

Sustainable Integrated Management of Biodiversity in the Indio-Maíz Biological Reserve

Basic Information

GEF ID

10674

Countries

Nicaragua

Project Title

Sustainable Integrated Management of Biodiversity in the Indio-Maíz Biological Reserve

GEF Agency(ies)

FAO

Agency ID

FAO: 682922

GEF Focal Area(s)

Biodiversity

Program Manager

Mark Zimsky

PIF

Part I – Project Informatic

Focal area elements

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

No. Please note that inclusive conservation is a special project and thus should not be used to categorize an investment. In addition, only use the language from the GEF-7 BD Strategy for the various entry points, don't add your own text to that.

Please redo Table A reflecting these and other comments in the review sheet to ensure that there is alignment with the GEF-7 BD strategy as currently the project is not well aligned. Given the project design revisions that will have to be undertaken, the project alignment will also have to change.

10/28/2020

Yes. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct. 27, 2020

Point taken. The project is aligned with BD-1-1 and BD-2-7.

Indicative project/program description summary

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

No.

The three components are very expensive and mainly focused on plan and strategy development and awareness raising with very little implementation action identified that addresses the drivers of biodiversity loss as articulated in the theory of change in Annex F.

The components are mainly aimed at processes and plan development with very little indication of how the project will address the drivers and threats to biodiversity in the project area as identified in the theory of change and in the PIF itself: felling trees for fuel, illegal extraction of forest products, expansion of agriculture and cattle ranching, individuals selling their land which is then converted to monocrop production, climate change impacts on the area, etc.

This is a project design that is activity-driven, as opposed to responding to the actual drivers and threats of biodiversity loss that are identified in the theory of change. For example, the outputs listed under component three are a list of traditional approaches to conservation, most of which have not been successful in achieving conservation outcomes when implemented as a response to the complex drivers and threats listed in the Theory of Change and the PIF.

While the element of problem identification is thorough and well-articulated, there is very little rationale and justification for an investment that is focused on development of integrated landscape management plans and strategies as the most effective way to address the root causes of biodiversity loss.

Please revise the project design to directly respond to the drivers and threats to biodiversity loss. While plans and strategies may be one facilitating element of a response, the project team must identify as part of the design process what are the underlying factors causing forest degradation and how the project can reverse this (e.g, expansion of cattle ranching, selling of private land and conversion to monocrops, fuelwood extraction, shifting cultivation etc.).

The project design has missed this key element of unpacking each of these issues to identify response options for the project. GEF experience demonstrates that plans and strategies and awareness raising are insufficient responses to the complex land management issues that are facing the reserve and surrounding production landscapes.

10/28/2020

Yes. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct. 27, 2020

Point taken.

The proposed project takes place in the context of the National Strategy for the Reduction of Emissions from Deforestation and Forest Degradation (ENDE-REDD+ Strategy) and its Emissions Reduction Program (ER-P) which targets the Rio San Juan Biosphere Reserve (RSJBR). While the proposed project will work inside the Indio Maiz Biologica Reserve (RBIM, in Spanish; core area of the RSJBR) it will work in coordination with two proposals currently under development: (i) the GEF-Funded FOLUR project (GEFID 10599) which will work on the buffer zones of the RBIM, and (ii) GCF Bio-CLIMA project which will work across the RSJBR (including the RBIM).

While the analysis of drivers of biodiversity loss is done at the landscape level, an effort has been made to link the main drivers within the RBIM to the proposed project intervention. In this context, the project intervention has been redesigned to address these drivers in coordination with the two proposals mentioned above.

The proposed PIF has been revised and the TOC has been updated to reflect these changes.

Co-financing

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

Secretariat Comment at 11 / WORK Program inclusion

9/25/2020

No.

Please delete the line item on cofinancing from the CGF given that this grant has not been submitted or approved. Given that this amount of cofinance is 60% of the cofinance, please explain how the project could be viable if the GCF grant does not get approved or how this money would be replaced.

10/28/2020

Please clarify the cofinancing from GCF (grant) and CABEL (loan) and present in two separate line items in the portal entry.

10/29/2020

Please note that you can't co-finance GEF project with other GEF project (FOLUR) so please remove this from the table and from the text when characterized as co-finance.

10/30/2020

Yes. Cleared.

Agency Response

Oct. 30, 2020

For clarification, the Nicaragua GEF FOLUR project is cofinancing the GCF proposal (BioCLIMA), but it is **not** co-financing this project proposal being submitted (GEFID 10674, Indio Maiz).

GCF Cofinancing for the proposed project (Indio Maiz) will come both from the GCF Grant and the loans managed by CABEL only. We've removed the reference to the GEF FOLUR project in the explanation provided below the co-financing table.

Oct. 27, 2020

The Bio-CLIMA project will be considered for funding during the 27th Meeting of the GCF Board that will take place on 9-13 November 2020 (<https://www.greenclimate.fund/boardroom/meeting/b27>). The Bio-CLIMA project is Funding Proposal No. 146 (<https://www.greenclimate.fund/document/gcf-b27-02-add06>).

Given the feedback we have received from the GCF, we are confident the project will be approved in November. While we understand the inherent risks, we kindly request the GEF Secretariat to reconsider eliminating the GCF project as a source of co-financing. If the GCF proposal is not approved, the government will consider assigning co-financing from the Emissions Reduction Program (Forest Carbon Partnership).

GEF Resource Availability

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared

Agency Response

Oct. 27, 2020

No response required

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared

Agency Response

Oct. 27, 2020

No response required

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

NA.

Agency Response

Oct. 27, 2020

No response required

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

NA.

Agency Response

Oct. 27, 2020

No response required

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

NA.

Agency Response

Oct. 27, 2020

No response required

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

NA.

Agency Response

Oct. 27, 2020

No response required

Project Preparation Grant

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared

Agency Response

Oct. 27, 2020

No response required

Core indicators

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared

10/29/2020

Thank you for explanation and revisions. Please use sub-indicator 6.1 (and not 6.2) for the GHG emission reduction from AFOLU sector.

10/30/2020

Yes. Cleared.

Agency Response

Oct. 30, 2020

Point taken. Correction made.

Oct. 27, 2020

Given that the project will now focus only on activities inside the RBIM, we have eliminated the number of hectares originally proposed under SLM in the buffer zone (Core Indicator 4.3). Work in the buffer zone will be undertaken by the FOLUR project (currently under design) and the GCF project submitted to the GCF board.

Project/Program taxonomy

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared

Agency Response

Oct. 27, 2020

No response required

art II – Project Justification

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes, the project has presented an elaborate and detailed description of the project area, its importance from a biodiversity perspective, and the root causes of biodiversity loss. Cleared.

However, as noted above, the project design does not address the root causes and threats to biodiversity in a clear and direct way.

10/28/2020

Thank you for explanation and revisions. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct. 27, 2020

The project has been redesigned to address the root causes of biodiversity degradation.

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes, these are well articulated. Cleared.

Agency Response

Oct. 27, 2020

No response required

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

The alternative scenario as presented describes the components and outcomes, but as noted above they do not adequately describe an alternative that addresses the root causes and threats to biodiversity loss as described in the problem identification or in the project's theory of change.

Please revise this section once the project team has revised the project design.

10/28/2020

Thank you for explanation and revisions. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct. 27, 2020

The project has been redesigned and the TOC has been updated.

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

No (as noted above). Once project design is revised to address the root causes of biodiversity loss, please refine the alignment with the focal area strategy.

10/28/2020

Thank you for explanation and revisions. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct. 27, 2020

The project has been redesigned and the section on alignment with focal areas has been updated.

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

The incremental reasoning as presented reflects the current suite of project components and outcomes, but as noted above these components do not adequately address the root causes and threats to biodiversity loss as described in the problem identification or in the project's theory of change.

Please revise this section once the project team has revised the project design.

10/28/2020

Thank you for explanation and revisions. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct. 27, 2020

The project has been redesigned and the section on incremental cost has been updated to reflect the revised logframe.

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

The identified contributions to GEBs as measured by the core indicators are robust, but the project strategy and design to achieve them (plans, strategies, awareness raising) is not convincing given the drivers of biodiversity loss and threats to biodiversity that the PIF describes. Once the project design is revised, please revisit the project's contributions to GEBs and revise if needed.

10/28/2020

Thank you for explanation and revisions. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct. 27, 2020

The project has been redesigned and the section on GEBs has been updated to reflect the revised logframe.

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

Secretariat Comment at PIF/Work Program Inclusion

m.9/25/2020

Innovation: What is listed in the PIF is not innovative, but is standard conservation and natural resources management practice.

Sustainability: please clarify in the revised design of the project, what are the activities that will lead to financial sustainability of the IMBR as right now as presented it is only aspirational in nature.

Scaling up: Please identify how the project will realize scaling up as identified in the PIF, i.e., what is the scaling-up mechanism?

10/28/2020

Thank you for explanation and revisions. Cleared.

Agency Response

Oct. 30, 2020

No response required

Oct 27, 2020

The sections on innovation and sustainability have been revised.

Regarding scaling up, the project will use baseline programmes within MARENA (i.e. ERP, Bio-CLIMA) and MEFCCA (i.e. NICADAPTA, PAIPSAN) to upscale best practices, methods and tools tested in RBIM across the Caribbean Coast of Nicaragua.

Project/Program Map and Coordinates

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

An extensive series of maps are included. Cleared. Yes.

Agency Response

Oct. 27, 2020

No response required

Stakeholders

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

Gender Equality and Women's Empowerment

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

Private Sector Engagement

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

Risks to Achieving Project Objectives

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Due to the COVID-19 pandemic, the Secretariat has not been able to conduct its regular activities. The Secretariat is currently reviewing the project/program and will provide a comment by the end of the year.

Please describe more fully how COVID-19 is addressed in the project from a risk management standpoint including associated impacts of COVID-19 and how these risks will be mitigated particularly within the context of delivering GEBs. This should cover the design and implementation stages of the project.

A climate risk screening annex was included which addresses climate risk comprehensively. Please revise it as needed for the project revision.

10/28/2020

Thank you for explanation and revisions. Cleared.

Agency Response

Oct. 27, 2020

Additional information has been provided regarding COVID-19 from a risk management perspective

Coordination

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

10/29/2020

Portal indicates MARENA as Other Executing Partner. This has also been mentioned under the Coordination section. However, the LoE suggest that FAO can also (or instead of MARENA) be the executing agency. In the same Section (Coordination), there is a sentence that indicates "The project design must define the amount to be transferred, what expected results are and which supervision mechanisms FAO Nicaragua has available". For this to happen, FAO would carry out some executing functions.

Please note that the technical clearance of this PIF does not automatically imply the approval of any exceptions to the execution arrangements of this project. Any such exceptions to the separation of the Implementation and Execution functions can be requested during PPG by the agency and will be analyzed at the time of CEO endorsement.

Agency Response

Oct. 30, 2020

Point taken. FAO's portfolio of GEF projects in Nicaragua is being executed by MARENA. The government has indicated they will execute this project also.

Oct. 27, 2020

No response required

Consistency with National Priorities

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

Knowledge Management

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

Environmental and Social Safeguard (ESS)

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

art III – Country Endorsements

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

Yes. Cleared.

Agency Response

Oct. 27, 2020

No response required

Termsheet, reflow table and agency capacity in NGI Projects

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

provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

NA.

Agency Response

Oct. 27, 2020

No response required

EFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at PIF/Work Program Inclusion

9/25/2020

No. Please address all issues identified above and revise the project design accordingly and resubmit.

10/28/2020

Thank you for explanation and revisions. Please clarify the last item referenced above on the way the cofinancing is reported in the portal.

10/29/2020

No. Please make the revisions requested.

10/30/2020

Yes. All issues have been addressed. PIF is recommended for technical clearance.

ADDITIONAL COMMENTS

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

Secretariat Comment at PIF/Work Program Inclusion

Portal indicates MARENA as Other Executing Partner. This has also been mentioned under the Coordination section. However, the LoE suggest that FAO can also (or instead of MARENA) be the executing agency. In the same Section (Coordination), there is a sentence that indicates "The project design must define the amount to be transferred, what expected results are and which supervision mechanisms FAO Nicaragua has available". For this to happen, FAO would carry out some executing functions.

Please note that the technical clearance of this PIF does not automatically imply the approval of any exceptions to the execution arrangements of this project. Any such exceptions to the separation of the Implementation and Execution functions can be requested during PPG by the agency and will be analyzed at the time of CEO endorsement.

Review Dates

	PIF Review	Agency Response
First Review	9/25/2020	10/27/2020
Additional Review (as necessary)	10/28/2020	10/30/2020
Additional Review (as necessary)	10/30/2020	
Additional Review (as necessary)		
Additional Review (as necessary)		

PIF Recommendation to CFO

Brief reasoning for recommendations to CEO for PIF Approval

The objective of the project is to conserve globally important biodiversity and enhance ecosystem services in the Indio-Maíz Biological Reserve (RBIM) in partnership with indigenous peoples and local communities.

The project strategy for conserving globally important biodiversity and enhancing ecosystem service in the RBIM is based on an integrated landscape management approach that takes in account the surrounding conservation, buffer and production systems. The project has three components with these key outcomes: 1) Strengthening the enabling environment to improve the governance and management of the Indio Maiz Biological Reserve (RBIM). This will include the development of a participatory 5-year management plan; 2) Strengthening capacity of local and indigenous communities in landscape management to conserve biodiversity; 3) Participatory management plan implementation in the Indio-Maíz Biological Reserve (RBIM). This will include implementation of best practices in participatory landscape management planning, ensuring that RBIM's biodiversity is safeguarded and, where necessary, restored using novel co-management mechanisms while addressing local livelihoods in a sustainable manner. The proposed project will target project beneficiaries to improve their livelihood opportunities arising from implementation of the PMP, including sustainable production / organic labeling of wood and NWFP, Agroecology, added value and premium prices for certified products; plantations for medicinal and aromatic plants; Ecotourism, with local guides, identification and development of community-based tourism products that reflect local cultures; strengthening of local companies to promote, develop and manage tourism based on responsible tourism principles.

The global biodiversity benefits conserving 316,720.62 ha in RBIM (Core Indicator 1) and this includes supporting the restoration of approximately 140,000 ha affected by natural disasters(eg. assisted regeneration) and approximately 20,000 hectares degraded by natural disasters. In addition, the project will result in a reduction by 3,300,000 metric tons of CO₂-e (greenhouse gas emissions avoided and removed over five years).