

# Mainstreaming Biodiversity Conservation Criteria in Mexico's Tourism Sector with Emphasis on Biodiversity-rich Coastal Ecosystems

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

9613

**Countries**

Mexico

**Project Name**

Mainstreaming Biodiversity Conservation Criteria in Mexico's Tourism Sector with Emphasis on Biodiversity-rich Coastal Ecosystems

**Agencies**

UNDP

**Date received by PM**

5/29/2019

**Review completed by PM**

2/7/2020

**Program Manager**

Jaime Cavelier

**Focal Area**

Biodiversity

**Project Type**

FSP

**PIF** ☐

**CEO Endorsement** ☐

**Project Design and Financing**

**1. If there are any changes from that presented in the PIF, have justifications been provided?**

**Secretariat Comment at CEO Endorsement**

7-17-19

No changes since PIF approval.

Cleared

## Response to Secretariat comments

### 2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?

## Secretariat Comment at CEO Endorsement

7-17-19

The project has the following Components and Outcomes: **Component 1.** Strengthened institutional, regulatory and policy framework promotes Sustainable Tourism Development (DTS) and management (Outcome 1.1 Conservation objectives of key Biodiversity integrated into the General Law of Tourism and other sectorial development instruments, including a subset of key norms and technical regulations for the tourism sector. Outcome 1.2 Institutional capacity strengthened in SECTUR, state and local governments to mitigate and manage impact of tourism on BD). **Component 2.** Strengthened enabling conditions in the tourism sector address market failures to catalyze financing for biodiversity conservation (Outcome 2.1 Develop/strengthen decentralized self-governance at tourism sites; Outcome 2.2 Market and policy mechanisms for sustainable tourism financing support the optimization of flows of ecosystem goods and services associated with tourism development and operation). **Component 3:** Biodiversity mainstreaming in coastal tourism development and operation (Outcome 3.1 New BD-friendly sustainable tourism models (DTS) demonstrated in Quintana Roo, Baja California Sur and Oaxaca and sustainability em-placed; Outcome 3.2 Community-based tourism supporting improved livelihoods, integrating BD conservation in target areas). **Component 4:** Knowledge Management and Learning (Outcome 4.1 Awareness raised among tourists and tourism industry stakeholders about sector's impact on BD and its associated ecosystem services, as well as potential for conservation measures; indicated by changes in baseline scenarios of surveys applied at project start and end).

### Component 1

Output 1.1.2. What are the "BD conservation safeguards" to be mainstreamed into land use planning regulations and instruments? It is important to list the BD measures to be mainstreamed, since the measures and the term are not easy to understand outside of the circles of conservation.

### Component 2

Output 2.1.1. The project proposes to support the following bodies: 1) State-level Scientific Committee on Sustainable Tourism functioning in the three model sites (in support of the National Scientific Committee on Sustainable Tourism), 2) the Advisory Council of Tourism, 3) SECTUR's Technical Group on Planning, 4) other relevant stakeholder associations (like?) through CONANP, SEMARNAT, Local Ecotourism Networks such as Maya Ka'an, Visit Calakmul, Cook Maya, Sierra Gorda Ecological Group, Joint Towns of Oaxaca, and Subnational Secretariats of Tourism and Environment, among others. Please explain how these different bodies relate to each other in delivering GEBs.

Output 2.2.2. In the table of Market Failures and Proposed Solutions please include the actual activities that will be carried out to address them.

### Component 3

Please explain the actual interventions for the "Biodiversity mainstreaming in coastal tourism development and operation". The end-result is very difficult to visualize when the outputs are mostly about supporting organizations/institutions like "Local participation mechanisms", and "Strengthened local business capacities". This also applies to the "Landscape wide programs for tourism development reviewed, adopted and implemented by SECTUR". How these "Landscape wide programs" relate to the "BD mainstreaming"?

Output 3.1.4 At PIF approval, the GEF requested the following regarding Indicator Species.

*6. A more focused list of indicator species. It is going to be very difficult for the project to pursue and sustain the monitoring (in the long term) of such a long list of indicator species. Neither Funding nor time will be sufficient. For the final list of species, provide the baseline information, that is the quantitative information on the populations of the target species. Since NGOs appear to have been working on some of these species, time series will be required as baseline. Please indicate the Scientific Institutions and/or NGOs that will take care of it. Provide a letter of co-financing (in-kind) if the project is not going to the monitoring.*

The information provided in the CEO Endorsement (including the Fact Sheet on Annex L) is very weak, except for the reference to ASK monitoring coral reef health. Why not supporting their efforts with GEF funds (instead of co-financing) if this is an output of the project?

### Baja California

How is that the baseline for Beldings's yellowthroat is to be determined during year 1 if "*There are currently monitoring efforts taking place by UABCS, Centro de Investigaciones Biológicas del Noroeste (CIBNOR) and CICESE*"

Humpback Whale. There is a baseline of 6,820 individuals registered presumably by Jorge Urban's team at UABCS doing marine species monitoring and research, and has a database dating back 20 years. Is he going to be supported by the GEF? He should.

Coral reefs. Please confirm that there is a baseline and that the GEF will support the work of Carlos Sánchez Group Lab, CBCC, Ecosistemas Marinos UABCS, and Octavio Aburto SCRIPPS Oceanographic Institution. Assume their work is in the tourism sites in the Bay of La Paz with Perlas del Cortez, CONANP, Baja Ferries.

Mangroves. Please explain who has the baseline and whether or not the project will support the ongoing monitoring.

### Oaxaca

Who has the baseline and currently monitoring the Freshwater otter? Data from 2008 (11 years old!).

Is the CONANP data available for the indicators where it is listed under "Additional comments". Please indicate link to access data or relevant publications.

Quintana Roo

Birds. Appears that ASK and CONABIO have the baseline data and will carry out the monitoring. Please confirm.

Mangrove, Coral, Wetlands, Sea grass. Please indicate who what the baseline and who will be responsible for the monitoring.

All in all.

1) The project needs to better explain what are the actual interventions to mainstream biodiversity into the tourism sector. There is significant information on the enabling activities (including organizations) but very little in terms of the actual intervention and how they result in mainstreaming BD in the sector.

2) The selection of BD indicators has been a major challenge since the approval of the PIF. Please only select those that: 1) Do indicate changes due to the proposed interventions; 2) there is a baseline, and 3) there is an organization that has been collecting the data and will collect the data for the project. Since this output 3.1.4 is part of the GEF project, funds should be used to support these activities.

7-2-20

Cleared

## **Response to Secretariat comments**

8-19-19

### **Component 1**

(changes Prodoc Output 1.1.2 Page 18 as well as Annex N Prodoc)

Please see ProDoc Annex N, provided below, which provides a list of safeguards/strategies for mainstreaming biodiversity conservation into land use planning regulations and instruments. The annex details how SECTUR and the project partners (ASK, WWF, ISLA) will implement these safeguards at the federal and local level in the 3 target sites.

### **Component 2**

**(changes ProDoc p. 24)**

**2.1.1** In April 2019, SECTUR invited experts to install a committee called “Tlaltocan de Sustentabilidad Turística” whose objective is to work in a coordinated manner with different key actors from the sector and to join efforts aimed at achieving the sustainability of tourism activity.

This Committee will coordinate with other national and state entities to support BD mainstreaming in programs and activities (CONANP and SEMARNAT, among others), and it will be the body that will support the project’s work.

It is expected that this figure will be replicated in the states, since the law states they should align their tourism policy and activities in accordance with national actions. The project will support the strengthening of sustainable tourism activities with the framework of this figure and strengthen coordination between the state and federal committees, and designate a work group/committee to engage the private sector as well as stakeholder associations to maximize delivery of GEBs.

In Oaxaca, for example, local governance spaces will begin with 4 local stakeholders: the Clean Beaches Committee of Santa María Huatulco and San Pedro Pochutla, the EarthCheck Certification Committee for Huatulco, the Wetlands of the Coast Network of Oaxaca, and the State Council of Coastal Wetlands of Oaxaca. In these spaces, members of the Scientific Committee of Sustainable Tourism will be invited, chaired by the UMAR. The national and state scientific committees will provide principles and criteria as well as guidance to local project partners.

**2.2.2** Please refer to the table on page 24 of the ProDoc which provides market failures and solutions. The Solution column provides a menu of activities to be implemented, with the expectation that each site will tailor this menu based on local needs and tourism demands at the moment of implementation and based on consultancies to be executed through the project. The specific activities are defined in the workplan (most of the Component 2) activities in Annex A.

### **Component 3**

#### **(changes ProDoc Component 3)**

There are two levels of intervention for mainstreaming biodiversity in coastal tourism development and operation:

First: training local companies to implement good practices related to BD conservation; at the three pilot sites, training to coastal and ecotourism companies are included as a “mainstreaming strategy” for operations, through national norms.

Second: the procedure to declare Sustainable Tourism Development Zones (Landscape wide programs) includes the preparation of a file with the following information about the destination:

- ☐ Socio-environmental Feasibility Study with BD information.
- ☐ Opinion of the National Commission of Protected Natural Areas (if applicable).
- ☐ Congruence with the National Risk Atlas (if applicable).
- ☐ Environmental Impact Assessment

The fulfillment of the technical file ensures that BD conservation safeguards are mainstreamed in coastal tourism development and operation.

Specific examples from the 3 target sites follow:

1. In Quintana Roo, Maya Ka'an as a nature-oriented destination serves as a tool to promote local development, improve community livelihoods, and in that way, promote interest and local participation in the conservation of BD. Following the Sian Ka'an example, all the proposed actions in the GEF project are oriented to increase capacities of local people and cooperatives to allow them access to the market, while increasing their awareness and participation in BD conservation. Ecotourism, like ecosystem services, is a productive activity that stimulates BD conservation and motivates local actors to protect nature since it is a source of direct income for them. Landscape-level programs involve integrating BD into production systems at a regional scale. That is, BD is considered in the value chain of a tourism products and services.

2. In the case of Oaxaca, the decree of ZDTS and its associated management program will ensure a more sustainable land use planning that prioritizes conservation of ecosystems and species. The strengthening of the eco-tourism and community tourism network will contribute to ensure best practices regarding BD protection and increase social awareness among tourists and operators. Communication campaigns will also focus on raising awareness and best practices in the sector for BD mainstreaming. Increasing BD monitoring capacities in the site will provide a minimum base of knowledge to better inform policies and interventions.

3. In the case of Baja California Sur, the policy standard NMX-AA-178-SCFI-2016 provides BD conservation safeguards that should be integrated into land use planning regulations and other instruments as well as the list of measures to be integrated. These include requirements, specifications and sustainability criteria for site selection, design, construction and operation for touristic real estate developments in the Gulf of California. The end result will be best practices adopted by local businesses,

capacities and outputs from management programs implemented, the community ecological zoning plans and long-term payment of environmental services. The standard that is taken as the basis of the model to be implemented was developed from:

- a) The sustainability criteria established by the UNWTO, as well as the biodiversity criteria for tourism established in the framework of the Convention on Biological Diversity (<https://www.cbd.int/tourism/guidelines.shtml>);
- b) Other official and voluntary standards that are part of the toolbox for the implementation of the NMX-AA-178, including: the Mexican Standard NMX-AA-133-SCFI-2013 Requirements and regulations of sustainability in ecotourism; the Mexican Standard for Tourist Marinas NMX-AA-119-SCFI-2018 that establishes the requirements and criteria of sustainable performance for the design, construction and operation of tourist marinas; and the Mexican Standard NMX-AA-120-SCFI-2016 establishes the requirements and regulation of sustainability of quality for beaches.

It is proposed to mainstream these same criteria in the General Tourism Law (LGT) and in the formulation and establishment of Sustainable Tourism Development Zones.

Among the final results and the products for the formulation and implementation of the ZDTS, products and inputs include: the geographic information system, the Biodiversity Inventory and the log of the ZDTS, that account for changes in the state of biodiversity are expected to be developed.

#### **Output 3.1.4**

##### **(changes ProDoc Annex L Fact Sheets)**

Per the GEF review at PIF submission, the project sought co-financing support for monitoring with existing NGOs, as detailed in the co-financing commitment letters.

As stated in the TBWP and Budget Notes, GEF funding will be used to purchase equipment and carry out capacity development workshops specifically related to community monitoring of BD in order to strengthen existing capacities to ensure long-term sustainability.

The indicator species were selected to assess the impact of human activities on ecosystems through the study of the response of the species to the stress generated by tourism. The criteria for selecting these species as indicators of mainstreaming BD conservation in tourism are: existence of biological and ecosystem information (baseline); be included in a regulation for its non-extractive use and conservation; be representative of tourist products in the different ecosystems of the region; monitoring data must be measurable, verifiable, evaluable, with healthy populations and abundant on site. The current baseline consists of the following:

##### **Quintana Roo:**

Bird monitoring database of Maya Ka'an is published in the e-bird data base and registered as Maya Ka'an Birding:

<https://ebird.org/region/MX-ROO?yr=all&m=&rank=mrec>

Bird monitoring in Maya Ka'an is the responsibility of ASK, Sal a Pajarear Program, and the local communities.

Regarding baselines, the situation is as follows:

Mangrove, Coral, Wetlands: ASK has the baselines. The coral data is detailed and analyzed, and published. Mangrove baseline information is also processed and analyzed. For wetlands, the information is on satellite images and aerial photos; some processing and analysis will be done.

For sea grasses, the information needs to be generated in the field and from aerial photos.



ASK will be responsible for the monitoring activities in coordination with CONANP.

### **Oaxaca:**

The otter is a sensitive species that integrates the health of the basin that feeds water, materials and energy to the coastal systems.

Currently there is no monitoring program in operation dedicated to this species. The latest data is from research conducted, not monitoring systems. This project will provide the technical bases, the commitments with the stakeholders, so that the monitoring system is locally assimilated and maintained over time, as well as making the otter one of the flagship species of the CZH basin, the main source of water of the tourist destination Bahías de Huatulco.

CONANP has not systematized the information of its biological monitoring, therefore it is not available on the Internet.

Regarding corals and turtles, Costa Salvaje (NGO) and CONANP are developing some indicators for the recent past so there is no solid baseline or monitoring system in place so far. However, in the case of turtles, there is a lot of information from nesting camps that should be systematized to create a baseline.

Finally, as for mangrove, there are two main sources: INEGI and CONABIO that estimates land use changes including mangrove.

In general, WWF proposes to conduct an analysis of current monitoring capacities and strengthening them based on this assessment.

### **Baja California Sur**

1. Belding's yellowthroat. The Sierra La Laguna CONANP Biosphere Reserve and the University of Baja California Sur (UABCS) carry out monitoring at different sites. There is no information baseline in the known distribution area. The monitoring proposed as part of the GEF project refers to observations of the bird in different locations in the Sierra La Laguna and in wetlands of the coastal area. Data to strengthen the baseline of its distribution area and have indicators of presence and risks to the activity of the Bird watching by tourism, as a building element of the BD integration indicators in tourism.

2. Fish and rocky reefs. The GEF project includes funding for specific monitoring of fish and corals of rocky reefs in the area between La Paz and Cabo San Lucas. Dr. Carlos Sánchez UABCS, in coordination with Dr. Octavio Aburto of SCRIPPS, monitors the rocky reef fish and coral species in Espiritu Santo Island, Cabo Pulmo and Cabo San Lucas, all three of these sites are Protected Areas. This base information of more than 20 years has been used to determine the health status of the different levels of the food chain in these ecosystems, with respect to human presence and its impact by commercial fishing. The biological monitoring by the GEF project will be specific to obtain the information used to build indicators of impact on tourism in fish and coral reefs.

3. Humpback Whale. Dr. Jorge Urban has a history of whale observations in the Baja California peninsula for more than 20 years and he continues with his monitoring activities in the region to strengthen the proposal to establish a Humpback Whale Shelter Area between La Paz and Cabo San Lucas. This species was included in the GEF project as an important indicator of BD mainstreaming due to the importance of whale watching as a tourist attraction in the Los Cabos region. It is proposed that monitoring (field work, 1 week of annual monitoring) be supported through GEF funding; while the salaries of researchers and infrastructure are provided by the UABCS (as indicated in the cofinancing commitment letter for USD\$2.5 Million). The monitoring is expected to obtain specific data regarding the impact of whale watching tourism activities on this important indicator species.

4. Mangroves. The baseline of the coverage and distribution of mangroves in the semi-desert area of the Bay of La Paz is carried out by researchers Dr. Exequiel Ezcurra of UC Riverside and Dr. Esteban Félix Pico of CICIMAR / IPN in La Paz. The specific monitoring that is being incorporated into the GEF project refers to the production of energy and blue carbon that mangroves contribute, as well as the importance they have to coastal biodiversity conservation and its relationships with tourism.

### **All in all**

(changes ProDoc Annex N, CEO EndReq Section A.1.5)

As described in Annex N, below, the proposed actions in the Strategy Section, Annex 1 Workplan, and the various descriptions included in the fact sheets, the actual interventions to mainstream biodiversity into the tourism sector include, but are not limited to, private reservations, payment for environmental services, advocacy, good practices and certification, zoning and land use planning, tourism diversification at the landscape level, management through the ZDTS which in turn promotes community sustainability through energy and clean water, responsible consumption to reduce environmental impacts, environmental education, etc.

For example, in Maya Ka'an, biodiversity (species, ecosystems, landscapes) are tourism attractions that generate income for local communities, and therefore they become more interested in protecting them (Mayan communities have traditional practices to produce food – milpa-, honey, timber, and others, with a balanced protection of the tropical forest). In addition, ecosystems are in general well preserved. Given these assumptions and conditions, we expect to have non-significant changes in the vegetation cover (mangrove, wetland), coral reef cover and species composition, and sea grass composition. That is also the case for bird species richness and abundance. In the case of the coral reef and sea grass, it is important to consider that in the case of tourism, the main factors to consider are the physical damage due to diving and snorkel activities. Coral reef have been affected throughout the Caribbean by different diseases, climate change, and water pollution, variables that, although included in the project, will not be totally solved by the proposed actions, due to their scale and complexity.

In Baja California Sur, the changes derived from the proposed interventions are in the compliance criteria of the Mexican Standard NMX 178 (1). The organization that will collect data on the efficacy, effectiveness and impact of the intervention model is ISLA in collaboration with Sectur, Conabio and Conanp (3), taking into account the baseline information on the conservation status of the species in intervention sites (2).

**3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?**

### **Secretariat Comment at CEO Endorsement**

7-17-19

Yes. There is co-financing in the amount of \$52,712,089 of which \$4,105,916 are in cash.

Cleared

### **Response to Secretariat comments**

**4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)**

## **Secretariat Comment at CEO Endorsement**

7-17-19

There is no risk associated with the proposed changes in the General Law of Tourism, and specially in the implementation of these changes (Outcome 1.1.). Please elaborate.

7-2-20

Cleared

## **Response to Secretariat comments**

8-19-19

(changes CEO End Req Section A.5)

The new administration has confirmed that the proposed changes in the General Law of Tourism will ensure sustainability via the consideration of issues such as BD conservation.

Tourism faces the enormous challenge of conservation and sustainable use of biodiversity as an integral part of its operation and reducing its negative impacts, since failing to do so, the tourist competitiveness of destinations is affected.

The transversal nature of tourism activity represents an important tool to boost local and regional development and offers the possibility of contributing to the conservation and sustainable use of the country's natural and cultural capital.

Thus, it will propose a reform of the legal framework of tourism, to have the tools for the management of information and sustainable development and the integration of Biodiversity.

The foregoing requires a legislative harmonization not only of the General Tourism Law, but of some other laws such as the General Law of the Ecological Balance and the Protection of the Environment and Law on Sustainable Forest Development, for example, environmental compensation schemes at tourist destinations.

Additionally, one of the goals of the new PROSECTUR will be to incorporate Biodiversity criteria into the institutional, regulatory and public policy frameworks to promote sustainable and competitive tourism development.

For this, the possible risks that the change in the General Law of Tourism could bring include:

- ☐ Define biodiversity from a theoretical concept and not aligned to the reality of the country and local communities. (See Risk 3)
- ☐ Do not generate mechanisms for the implementation of measures to enforce the law. (See Risk 2)

- ☐ A possible lack of coordination and lack of financial resources with institutions responsible for the enforcement of environmental legislation (PROFEPA). (See Risk 4)

Do not integrate traditional knowledge as criteria of exclusion from the application of the law, and affect indigenous communities and vulnerable groups. (See Risk 11)

#### 5. Is co-financing confirmed and evidence provided?

#### Secretariat Comment at CEO Endorsement

7-17-19

1) Please explain the relationship between the co-financing by CONAFOR and the proposed investments of GEF funds.

CONAFOR is committed to make an in-kind contribution of USD \$2'500,000 (refer to Annex 1) corresponding to subsidies for local communities that participate in conservation activities. The sum of these resources supports the actions of the project and its components. We are confident that CONAFOR's expertise through its program of payments for ecosystem services (PES), related to biodiversity and hydrological services, in various parts of the country will contribute significantly to achieve the expected results during the execution of the Project.

2) Please explain the relationship between the co-financing by CONANP and the proposed investments of GEF funds.

CONANP is committed to make an in-kind contribution of USD \$ 771,389 (refer to Annex 1) corresponding to salaries of dedicated personnel, both on-field and at the regional and national headquarters, operations, and subsidies for local communities that participate in conservation activities. The sum of these resources support the actions of the project and its components. We are confident that CONANP's participation will contribute significantly to achieve the expected results during the execution of the Project.

3) Please explain the relationship between the co-financing by SEDESOL (\$21.6 million) and the proposed investments of GEF funds.

Within the next 5 years the state government of Quintana Roo will invest **a total of US\$32,600,000** in Maya Ka'an, matching the GEF investment in the above referenced project. The investments are distributed as:

**SEDETUR: US\$6,500,00** in Tourism Infrastructure and Development in various communities in Maya Ka'an;

**SEDESO: US\$21,600,000** in projects for home wellbeing improvement, integral domestic water management, and promotion of sustainable production in local communities.

**SEMA: US\$4,500,000** invested in sustainable community forestry development.

3) In Table C in the Portal, please include one line for each of the Co-financiers. Specifically, include one line for the co-financing from the State Government of Baja California (\$6 million) and one for Quintana Roo (\$32.6 million)

7-2-20

Cleared

### **Response to Secretariat comments**

8-19-19

(changes ProDoc Section X. p. 75 and Co-Financing Letters)

1) We will ensure that cofinancing is well monitored to complement GEF financing.

Specifically, CONAFOR will contribute to match GEF funds in components 2 and 3 through the capacities generated by the implementation of the Payment for Environmental Services (PES) programs for BD and hydrological services, as well as for the establishment of a Community Monitoring System for the Sustainable Use of Biodiversity, among other activities.

2) CONANP's main role in project implementation is to contribute to the definition of ecological corridors between PAs and tourism areas outside of the protected areas polygons. PA staff will be important in the pilot sites regarding their close relation with community-based organizations, members of local communities and civil society organizations as active participants in PA management. CONANP's experience on species and ecosystems monitoring systems will enhance activities under Component 3.

Both institutions will participate in the Technical Advisory Committee to be established, in order to review all technical aspects of project implementation.

3) SEDESO investment will allow the construction of domestic infrastructure to catch rainwater to fulfill household needs, and to treat wastewater. These actions have two goals in the context of Maya Ka'an: 1) Promote community sustainability together with tourism sustainability; and 2) Reduce impacts to the aquifer as a unique ecosystem with unique biodiversity, and as a source of water for people, tourism, wetlands, and coral reef.

4) Done

#### **6. Are relevant tracking tools completed?**

#### **Secretariat Comment at CEO Endorsement**

7-17-19

The project included the TT for GEF-6 and the Indicators for GEF-7.

Please indicate how the surface area of the three target states was calculated (Table on page 46 of Prodoc) . The area for Quintana Roo (3,008,083 ha) is about the same as the area of the state (34,205 km<sup>2</sup> = 3,4205,000 ha) but that is not the case for the other 2 states.

NOTE AFTER INITIAL CLEARANCE OF THIS POINT

9-19-10

The project intervention area includes both coastal and marine habitats and as such, the expected results (4,080,515 hectares) should be divided and reported separately under Core Indicator 4.1. (for coastal areas) and Core Indicator 5 (for marine habitat). Please provide the best estimate possible for the indicators in both environments. Thanks.

10-17-19

Properly addressed.

Cleared

#### **Response to Secretariat comments**

8-19-19

(changes ProDoc Annex L Fact Sheets)

The calculations include both terrestrial and coastal/marine areas expected to be impacted by the project, as described in the Fact Sheets. Maya Ka'an is indeed a much larger area and benefits from experience and lessons learned through the establishment of the Sian Ka'an – Calakmul Biological Corridor and associated tourism activities, whereas the other sites focus on smaller areas, in part due to availability and interest of local communities. It is possible that during the project, as the Zones are formalized and decreed, the calculations will be adjusted to reflect final agreements and compliance with the ZDTS procedures.

9-20-19

Reference: CEO ER, Annex B

The project intervention area includes both coastal and marine habitats and as such, the expected results (4,080,515 hectares) have now been divided and reported separately, as follows:

Core Indicator 4.1 now states 3,966,548.06;

Core Indicator 5 has been added and now states 113,967.83.

7. Only for Non-Grant Instrument: Has a reflow calendar been presented?

**Secretariat Comment at CEO Endorsement** N/A

#### **Response to Secretariat comments**

8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?

**Secretariat Comment at CEO Endorsement**

77-18-19

Yes. Under A.6. Institutional Arrangement and Coordination.

Cleared

NOTE AFTER INITIAL CLEARANCE OF THIS POINT

9-10-19

The GEF Agency aims at carrying out several functions that the Executing Partner should carry out (see A.6 and paragraphs 190 and 191). The GEF kindly request that the Agency refrain from doing this type of activities and remove its name from the Institutional Arrangements and any other part of the project that relates to this matter. The Government of Mexico is very capable and will be able to carry out these duties.

10-17-19

1) SECTUR was entered as the Executing Agency. Thanks.

2) Procurement, administrative support and the execution agreements are proper functions of SECTUR, the the Executing. Please remove from the Institutional Agreements and Coordination all language that refers to activities that ought to be carried out by the Executing Agency. Please amend the Budget accordingly. Thanks

#### **A.6. Institutional Arrangement and Coordination**

The Project will be led by SECTUR as part of Mexico's strategy for mainstreaming biodiversity in four productive sectors: forests, agriculture, fisheries and tourism. For Project implementation, SECTUR has partnered with civil society organizations with significant experience in the three pilot sites: *Amigos de Sian Ka'an* (ASK) in Quintana Roo, World Wildlife Fund (WWF) in Oaxaca, and *Conservación del Territorio Insular Mexicano* (ISLA) in Baja California Sur, as well as with other governmental agencies and private sector partners involved with BD conservation and tourism. The Project will be executed through the *Country Office Support to National Implementation Modality*; Project Execution will be carried out by SECTUR as Implementing Partner in collaboration with WWF, ASK and ISLA as Responsible Parties, following the rules and regulations of UNDP as Implementing Agency of the GEF.

UNDP is the GEF Implementing Agency and will provide overall project oversight and manage the GEF project cycle including monitoring and evaluation, project support, procurement, administrative support, evaluations, audits, technical backstopping and comply with all GEF reporting requirements. UNDP's Mexico country office is responsible for ensuring that the project meets its objectives and delivers on its targets. UNDP will administer and oversee subsidiary execution agreements between SECTUR and two of the three civil society partner organizations (ASK and ISLA), as Responsible Parties, through a written agreement. Additionally, UNDP will sign a Responsible Party Agreement with WWF as an on-granting institution, through a Responsible Party Agreement with on-granting modality specific clauses. UNDP will provide technical backstopping through its experience in previous and current portfolio in environmental projects. UNDP will participate in the project steering committee to provide guidance on project implementation and to promote synergies with other initiatives.

1-10-2020

Please notice that the issue flagged in the previous review was not addressed in the Portal re-submission.

When sending the project again please cut and paste the part of the budget showing the corrections made

UNDP is the GEF Implementing Agency and will provide overall project oversight and manage the GEF project cycle including monitoring and evaluation, project support, procurement, administrative support, evaluations, audits, technical backstopping and comply with all GEF reporting requirements.

UNDP's Mexico country office is responsible for ensuring that the project meets its objectives and delivers on its targets. UNDP will administer and oversee subsidiary execution agreements between SECTUR and two of the three civil society partner organizations (ASK and ISLA), as Responsible Parties, through a written agreement. Additionally, UNDP will sign a Responsible Party Agreement with WWF as an on-granting institution, through a Responsible Party Agreement



with on-granting modality specific clauses. UNDP will provide technical backstopping through its experience in previous and current portfolio in environmental projects. UNDP will participate in the project steering committee to provide guidance on project implementation and to promote synergies with other initiatives.

2-7-10

Cleared

### **Response to Secretariat comments**

3-3-2020

The issue is now addressed in the portal

12/11/2019

Reference: ProDoc clause 154, 206; CEO ER A.6

These sections have been revised in the ProDoc and CEO endorsement and DPC for UNDP project support services was removed.

9-29-19

Reference: CEO EndReq A.6 and ProDoc par. 190-191

Agreed, the Executive and Senior Supplier were inadvertently switched. The organigram and paragraphs 190 and 191 have been corrected accordingly.

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

### **Secretariat Comment at CEO Endorsement**

7-17-19

Yes.

Page 16 of Prodoc

Cleared

#### NOTE AFTER CLEARING THIS POINT

9-10-19

In the Description of the Budget and M&E, the Project Manager's salary is charged to both M&E Plan as well as to the Project components. Project Coordinator Salary should be charged only to PMC. Please remove the charges to the components. There are enough funds in the PMC to cover the salary of the PM. the Audit should also be charged to the PMC instead of to the M&E Plan.

10-17-19

1) The Project Coordinator salary should be charged in full to the PMC.

2) In the notes of budget lines 2,12, & 30, the "Project Coordinator" was changed for "Technical Adviser". There is no material difference between the two, and above all, these are functions of the Executing Agency and should be charged to PMC. Not the Components.

71400	Contractual Services- Individual	63,967	90,636	72,543	8,713	9,079	7,273	252,211	2
71400	Contractual Services- Individual	41,000	41,000	41,000	41,000	41,000	41,000	246,000	12
71400	Contractual Services- Individual	77,000	77,000	77,000	77,000	77,000	77,000	462,000	30

3a) The Audit should be charged to PMC. There are plenty of funds in cash from GEF and co-Finance to cover these function under the PMC. 3b) The Stakeholder Engagement Plan & Gender Action Plan were already carried out for the preparation of this CEO Endorsement and thus, the budget allocation for these activities need to be removed from the Budgeted M&E. Thanks.

**C. DESCRIBE THE BUDGETED M & E PLAN:**

<b>NIM Audit as per UNDP audit policies</b>	UNDP Country Office	USD 24,000	None	Annually or other frequency as per UNDP Audit policies
<b>Stakeholder Engagement Plan</b>	Project Manager UNDP Country Office	USD 10,000	UNDP USD 4,000 Responsible parties USD 4,000	On-going
<b>Gender Action Plan</b>	Project Manager UNDP Country Office UNDP GEF team	USD 40,000	UNDP USD 4,000 Responsible parties USD 4,000	On-going

Please adjust the Budget accordingly. Thanks.

1-11-2020

Still the Audit is charged to the M&E – Audit has to be charged to the PMC.

7-2-20

Cleared

## Response to Secretariat comments

3/3/2020

1) Reference: ProDoc: TBWP p.85 and Budget Note p. 102  
M&E Table p. 67

The Audit is charged to PMC in the TBWP and has been removed from the M&E table in the ProDoc.

2) Reference: ProDoc: Organigram p. 68-70 and Sr Supplier text p. 71, CEO ER: p.10-20

Furthermore, UNDP has been removed from Senior Supplier and replaced by the Executing Agency (SECTUR) in both the Organigram and ProDoc Text, as requested by the GEF.

12/11/2019

Reference: ProDoc M&E Plan (p 62), CEO ER

Revised according to GEF comments:

1. The Project Coordinator's salary is charged in full to PMC, per previous comments dated 10 Sept with response sent 20 Sept.
2. In addition to the PC, each component will have a Technical Advisor or expert in the relevant field to ensure maximum impact on a technical level. The TORs for these are under elaboration and will be available by project inception.
  - a) The Audit is fully charged to PMC, as requested in previous comments dated 10 September and response sent 20 September. b) The Stakeholder Engagement Plan and Gender Action Plan were developed during the PPG but their execution occurs during the project. As part of the M&E plan, the project will measure the achievement of these plans. The M&E Plan has been adjusted to only reflect the monitoring and evaluation of the implementation of these plans by project partners.

9-29-19

Reference: ProDoc, TBWP

The budget has been adjusted so that the Project Coordinator's salary is charged only to PMC. The technical oversight of the Components will be done by a Technical Advisor.

The Audit costs have been moved to PMC.

**10. Does the project have descriptions of a knowledge management plan?**

**Secretariat Comment at CEO Endorsement**

7-17-19

Yes. Component 4 of project

Cleared

**Response to Secretariat comments**

Agency Responses

**11. Has the Agency adequately responded to comments at the PIF stage from:**

**GEFSEC**

**Secretariat Comment at CEO Endorsement**

7-17-19

Yes. Responses to GEFSEC were included.

Cleared

**Response to Secretariat comments**

**STAP**

**Secretariat Comment at CEO Endorsement**

7-17-19

Yes. Responses to STAP were included.

Cleared

**Response to Secretariat comments****GEF Council****Secretariat Comment at CEO Endorsement**

7-17-19

Yes. Responses to GEF Council (Germany) were included.

Cleared

**Response to Secretariat comments****Convention Secretariat****Secretariat Comment at CEO Endorsement**

## Response to Secretariat comments

### Recommendation

#### 12. Is CEO endorsement recommended?

### Secretariat Comment at CEO Endorsement

w 7-17-19

At PIF Approval the GEF Secretariat requested the following:

*1. The list of laws and policy sectors to be addressed during project development with proper justification for their selection and how they will work in favor of Sustainable Development.*

At CEO Endorsement: Information provided in output 1.1.1.. Cleared

*2. The mechanisms that the project will use to "mainstream" biodiversity and into the Tourism Sector. This is about "how" mainstreaming will be implemented and the expected results. Please review language in GEF and STAP publications on Mainstreaming.*

At CEO Endorsement: This is not clear and should be included under Output 1.1.2 and specially under Component 3 (Biodiversity mainstreaming in coastal tourism development and operation). Please address this head on. Please use direct language to explain what BD measures will be mainstream and how that will be carried out

*3. The specifics of the strengthening the Institutional Capacity at SECTUR, State Level Ministries, Private sector, Tour Operators, Municipalities and CSOs with at least 200 people. Because the target audience is very wide as stated in the PIF, focusing on key Institutions will be necessary. Proper justification of the focused targets and suggested activities will be needed.*

At CEO Endorsement: The universe of target audience changed little since PIF approval and very little information is provided on the actual activities to be carried out (except perhaps on "Official and Mexican Norms"). Please elaborate on the content of the Capacity Development Programme.

*4. The market failures that the project aims at tackling and "how" that will be done. Since the Tourism Industry is pretty robust, changes will require significant time and leverage to get implemented. That is why a very focused approach to address "market failures" is a must.*

At CEO Endorsement: As indicated above for Output 2.2.2., include the activities that will be carried out by this project to address the market failures in the table of Market Failures and Proposed Solution.

*5. The list of specific interventions in the three target geographies, and elements of the Tourism Sector (Hotels, tour operators and local businesses) with detailed information on who is going to be responsible and how these interventions will be made.*

At CEO Endorsement: This should be the central part of Component 3. Nevertheless, the component is mostly about investments in Local participation mechanisms, and Strengthened local business capacities,. The information could should reside under output 3.1.3. For that be explicit about the meaning of the - Sustainable Tourism Development Zone (ZDTS) in terms of actual interventions resulting in Global Environmental Benefits.

*6. A more focused list of indicator species. It is going to be very difficult for the project to pursue and sustain the monitoring (in the long term) of such a long list of indicator species. Neither Funding nor time will be sufficient. For the final list of species, provide the baseline information, that is the quantitative information on the populations of the target species. Since NGOs appear to have been working on some of these species, time series will be required as baseline. Please indicate the Scientific Institutions and/or NGOs that will take care of it. Provide a letter of co-financing (in-kind) if the project is not going to the monitoring.*

At CEO Endorsement. Please see above in Window 2.

*7. The list of proposed interventions (properly justified) in the three Community Ecotourism Units to be supported by the project.*

At CEO Endorsement: Under output 3.2.1.

8-27-19

Yes. This CEO Endorsement is recommended.

NOTE AFTER INITIAL TECHNICAL CLEARANCE

9-10-19

Some issues came up after initial Tech Clearance that require attention. Please find them under items 6,8 and 9.

10-17-19

Please address outstanding issues under items 8&9. Thanks.

7-2-20

The CEO Endorsement is recommended.



## FURTHER COMMENTS

No. Please address the following two points and re-submit. Thanks.

2-13-20

- 1- The Audit is still charged to the M&E – Audit has to be charged to the PMC.

This item is indeed charged to the PMC in ProDoc. However, the Agency still charges the same item to M&E in Portal and in ProDoc. Please adjust

Project Quality Assurance	UNDP Country Office	None	None	Every 2 years during implementation, Project End
Risk management	Project Manager UNDP Country Office	None	None	Semesterly, annually
Monitoring of indicators in project results framework	Project Manager M&E Specialist	USD 24,000 (Per year: USD 4,000)	CONABIO - CONANP for biodiversity indicators USD 24,000 (per year: USD 4,000)	Annually before PIR
GEF Project Implementation Report (PIR)	Project Manager and UNDP Country Office and UNDP-GEF team	None	None	Annually
NIM Audit as per UNDP audit policies	UNDP Country Office	USD 24,000 (Per year: USD 4,000)	None	Annually or other frequency as per UNDP Audit policies
Lessons learned and knowledge generation for Component 4	Project Manager	USD 40,000	None	Annually
Monitoring of environmental and social risks, and corresponding management plans as relevant	Project Manager UNDP Country Office	None	UNDP USD 4,000 Responsible parties USD 4,000	On-going
Stakeholder Engagement Plan	Project Manager	None	UNDP USD 4,000 Responsible parties USD 4,000	On-going
Gender Action Plan	Project Manager	None	UNDP	On-going

- 2- The GEF cannot accept that the Implementing Agency performs a task that only the Executing Agency should carry out, which is to *"have the authority to commit or acquire supplier resources required"*. The Agency should remove itself from this function and instead include the Executing Agency.

193. Senior Supplier: The Senior Supplier is an individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. **The Senior Supplier role must have the authority to commit or acquire supplier resources required.** If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role. The Senior Supplier is: UNDP

3-25-20

The NIM Audit is charged to PMC and no longer charged to M&E in the Project Document.

UNDP is no longer the Senior Supplier. SECTUR is the Executing Partner.

Cleared

3-25-20

The NIM Audit is charged to PMC and no longer charged to M&E in the Project Document.

UNDP is no longer the Senior Supplier. SECTUR is the Executing Partner.

Cleared

The CEO Endorsement is recommended.

## **Response to Secretariat comments**

8-19-19

1-2)

As mentioned above in response to Comment 2, please see Annex N, below, which provides a list of safeguards/strategies for mainstreaming biodiversity conservation into land use planning regulations and instruments. The annex details how SECTUR and the project partners (ASK, WWF, ISLA) will implement these safeguards at the federal and local level in the 3 target sites.

3) changes ProDoc Output 1.2.1

Currently, the department in SECTUR in charge of the topics related to tourism and conservation of biodiversity is very small, only 5 people. However, there are decisions within other departments in SECTUR that need to integrate criteria related to biodiversity conservation. To address this and fulfill the objective of strengthening capacities within SECTUR, a Capacity Development Programme will be developed. Ideally, the Programme should be endorsed by the Tourism Competitiveness Institute (ICTUR), and should include at least the following themes:

I. Trends in tourism development

- ☐ Update with data and figures and projections
- ☐ Impacts of tourism and its relationship with biodiversity and social issues

- ☐ Competitiveness and tourism in Mexico
- ☐ Trends (overtourism, adaptation, decentralization, collaborative economy)

## II. Sustainability and tourism, basic concepts and international politics

- ☐ Introduction to sustainability
- ☐ Sustainable tourism, key concepts
- ☐ History of Sustainable Tourism, from Lanzarote to COP 13 in Cancún
- ☐ International Policy
  - o Strategic Plan for Biological Diversity and Aichi Targets
  - o Sustainable Development Goals
  - o 10YFP

## III. National Policy on Sustainable Tourism

- ☐ PROSECTUR
- ☐ Strategy for the Integration of Biodiversity in the tourism sector
- ☐ Strategic Framework for Tourism in Protected Natural Areas
- ☐ General Tourism Law and its Regulations

## IV. The role of the business sector in tourism and biodiversity

- ☐ The Global Sustainable Tourism Criteria for companies and destinations
- ☐ Certifications of sustainability
- ☐ The private tourism sector and the SDGs
- ☐ The private tourism sector in the future

## V. Communications for sustainable tourism

- ☐ Basic concepts of communications for sustainability
- ☐ Identifying the target audience: analysis of Stakeholders
- ☐ The communication process
- ☐ The use of traditional media and social networks to show progress
- ☐ How to achieve a successful sustainability campaign?

- ☐ The Sustainability Report and the measurement of business impact

In addition, the project “Ecosystem-based Adaptation to Climate Change (EBA)” with the private sector in Mexico seeks to strengthen the tourism sector to implement solutions to adapt to climate change. A network of key actors (public, private, civil society) that works on EBA issues will be created; including training of 300 actors at the local, regional and national level. Through SECTUR, the GEF project will pursue opportunities to benefit from this and generate synergies between the two initiatives.

#### 4) changes ProDoc Output 2.2.2

As mentioned above in response to Comment 2, please refer to the table on page 25 of the ProDoc which provides market failures and solutions. The Solution column provides a menu of activities to be implemented, with the expectation that each site will tailor this menu based on local needs and tourism demands at the moment of implementation and based on consultancies to be executed through the project. The specific activities are defined in the workplan (most of the Component 2) activities in Annex A.

#### 5) changes ProDoc Annex N

As mentioned above in response to Comment 2, please see Annex N, below, which provides a list of safeguards/strategies for mainstreaming biodiversity conservation into land use planning regulations and instruments. The responsible parties for these interventions are summarized as follows:

- - Private Reserves & Payment for Environmental Services (ASK/WWF/ISLA, CONANP, CONAFOR)
- - Avitourism (ASK, Sal a Pajarear),
- - Advocacy
- - Good Practices and Certification (ASK/WWF/ISLA, SEDETUR, SECTUR, DMO, SEMARNAT)
- - Zoning and Land Use Planning (SEMARNAT, SEMA, CONANP, municipalities, ASK/WWF/ISLA)
- - Tourism Diversification at Landscape Level (SEDETUR, CPTQ, CONANP, ASK/WWF/ISLA)
- - Management through ZDTS (SECTUR, SEDETUR)
- - Promotion of Community Sustainability – Energy and Clean Water- (SEDESO, ASK/WWF/ISLA)
- - Responsible Consumption to Reduce Environmental Impacts (ASK/WWF/ISLA, SEDESO)
- - Environmental Education (ASK/WWF/ISLA)

*The list of specific interventions expected to generate Global Environmental Benefits in the 3 target sites include:*

Development and implementation by local businesses of: a) tourism management programs; b) community ecological zoning plans and; c) capacity building workshops for adoption of sustainable tourism best practices.

The hotel sector is responsible for implementing the Mexican Standard NMX-AA-178-SCFI-2016 Sustainability Criteria of Touristic Real Estate Developments in The Gulf of California.

In addition, a proposal was developed in BCS to harmonize tourism and BD conservation zoning instruments and establish long-term payment of environmental services from federal and local government.

Update regulations (NOM of tourism and NMX of sustainable development) and analyse gaps in the regulatory framework of tourism activities and services.

Develop a capacity development program aimed at local governments on the mainstreaming of BD conservation.

Develop business plans for ecotourism enterprises and circuits and train to the criteria of NMX-133 of Sustainable ecotourism.

Establish a Community Monitoring System for the Sustainable Use of coastal and marine BD, and train local communities to monitor biodiversity.

In terms of governance, integrate technical groups of local stakeholders related to BD conservation and sustainable tourism.

Develop good management practices in sport fishing, whale watching, tourism marina and other tourism-recreational nautical activities.

Train youth and women for environmental education and as ecotourism guides.

Develop in coordination with competent authorities: a) the geographic information system; b) the Biodiversity Inventory; c) the log of the ZDTS that account for changes in the state of biodiversity and participation mechanisms.

6)

Please see above in the response to Question 6 of Comment 2.

7) changes ProDoc Output 3.2.1

While the project will establish a project desk within the 3 project partners, there will not be a formal "Community Ecotourism Unit" in the 3 sites. Rather, the Project will work with partners to develop and promote ecotourism services and activities. At the national level, the project will promote the updating of NOM 09 SECTUR 2002 for nature based guides, which establishes the elements to which the specialized guides in specific activities must adhere and has not been updated since 2003. The project will also review and publish the National Strategy for Nature-based Tourism in Mexico (strategy developed in 2017 but has not been published).

At the local level, the project will pursue the following interventions:

**BCS:**

- - Train 30 specialized guides in compliance with NOM-09-SECTUR.
- - Design and plan ecotourism circuits in the Sierra La Laguna-Los Cabos Region.
- - Diagnosis of Mexican Standard NMX-133 compliance criteria for the companies in the ecotourism circuits.
- - Advise, train and certify at least 10 ecotourism companies under the criteria of NMX-133 in the SLL-LC region.
- - Publish Good Practices of tourism activities that mainstream BD (Whale Watching and Sport Fishing).

**OAX:**

- - Design and implement a capacity building program for eco-tourism and community tourism operators.
- - Strengthen the community eco-tourism network by developing a monitoring and evaluation platform focused on women empowerment and economic impact.
- - Train and certify 30 tour guides on NOM-09 for nature-based guides and/or NOM-08 for general tourism guides.

**QROO**

- - Promote the implementation of Good Practices Guidelines in 20 ecotourism companies in Maya Ka'an.
- - Certification of 50 tour guides in NOM-09 for nature-based guides and/or NOM-08 for general tourism guides.

Update the Maya Ka'an good practices manuals.

9-29-19

These have now been addressed, as described above.

**Review Dates**

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
<b>First Review</b>		
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		

**CEO Recommendation**

**Brief Reasoning for CEO Recommendations**

CONTEXT: Tourism is a priority economic activity for Mexico as it represents 8.4% of the GDP and more than 2.5 million jobs. In 2013, Mexico received 23.7 million international visitors, generating USD\$ 13.8 billion in receipts for the country, and in 2015, Mexico ranked 10th place in international tourist arrivals and 23rd position in international tourism receipts worldwide. However, conventional tourism development and management models present a major threat to Mexico's globally-important biodiversity, undermining the very tourism assets that generate these significant revenues and the sustainability of the tourism industry. With priority tourism spots in varying degrees of development and with potential for running tourism on a more sustainable manner, there is an urgent need to include criteria in the Tourism Sector's development to safeguard the sites that generate interest and revenue on the part of the tourism industry. The objective of this project is to promote biodiversity conservation through the design and implementation of innovative policies and models of sustainable tourism in Mexico at the national and the local levels, and to test them in three pilot areas.

RESULTS: This project will invest in the enabling environment to support Sustainable Tourism Development that promotes the conservation of biodiversity. The implementation of these measures leading to new tourism models will be tested in three geographies: Quintana Roo, Baja California Sur and Oaxaca. These are the

components and associated outcomes of the project: COMPONENT 1: Strengthened institutional, regulatory and policy framework promotes Sustainable Tourism Development (DTS). Outcomes: 1.1 Conservation objectives of key Biodiversity integrated into the General Law of Tourism and other sectorial development instruments, including a subset of key norms and technical regulations for the tourism sector; 1.2. Institutional capacity strengthened in SECTUR, state and local governments to mitigate and manage impact of tourism on BD. COMPONENT 2: Strengthened enabling conditions in the tourism sector address market failures to catalyze financing for biodiversity conservation; Outcomes 2.1. Develop/strengthen decentralized self-governance at tourism sites; 2.2. Market and policy mechanisms for sustainable tourism financing support the optimization of flows of ecosystem goods and services associated with tourism development and operation. COMPONENT 3. Biodiversity mainstreaming in coastal tourism development and operations. Outcomes: 3.1. New BD-friendly sustainable tourism models (DTS) demonstrated in Quintana Roo, Baja California Sur and Oaxaca and sustainability emplaced; 3.2. COMPONENT 4. Knowledge Management and Learning; Outcomes: 4.1. Awareness raised among tourists and tourism industry stakeholders about sector's impact on BD and its associated ecosystem services, as well as potential for conservation measures; indicated by changes in baseline scenarios of surveys applied at project start and end.

GLOBAL ENVIRONMENTAL BENEFITS: The project will lead to major GEBs by contributing to the long-term conservation status of globally important coastal habitats in the project area, covering at least 86,685.66 ha of mangroves, 302,366.05 ha of wetlands, 1,757.26 ha of coral reefs and 25,124.91 ha of sea grass beds,

INNOVATION AND SUSTAINABILITY: The project is innovative because it is the first project in Mexico to address mainstreaming of biodiversity conservation in the tourism sector. The Project will support the integration of biodiversity conservation in tourism development and related practices as key elements to sustainable regional development, ultimately fostering connectivity and safeguarding ecosystem goods and services. The proposed mainstreaming interventions are anchored in the "SECTUR's New Strategy for Biodiversity Mainstreaming in the Tourism Sector (2016-2022)", the roadmap for sustainable tourism in Mexico. Financial sustainability will be assured through Component 2 via the establishment of sectorial financial and compensatory mechanisms for sustainable tourism development. Environmental sustainability will be ensured by supporting the incorporation of principles of sustainability into norms and plans that govern practices of productive landscapes, particularly in the Tourism sector.

SCALING-UP: The proposed project will develop the capacity of institutions and communities to expand the coverage to include additional developers and tourism operators in the target areas. Although the type and focus of tourism may vary depending on the region, there is great potential for BD-friendly Sustainable Tourism Development in the 44 consolidated tourism destinations that have already been identified by SECTUR and constitute a viable economic and sustainable option.

CO-FINANCING: Ministry of Tourism (SECTUR), Fideicomiso 2050 para el Desarrollo Regional del Sur Sureste (FIDESUR), National Commission for Natural Protected Areas (CONANP), National Forestry Commission (CONAFOR), Amigos de Sian Ka'an (ASK), Conservation of Mexican Insular Territory (ISLA), WWF, Fundación Avina, Red Indígena de Turismo Alternativo (RITA), Universidad Nacional Autónoma de México- Instituto de Investigaciones Económicas, Universidad Autónoma de Baja California Sur, UNDP and State Governments of Baja California Sur and Quintana Roo.