cocoa-producing families in Nicaragua. The expected result is to improve the levels of productivity and commercialization of cocoa-producing families organized in cooperatives, through access to technologies associated with Precision Agriculture (AP), the management of cocoa agroforestry systems (SAF cocoa) and traceability. /certification of fine-sustainable cocoa for higher value markets.

The FOLUR project will coordinate actions with the RITTER company to improve the productive efficiency of cocoa agroforestry systems based on its experience on plant genetics, plantation rehabilitation and access to genetic material with the Ritter Clonal Garden located in Waslala. Also to learn about their experience in developing an information management platform in cocoa cooperatives for the collection and processing of data at the farm level, traceability, carbon footprint and use of agricultural inputs.

LIVESTOCK. The FOLUR project will coordinate actions with the NATIONAL LIVESTOCK COMMISSION (CONAGAN) through the project executed with the INTER-AMERICAN DEVELOPMENT BANK / MULTILATERAL INVESTMENT FUND / Nicaragua / Sustainable Livestock Project in Nicaragua (NI-T1237).

The objective of the project is to develop a pilot for a segregated model of scalable bovine production, which allows medium-sized producers to improve their competitiveness and increase their income through more stable sales relationships in the chain and the Nicaraguan livestock sector access to international markets of greater value and environmental sustainability. Since it is a new model, the project has the challenge of demonstrating, during its execution, the concrete benefits generated in terms of productivity improvement, environmental management and profitability.

The project will support the establishment of public-private coordination between the Institute for Agricultural Protection and Health (IPSA), the competent public authority of the STB and the SSPB, and CONAGAN, which will facilitate the implementation of the model at the pilot level, the certification of technicians and trainers, the qualification of private service providers and timely feedback, both at the level of instruments and regulatory frameworks for both systems.

The FOLUR project will also coordinate actions to advance through quality certifications and sustainable seals for the livestock and cocoa sector.

COCOA. Gold Standard project in Nicaragua. The RITTER company in the course of 2014 to 2020, helped by the company Soil & More Impacts GmbH from Germany, began a process to establish and register a Gold Standard project in Nicaragua at its Finca El Cacao in Kukra Hill in the RACCS. The objective of the project is to reduce emissions from its cocoa plantation and make it climate neutral in the medium term. They base the reduced emissions model on the Gold Standard LUF (land use and forests) methodology. Measures such as the reforestation of fallow lands allowed us to create a sustainable cocoa plantation. In addition to reforestation, sustainability measures for cocoa production at the Ritter Sport plantation also include: biomass composting, minimal use of artificial fertilizers, and CO<sub>2</sub> sequestration in the soil.

CATTLE RAISING. Obtaining quality certificates and sustainable seals is no longer an added value, but has become an obligation to enter markets where Nicaragua has opportunities to export meat and dairy products. This implies ensuring the quality of the products, which includes safety and which in turn are linked to environmental protection and the well-being of its workers.

Europe has begun to request a certification as part of the requirements to enter that market: the Global GAP GRASP module. In Nicaragua, several companies have already been certified with this module and others are in the process of being implemented. In Nicaragua, through the Global GAP National Technical Working Group (NTWG), the first GRASP National Interpretation Guide for Nicaragua has been prepared, which once approved by the Global GAP Secretariat and will be published on its official website for public use by companies and producers that require certification with the GRASP module.



3. Indeed, the FOLUR project will coordinate actions with the Five Great Forests of Mesoamerica Alliance Initiative: a Central American environmental initiative launched at COP25.

This will be achieved through MARENA, which is the Institution of the Government of Nicaragua that is a member of the Central American Commission for Environment and Development (CCAD) and through the synergies and complementarities that are identified with regional projects led by CCAD, for example, the Linking the Central American Landscape Program executed by IUCN with KFW resources in CCAD member countries.

Coordination with these regional initiatives through CCAD will be defined according to the work process that they develop from 2022 and MARENA will have the role of facilitating operational coordination when actions are developed in the area of the FOLUR project

4. We were having issues with PRODOC size and maps and figures. We have uploaded all maps and figures again.

5. It refers to men and women, in Spanish. This has been updated/translated

**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 5, 2022:**

1. The TOC can't be read in the Portal entry due to its format. Please upload the TOC in the document section of the Portal.

2. The Output 1.1.1 "Capacity building for the implementation of a capacity building program" is unclear: is the first focus on capacity building as the title says or the design and implementation of the training program as the Activity 1.1.1.a indicates? Please clarify in the alternative scenario and in table B.

3. Under the outcome 1.2, the purpose of the dialogue is to strengthen the concept of sustainable landscape management. As the output 1.2.1 focuses on the restoration of biodiversity and safeguard of protected areas, it is unclear whether the strengthening of governance systems and capacity building is limited to restoration or also includes the promotion of sustainable practices in agriculture. Please clarify.

4. The outcomes 1.2.1 and 3.2.1 appear quite similar. Please clarify the difference.

5. The component 2 is the main one aiming at promoting sustainable food systems along the value chains. Nevertheless, the proposed concrete actions are at production level and what is planned with the other stakeholders along the value chain remains vague beyond a long list of potential innovative financing models and "partners regularly convened", "facilitation of dialogue". Please be more specific in terms of stakeholders involved for each value chain, actions and expected results on how the project intends to move the entire value chains towards more sustainable practices.

6. Please explain why formulate and implement investment plans are included in the same activity 2.1.2.a in cattle raising systems whereas they are separate in 2 different activities 2.1.2.b and 2.1.2.c in agroforestry systems.

7. Considering the activities under the output 2.1.2 include the implementation of the plans, what is the difference between this output and the output 2.1.3 which is also about the implementation of the plans?

8. The component 3 includes the restoration of natural habitats. Nevertheless, only the restoration of agricultural lands is considered in the core indicators section. Are natural habitats in biological corridors considered as agricultural lands? Please clarify and ensure the expected results of this project are fully captured in the core indicators section.

9. Related to the above comment: please clarify the current status of lands that will be restored and the type of restoration which will be applied (species, methodology...).

10. It is unclear why the output 3.1.3 (area of landscapes under improved management to avoid deforestation) is under the component 3 which is focused on restoration. Shouldn't this output be more relevant under the component 2? Please clarify.

11. The activity 3.1.3.a. includes the implementation of restoration activities. Please clarify the difference between the outputs 3.1.3 and 3.1.2.

12. What management and coordination mean in the outcome 4.1? Please note that the project management should be supported by the PMC and not the project components.

**April 7, 2022:**

1. We don't find the uploaded TOC in the document section (please see below the 4 new documents uploaded since the last revision in January). Please upload the TOC.

Document Title	Category	Prefix	Classification	Last Modified Date	Published
Budget Nicaragua FOLUR - March 30	Project Document	Annexes/appendixes to the project documents	Official Use Only	4/5/2022 12:06 PM	
Nicaragua FOLUR Production April 2022	Project Document	Child FSP CEO Endorsement document	Official Use Only	4/5/2022 12:06 PM	
FAO Cofinancing letter 18Jan2022	Project Supporting Document	Co-financing letter	GEF Secretariat Use Only	1/18/2022 9:20 PM	
CEO Endorsement/Approval Review Sheet Document	Project Review Document	GEFSEC review sheet - CEO Endorsement/Approval Stage	Public	4/5/2022 12:20 PM	
FSP CEO endorsement document	Project Document	Child FSP CEO Endorsement document	Public	12/3/2021 4:02 AM	

2. Thank you for the clarification. Cleared.
3. Thank you for the clarification. Please make that clear in the formulation of the output 1.2.1 (which is still focused on to restoring biodiversity and safeguarding protected areas).
- 4, 5. Thank you for the clarification. Cleared.
6. No, the activity 2.1.2 c is still in the proposal. Please amend as indicated in the Agency response.
7. Thank you for the clarification. Cleared.
8. No, only restored agriculture lands are captured in the core indicators section (core indicator 3.1). While the title of component 3 is only focused on the restoration of natural habitats, we expect to have mainly or at least also a result for the core indicator 3.2 (forest lands) and/or indicator 3.3 (natural grass and shrublands) and/or indicator 3.4 (wetlands). In addition, if we refer to the Agency response in the review sheet, the output 3.1.2 is missing the words "and natural habitats" (in table B, under the alternative scenario and in the results framework). Please clarify and amend as needed.
9. Beyond the property of land, please clarify in the proposal what is the current use of the lands which will be restored and what kind of restoration will be applied (with which species, which restoration practices... considering only local species can be used for natural habitats restoration). Please apology is GEF Sec comment wasn't clear enough.
10. The Agency response says "The area will be smaller than that covered by the participatory management plans (1.1.2)". Nevertheless the comment was not about the size of the area but about why the output 3.1.3 (landscape under improved management) if under the component 3 which only focus on restoration according to the title of component 3. The Agency is invited consider a new name for component 3 which refers to SLM and restoration of natural habitats.

11. Thank you for the clarification. Cleared.

12. No, the word "Management" is still in the outcome 4.1. Please remove this activity from the component 4 throughout the project description (in table B, under the alternative scenario and in the results framework).

13. In addition, under the alternative scenario, there are 2 sections numbered "3.1". Please correct.

**April 14, 2022:**

1, 3, 6, 8, 9, 10, 12 and 13. Thank you for uploading the TOC, the amendments and clarifications. Cleared.

Agency Response

**22 April 2022**

No response required

**12 April 2022**

•1. Noted. TOC has been uploaded into the portal.

2. No response required

3. Noted. Output 1.2.1 has been rephrased to include agricultural practices

4-5. No response required.

6. Noted. 2.1.2.c has been removed from the results framework and the ?alternative scenario?.

7. No response required

8. Noted. Further precision is provided regarding the 13,027 ha to be restored, which include 5,569 ha of agricultural land, 2,057 ha of forest lands and 5,401 ha of grasslands. These are now reflected in the Core Indicators, and results framework and the alternative scenario

9. The following text was added under output 3.1.3

*Project interventions will prioritize biological corridors covering 167,236 ha (currently described in Annex O. This land is divided into the following uses: 60%: 29% forest; 8% crops; and 3% other uses. To see the all the maps online, please follow this link: <https://projectgeffao.users.earthengine.app/view/nicaragua-folur>*

*To implement the landscape restoration actions in the project area, the map of Priority Areas will be used, which was built on the basis of the 2015 National Map of Land Use, in which all the areas that are located less than 500m from a patch of remnant forest and proposal of types of action that are based on an analysis of territorial aptitude and together with the field visits will serve as a guide for the selection of the site. The most appropriate practices for each site will be determined based on the socioeconomic conditions and the restoration plans to be developed through product 3.1.1 for each intervention area, in a participatory manner and in accordance with the current land use planning and its ecological viability, commercial and social.*

*According to local experts consulted in the design of the project, the most suitable proposed areas for interventions in the prioritized area are the following:*

- \* *Silvopastoral: mainly in San Carlos, Bluefields, Nueva Guinea and El Rama.*
- \* *Agroforestry: mainly in Nueva Guinea, El Rama and El Castillo.*
- \* *Forest Protection and Management: mainly in Kukra Hill, Laguna de Perlas and El Castillo.*

*The type of restoration that will be implemented includes support to establish the silvopastoral system through planting trees within the area of cattle farms associated with pastures and also support the agroforestry system through planting trees within farms that have cocoa cultivation. Tree plants will be used for live shrub barriers and live grass barriers that are produced in nurseries registered by the National Forestry Institute in the project area, that is, forest species from the area will be used and the preparation of the site, the care of planted seedlings and other forest management interventions will be assumed by the beneficiary producers of the project to restore the forest, protect it.*

*Forest protection and management interventions will focus on managing the natural regeneration of the forest in water recharge protection zones or on the banks of rivers to conserve and restore riparian forest located in the project area.*

*In order to implement restoration and investment plans, alliances will be created between MARENA and national universities or regional institutions, such as CATIE and CIAT, that have experience in sustainable management and landscape restoration. In addition, there will be a technical support specialist for each municipality to formulate individual plans.*

10. Noted. Component 3 was renamed to include SLM and restoration of habitats, correctly reflecting project outcomes and outputs.

11. No response required

12. Apologies for the oversight. Outcome 4.2 has been rephrased to remove reference to management. The Outcomes centers around M&E

13. Noted and corrected

### **10 March 2022**

1. TOC has been uploaded again.

2. The output has been redacted and we have ensured consistency between table B, Results Framework and the alternative scenario. The goal is to design and implement a training programme.

3. These platforms will also cover the promotion of sustainable practices

4. With Output 1.2.1, the dialogue platforms between the public and private sectors will be strengthened through the Production, Consumption and Trade System (PCTS) in the RACCS and in the department of Río San Juan.

The SPCC deals with inter-institutional issues that relate to public institutions such as MEFCCA, INTA and IPSA, linked to the cattle and cocoa sector.

Output 3.2.1 will support intersectoral dialogue between public productive institutions, public environmental institutions such as MARENA and INAFOR, and with other public institutions that deal with issues related to livestock and cocoa, such as Red Vial y Transporte, Technical and University Education, Tourism. Rural Agriculture, among others.

Likewise, the multilevel dialogue will be strengthened between the level of the National Government, the Regional Government of the South Caribbean Coast, the 7 Municipal Mayor's Offices and the Indigenous Territorial Governments, in order to improve the governance system, identify bottlenecks and necessary reforms to landscape restoration.

5. Output 2.1.1 contemplates developing a research and capacity-building program for both the livestock and cocoa value chain, in its various links (production, post-harvest, transformation/processing, marketing/market)

The project will also develop a capacity building program with the support of alliances with cocoa buying companies (which currently provide technical assistance), such as

Ritter Sport, ECOM, Cacao Oro, Ingemann), ECOM, Ingemann, UCA Ahmed Campo, Rikolto, WCF and CIAT.

The same will apply to the livestock union through the Nicaraguan Chamber of Bovine Meat Export Plants (CANICARNE) where it will work with the meat processing companies that buy cattle for meat in the FOLUR project area (San Martin slaughterhouses, Novaterra, Nuevo CARNIC, MACESA) and with the Nicaraguan Chamber of the Dairy Sector (CANISLAC) with milk processing companies and cooperatives that buy and collect milk from the FOLUR project area (LALA, Cooperativa NICACENTRO, CHONTALAC, CENTROLAC, others).

Products 2.1.3 and 2.1.4 refer to investment plans that focus on guaranteeing the sustainable management of production landscapes from the primary link of livestock and cocoa activity, however, through product 2.1.4 A plan will be implemented to replicate the best practices at the regional and national levels (including identified financing), which includes coordinating actions with cattle and cocoa processing and marketing companies, in such a way that the practices are integrated into their production standards. and encourage their expansion. This will be supported by financing mechanisms and incentives through output 2.2, which will promote sustained expansion beyond the end of the project.

6. Thanks for the observation. The adjustment has been made and activity 2.1.2.c has been eliminated.

Activity 2.1.2.b Formulate and implement investment plans to support small producers, cooperatives, and indigenous and Afro-descendant territorial governments in the technological conversion to sustainable, diversified, resilient, low-carbon, and deforestation-free cocoa agroforestry systems.

7. The difference is that product 2.1.3 focused on implementing sustainable management systems for production landscapes in the adjacent areas or "border landscapes" of the Indio Ma'z Biological Reserve in the department of R?o San Juan and the RN Punta Gorda, Cerro Silva RN and Cerro Wawashang RN in the South Caribbean Coast Autonomous Region (RACCS).

For example, in an area adjacent to the RBIM in the municipality of El Castillo, work will be done through product 2.1.3 with 4 cocoa cooperatives, a cocoa company (Agroindustrial del R?o SA), a forestry company (Maderas cultivadas de CA SA ) and a citrus company (Pura Sana) in order to implement the sustainable management of production landscapes in the areas adjacent to the Indio Ma'z Biological Reserve.

8. In agreement. Indicator 22 is defined as "Area of implementation of investment plans to restore natural habitats and productive landscapes."

Output 3.1.2 has been adjusted At least 13,027 hectares of agricultural land and natural habitats restored under systems prioritized in output 3.1.1) (contributes to Core Indicator 3).

9. Project investment will take place in private lands (i.e. belong to the beneficiaries) and lands owned by indigenous groups (the government has provided land titles to these indigenous groups)

10. 3.1.3 refers to the detailed investment plans tackled by GEF funds. The area will be smaller than that covered by the participatory management plans (1.1.2).

11. 3.1.3 will focus on SLM while 3.1.2 will focus on restoration

12. Agreed, 4.1 will focus on M&E while management is considered under PMC.

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

Secretariat Comment at CEO Endorsement Request

**January 5, 2022:**

1. To further demonstrate the alignment with BD 1-1, please also highlight the importance of the output 3.1.3 "At least 167.236 ha of landscapes are under improved management to avoid deforestation and reduce forest degradation in locations with high conservation value (HCV) outside the protected areas" as this output is explicitly intended to benefit the biodiversity as captured in the core indicator table.

2. The demonstration of the alignment with the FOLUR IP is very succinct (it should not be limited to effective coordination and adaptive management). Please elaborate further on how this project aligns with the FOLUR IP considering all the main objectives of the IP which are: Promoting sustainable food systems to meet growing global demand; Promoting deforestation-free agricultural commodity supply chains to slow loss of tropical forests; and promoting restoration of degraded landscapes for sustainable production and to maintain ecosystem services.

**April 8, 2022:**



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

Agency Response

**12 April 2022**

No response required

**14 March 2022**

1. As discussed above, the areas are not formally recognized under the HCV Network (and we don't know about efforts from the HCV Network in Nicaragua), though they are considered important within the context of the Mesoamerican Biological Corridor given that they are part of the biological corridors for the RBIM..

2. Noted. More detailed alignment with FOLUR is provided in section 1.c.

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

Secretariat Comment at CEO Endorsement Request

**January 5, 2022:**

As mentioned above, the very high level co-financing contribution to component 4 is difficult to understand and we wonder about the additional value and necessity of the GEF contribution to this component as it is much smaller. Please clarify what needs to be supported by the GEF which can't be supported by the co-financing. Please note that the co-financing can't be provided as in-kind contribution (as said in the description) because \$42 million out of the \$44.7 million of co-financing is reported as "investment mobilized" in table C.

**April 8, 2022:**

Thank you for the clarification. Cleared.

Agency Response

**12 April 2022**

No response required

**10 March 2022**

This has been corrected. Most of the cofinancing will go to activities under components 2 and 3 (field work and value chains work).

**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 5, 2022:**

Yes, when the clarity requested above on the type of restoration will be provided (agricultural lands of natural habitats/forests?).

**April 8, 2022:**

As indicated above, clarity is expected on the type of restoration of natural habitats as this section only refers to the restoration of degraded agricultural lands. Please clarify.

**April 14, 2022:**

Thank you for the clarification. Cleared.

Agency Response

**22 April 2022**

No response required

**12 April 2022**

Please refer to answer above. Restoration activities is specified to include agricultural lands, forests and pastures.

**10 March 2022**

Please refer to question 3 above (observation No. 9)

**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 5, 2022:**

Yes, cleared.

Agency Response

## **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 3, 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  
**January 5, 2022:**

The description here focusses mainly on the alignment of the project with the FOLUR IP objectives. Please elaborate further on project contributions to the overall Program (considering the main expected results of the projects) and on the concrete actions the project will support to contribute to Global Platform (please refer to the different pillars of the FOLUR Global Knowledge to Action Platform as elaborated by the Lead Agency - World Bank - GEF ID 10306).

**April 8, 2022:**

Thank you for the additional information. Cleared.

Agency Response  
**12 April 2022**  
No response required

**10 March 2022**

The section has been revised to fully reflect the project contribution relative to the overall Program as well as with the Global Platform

## 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 5, 2022:**

1. Among the stakeholders that have participated in consultations during PPG, the Private Sector Entities category is not checked with a "yes". Whereas this category is crucial for the project success, please explain why these stakeholders have not been consulted.
2. Please provide a summary of the consultation mechanisms with all the stakeholders (not only Indigenous and Afro-descendant peoples) and of the resulting recommendations for the project design (referring to an external annex is not enough).

**April 8, 2022:**

1. Thank you for the consideration. Cleared.
2. Thank you for the information provided in the review sheet. Please include this information in the Portal entry under the stakeholders section, complete with the stakeholders involved (who and how many were at the kick-off workshop, focus group workshops, Rapid Land Degradation Assessment Workshop...) and add the findings/recommendations resulting from the consultations and informing the project design (as requested in the previous review).

**April 14, 2022:**

2. Thank you for the additional information. Cleared.

Agency Response

**22 April 2022**

No response required

**12 April 2022**

Noted. A table with the requested information has been added to the Stakeholder section.

### **10 March 2022**

1. Noted. Private sector is a key partner

2. A summary of the consultations is included as follows:

- ? Kick-off workshop held on August 14, 2020.
  - ? Work sessions with the Interinstitutional Technical Team (MARENA-MEFCCA-INTA-IPSA-INAFOR-GRACCS), September 2020 to July 2021.
  - ? Focus Group Workshops in RACCS and R?o San Juan on chain studies, October 5 to 9, 2020.
  - ? Rapid Land Degradation Assessment Workshop, January 11-14, 2021.
  - ? Household surveys, February 8 to 10, 2021 and from February 24 to March 11, 2021. 157 producers (100 men and 57 women) who work in the cocoa and livestock sectors distributed in 32 communities of the 7 municipalities of the FOLUr project area.
  - ? Interviews were also applied to 14 cocoa and livestock cooperatives, from February 24 to March 11, 2021.
  - ? Field visit to Finca El Cacao located between El Rama and Kukra Hill owned by the company RITTER SPORT NICARAGUA S.A. From February 8 to 10, 2021.
  - ? Gender Focus Group Workshops in Bluefields, El Rama, Nueva Guinea and San Carlos, March 10-11, 2021 and April 26-30, 2021.
- PRODOC final validation workshop held on August 18, 2021.

### **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 5, 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 5, 2022:**

1. Where is the Annex 12 the description is referring to?
2. It appears that the vast majority of effort is placed at the landscape/production level without much clear focus on other supply chain actors. Processors and traders as mentioned as important to engage but we don't see clearly how (the text is mainly limited to a list of projects and companies with their description). Please elaborate further on how concretely these key actors will engage in the project activities.

**April 8, 2022:**

1 and 2, thank you for the clarification. Cleared.

Agency Response

**12 April 2022**

No response required

**10 March 2022**

1. Annex is now included in the revised document
2. The project will involve actors from the private cattle and cocoa sector from the work process referred to the elaboration of municipal, territorial and communal collaborative plans for the restoration of the landscape through silvopastoral systems, cocoa agroforestry systems, restoration and reforestation of forests, and protection and sustainable management of native forests.

They will also be invited to participate in the development of a capacity building program to complement the support that cocoa buying companies currently provide in the form of technical assistance, such as Ritter Sport, ECOM, Cacao Oro, Ingemann), ECOM, Ingemann, UCA Ahmed Campo, Rikolto. In the case of the livestock sector, alliances will be promoted with meat processing companies and dairy sector companies that work with livestock producers in the RACCS and the department of Río San Juan.

The FOLUR project will also support the signing and formalization of multi-stakeholder and multi-level agreements for landscape restoration and forest conservation in the RACCS and the department of Río San Juan. In this sense, the development of these agreements will be promoted by integrating the dialogue mechanisms of the Production,

Consumption and Trade System (PCTS) with the unions organized through the Nicaraguan Chamber of Bovine Meat Export Plants (CANICARNE) where work will be carried out. with meat processing companies that buy cattle for meat in the FOLUR project area (slaughterhouses San Martín, Novaterra, Nuevo CARNIC, MACESA) and with the Nicaraguan Chamber of the Dairy Sector (CANISLAC) with milk processing companies and cooperatives that buy and they collect milk from the FOLUR project area (LALA, Cooperativa NICACENTRO, CHONTALAC, CENTROLAC, others).

The FOLUR project will also support the development of meetings of the Production, Consumption and Trade System (SPCC) with the productive sectors in the RACCS, the department of Río San Juan and in 7 municipalities in the project area.

### **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 5, 2022:**

1. The climate risk is indeed analyzed in an separate document but in Spanish and the mention of this risk in the table is too succinct. Please provide a summary in English of the main findings of this analysis outlining the key aspects of the climate change projections/scenarios at the project locations or at country level (including a time horizon, ideally 2050, if the data is available), listing key potential hazards for the project that are related to the climate scenarios and corresponding mitigation measures.

2. In the proposal, the risks analysis related to the COVID-19 pandemic is not presented. Nevertheless, the pandemic can affect important elements of the project. The main risks need to be identified and an opportunity analysis needs to be undertaken at this stage. For instance, in addition to the infection risks and people safety measures, risks related to the availability of co-financing and expertise may exist. Shouldn't all these risks be considered for this project? Please complete the risk analysis and consider eventual opportunities this project can provide to enhance the resilience of the beneficiaries against possible future pandemics (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, 2020.

3. The risk of the lack of adoption of the financial mechanisms by the beneficiaries is not considered. Shouldn't it be included in the risk analysis too? Please explain and complete as needed.

**April 8, 2022:**

1. Thank you for the additional information. Cleared.
2. The response provided to GEF Sec comment is about the private sector and doesn't relate to COVID-19. Please clarify the rationale of this text here. Additionally in the Portal entry, in the COVID-19 analysis, please consider the risk related to the availability of co-financing caused by possible changes in the priorities of the co-financiers.
3. Thank you for the consideration. Cleared.

**April 14, 2022:**

2. Thank you for the additional information. Cleared.

Agency Response

**22 April 2022**

No response required

**12 April 2022**

1. No response required
2. Apologies as the explanation did not related to the question above. Additional risks (including co-financing not materializing) have been included in the risk table
3. No response required

**10 March 2022**

1. Annex is now included in the revised document
2. The project will involve actors from the private cattle and cocoa sector from the work process referred to the elaboration of municipal, territorial and communal collaborative plans for the restoration of the landscape through silvopastoral systems, cocoa agroforestry systems, restoration and reforestation of forests, and protection and sustainable management of native forests.

They will also be invited to participate in the development of a capacity building program to complement the support that cocoa buying companies currently provide in the form of technical assistance, such as Ritter Sport, ECOM, Cacao Oro, Ingemann), ECOM, Ingemann, UCA Ahmed Campo, Rikolto. In the case of the livestock sector,



alliances will be promoted with meat processing companies and dairy sector companies that work with livestock producers in the RACCS and the department of R?o San Juan.

The FOLUR project will also support the signing and formalization of multi-stakeholder and multi-level agreements for landscape restoration and forest conservation in the RACCS and the department of R?o San Juan. In this sense, the development of these agreements will be promoted by integrating the dialogue mechanisms of the Production, Consumption and Trade System (PCTS) with the unions organized through the Nicaraguan Chamber of Bovine Meat Export Plants (CANICARNE) where work will be carried out. with meat processing companies that buy cattle for meat in the FOLUR project area (slaughterhouses San Mart?n, Novaterra, Nuevo CARNIC, MACESA) and with the Nicaraguan Chamber of the Dairy Sector (CANISLAC) with milk processing companies and cooperatives that buy and they collect milk from the FOLUR project area (LALA, Cooperativa NICACENTRO, CHONTALAC, CENTROLAC, others).

The FOLUR project will also support the development of meetings of the Production, Consumption and Trade System (SPCC) with the productive sectors in the RACCS, the department of R?o San Juan and in 7 municipalities in the project area.

3. Noted. This risk has been added to the table

#### **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 5, 2022:**

1. Procurement services and financial management services for GEF funds is mentioned among FAO's responsibilities. Please note that such function should be undertaken by an executing entity, unless strongly justified and clearly requested and budgeted by the OFP.

2. The PMC is different in the table B and in the budget file. Please correct.

3. In the budget file, please be more specific about the executing agency and replace "Operational Partner Budget" by its name.

4. The costs of the National Project Coordinator and of the GOE can't be covered by the components but should covered by the PMC. Please correct.

5. Please clarify what is the "impact assessment" and justify why this task is undertaken by FAO instead of an executing partner.

6. As per GEF guidelines, the use of GEF funds to purchase vehicles is strongly discouraged. Such costs are normally expected to be borne by the co-financed portion of PMCs. Any request to use GEF funding to purchase project vehicles must be justified by the exceptional specific circumstances of the project. Please Justify. The Secretariat will assess such request for this project and decide whether to approve it, based on following criteria: type of project, operating environment, contribution to achievement of project results, and share of costs covered by co-financing, among others.

7. Under "6.b Coordination with other GEF initiatives", please only consider the GEF funded initiatives. The other relevant initiatives and their contributions should be reported under the baseline scenario.

**April 8, 2022:**

1. "Procurement services and financial management services for GEF funds, according to the agreements with MARENA established in the ProDoc budget" are still mentioned among FAO's responsibilities. Please clarify what exactly this responsibility includes for the project (it does not correspond to evaluations, audits and spot checks as mentioned in the Agency response).

2. Thank you for the amendment. Cleared.

3. There is still columns titled "Operational Partner Budget" and "Otros Socios Ejecutores bajo Coordinaci?n de MARENA" in the uploaded budget. Please ensure all the information in the budget is in English and be more specific about these Partners (naming them) or indicate MARENA as executing the contracts with these partners. In addition, the last column of the budget including the name of the Executing agency for each purchase item is missing in the Annex E of the Portal entry. Please complete the budget as needed.

4. Thank you for the amendment and clarification. Cleared.

5. Thank you for the explanation. Please clarify to what output of the project this expense will contribute and why such assessment can't be done by the MARENA or a third party.

6, 7. Thank you for the clarification and consideration. Cleared.

8. In addition, the figure under "Organisational Project **structure:**" is now blank (it was visible in the previous version of the proposal, it may be a Portal issue). Please insert here a visible figure.

**April 14, 2022:**

1. No, the text "Procurement services and financial management services for GEF funds, according to the agreements with MARENA established in the ProDoc budget" is still mentioned under FAO's responsibilities. Please remove this text.

3. Thank you for clarifying the budget table. Cleared.

5. Thank you for the clarification. Cleared.

8. The figure is now visible, thank you. Cleared.

**April 22, 2022:**

1. Thank you for the amendment. Cleared.

Agency Response

**22 April 2022**

1. Apologies for the oversight. This was corrected in the PRODOC but not in the portal. It is now corrected in the portal.

3,5,8 - No response required

**12 April 2022**

1. The text has been deleted.

2. No response required

3. Columns for each operational partner have been included in the budget.

4. No response required

5. This will contribute to output 4.1. Funds will be executed by MARENA. FAO will provide technical support and tools for the evaluation if needed, building on the example of the GEF-funded Dry Forest project in Peru.

6-7. No response required

8. Figure has been copy pasted into the portal

**10 March 2022**

1. Please note that the project will be executed by MARENA. FAO will be responsible for Evaluations, audits and spot checks. The budget presents this breakdown by agency
2. This has been updated. The numbers in the budget file and Table B now coincide
3. Done
4. Point taken. Note that the national coordinator will have a key role in delivering Component 1, therefore her/his time will be charged mostly to component 1. TORs have been updated to reflect this. GOE has been added to PMC
5. The project would like to carry out a biophysical Impact Assessment (IA) using one of FAO's tools (SEPAL or Collect Earth), in close coordination with the government. The amount for the IA is small, therefore it will focus on the biophysical aspects. It will not evaluate the socioeconomic impact of the programme as costs are estimated to be 4 or 5 times the amount allocated. FAO is making efforts to mobilize resources to subsidize Impact Evaluations, but at this time, the funding is not confirmed.
6. The project will not purchase vehicles. Instead the project team will rent when needed.
7. Noted.

#### **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 5, 2022:**

No, the text only provides a list of conventions and programs the project is aligned with. Please describe how the project is aligned with national national strategies and plans or reports and assessments under the relevant conventions.

**April 8, 2022:**

Thank you for the additional information. Cleared.

Agency Response

**22 April 2022**

No response required

**10 March 2022**

This section has been revised to include how the project is aligned with the different strategies and plans

**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 5, 2022:**

Partially.

1. The description mainly includes processes for knowledge production and sharing between the project stakeholders and the interaction with the FOLUR Global Platform. In addition, please provide information about: 1) how existing lessons informed the project design, 2) plans to learn from ongoing relevant projects and initiatives (other than the FOLUR Global Platform), and 3) a discussion on how knowledge and learning will contribute to overall project impact and sustainability.

2. The table 22 "Knowledge Management Plan" presents the tasks of designing and implementing plans and programs rather than deliverables. Please complete the table with the timeline and the concrete KM deliverables of the project.

**April 8, 2022:**

Thank you for the additional information and clarification. Cleared.

Agency Response

**22 April 2022**

No response required

**10 March 2022**

1. Requested information on how the project built on lessons learned, links to ongoing initiatives, and contribution to overall impact and sustainability has been included.
2. Table 22 has been updated with information on deliverables and corresponding timelines.

### **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 5, 2022:**

1. The audits cost should not be included in the M&E budget but should be covered by the PMC. Please correct.
2. The total M&E budget is different in the Portal entry (\$162,550) and in the overall project budget (\$150,000). Please amend as needed.

**April 8, 2022:**

1 and 2, thank you for the adjustment and correction. Cleared.

Agency Response

**22 April 2022**

No response required

**10 March 2022**

1. Audits have been included in the PMC
2. Numbers between the PRODOC and the excel are now consistent

### **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 5, 2022:**

The description is very succinct and general. Please be more specific and elaborate further on the expected socioeconomic benefits for the involved stakeholders depending on who they are and how these benefits contribute to the achievement of global environment benefits.

**April 8, 2022:**

Thank you for the additional information. Cleared.

Agency Response

**22 April 2022**

No response required

**10 March 2022**

This section has been expanded to add information requested

**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

**January 3, 2022:**

It may be a problem of the Portal but the Annex A: "Project results Framework" is not visible in the Portal entry. Please attach the relevant table under this Annex.

**April 8, 2022:**

The Annex A: "Project results Framework" is now visible in the Portal entry, thank you. Nevertheless the table goes beyond the limit of the Portal entry on the right side (format issue). Please adjust the table so that it fits within the limits of the Portal entry.

**April 14, 2022:**

Thank you for the adjustment. Cleared.

Agency Response

**22 April 2022**

No response required

**13 April 2022**

The updated Results Framework has been uploaded so that it fits within the limits of the portal.

**10 March 2022**

The revised Results Framework has been uploaded

**Project Results Framework**

Secretariat Comment at CEO Endorsement Request

**January 3, 2022:**

Please see the comment above.

**April 8, 2022:**

Considering the comment above is addressed, cleared.

Agency Response

**13 April 2022**

No response required

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

**Council comments**



Secretariat Comment at CEO Endorsement Request

**January 5, 2022:**

Please also include responses to Council comments made on the PFD in June 2019. Even if they are not related to Nicaragua specifically, some of these comments included all the FOLUR child projects and need to be addressed. Please address these comments too.

**April 8, 2022:**

Thank you for the additional information. Cleared.

Agency Response

**13 April 2022**

No response required

**10 March 2022**

Noted. Response to comments to the 2019 PFD have been addressed.

**STAP comments**

Secretariat Comment at CEO Endorsement Request

**January 5, 2022:**

No. Please provide responses to STAP general comments made at PFD stage and concerning all the child projects of the Program.

**April 8, 2022:**

Thank you for the additional information. Cleared.

Agency Response

**13 April 2022**

No response required

**10 March 2022**

Noted. Response to comments to the 2019 PFD have been addressed.

**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 3, 2022:**

As mentioned above, the table provided is not correct : the total amount spent is not indicated and when we sum all the expenses, the total is higher than the available PPG budget. Please complete and correct the table.

**April 8, 2022:**

Thank you for the correction. Cleared.

Agency Response

**12 April 2022**

No response required

**10 March 2022**

Noted. Table has been corrected

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

**January 3, 2022:**

Thank you for the link provided leading to GIS data which are instructive and look very promising. In addition and as requested under this Annex D, please attach the map of the targeted project areas with coordinates so that we can see it in the Portal entry under this Annex.

**April 8, 2022:**

Thank you for providing the map and coordinates of the targeted project areas. Cleared.

Agency Response

**13 April 2022**

No response required

**10 March 2022**

Noted. A map has been attached to the portal entry.

**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 5, 2022:**

Not yet. Please address the comments raised above. In doing so, please ensure all the information provided is within the Portal entry format and don't go beyond the margins such as the table 7 under the paragraph 125. In addition, please 1- improve the editing of the text throughout all the Portal entry by using the same font throughout all the in the Portal entry; 2- avoid many blank paragraphs such as between paragraphs 11 and 12 and after paragraph 32, 47, 68, 72, 73, 94, 102, 109, etc... ; and 3- ensure a proper editing of the paragraphs (please look at the paragraph 55, 161 and 175 (for instance) which seem to have been copy-paste from a pdf file without further arrangement. The editing of the entire text of the Portal entry needs to be deeply reviewed and improved.

**April 8, 2022:**

Not yet. Please address the remaining comments. In doing so, please highlight in yellow the modified text to facilitate the review. Thank you.

**April 21, 2022:**

Not yet. Please address the remaining comment in the Coordination box. In addition, please address the following comments below:

1. Further checking reveals that there is a \$1 difference of fee under BD STAR and IP Set-aside between the child project and the parent PFD (see screenshot below) ? please correct as needed.

Table D of Child Project ID10599							Table D of PFD ID10201					Difference						
Agency	Trust	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)	Agency	Trust	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)	Amount(\$)	Fee(\$)	Total(\$)
FAO	GET	Nicaragua	Biodiversity	BD STAR Allocation	1,784,862	160,637	1,945,499	FAO	GET	Nicaragua	Biodiversity	BD STAR Allocation	1,784,862	160,638	1,945,500	-	(1)	(1)
FAO	GET	Nicaragua	Land Degradation	LD STAR Allocation	892,431	80,319	972,750	FAO	GET	Nicaragua	Land Degradation	LD STAR Allocation	892,431	80,319	972,750	-	-	-
FAO	GET	Nicaragua	Climate Change	CC STAR Allocation	892,431	80,319	972,750	FAO	GET	Nicaragua	Climate Change	CC STAR Allocation	892,431	80,319	972,750	-	-	-
FAO	GET	Nicaragua	Multi Focal Area	IP FOLU Set-Aside	1,784,863	160,638	1,945,501	FAO	GET	Nicaragua	Multi Focal Area	IP FOLU Set-Aside	1,784,863	160,637	1,945,500	-	1	1
<b>Total Grant Resources(\$)</b>					<b>5,354,587</b>	<b>481,913</b>	<b>5,836,500</b>	<b>Total Grant Resources(\$)</b>					<b>5,354,587</b>	<b>481,913</b>	<b>5,836,500</b>	-	-	-

2. Th facilitate the review by the Council, please provide a clean Agency Prodoc (without the highlights) and remove the remaning highlights in the Portal entry description.

**April 22, 2022:**

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

**Review Dates**

	<b>Secretariat Comment at CEO Endorsement</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>1/5/2022</b>	
<b>Additional Review (as necessary)</b>	<b>4/8/2022</b>	
<b>Additional Review (as necessary)</b>	<b>4/21/2022</b>	
<b>Additional Review (as necessary)</b>	<b>4/22/2022</b>	
<b>Additional Review (as necessary)</b>		

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**