

# GEF-8 PROJECT IDENTIFICATION FORM (PIF)

## TABLE OF CONTENTS

<b>GENERAL PROJECT INFORMATION .....</b>	<b>3</b>
Project Summary .....	4
Indicative Project Overview .....	4
<b>PROJECT COMPONENTS .....</b>	<b>5</b>
<b>PROJECT OUTLINE .....</b>	<b>11</b>
A. PROJECT RATIONALE.....	11
B. PROJECT DESCRIPTION.....	14
Project description.....	14
Coordination and Cooperation with Ongoing Initiatives and Project.....	22
Core Indicators.....	22
Risks to Project Preparation and Implementation .....	27
C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES .....	29
D. POLICY REQUIREMENTS.....	30
Gender Equality and Women’s Empowerment: .....	30
Stakeholder Engagement .....	30
Private Sector.....	32
Environmental and Social Safeguard (ESS) Risks .....	32
E. OTHER REQUIREMENTS.....	33
Knowledge management.....	33
<b>ANNEX A: FINANCING TABLES .....</b>	<b>33</b>
GEF Financing Table.....	33
Project Preparation Grant (PPG) .....	33
Sources of Funds for Country Star Allocation .....	34
Indicative Focal Area Elements .....	34
Indicative Co-financing .....	34
<b>ANNEX B: ENDORSEMENTS .....</b>	<b>35</b>
GEF Agency(ies) Certification .....	35
Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):.....	35
<b>ANNEX C: PROJECT LOCATION .....</b>	<b>36</b>
<b>ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING .....</b>	<b>36</b>
<b>ANNEX E: RIO MARKERS .....</b>	<b>36</b>
<b>ANNEX F: TAXONOMY WORKSHEET .....</b>	<b>36</b>

## General Project Information

### Project Title

Strengthening ecological connectivity in natural and productive landscapes between the Amistad and Darien biomes

### Region

Panama

### GEF Project ID

11209

### Country(ies)

Panama

### Type of Project

FSP

### GEF Agency(ies):

UNDP

### GEF Agency ID

9653

### Executing Partner

Ministry of Environment

### Executing Partner Type

Government

### GEF Focal Area (s)

Multi Focal Area

### Submission Date

4/12/2023

### Project Sector (CCM Only)

### Taxonomy

Focal Areas, Land Degradation, Sustainable Land Management, Ecosystem Approach, Sustainable Agriculture, Sustainable Forest, Improved Soil and Water Management Techniques, Sustainable Livelihoods, Income Generating Activities, Sustainable Pasture Management, Biodiversity, Biomes, Tropical Rain Forests, Mainstreaming, Tourism, Agriculture and agrobiodiversity, Protected Areas and Landscapes, Productive Landscapes, Terrestrial Protected Areas, Forest, Gender Equality, Gender Mainstreaming, Beneficiaries, Women groups, Gender-sensitive indicators, Gender results areas, Capacity Development, Awareness Raising, Participation and leadership, Access and control over natural resources, Influencing models, Convene multi-stakeholder alliances, Strengthen institutional capacity and decision-making, Demonstrate innovative approaches, Transform policy and regulatory environments, Stakeholders, Civil Society, Community Based Organization, Local Communities, Communications, Behavior change, Private Sector, SMEs, Type of Engagement, Information Dissemination, Participation, Partnership, Consultation, Indigenous Peoples, Capacity, Knowledge and Research, Knowledge Generation, Knowledge Exchange, Innovation, Learning, Adaptive management, Indicators to measure change, Theory of change

### Type of Trust Fund

GET

### Project Duration (Months)

72

### GEF Project Grant: (a)

6,585,388.00

### GEF Project Non-Grant: (b)

0.00

### Agency Fee(s) Grant: (c)

625,612.00

### Agency Fee(s) Non-Grant (d)

0.00

### Total GEF Financing: (a+b+c+d)

7,211,000.00

### Total Co-financing

42,800,000.00

### PPG Amount: (e)

### PPG Agency Fee(s): (f)

200,000.00	19,000.00
PPG total amount: (e+f)	Total GEF Resources: (a+b+c+d+e+f)
219,000.00	7,430,000.00

#### Project Tags

CBIT: No NGI: No SGP: No Innovation: No

### Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? (iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the project should be in section B “project description”. (max. 250 words, approximately 1/2 page)

The project aims to create an integrated system for conservation and sustainable management of natural resources, including biodiversity, in “the bridge” across the Amistad and Darien forests. This *bridge*/landscape as well as the Amistad and Darien biomes in Panama are facing biodiversity loss and fragmentation due to unsustainable land use practices and weak governance systems. This is leading to a decline in ecological connectivity between the two biomes and in the larger landscape, which is crucial for maintaining healthy ecosystems and supporting biodiversity.

The project will adopt three main strategies to improve and sustain ecological connectivity between the Amistad and Darien biomes. The first will focus on improving policies, regulations, and institutional strengthening. The creation of an enabling environment for SLM and biodiversity conservation in three target sectors (forestry, agro-forestry, and tourism) will help to promote the use of circular economy principles and biodiversity-friendly practices in the sectors and support the conservation of biodiversity in the *bridge*/landscape that connects the Amistad and Darien biomes. The second involves the management and restoration of ecological connectivity corridors. This strategy will involve developing site-level planning that promotes implementing circular economy principles in biodiversity-friendly businesses. The framework and regulatory framework will support SLM and the management of pilot biodiversity corridors between the Amistad and Darien forests. The site-level plans will include monitoring and implementation mechanisms to ensure that circular economy principles are effectively integrated into site-specific management plans and that the biodiversity corridors are effectively managed and restored. The third component focuses on the establishment of partnerships, analysis and promotion of biodiversity-friendly businesses, and provision of low-value grants to promote the development of circular economy principles in biodiversity-friendly enterprises, creating economic opportunities for the community while promoting SLM and biodiversity conservation. The project will also promote the participation of IPLCs and other stakeholders in decision-making processes, leading to more inclusive and equitable outcomes.

The project will help create or strengthen the management practices of biological corridors through the establishment and improved management of Other Effective Area-based Conservation Efforts (OECMs) through private reserves and/or conservation set-asides as well as IPLC conservation areas. Specifically, the project will work with local stakeholders to improve the management of at least 56,160 hectares (GEF Core Indicator 1.2) of protected areas, restore 1,800 ha (GEF Core Indicator 3.2), and will help improve the management of nearly 488,465 hectares of productive landscapes (GEF Core Indicator 4). This includes support of the development of integrated land use plans covering an area of 6,000 hectares of terrestrial OECMs supported in production systems (GEF Core Indicator 4.5), 22,137 ha of landscapes under SLM (GEF Core indicator 4.3), 406,328 hectares HCVF and other forest loss avoided (GEF Core Indicator 4.4), and 60,000 ha of private reserves (GEF Core Indicator 4.1). As a co-benefit of these activities, the project will avoid the emissions of 62,861,024 tons of CO<sub>2</sub>-eq (GEF Core Indicator 6.5). Finally, the project will directly benefit 12,542 community members in the target area (GEF Core Indicator 11).

### Indicative Project Overview

#### Project Objective

The project aims to create an integrated system for conservation and sustainable management of natural resources, including biodiversity, in “the bridge” across the Amistad and Darien forests. This

bridge/landscape as well as the Amistad and Darien biomes in Panama are facing biodiversity loss and fragmentation due to unsustainable land use practices and weak governance systems. This is leading to a decline in ecological connectivity between the two biomes and in the larger landscape, which is crucial for maintaining healthy ecosystems and supporting biodiversity.

## Project Components

1.0 Improved strategies, plans, and institutions to align with Panama's laws and regulations, promote sustainable landscape management, conserve biodiversity, and integrate circular economy principles

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
1,254,359.00	8,153,332.00

Outcome:

**1.1.** Effective coordination, regulation and institutional framework for planning, management, monitoring, enforcement and decision making for SLM and biodiversity conservation/sustainable use, utilizing circular economy principles that incorporate biodiversity conservation in target sectors (i.e., forestry, agro-forestry, and tourism).

**1.2** Panama's National Forest Strategy (2020-2050) and Master Plan for Sustainable Tourism (2020-2025) include biodiversity conservation, SLM, **1.1.** and circular economy principles and comply with Law No. 287 on the rights of nature and the Zero Waste Policy created by Law No. 33.

**1.3** Strategy and associated financing plan developed to implement Executive Decree N° 11 (2022) that establishes the criteria and procedures to guarantee and promote the development of agro-tourism, in accordance with the provisions of Agrotourism Law 240

**1.4** Institutional and local organizations' capacity to **implement strategies and plans** that support biodiversity conservation and SLM principles **strengthened**.

### Indicators:

(i) *At least one national multi-sectoral governance system (recognized and documented by the main actors) strengthened to promote connectivity, conservation and SLM at the national level*

(ii) *Updated National Forest Strategy is integrated into the multi-sectoral coordination framework*

(iii) *Updated Master Plan for Sustainable Tourism is integrated into the multi-sectoral coordination framework.*

(iv) *One strategy and associated finance plan developed for Agrotourism Law 240*

(v) *Increase in institutional capacity to implement National Forest Strategy, Master Plan for Sustainable Tourism, and Agrotourism Law as measured by a 15-point increase in the UNDP Capacity Development Scorecard of baseline values (to be established at PPG) of:*

-Ministry of Environment

-Ministry of Agriculture,

-Ministry of Tourism

-Canal Authority

Indicators and targets to be confirmed during the PPG phase.

Output:

1.1.1 Functional governance and coordination mechanisms established at a national (1) and local (4) levels to facilitate (i) the creation of a technical working group on multiple use and conservation efforts; (ii) support MiAMBIENTE and Panama Canal Authority efforts to strengthen cross-sectoral conservation efforts; and (iii) support government decision for creation of national and sub-national conservation planning and coordination mechanisms for strengthening biodiversity and gender integration with regional, provincial, local government, Private Reserves and Indigenous Peoples and Local Communities (IPLC) planning systems

1.2.1 Inter-institutional platform to mainstream biodiversity conservation measures, SLM, and circular economy principles into the National Forest Strategy and Master Plan for Sustainable Tourism and to ensure that they comply with Law No. 287 on the rights of nature and the Zero Waste policy.

1.3.1 Training program for national, regional, and local government to strengthen their capacity to understand and implement the National Forest Strategy and Master Plan for Sustainable Tourism.

1.3.2: Awareness program for private landowners, IPLCs, civil society organizations, and local communities on National Forest Strategy, Master Plan for Sustainable Tourism, and Strategy for implementing Agrotourism Law 240.

## 2.0 Improved management and restoration of ecological connectivity corridors

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
1,881,540.00	12,227,500.00

Outcome:

**2.1.** Improved site-level planning, regulatory, monitoring, and implementation framework for demonstration of circular economy principles for biodiversity-friendly businesses that support SLM and management of pilot biodiversity corridors between the Amistad and Darien forests

Indicators:

(i) 488,465 hectares (including 406,328 hectares of HCVMs and other forest areas) of biological corridors created/strengthened or under improved management practices through establishment and improved management of Other Effective Area-based Conservation Efforts (OECMs) through private reserves (Currently estimated at 60,000 ha [1] and/or conservation set-asides; and IPLC conservation areas

(ii) Average increase by at least 20 points in METT from current PA baselines covering 56,160 ha from current baselines of:

(a) Parque Natural Metropolitano

Protected Landscape (232 ha)

(b) Cerro Gaital Natural Monument (512 ha)

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(c) Camino de Cruces National Park (4,791 ha); (iv) Altos de Campana National Park (4,921 ha): 75.6 % (2019)

(d) Cerro Guacamaya Water Reserve (5,118 ha);

(e) Bahía de Chame Multiple Use Area (8,897 ha);

(f) San Lorenzo Protected Forest and Landscape (12,145 ha); and

(g) Soberania National Park (19,544 ha)

(iii) Local and Regional Plans developed, updated, or revised: (a) 3 Regional biodiversity friendly Development Investment Plans; (b) four Provincial Comprehensive Land Use Plans (CLUPs); (c) at least 5 Conservation Plans (i.e., for private reserves and/or conservation set-asides, and IPLC conservation areas)

(iv) Avoided degradation of 22,137 ha hectares of agro-forestry lands and 1,800 ha of degraded forest lands under restoration by the respective Local Government Unit.

(v) Avoid the emissions of 62,861,024 metric tons of CO<sub>2</sub>-eq

Indicators and targets to be confirmed during the PPG phase.

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[1] The number of ha of new set-asides by private reserves and/or other private landowners will be established following the cluster-level mapping and be achieved through new management planning, participatory management agreements, and the developed and implementation of basic management and resource use plans.

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#### Output:

2.1.1. Site-specific integrated cluster conservation plans (CCPs)<sup>[2]</sup> for Key Biodiversity Areas (KBAs) designed through (i) cluster-level mapping to identify conservation, forest, land and agro-forestry resource use and threats; (ii) participatory cluster planning to define options for priority restoration areas, improving conservation, forest, land, agro-forest and livelihood outcomes; (iv) strengthening local community institutions (IPLC organizations, farmer/landowner cooperatives, resource user groups); (v) support for implementation of cluster conservation plans; and (vi) coordination and monitoring of cluster plan implementation

2.1.2. Improved management effectiveness of existing protected areas within the area between the Amistad and Darien Forest through: (i) assessment of conservation values of PAs for management planning; (ii) PA occupant census; (iii) preparation of new and updated PA 5-year management and financing plans; (iv) capacity building of PA staff; (vi) monitoring protocols for threatened species and habitats established; and (vii) implementation of PA conservation management interventions.

2.1.3. Recognition of a network of other effective area-based conservation measures (OECM) (i.e., private reserves and/or conservation set-asides, and IPLC conservation areas) to accord improved protection and conservation within key biodiversity areas.

2.1.4 Local biodiversity-friendly businesses, regional governments, private stakeholders, and IPLCs have tools, practices, procedures, and policies to support the creation/strengthening of biological corridors and

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restoration of degraded areas through Landscape Management Tools (i.e., micro conservation corridors, forest enrichment, live fences, etc.).

[\[2\]](#) A specific cluster would be aimed at protecting a group of ecologically connected areas i.e. a group of ecologically connected areas that share similar conservation needs, challenges, and opportunities.

### 3.0 Community-based sustainable use and management systems developed through introduction of circular economy principles in biodiversity-friendly enterprises

Component Type	Trust Fund
Investment	GET
GEF Project Financing (\$)	Co-financing (\$)
1,881,540.00	12,227,500.00

Outcome:

**3.1. Biodiversity-friendly businesses improve livelihoods and embrace circular economy principles to avoid biodiversity loss and lead to nature positive outcomes.**

*Indicators:*

*(i) 6,000 hectares protected by biodiversity friendly businesses.*

*(ii) At least 100 jobs generated by biodiversity-friendly businesses.*

*(iii) At least 3,000 individuals directly benefit through sustainable natural resource management and livelihood improvement approaches and increase of 15% in average economic benefit (at least 50% of beneficiaries are women).*

Indicators and targets to be confirmed during the PPG phase.

Output:

3.1.1. Establish NGO, private natural reserve, IPLC, public and private partnership arrangements for biodiversity conservation and natural corridors or mosaic connectivity<sup>[3]</sup>

3.1.2: Inventory of biodiversity-friendly businesses in the project sites and analysis of their potential to embrace circular economy principles in their business model.

3.1.3: Comprehensive market analysis to identify potential buyers, both locally and internationally, for biodiversity-friendly products and support for development of financial projections and business plans of selected enterprises that include BD, SLM, and circular economy principles. The market analysis will identify existing and potential demand for such products and target physical and digital markets that could be accessed by the enterprises.

3.1.4: Provision of community low value grants for co-investment in biodiversity friendly micro, small, and medium enterprises and support for partnerships with lending institutions for financing small businesses to deserving producer groups



[3] Partnership agreements include the following: (i) registry for IPLC conservation areas, private reserves and conservation set-asides; and (ii) co-management agreements between provincial/municipal Governments and NEA, and subsidiary co-management arrangements between local government units and local communities

#### 4.0. Knowledge sharing, innovation, and management platform for gender mainstreaming, and dissemination of lessons learned

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)
1,066,206.00	7,212,568.00

Outcome:

4.1 Awareness and collaborative decision-making on biodiversity conservation and SLM enhanced through effective knowledge management, social and environmental safeguards, and gender mainstreaming.

4.2 Knowledge of biodiversity-friendly businesses that embrace circular economy principles is shared with stakeholders from other areas of the country and productive sectors.

##### Indicators:

*(i) Approximately 20% of the people who inhabit the landscape directly targeted through KM and communication campaigns (5993 women; 6549 men; 12,542 total)*

*(ii) At least 60% (of which at least 40% women) of sampled community members, government and sector agency staff, private sector, IPLCs and other stakeholders aware of potential conservation threats and adverse impacts of unplanned developments and behavior change for positive nature/biodiversity outcomes*

*(iii) At least 20 good practices in connectivity, conservation, sustainable resource management and circularity codified, adapted and disseminated nationally and internationally*

Indicators and targets to be confirmed during the PPG phase.

Output:

4.1.1 Knowledge Management and Communications, Gender Mainstreaming, E&S safeguards and Monitoring and Evaluation strategies developed and implemented

4.1.2. Harmonized information management system and spatial information system to integrate lessons from the biological corridors and SLM policy implementation/integration.

4.1.3. Project experiences contribute to learning and facilitate replication and scaling up of promotion of biodiversity-friendly business approaches elsewhere in the country, in the region and globally.

#### M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing (\$)	Co-financing (\$)

188,153.00

940,765.00

Outcome:

5.1 M&E mechanism established by the project for adaptive management measured by:

(i) All annual reports submitted (PIRs)

(ii) Gender and social and environmental safeguards are fully integrated in project outcomes and outputs and complied with during implementation

(iii) Mid-term Review and Terminal Evaluation completed

Output:

5.1.1 Project M&E plan implemented and results reported through Project Board and annual reports (PIRs). MTR and TE conducted, and reports shared with UNDP and GEF IEOs.

## Component Balances

Project Components	GEF Project Financing (\$)	Co-financing (\$)
1.0 Improved strategies, plans, and institutions to align with Panama's laws and regulations, promote sustainable landscape management, conserve biodiversity, and integrate circular economy principles	1,254,359.00	8,153,332.00
2.0 Improved management and restoration of ecological connectivity corridors	1,881,540.00	12,227,500.00
3.0 Community-based sustainable use and management systems developed through introduction of circular economy principles in biodiversity-friendly enterprises	1,881,540.00	12,227,500.00
4.0. Knowledge sharing, innovation, and management platform for gender mainstreaming, and dissemination of lessons learned	1,066,206.00	7,212,568.00
M&E	188,153.00	940,765.00
<b>Subtotal</b>	<b>6,271,798.00</b>	<b>40,761,665.00</b>
Project Management Cost	313,590.00	2,038,335.00
<b>Total Project Cost (\$)</b>	<b>6,585,388.00</b>	<b>42,800,000.00</b>

Please provide justification

## PROJECT OUTLINE

### A. PROJECT RATIONALE

Briefly describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

#### Background

Panama is located in the world's most biodiverse region according to the United Nations Convention on Biodiversity (UNCBD). Panama has 4,925,789 hectares of forests, which represent 65.40% of the national territory. This positions Panama among the countries with the highest percentage of forest cover of the world. However, according to the 2019 forest cover diagnosis, 56,369 ha of forests and other forested land have been lost in the last seven years, equivalent to 8,052 ha per year. This and other important ecosystems from the Caribbean Sea, the Gulf of Chiriquí, and the Gulf of Panama provide critical biological corridors for species migration.<sup>[1]<sup>4</sup></sup> Conservation of this biodiversity and the country's natural resources more broadly has long played a significant role in economic growth and reduction of poverty and inequality. Major contributors to the country's GDP, including the Panama Canal and tourism, depend on biodiversity conservation. It is estimated that two thirds of Panama's forest coverage are in Indigenous Peoples' (IP) traditional territories and that close to one million hectares of the indigenous territories have dual tenure, meaning they are simultaneously both indigenous territory (comarcas or claimed lands) and protected areas. However, the critical biodiversity contained in Panama's System of Nationally Protected Areas (SINAP) has long been threatened by habitat fragmentation due to pressures on their buffer zones from productive activities<sup>[2]<sup>5</sup></sup>. These pressures include agriculture and ranching, often caused by rural and Indigenous communities living in the buffer zones, which have some of the highest poverty rates in the country and are the most affected by environmental degradation. Habitat fragmentation from such activities also threatens the broader efforts in the Mesoamerican Biological Corridor to maintain connectivity along cross-border biological corridors.<sup>[3]<sup>6</sup></sup>

Panama has strengthened its environmental governance structure aiming to protect national resources and biodiversity of global importance. The country is recognized for promoting the importance of biodiversity in its culture and traditions and is committed to advance towards the conservation of biodiversity and maintain a leading role in contributing with the Sustainable Development Goals (SDGs) and the Global Biodiversity Framework. In 2015, the Ministry of Environment assumed the role of the National Environment Authority (Law 8 of March 25, 2015), achieving its direct representation in the National Cabinet Council, the Inter-Agency Consultative Commission on Environment, and the Interinstitutional Environment System. The organizational structure of the institution was reformed, and there was a significant budgetary improvement; however, it remained insufficient to meet environmental challenges. The budget allocation for the year 2019 represented only 0.49% (US\$ 69.4 million) of the national budget, which continues to limit the institutional work to fulfill its mandate. The financial gap of PAs is close to US\$ 20 million annually, posing a significant challenge to maintaining the national biodiversity at acceptable levels; furthermore, biodiversity constraints and management deficiencies in areas outside PA are also identified in approximately 90 percent of the country's territory and they need attention as well<sup>[4]<sup>7</sup></sup>. Particularly, conserving nature and ecosystem services is not only achievable by consolidating the network of protected areas but also working in the connectivity among them. Therefore, private nature reserves are also an important part of the PAs network and should be considered as an opportunity to involve public and private partners in the conservation and management of PAs and OECMs. As laid out in Panama's National priority actions for Aichi Biodiversity Target 11 there is opportunity to focus on PAs and OECMs management for enhancing and maintaining connectivity. Increasing connectivity increases the effectiveness of PAs and OECMs and reduces the impacts of fragmentation<sup>[5]<sup>8</sup></sup>.

The government of Panama has recently enacted a series of policies, laws, and regulations that have yet to be fully implemented, which include (i) **Executive Decree N° 11 (May 6, 2022)**: this regulation establishes the criteria and procedures to guarantee and

promote the development of agro-tourism in Panama in accordance with the provisions of the **Agrotourism Law 240 (October 2021)**; (ii) **Zero Waste Policy created by Law No. 33 of May 2018**: this policy aims to promote a circular economy by reducing waste generation, promoting waste separation, and fostering the reuse and recycling of waste. According to the National Authority for the Environment (ANAM), as of 2021, Panama generated 5,200 tons of solid waste per day, of which only 10% was recycled, and (iii) **Rights of nature and the State's obligations related to these rights as stated by Law No. 287 of February 24, 2022**: This law recognizes nature as a subject of rights and establishes the State's obligations to respect and guarantee these rights. As these laws and policies have only recently been enacted, they have yet to be implemented or rolled out in a systematic manner.

According to the National Inventory Report 2020, the most significant sectors in terms of Greenhouse Gas emissions (GEI) are the Land Use Change and Forestry (LULUCF) sector, with a share in terms of absolute values of 60.7%, followed by the Energy sector with 24.7%, the agriculture sector with 7.6%, the Waste sector with 4.2%, and the Industrial Processes and Product Use (IPPU) sector with 2.8%. However, the national balance between GHG emissions and removals in 2017, including the LULUCF sector, was recorded at -9,758.3 kt CO<sub>2</sub> Eq. For this reason, Panama is considered a sink or carbon negative country.

### Project Area

The project area covers 752,148 ha. It includes “the bridge” between La Amistad (Costa Rica and Panama) and Darien (southern Panama to the border of Colombia – see Annex C for a map with the project location) which are part of the ‘Five Great Forests’ considered as biodiversity hotspots and covering over eight countries across Mesoamerica. To the East of the La Amistad International Park in Panama, the forest cover remains continuous on the north side of the country, from the central mountain range to the coast of the Caribbean Sea, ending in the Donoso Multiple Use Area where connectivity is interrupted with more intervened landscape of herbaceous and shrubby vegetation creating a space located in the province of Colón. Darien is the 3rd largest wilderness area in Central America, covering 17,014 km<sup>2</sup> of forests in Colombia and Panama. The Darién Gap is a 160 km long swath of undeveloped forest and wetlands within Colombia's Chocó Department in South America and Panama's Darién Province in Central America. The Darién Forest covers an important area of Panama, beginning with the Chagres National Park, which is of central importance to the national economy because it constitutes the main part of the water reserve of the Panama Canal.

What is termed as “the bridge” between these two important forested areas (La Amistad and Darien) is an area of great importance not only for connectivity for biodiversity at the regional level but also for the livelihoods of the population that inhabit the land and use it as a source of income. The general area of the proposal includes four provinces (Colón, Coclé, Panamá Oeste y Panamá) that range from “the bridge” between the two great forests of La Amistad and the Gap del Darien (including a marine coastal strip) extending to the South, connecting protected and unprotected forests and productive landscapes to the Pacific Coast of Panama, including an important part of the Panama Canal Hydrographic Basin. The “bridge” includes six scattered protected areas (San Lorenzo Protected Forest and Protected Landscape, Barro Colorado Natural Monument, Soberanía National Park, Gatun Lake Recreational Area, and Galeta Island Protected Landscape), including the Panama Canal Hydrographic Basin, urban and rural human settlements until it reaches the Portobelo and Chagres National Parks where it resumes the forest covered corridor towards the Darien Gap Forest. In the period 2012-2019, Panama was among the provinces that lost the greatest forest cover with 30,735 ha together with Veraguas (48,758 ha), and Darién (15,580 ha). In this same period, approximately 65% of the forest cover in the Western Region of the Panama Canal Watershed, which includes the Panama Oeste, Coclé and Colón regions, was converted into stubble and scrub and only 35% remained natural forests. In addition, 63,844 ha of existing lowland forest are in danger of disappearing in the Western region of the Panama Canal Watershed.

The four provinces within the scope of the project encompass 44.8% of the total (450,199 people) multidimensionally poor in the country, 20.7% (163,671 people) in the province of Panama, 12.0 % (94,918 people) in Panama West, 6.3% (50,054 people) in Coclé and 5.8% (45,952 people) in Colón. The “bridge” faces a range of environmental problems, some of which are significant global environmental challenges. Key issues include the following:

- Deforestation and forest degradation driven by agriculture, logging, and mining and leading to biodiversity loss, habitat loss, soil erosion, and reduced water quality, as well as contributing to climate change by releasing carbon dioxide into the atmosphere.
- Land degradation: caused by unsustainable land use practices, such as slash-and-burn agriculture and overgrazing and traditional livestock and leading to reduced productivity and ecosystem services, such as soil fertility, water regulation, and carbon sequestration.

- Climate change: the area is vulnerable to the impacts of climate change, including more frequent and severe droughts, floods, and wildfires. Climate has also exacerbated other environmental problems, such as deforestation and land degradation.
- Soil and water pollution: caused by mining and hydroelectric dam construction, and infrastructure expansion.

The economy of the province of Colón is based on commerce as a generator of employment, followed by transportation, storage, and logistics, which creates more than 20,000 jobs due to the importance of the Panama Canal. In Chagres, Donoso and Santa Isabel, the agricultural sector is highly relevant, while the secondary sector reaches its highest percentage of employed in Donoso. Colón is the area where the greatest efforts are required to restore connectivity, having San Lorenzo Protected Forest and Landscape as diversity source for a corridor that links the eastern (Darien Gap) and western (La Amistad) great forests.

In the province of Coclé, Río Indio presents an incidence of poverty greater than 80% of its population and Chiguirí Arriba and Toabré present the largest population number found in multidimensional poverty conditions. The province of Coclé has abundant sustainable energy resources (hydric, wind, solar, biomass and geothermal), minerals, agrological resources with a livestock and forestry vocation. It's important to mention that in Coclé province there are already initiatives in place for organic agriculture, agroforestry, and various tourism initiatives. In addition, work has already been carried out with the National Network of Private Reserves, which would facilitate forest conservation interventions with farm owners.

In the province of Panama, the proposal prioritizes three townships in the Panama District area (Ancón, Chilibre and Caimitillo) that are part of the Canal Hydrographic Basin and where the main protected areas are (PN Soberanía, Camino de Cruces and Parque Metropolitano) that connect with the northern area in Colón and form a corridor from the Caribbean to the Pacific. These districts are part of the Colmena Plan, and this information will be used to select communities that would benefit the most from the project. The district of Panama is dedicated to activities related to the service sector. The project will address enterprises related to biodiversity and land degradation such as woodworking, ecotourism, agriculture, waste management, and others that are relevant.

In the province of Panama Oeste, efforts will be concentrated in the coastal zones, mainly in the Chame mangrove areas, where initiatives and projects are expected to be implemented (including projects financed by UNDP's Small Grant Program) with communities engaged in extractive activities and tourism in the coastal zone. Additionally, alternatives will be explored to create a connection and facilitate the passage of wildlife between the Chame Mangrove and other protected areas on the mainland separated by the Inter-American Highway (Campana National Park, Cerro Gaital Hydrological Reserve in El Valle) and other forested areas that extend to the west until reaching the limit where General de División Omar Torrijos Herrera National Park begins and connects again with Donoso Multiple Use Area and other forests part of to the great Forest of La Amistad. Most companies with Micro, Small and Medium Enterprises Authority (AMPYME), business registration, are dedicated to commerce (43%) and services (28%), followed by agriculture (20%), craftsmanship (5%) and industries (4%).

Panama has had successful examples of biodiversity-friendly enterprises, one of which is the coffee production by the Ngöbe-Buglé indigenous communities in the Bocas del Toro region. They produce organic shade-grown coffee, which preserves the forest canopy, provides habitat for birds, and maintains soil health. The coffee is marketed as "Bird-Friendly" and "Fair Trade," and has gained recognition in international markets, particularly in the United States and Europe. This enterprise has helped to improve the livelihoods of the indigenous communities while also conserving biodiversity and promoting sustainable agriculture [6]. The success of this enterprise can serve as a model for other biodiversity-friendly enterprises in the target area as well as utilizing lessons from other experiences around the world including UNDP's experience implementing the Biodiversity Finance Initiative (BIOFIN) and the recently completed GEF project "Strengthening Marine Protected Areas to Conserve Marine Key Biodiversity Areas" (GEF ID 4810).

Regarding gender inequalities, in Panama half of rural women lack their own income while in the case of rural men it is 2 out of 10. The Poverty Femininity Index for 2018 in extreme poverty in rural areas was 128.1 for extreme poverty and 122.5 for general poverty. Likewise, rural women are overrepresented in the first quintiles of the Multidimensional Poverty Index, evidencing significant gaps in education; housing, basic services, and internet access; environment, surroundings, and sanitation; work and health. In terms of employment, the Country Profile by Gender establishes that 1 out of 4 rural women are fully employed, while 61.6% are part-time and/or underemployed. Regarding property titles and land rights, according to data from the Public Registry from 1904 to 2021 only 29,109 property titles have been granted to women in Panama, with the strong implications this has for their autonomy, human development, and food security.

Overall, the project aims to address the environmental problems and vulnerabilities by strengthening biodiversity conservation, promoting sustainable land-use practices, and promoting biodiversity-friendly businesses that take into account circular economy principles. By doing so, the project aims to connect the Amistad and Darien biomes to provide several global environmental benefits, including (i) biodiversity conservation: the Amistad and Darien biomes are known for their rich biodiversity, and the project's focus on connectivity would help to protect and preserve the habitat of several endangered species, including the tapir (*Tapirus bairdii*), the puma (*Puma concolor*), the jaguar (*Panthera onca*), the harpy eagle (*Harpia harpyja*), among many others. Additionally, several unique plant species, such as cocobolo (*Dalbergia retusa*), are found in the region, and successful implementation of the project will help to protect their habitat; (ii) forest conservation: The region's forests, including the Darien Gap, are among the largest remaining intact forests in the Americas, and they play a critical role in storing carbon and regulating the climate. The project's efforts to connect these forests would help to protect them from deforestation and other threats, such as wildfires; and (iii) water conservation: The Amistad, Darien gap biomes including “the bridge” area are home to several rivers and watersheds, which provide freshwater for local communities, support aquatic ecosystems and the Panama Canal basin. The project's focus on connectivity would help to protect these watersheds and ensure the long-term sustainability of freshwater resources in the region.

These environmental benefits align directly with the GEF's biodiversity and land degradation strategy, which aims to protect and restore ecosystems and species, promote sustainable land use practices, and enhance the resilience of ecosystems to climate change and other stressors.

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[1] <https://www.cbd.int/countries/profile/?country=pa>

[2] <https://www.worldbank.org/en/results/2020/10/16/harnessing-biodiversity-for-sustainable-rural-livelihoods-in-panama>

[3] IBID.

[4] Panama Sustainable Rural Development and Biodiversity Conservation (P174289), World Bank, PID-GEF 2022

[5] Panama is part of the early action plan to start implementation of the post-2020 GBF

[6] <https://43factory.coffee/en/news/the-ngabe-bugle-tribe-the-ancient-tree-embraces-the-green-sprouts-of-the-panamanian-specialty-coffee/>

## B. PROJECT DESCRIPTION

### Project description

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the PIF guidance document. (Approximately 3-5 pages) see guidance here

As referred in the section above, the project's main objective is to improve and sustain ecological connectivity between the Amistad and Darien biomes by strengthening biodiversity conservation, improving sustainable land use, and promoting circular economy initiatives. Accordingly, considering this overall purpose, the project's key actions are designed to provide the tools and concepts needed to manage territories in a way that allows them to achieve social, cultural, economic, and environmental objectives in an area where agriculture and other productive uses of the land compete with environmental and biodiversity conservation objectives.

### Threats/barriers

The main threats to biodiversity arise from agricultural activities as well as expansion of informal human settlements to forested areas, with high environmental vulnerability and within protected areas. This has resulted in barriers to species movement, agrochemical pollution, and untreated wastewater, causing ecosystem degradation and declining biodiversity. Several specific threats for the target region include the following:

- The expansion of informal human settlements to forested areas, with high environmental vulnerability and within protected areas



- Change of land use to agricultural use, especially the conversion to pastures
- Stagnation of primary activities such as agriculture, perpetuating unsustainable practices causing degradation and loss of soils
- The accelerated urban development near or in protected areas along the Transistmica and the Panamerican highway has caused a shortage of resources (water) - the highway also creates a concrete barrier to wildlife movement;
- The growth of productive activities along the Transistmica highway in the secondary (agribusiness and agricultural systems) and tertiary sectors has caused the generation of considerable amounts of waste
- Domestic wastewater without adequate treatment causes contamination of surface and subterranean water sources.

These challenges in environmental matters, especially due to the growing urbanization and development of productive activities under unsustainable parameters that, added to the effects of climate change, have caused significant effects on ecosystems and biodiversity.

Given the (1) critical importance of connectivity for retaining biodiversity in fragmented landscapes, (2) the considerable value of the Amistad and Darien forests for Panama, and globally, and (3) the importance of ecosystem goods and services for producers and society as a whole, a sustainable land management approach combined with an introduction to circular economy initiatives is needed to formulate development and conservation solutions with engagement of protected area practitioners, resource managers and the private productive sector (mainly corn, coffee and pineapple crops as well as pastures that support livestock activities).

Seeking to reorient economic development towards a transformation that promotes greener sustainability in the productive sectors, while reducing social gaps and environmental impacts, Panama is initiating national efforts to promote the circular economy, the reduction of the water and carbon footprint, more efficient, modern, green and sustainable agricultural and industrial systems; sustainable tourism and many other actions which are of vital for economic reactivation (Post Pandemic COVID-19), not only to generate wealth, but for the well-being of the population and the environment.<sup>[1]<sup>9</sup></sup> **The integration of biodiversity conservation and SLM principles in Panama's National Forest Strategy and Master Plan for Sustainable Tourism will contribute to the protection and restoration of forest ecosystems and the preservation of wildlife habitats. Introducing circular economy principles will help to reduce waste and pollution, increase resource efficiency, and enhance ecosystem services. Overall, these actions will contribute to the global effort to protect biodiversity, combat climate change, and promote sustainable development.**

In addition to the above threats the following are key barriers that the project will aim to address:

#### *Barrier 1: Lack of sustainable land management*

There is currently no landscape-level vision that considers connectivity and harmonization of conservation and production policies, laws, and regulations. Hence, without policies that recognize and accommodate connections and dependencies between natural and productive systems there is a fundamental lack of integrated planning efforts. There is weak coordination between multiple government institutions and their investments in the target area which makes it a challenge to effectively align economic activities with biodiversity conservation goals.

The project proposes the implementation of a sustainable land management plan that harmonizes development needs of the productive sector with conservation criteria that maintain and improve the provision of ecosystem goods and services across the two forest areas. The Indicative Plan for Territorial and Environmental Planning (PIOTA) - Panama Canal Authority (ACP) with the support of the Inter-American Development Bank (IDB) and the technical support of IDOM, will be taken as a basis. It is a reference guiding instrument for the socio-environmental and sustainable management of the Panama Canal watershed (CHCP). It proposes an adequate land management process, integrating a regional vision, the ecosystems that compose it and its protected areas; In addition, it seeks the mitigation of climate change, the decarbonization of the basin, as well as the resilience and adaptation of all life systems and their inhabitants.

#### *Barrier 2: Limited management capacity*

The implementation of management actions within protected areas is perceived as inadequate due to insufficient budget, personnel, and equipment, as well as planning, monitoring, and financial management instruments, among other elements. The

project will support mainstreaming of SLM planning in protected areas and undertake a series of activities designed to address management capacity, cross learning, and introduction of circular economy principles in and between protected areas.

#### *Barrier 3: Weak governance*

Despite prior efforts looking to reduce pressures in protected areas and buffer zones to encourage connectivity, there are in practice no functional biological corridors yet in Panama. In part this is a result of the absence of an appropriate and inclusive governance structure that ratifies objectives, evaluates function, and ensures their long-term management.

#### *Barrier 4: Lack of sustainable alternatives livelihoods for local communities*

Subsistence agriculture is often practiced with little or no consideration of biodiversity and the integrity of natural ecosystems. The lack of sustainable and profitable alternatives for local farmers as well as the absence of integrated planning that considers environmental and sustainability criteria prevents them from changing their production patterns into biodiversity-friendly ones. Some examples do exist of successful biodiversity-friendly products in Panama being marketed, however, there are no systematic models for business plans and no clear criteria exist for biodiversity-friendly and profitable production at the national level. The business registration by regional offices of AMPYME shows that the enterprises in the scope of the project are agriculture, agroindustry, craftsmanship, commerce, industry, artisanal fishery, service, and tourism. However, the number of registered enterprises for the region is very low, the project will seek to promote entrepreneurship and shift to green enterprises, especially in agriculture and agroindustry, craftsmanship and service and tourism (Source: AMPYME Institutional Memory, 2020).

#### *Barrier 5: Insufficient implementation of relevant laws and regulations*

Due to the limited financial resources of the government, lack of inter-institutional coordination, and limited capacity, the implementation of newly approved laws and regulations has been slow and incomplete. The plans and strategies developed to implement these laws do not adequately integrate biodiversity conservation measures and do not fully embrace circular economy principles. This is also due to a lack of understanding among the relevant government agencies of the importance of biodiversity conservation as well as limited understanding of circular economy principles and the need to integrate them into their planning processes. In addition, the participation of local actors is critical to the success of the implementation of these plans and strategies, however, the participation of these actors has been limited due to a lack of awareness and capacity-building efforts, as well as a lack of effective communication channels between them and the relevant government agencies.

#### **Baseline**

The baseline investments upon which the project in Panama will be built are diverse and include various ongoing initiatives, projects, and commitments including to key MEAs such as the NDC, NAP, LDN, and NBSAP, which will be supported through policy-level interventions and on-the-ground demonstrations. The country's commitment to the 30 by 30 initiative, which aims to designate at least 30% of all land and oceans as protected areas by 2030. This initiative is led by the Ministry of Environment and will be supported by this project through mapping, establishing, and improving the management of PAs and OECMs. Additionally, ongoing efforts and projects such as the Support for the Conservation and Management of Cultural and Natural Heritage (PN-L1146 – implemented by the Interamerican Development Bank (IDB)) are aimed at strengthening the SINAP and directly supporting the management of 7 prioritized PAs in the landscape. The proposed project will support the government's commitments and allow for Panama to focus on PA and OECM management for enhancing and maintaining connectivity to reduce the impacts of fragmentation which will also contribute to making existing investments more sustainable.

Other relevant baseline investments and projects include: the *Integrated Management of the Panama Canal Watershed Project*, which is a proven model for sustainable development and is executed by the Panama Canal Authority with UNDP's support, will also contribute to the baseline investments. In addition, the social, environmental, and technical studies for the design of a multipurpose reservoir in the Indio-river basin will provide valuable knowledge upon which to build; *Strengthening the adaptive capacity of coastal communities of Cuba and Panama* to climate change through the binational exchange of best practices for climate management and local food security funded through the Adaptation Fund and implemented by FAO; and, *The Greater climate resilience of vulnerable communities in Western Panama* through the incorporation of adaptation to climate change in the public investment process in Panama is funded through the Green Climate Fund (GCF) and implemented by UNEP. Specifically, the project will incorporate the lessons learned and best practices from these projects to identify and support communities to strengthen biodiversity conservation, improve sustainable land use, and promote circular economy initiatives and biodiversity-friendly business enterprises to address biodiversity loss and land degradation.



## Theory of Change

To address the barriers laid out above, and building on the project's baseline, the project is structured around four major components:

### **Component 1: Improved strategies, plans, and institutions to align with Panama's laws and regulations, promote sustainable landscape management (SLM), conserve biodiversity, and integrate circular economy principles**

The first component will address existing strategies and plans related to forestry, agro-forestry, and tourism in Panama that have not been adequately implemented due to a lack of resources and a need for a more inter-institutional coordinated effort. As a result, there is limited policy coordination, regulation, and institutional framework for planning, management, monitoring, enforcement, and decision-making for sustainable landscape management (SLM) and biodiversity conservation. The lack of integration of biodiversity conservation, SLM principles, as well as circular economy principles into these strategies and plans has also contributed to biodiversity loss and degradation. Additionally, the Master Plan for Sustainable Tourism 2020-2025 and National Forest Strategy 2020-2050 need to better integrate biodiversity conservation, SLM principles, and circular economy principles to align with Panama's laws and policies. The tourism sector also needs to comply with the Zero Waste Policy created by Law No. 33 of May 2018, and the importance of promoting ecological tourism nationwide needs to be underscored. The rights of nature and the State's obligations related to these rights as stated by Law No. 287 of February 24, 2022, also need to be mainstreamed into these plans.

To address these issues, the project aims to improve the strategies, plans, and institutional framework to align with existing laws and regulations and promote SLM, conserve biodiversity, and support the incorporation of circular economy principles. This will be achieved through effective inter-institutional policy coordination, regulation, and institutional strengthening for SLM and biodiversity conservation/sustainable use, utilizing circular economy principles that incorporate biodiversity conservation in target sectors. Additionally, the project will integrate biodiversity conservation, SLM principles, and circular economy principles into Panama's National Forest Strategy and Master Plan for Sustainable Tourism and develop a strategy and associated financing plan to implement Executive Decree N° 11 (2022) that establishes the criteria and procedures to guarantee and promote the development of agro-tourism in accordance with the provisions of Agrotourism Law 240. Finally, the project will strengthen the capacity of institutional and local actors to implement the updated strategies and plans that support biodiversity conservation and SLM principles.

This component will mainstream gender through engagement with partners and key actors with whom UNDP has ongoing projects. This will provide continuity, facilitate and ensure that interventions can contribute to the transformation of women's lives in terms of sustainable economic development. Among the institutions with which partnerships will be built include the Ministry of Women, Ministry of Agriculture Development (MIDA), the Panamanian Institute of Corporativism, the National Institute of Vocational Training and Training for Human Development, and with banks and companies with which the [Gender Equality Seal](#) is maintained. Bringing these voices into the governance structure will strengthen the work with rural and indigenous women in the target areas; provide financial, administrative, conservation and leadership training for women; and finance their initiatives and the construction of value chains.

### **Component 2: Improved management and restoration of ecological connectivity corridors**

The second component focuses on ensuring that the ecological integrity and long-term viability of the region's landscapes will be protected and improved, repairing historical impacts, reducing and where possible

eliminating threats and restoring ecological processes. It implies better management of the key priority areas of the sustainable landscape of the protected areas between the Amistad and Darien forests and the reforestation and restoration of key areas of connectivity that will favor the conservation of biodiversity. This will also contribute to reducing the impacts from climate change by strengthening resilience and adaptation. To this end, the project will develop and train stakeholders on biodiversity conservation and the use of sustainable land management tools within the context of policy, strategy, and sector development under Component 1. The capacity built will support and promote connectivity in multi-use forest landscapes, combining conservation and restoration of ecosystem services. These tools will then be used as the basis to implement a biodiversity and ecosystem monitoring system and implement activities to improve the management effectiveness of existing protected areas across *the bridge* between the Amistad and Darien Forest areas. As a result, the project is expected to increase the provision of environmental services by reestablishing the forest integrity connecting different private protected areas (i.e., private reserves and/or conservation set-asides, and IPLC conservation areas) to accord improved protection and conservation within key biodiversity areas. The actions implemented in this regard will be linked to the Ministry of the Environment's National Gender and Climate Change Plan aimed to implement all available resources to promote the effective participation of women and youth through networks of female leaders to generate greater opportunities of training (such as promoting the employment of women park rangers).

### **Component 3: Community-based sustainable use and management systems developed through introduction of circular economy principles in biodiversity-friendly enterprises**

The third component will address two main needs (i) identifying and cultivating markets and (ii) providing initial/seed capital for biodiversity-friendly projects. UNDP has extensive experience with biodiversity-friendly enterprises that it has used to develop this project. The project will support the preparation of a robust, realistic plan including a market study and financial projections, entailing the support of an accompanying organization already present on the ground with links to both communities and government organizations as well as having a grant mechanism to catalyze the ventures' launching to sustain them through the first three years of implementation where necessary for the success in developing viable business plans that include BD, SLM, and circular economy principles.

The project will also develop a comprehensive market analysis to identify potential buyers, both locally and internationally, for biodiversity-friendly products. The analysis will identify existing and potential demand for such products and target potential physical and digital markets that could be accessed by the enterprises. In addition, the project will build the capacity of local enterprises to produce high-quality products that meet market demand and standards. The analysis will also include the development of biodiversity-friendly value chains that include circular economy principles such as zero waste. This will be supported by partnerships with private sector companies, traders, and intermediaries that have experience in marketing and selling biodiversity-friendly products. The project also includes the provision of community low value grants for co-investment in biodiversity-friendly micro, small, and medium enterprises and support for partnerships with lending institutions for financing small businesses to deserving producer groups.

The actions planned within this segment are expected to contribute to women's empowerment in developing potential biodiversity-friendly enterprises. facilitating transformation processes so that solid waste is managed with equal benefits and opportunities for women and men in a comprehensive and inclusive manner in line with the challenges related to climate change and the reduction of emissions. The 5th Thematic area of the National Environmental Strategy proposes a vision of Panama as a green-blue economy country, to propitiate opportunities in new market niche, and taking advantage of the country's productive potential and nature's goods, for the economic transformation towards the sustainable development, promoting the circular economy. Panama has initiated actions to make circular economy part of the model for decision-making that guarantees the sustainable development of the country, through a regulatory and enabling legal framework that is based on the following legal instruments:

- Law 33 of 2018 establishes the zero-waste policy and its framework of action for comprehensive waste management and mandates sectoral entities to promote the import, manufacture and sale of products that favor comprehensive waste management, as well as regulate the importation of materials or products whose valuation or integral management is limited or non-existent in the country;

- Law 1 of 2018 that prohibits the use of single-use polyethylene bags in retail establishments, expanding the restriction for warehouses and wholesalers.
- Law 6 of February 6, 2018, that establishes the integrated management of solid waste in public institutions.
- Municipal Agreement 124 of 2015 of the Municipal Council of Panama through which the Municipal Policy for Integral Management of Solid Waste and Zero-Waste Program 2015-2035 of Panama City is adopted.
- Agreement between the MiAMBIENTE, the Industrial Union of Panama (SIP) and the National Council of Private Enterprise (CONEP) for the creation of the Circular Economy Center of Panama, signed in October 2019.

Taking advantage of the identified leadership of approximately 380 rural and indigenous women, from parallel initiatives that UNDP carries out with counterparts, such as the economic agenda of rural women and the strengthening of the leadership of indigenous women, interventions that coincide with some of the territories of this project, the project intends to strengthen the economic leadership of women and the possibility of improving their economic autonomy, through associativity, cooperatives with equal integration in their governance bodies, which allow the generation of sustainable enterprises with natural resources. At the same time, approaches will be made so that cooperatives and public and private banks, members of the seal, can generate financial and administrative education programs for economic initiatives led by women, as well as financing for these initiatives.

#### **Component 4: Knowledge sharing, innovation, and management platform for gender mainstreaming, and dissemination lessons learned**

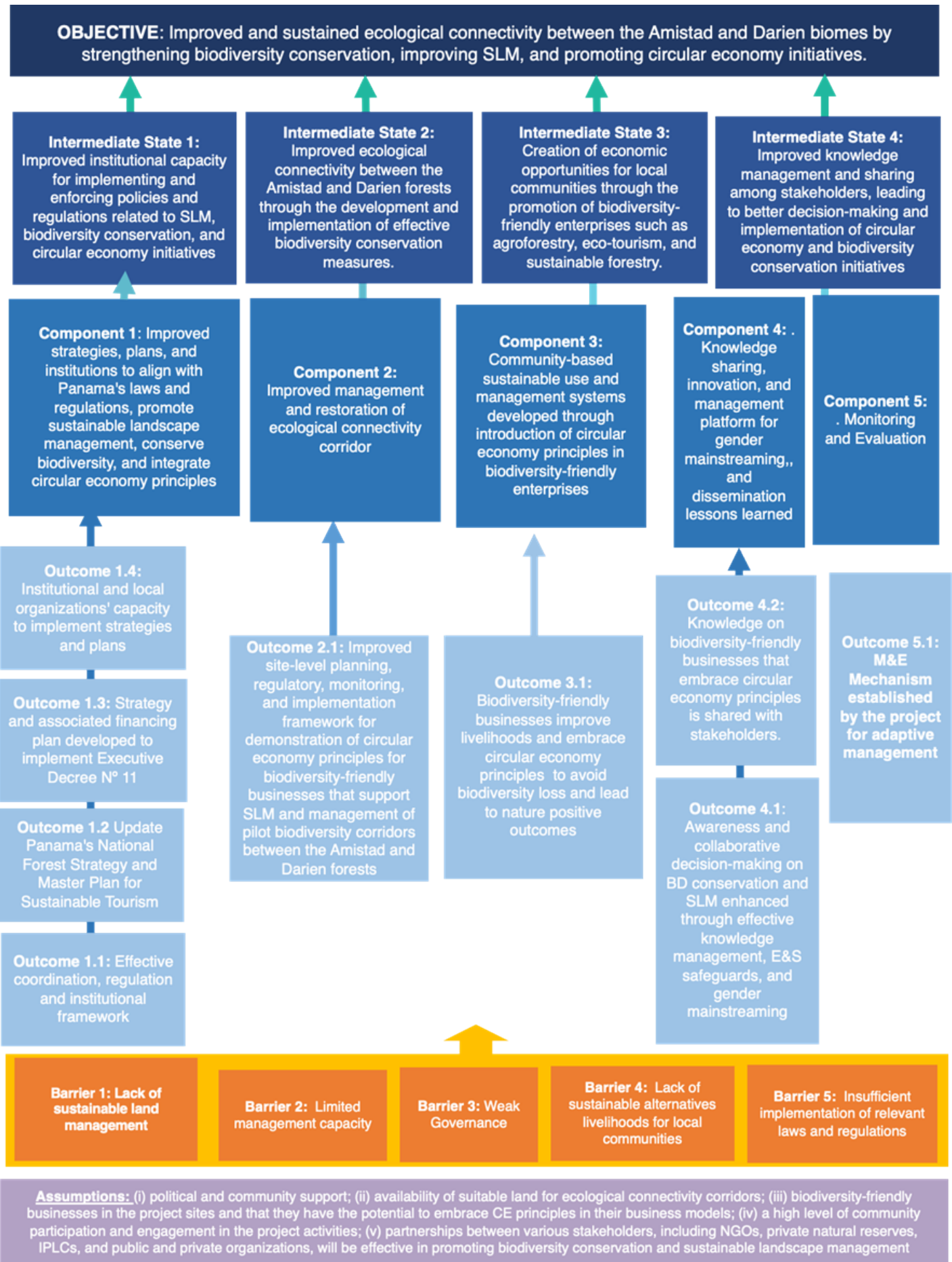
The fourth component will include a communications and knowledge management approach for the project which is aimed documenting the results and impacts in order to allow for replication in other areas of the corridor and potentially in other locations across the Central American region. Activities carried out in all Components 4 will record and document project activities and promote a continuous learning process, creating a solid foundation for project scaling, as well as fundamental knowledge for communication and policy advocacy, always seeking the visibility of the active and leading role of women in each of the actions implemented.

To analyze the impact of the interventions on the lives of women, a continuous survey will be designed for each year of the project, to measure the impact that on the population, especially on groups in vulnerable conditions such as women, rural, young, and indigenous people. Results that will be systematized and communicated.

#### **Component 5: Monitoring and evaluation:**

The fifth component will develop an M&E mechanism for adaptive management. The project's M&E plan will be implemented, and results reported through Project Board and annual reports (PIRs). This includes implementation of the MTR and TE.

Figure 1 below provides a diagram for the overall theory of change.



**Incremental cost reasoning**

The proposed project will build on baseline projects and programs to deliver global environmental benefits. Under component 1, policies and regulations related to sustainable landscape management and biodiversity conservation do exist in Panama, but they are not fully enforced or integrated into local governance systems. For example, institutional arrangements for coordinating sustainable landscape management efforts are fragmented, with limited coordination between different sectors and stakeholders. As a result, without GEF intervention biodiversity loss will continue to occur, with negative impacts on ecosystem services and local livelihoods. Under component 2, without the GEF, ecological connectivity corridors between the Amistad and Darien biomes may not be managed or restored in a coordinated and strategic way. The current situation with limited site-level planning and monitoring of connectivity corridors, with little attention paid to the potential for circular economy principles to support biodiversity-friendly businesses will allow for continued fragmentation and degradation of ecological connectivity corridors, leading to reduced biodiversity and ecosystem services. The GEF funds will support the improvement of the management and restoration of ecological connectivity corridors, through investments in site-level planning, regulatory, monitoring, and implementation frameworks for demonstration of circular economy principles. Under a business-as-usual scenario, community-based sustainable use and management systems are limited in their adoption of circular economy principles, with limited investment in biodiversity-friendly enterprises. Currently, micro, small, and medium enterprises have limited access to financing or technical assistance to support their adoption of circular economy principles, leading to limited uptake of sustainable practices. Similarly, partnerships among community organizations, NGOs, and private sector actors are limited, leading to reduced capacity for collaborative action to support sustainable landscape management and biodiversity conservation. The GEF's investment in component 3 will allow for the promotion of community-based sustainable use and management systems developed through the introduction of circular economy principles in biodiversity-friendly enterprises, which all requires investments in partnership building, community grants, and technical assistance.

Overall, the proposed project's incremental cost is justified by the potential to achieve significant global environmental benefits through connecting the ecological corridor between the Amistad and Darien forests. These benefits include improved ecological connectivity, strengthened biodiversity conservation, and enhanced sustainable land use in the target areas, which are all crucial for the long-term conservation of biodiversity and the promotion of sustainable development. The outcomes and longer-term impact of the project can contribute to the preservation of vital ecosystem services and support the achievement of global environmental objectives, including the Aichi Biodiversity Targets (5, 11, 14) and the United Nations Sustainable Development Goals (SDG 13, 14, 15, 17).

## Gender

The Gender Analysis and Gender Integration Plan of the project responds to the guidelines of the GEF and UNDP on gender mainstreaming in the development of projects and implies that the needs, priorities, power structures, status and relationships between men and women must be incorporated in the design, implementation, and evaluation of the project. In this way, the needs, implications, and impacts that occur for men and women will be identified in a differentiated way; allowing the implementation of gender-responsive actions in the design of innovative alternatives, benefits and opportunities generated by the project in each of its components.

This project works in rural areas where the incorporation of women is vital, although they participate actively on a daily basis and their work sustains life in their communities, they have little possibility of participation and leadership in decision-making mechanisms, in the execution of agrarian or rural development programs, and in productive and environmental conservation systems. In addition, they still face significant limitations in their access to financial resources, credit, markets, as well as to health, education, justice, housing, and sanitation services. These, among other limitations, undermine the full exercise of their rights in all areas. [\[2\]](#)

The gender mainstreaming action plan to be developed during the PPG phase, will be focused on addressing the key aspects that require attention to contribute to a process of transformation of the community reality and access to local development opportunities in accordance with the country's commitments with the Nationally Determined Contributions (CDN) and within the framework of the National Gender and Climate Change Plan that guides gender-responsive actions to be considered within the country's commitments to biodiversity and circular economy. In particular under component 3, for the small and medium business enterprises and rural families, a gender-inclusive perspective will be adopted in all project activities, seeking to encourage equal gender representation and participation in all collective structures such as private reserve owners, IPLCs, and other community groups that eventually the project will support.

The project will have a Gender Action Plan, with specific activities that will be executed through annual work plans that will be based on UNDP and GEF guidelines. The best practices and lessons learned derived from the implementation of the project will be transmitted through the GEF Project Implementation Reports (PIR) with monitoring and updating of the Gender Plan to ensure the effective participation of women in all the interventions to be developed.



[1] IBID

[2] Source: Rural Women, Agriculture and Sustainable Development-in the Americas in Time for COVID-19".  
<https://www.oas.org/es/cim/docs/DocumentoPosicion-MujeresRurales-FINAL-ES.pdf>

## Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

If so, please describe that role here. Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing

Aside from initiatives described in the baseline section, other relevant initiatives in the project landscape include the following:

- Strengthening the adaptive capacity of coastal communities of Cuba and Panama to climate change through the binational exchange of best practices for climate management and local food security. Adaptation Fund. Food and Agricultural Organization of the United Nations (FAO); in Panama executes the Ministry of Environment and Fundación Natura.
- This project is aligned with three previous projects financed by GEF-WBG where support for the conservation of biodiversity in Protected Areas (AP) is combined with the promotion of sustainable production aimed at the conservation of biodiversity in the Mesoamerican Biological Corridor of the Atlantic Panamanian (CBMAP).
  - (5) CBMAP I, was carried out between 1998 and 2005; the second,
  - (6) CBMAP II, included in the Rural Poverty Project, was executed between 2007 and 2014. The third project,
  - (7) "Sustainable Production Systems and Biodiversity Conservation (SPSCB)" was executed between 2015 and 2019.
- Conservation of feline and prey species through public-private partnerships and human-jaguar conflict management in Panama, which has been financed with GEF funds under the Global Wildlife Program (GWP). This project is executed by Fundación Yaguará Panama through the United Nations Environment Program (UNEP) in alliance with the Ministry of Environment. Duration: February 2022 to February 2026.

## Core Indicators

### Indicator 1 Terrestrial protected areas created or under improved management

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
56160	0	0	0

### Indicator 1.1 Terrestrial Protected Areas Newly created

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0	0	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
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### Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
56160	0	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Altos de Campana National Park	241	National Park	4,921.00						
Bahía de Chame Multiple Use Area	Bahía de Chame Multiple Use Area	Protected area with sustainable use of natural resources	8,897.00						
Camino de Cruces National Park	40968	National Park	4,791.00						
Cerro Gaital Natural Monument	115116	Natural Monument or Feature	512.00						
Cerro Guacamaya Water Reserve	107271	Protected Landscape/Seascape	5,118.00						
Parque Natural Metropolitano-Protected Landscape	12826	Protected Landscape/Seascape	232.00						
San Lorenzo Protected Forest and Landscape	555705304	Protected Landscape/Seascape	12,145.00						
Soberanía National Park	238	National Park	19,544.00						

### Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
1800	0	0	0

### Indicator 3.1 Area of degraded agricultural lands under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

### Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
1,800.00			

### Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

### Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

### Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
488465	0	0	0

### Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
60,000.00			

### Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

### Type/Name of Third Party Certification

### Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
22,137.00			

### Indicator 4.4 Area of High Conservation Value or other forest loss avoided



Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
Other forest	322,869.00			
High Conservation Value Forest	83,459.00			

#### Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
Private Reserves (names TBC at PPG, estimation based on info provided by the the national network of private reserves )	TBD	6,000.00			

#### Documents (Document(s) that justifies the HCVF)

Title

#### Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
<b>Expected metric tons of CO<sub>2</sub>e (direct)</b>	62861024	0	0	0
<b>Expected metric tons of CO<sub>2</sub>e (indirect)</b>	0	0	0	0

#### Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
<b>Expected metric tons of CO<sub>2</sub>e (direct)</b>	62,861,024			
<b>Expected metric tons of CO<sub>2</sub>e (indirect)</b>				
<b>Anticipated start year of accounting</b>	2025			
<b>Duration of accounting</b>	20			

#### Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
<b>Expected metric tons of CO<sub>2</sub>e (direct)</b>				
<b>Expected metric tons of CO<sub>2</sub>e (indirect)</b>				
<b>Anticipated start year of accounting</b>				
<b>Duration of accounting</b>				

#### Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
<b>Target Energy Saved (MJ)</b>				

**Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)**

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)
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**Indicator 11 People benefiting from GEF-financed investments**

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
<b>Female</b>	5,993			
<b>Male</b>	6,549			
<b>Total</b>	<b>12,542</b>	<b>0</b>	<b>0</b>	<b>0</b>

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

CI 1.2. PA data was sourced from the Ministry of Environment's (MiAMBIENTE) National System of Protected Areas and from <https://www.protectedplanet.net/en>. Areas were prioritized based the following criteria: connectivity; KBAs; and potential benefits to local populations.

CI 3.2. The forest restoration target in the landscape was estimated as 47% of the country's restoration goals established in the National Forest Restoration Program 2020 (<https://www.sinia.gob.pa/>).

CI 4.1. Area of landscapes under improved management to benefit biodiversity, including potential OECMs to be identified and registered with the support of the project. Hectarage was estimated using information provided by the National Network of Private Natural Reserves, which considers the potential of establishing functional and viable biological corridors with the support of the network.

CI 4.3. Area of landscapes under sustainable land management in production systems was sourced from the Panama 30x30 assessment (global commitment of protect 30% of the land and seas by 2030), with support from the McKinsey Foundation Panama. The estimations combined geospatial analyses that included assigning priorities of critical biodiversity variables to meet the objectives of GBF, current regulations, international benchmarks, and expert opinions.

CI 4.4. HCVF estimations were sourced from MiAMBIENTE's geodatabases (See <https://www.sinia.gob.pa/>), using a proxy based on the 2019 dataset layers of "mature forest" and "other forests" in the landscape.

CI 3.2. The forest restoration target in the landscape was estimated as 47% of the country's restoration goals established in the National Forest Restoration Program 2020 (<https://www.sinia.gob.pa/>).

CI 6.5. Estimates of GHG mitigation are made for a 20-Year (6 years of implementation plus 14 years of capitalization) period.

A total of 546,425 ha (terrestrial only) of the project is planned for the various activities that will yield the estimated GHG emission avoided benefits. The breakdown of the terrestrial area included in the estimates are: (i) improved management of the forests within the protected area covering 56,160 ha and 60,000 ha of landscapes under improved management to benefit biodiversity (earmarked as OECMs to be mapped and registered under the project), (ii) improved management of forests outside of the protected areas (83,459 ha of HCVF and 322,869 ha of other forest types), (iii) improved management of production landscape types (22,137 ha), and finally (iv) 1,800 ha of degraded land that will be restored. These estimates will be revisited and the GHG estimate will be revised during the PPG based on ground-truthing and validation using the best data available. Sources for the forest classifications, soil types, climatic conditions, and landcover classifications (i.e., level degradation) are obtained from: (1) <http://assets.press.princeton.edu/chapters/s9289.pdf> , (2) <https://earthmap.org> , (3) World Bank Data. These

data will be further validated against the national data during the PPG phase. No negative impacts from natural or anthropogenic disasters, except for forest fire, are discounted in the estimates. The anticipated start year for the GHG benefit accounting is year 2025. All estimates are subject to the assumptions made during the development of EX-ANTE: EX-ACT (see Annexes G1 and G2 for details).

CI 11. Direct beneficiaries disaggregated by sex was sourced from national demographic data (INEC 2020); the National Strategy for Poverty Reduction; and the “Plan Colmena” (Beehive Plan), a government initiative that supports territorial development processes in regions that are considered particularly vulnerable (<https://www.gabinetesocial.gob.pa/plan-colmena-panama/>). Based on historical data, the proxy estimates that approximately 20% of the people who inhabit the landscape would directly benefit from the project.

## Risks to Project Preparation and Implementation

Summarize risks that might affect the project preparation and implementation phases and what are the mitigation strategies the project preparation process will undertake to address these (e.g. what alternatives may be considered during project preparation—such as in terms of consultations, role and choice of counterparts, delivery mechanisms, locations in country, flexible design elements, etc.). Identify any of the risks listed below that would call in question the viability of the project during its implementation. Please describe any possible mitigation measures needed. (The risks associated with project design and Theory of Change should be described in the “Project description” section above). The risk rating should reflect the overall risk to project outcomes considering the country setting and ambition of the project. The rating scale is: High, Substantial, Moderate, Low.

Risk Categories	Rating	Comments
Climate	Moderate	Please see the project’s pre-SESP for details
Environment and Social	Moderate	Please see the project’s pre-SESP for details
Political and Governance	Low	Currently, the sustainable management of natural resources is a consensus among political forces in Panama. There is, however, a risk of a lack of political will to support the regulatory changes necessary to implement new management instruments. In order to minimize this risk, the project will follow a participatory and consensus building approach during its design.
Macro-economic	High	The niche nature of biodiversity-friendly enterprises may result in low demand for such goods as well as potential volatility in global markets. To mitigate this risk, the project will focus on diversifying the markets for biodiversity-friendly products and building local capacity to respond to

		<p>market changes. By identifying potential markets and developing value chains, the project aims to reduce the reliance on a single market and increase the resilience of local enterprises to market shocks. The project will also provide support for partnerships with lending institutions for financing small businesses of selected producer groups and will provide low-value grants for co-investment in biodiversity-friendly micro, small, and medium enterprises. This will increase the financial sustainability of these enterprises and reduce their dependence on external financing. Finally, the project will establish partnerships with private sector companies, traders, and intermediaries that have experience in marketing and selling biodiversity-friendly products, which will help ensure that products meet market demand and standards, and that the supply chains are efficient and reliable.</p>
Strategies and Policies	Low	<p>Strategies and policy risks are related to the possibilities of diversion from national strategies and priorities. In this respect, the project has already established strong cooperation with the different relevant ministries to ensure the project's goals and approaches are aligned to the national goals.</p>
Technical design of project or program	Low	<p>Technical design risks are identified as poor-quality design. UNDP has an extensive quality assurance mechanism to ensure projects are designed appropriately and in line with GEF standards.</p>
Institutional capacity for implementation and sustainability	Low	<p>Institutional capacity risks are correlated to the lack of potential project support from the national</p>

		counterparts for the implementation of the project. However, national counterparts have extensive experience dealing with GEF funded projects and have worked extensively with UNDP.
Fiduciary: Financial Management and Procurement	Low	Financial Management and Procurement risks correspond to any potential mismanagement of funds. The project will ensure that UNDP and GEF financial rules are followed during the entire lifespan of the project. In addition, financial audits will be carried out on a regular basis to avoid any potential change in the use of project funding.
Stakeholder Engagement	Moderate	The project will reduce the potential risk of stakeholder detachment by contacting all relevant stakeholders identified in the PIF document and developing in cooperation with them a stakeholder's engagement plan, in line with UNDP's and GEF's guidance during the PPG stage.
Other		
Financial Risks for NGI projects		
Overall Risk Rating	Moderate	Through the combination of all identified risks, this assessment concludes that this project risk rating is moderate. However, close monitoring of risks (identified or upcoming) will guarantee adequate risk identification, management, and adaptation

### C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how. (max. 500 words, approximately 1 page)

The proposed project is aligned with the GEF-8 Biodiversity and Land Degradation Focal areas as follows:

- Biodiversity Focal Area (BDFA). The project will utilize biodiversity and SLM principles to improve conservation, sustainable use and restoration of the biological corridor between the Amistad and Darien biomes (BDFA Objective 1). Specifically, the project will support effective management and ecosystem coverage of PA systems (**BD 1-1**), sustainable use of biodiversity (**BD 1-2**), and biodiversity mainstreaming into agro-forestry, forestry and tourism sectors (**BD1-4**) by:
  - supporting the improvement of the forestry, agroforestry systems that are biodiversity positive;
  - supporting the development of a stronger policy and regulatory framework that also supports circular economy approaches to sustainably use biodiversity, support sustainable tourism, and conserve forests;
  - improving ecological connectivity between the Amistad and Darien forests through the development and implementation of effective biodiversity conservation measures; and
  - creating economic opportunities for local communities through the promotion of biodiversity friendly enterprises.

Land Degradation Focal Area (LDFA). The project seeks to avoid, reduce, and reverse land degradation by applying sustainable land management principles (**LD-1**). Specifically, the project will (i) support investments in agroforestry and forestry to support terrestrial landscapes in order to maximize output and support livelihoods, (ii) strengthen community based natural resources management through the principles of a circular economy to improve agro-ecosystem functions. SLM activities will help improve ecosystem connectivity and safeguard agro-biodiversity, improve soil health, and reduce greenhouse gas emissions by improving vegetative cover and accumulating soil organic matter.

- The proposed project contributes to several targets of the Kunming-Montreal Global Biodiversity Framework (GBF), particularly those related to the conservation and restoration of ecosystems, sustainable use of natural resources, and strengthening of institutional and policy frameworks for biodiversity conservation (Goals A and B and corresponding targets 1-3, 9-11, and 14). The project's focus on the establishment of partnerships between NGOs, private natural reserves, IPLCs, and public and private sectors for biodiversity conservation and natural corridors will also contribute to targets related to the participation of indigenous and local communities in biodiversity conservation and governance.

## D. POLICY REQUIREMENTS

### Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

### Stakeholder Engagement

We confirm that key stakeholders were consulted during PIF development as required per GEF policy, their relevant roles to project outcomes and plan to develop a Stakeholder Engagement Plan before CEO endorsement has been clearly articulated in the Project Description (Section B).

Yes

### Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities:

Civil Society Organizations: Yes

Private Sector: Yes

**Provide a brief summary and list of names and dates of consultations**

Stakeholder	Summary	Dates (2023)
Ministry of Environment (MiAMBIENTE in Spanish)	Iterative discussions during PIF development with the following units: Climate Change; Forest; Environmental Compliance and Quality; Biodiversity and Protected Areas; Hydric capacity; Planning; and International Cooperation	February 7, 8, 9 March 3, 10, 17, 24, 31 April 3, 4
Industrial Union of Panama (SIP in Spanish)	Informal consultations were carried out on initiatives within the landscape related to biodiversity conservation, circularity, restoration, or other similar ones	March 3 March 28
CEMEX	Preliminary discussions about potential partnership in the project landscape with this private sector company which is a multinational with a biodiversity conservation plan based on the Convention guidelines	March 3 March 28
Yaguara Foundation (Scientific NGO) working with local communities	Discussions about complementarity between these two GEF projects. This NGO executes the GEF Project for the Conservation of felines and prey species through public-private partnerships and conflict management between humans and jaguars in Panama	March 29 April 3
National Council of Private Enterprise (CONEP) and its Clean+ Production Center	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration or other similar ones	March 29
Almanaque Azul Foundation (Scientific NGO) working with local communities	They lead the initiative for the ecological connectivity map of Panama and shared maps and relevant analyses for the definition of the project landscape.	March 23 April 4
McKinsey Panama	Supports the Ministry of Environment to develop the Panama's 30x30 Strategy Work Plan. Developed a data base and a map with conservation, restoration and circular economy initiatives in Panama based on information exchanges in workshops with more than 200 multi-sector people in Panama. They shared maps and relevant analyses for the definition of the project landscape.	February 23 March 10, 22 April 5
Wetlands International	Informal consultations were carried out on initiatives within the landscape in	April 4

	biodiversity conservation, circularity, restoration or other similar ones	
Small Grant Program SGP – UNDP/GEF	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration, or other similar ones  New SGP strategy	February 10  February 11  March 2, 3, 15, 28  April 3
Smithsonian Tropical Research Institute (STRI)	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration, or other similar ones	March 23
National Association for Nature Conservation (ANCON in Spanish)	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration, or other similar ones  ANCON is the executing of GEF project with CAF in Panama	April 4
PROECOAZUERO (Scientific NGO working with local communities)	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration or other similar ones	April 4
Interamerican Development Bank (IDB)	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration or other similar ones	March 2
Panama Canal Authority (ACP in Spanish)	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration, or other similar ones. And within the Panama Canal Watershed	March 6, 7, 22, 27  April 3, 4, 5
National Secretary for Science, Technology, and Innovation (SENACYT in Spanish) and the Institute of Scientific Research and High Technology Services of Panama (INDICASAT)	Informal consultations were carried out on initiatives within the landscape in biodiversity conservation, circularity, restoration, or other similar ones	March 21, 23
Ministry of Tourism (ATP)	Informal consultations were carried out on initiatives within the landscape in sustainable tourism, nature tourism.	March 20

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

### Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in the section B project description?

Yes

### Environmental and Social Safeguard (ESS) Risks



We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

#### Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Medium/Moderate			

## E. OTHER REQUIREMENTS

### Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Project Description (Section B)

Yes

## ANNEX A: FINANCING TABLES

### GEF Financing Table

#### Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant(\$)	Agency Fee(\$)	Total GEF Financing (\$)
UNDP	GET	Panama	Biodiversity	BD STAR Allocation: BD-1	Grant	5,454,438.00	518,172.00	5,972,610.00
UNDP	GET	Panama	Land Degradation	LD STAR Allocation: LD-1	Grant	1,130,950.00	107,440.00	1,238,390.00
<b>Total GEF Resources (\$)</b>						<b>6,585,388.00</b>	<b>625,612.00</b>	<b>7,211,000.00</b>

### Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

true

PPG Amount (\$)

200000

PPG Agency Fee (\$)

19000

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non- Grant	PPG(\$)	Agency Fee(\$)	Total PPG Funding(\$)
UNDP	GET	Panama	Biodiversity	BD STAR Allocation: BD-1	Grant	165,653.00	15,737.00	181,390.00
UNDP	GET	Panama	Land Degradation	LD STAR Allocation: LD-1	Grant	34,347.00	3,263.00	37,610.00
<b>Total PPG Amount (\$)</b>						<b>200,000.00</b>	<b>19,000.00</b>	<b>219,000.00</b>

Please provide justification

### Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
UNDP	GET	Panama	Biodiversity	BD STAR Allocation	6,154,000.00
UNDP	GET	Panama	Land Degradation	LD STAR Allocation	1,276,000.00
<b>Total GEF Resources</b>					<b>7,430,000.00</b>

### Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing(\$)	Co-financing(\$)
BD-1-1	GET	1,818,146.00	14833109
BD-1-2	GET	1,818,146.00	14833109
BD-1-4	GET	1,818,146.00	5760431
LD-1	GET	1,130,950.00	7373351
<b>Total Project Cost</b>		<b>6,585,388.00</b>	<b>42,800,000.00</b>

### Indicative Co-financing

Sources of Co- financing	Name of Co-financier	Type of Co- financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Ministry of Environment	In-kind	Recurrent expenditures	7000000

Recipient Country Government	Ministry of Environment	Public Investment	Investment mobilized	2500000
Recipient Country Government	Ministry of Agriculture	In-kind	Recurrent expenditures	1500000
Recipient Country Government	Tourism Authority	Public Investment	Investment mobilized	3000000
Recipient Country Government	National Secretariat for Science, Technology and Innovation	In-kind	Recurrent expenditures	1000000
Private Sector	Panama Canal Authority	Grant	Investment mobilized	5000000
Private Sector	Panamanian Association Network of Private Nature Reserves	In-kind	Recurrent expenditures	250000
GEF Agency	UNDP	In-kind	Recurrent expenditures	50000
<b>Total Co-financing</b>				<b>42,800,000.00</b>

Describe how any "Investment Mobilized" was identified

Government: Government co-financing reflects current or planned initiatives closely aligned with the project objective and the prioritized landscape sourced primarily from the national budget.

Private Sector: Panama Canal Authority and Panamanian Association Network of Private Natural Reserves have projected investments in support of sustainable territorial development with local communities in the landscape.

UNDP: In-kind contribution of staff assigned to the design and start-up phase not covered by the Agency fee.

## ANNEX B: ENDORSEMENTS

### GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	Pradeep Kurukulasuriya	4/11/2023			Pradeep.kurukulasuriya@undp.org
Project Coordinator	Gabriel Jaramillo	4/11/2023			Gabriel.jaramillo@undp.org

### Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name	Position	Ministry	Date (MM/DD/YYYY)

Raul Pinedo

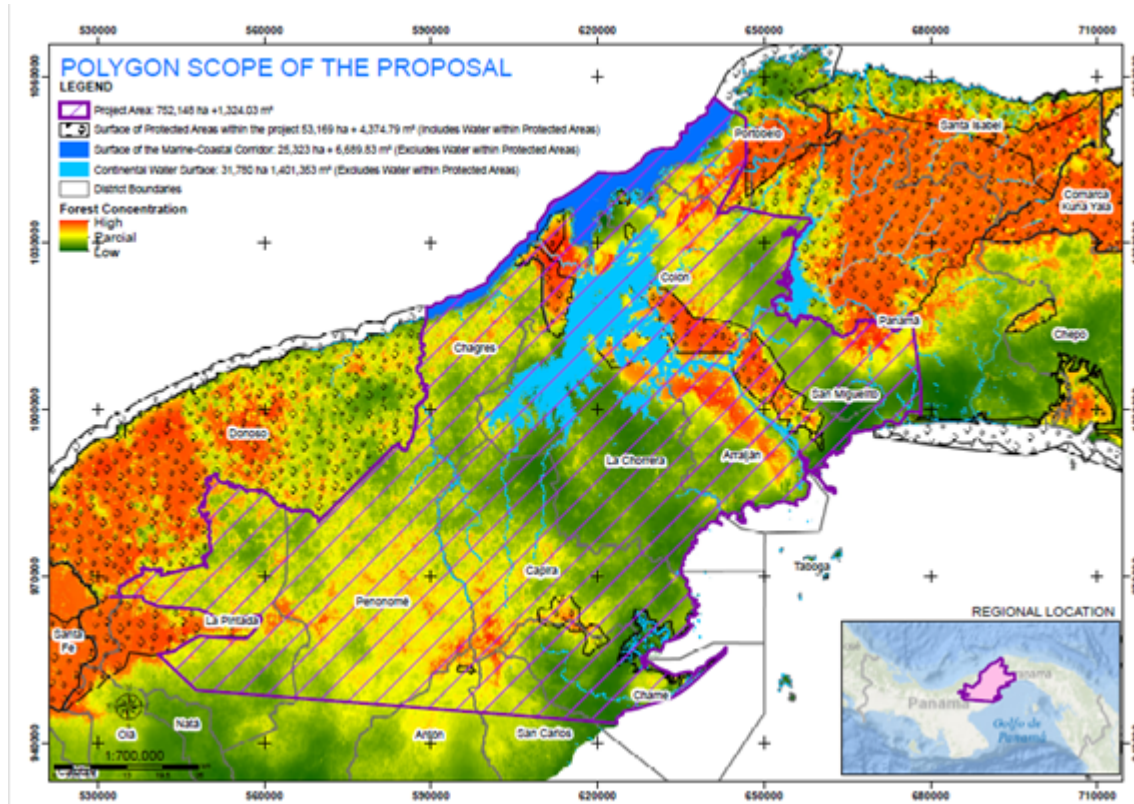
Operational Focal Point

Ministry of Environment

4/5/2023

**ANNEX C: PROJECT LOCATION**

Please provide geo-referenced information and map where the project interventions will take place



**ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING**

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

Title

SESP

**ANNEX E: RIO MARKERS**

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Significant Objective 1	Significant Objective 1	Principal Objective 2	Significant Objective 1

**ANNEX F: TAXONOMY WORKSHEET**

Level 1	Level 2	Level 3	Level 4
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Influencing Models	<p>Transform policy and regulatory environments Strengthen institutional capacity and decision-making Convene multi-stakeholder alliances</p> <p>Demonstrate innovative approaches</p>		
Stakeholders	<p>Indigenous Peoples</p> <p>Private Sector</p> <p>Beneficiaries</p> <p>Local Communities</p> <p>Civil Society</p> <p>Type of Engagement</p> <p>Communications</p>	<p>SMEs</p> <p>Community Based Organization</p> <p>Non-Governmental Organization</p> <p>Information Dissemination</p> <p>Partnership</p> <p>Consultation</p> <p>Participation</p> <p>Awareness Raising</p> <p>Behavior Change</p>	
Capacity, Knowledge and Research	<p>Capacity Development</p> <p>Knowledge Generation and Exchange</p> <p>Learning</p> <p>Innovation</p> <p>Knowledge and Learning</p> <p>Stakeholder Engagement Plan</p>	<p>Theory of Change</p> <p>Adaptive Management</p> <p>Indicators to Measure Change</p> <p>Knowledge Management</p> <p>Innovation</p> <p>Capacity Development</p> <p>Learning</p>	
Gender Equality	<p>Gender Mainstreaming</p> <p>Gender Results Areas</p>	<p>Beneficiaries</p> <p>Women groups</p> <p>Gender-sensitive indicators</p> <p>Access and control over natural resources</p> <p>Participation and leadership</p> <p>Capacity development</p>	

Focal Area/Theme	<p>Biodiversity</p> <p>Forests</p> <p>Land degradation</p>	<p>Awareness raising</p> <p>Protected Areas and Landscapes</p> <p>Mainstreaming</p> <p>Biomes</p> <p>Forest and Landscape Restoration</p> <p>Sustainable Land Management</p>	<p>Terrestrial protected areas</p> <p>Productive Landscapes</p> <p>Community Based Natural Resource Management</p> <p>Forestry</p> <p>Tourism</p> <p>Agriculture &amp; agrobiodiversity</p> <p>Tropical Rainforests</p> <p>Ecosystems Approach</p> <p>Sustainable Livelihoods</p> <p>Income Generating Activities</p> <p>Sustainable Agriculture</p> <p>Sustainable Pasture management</p> <p>Sustainable Forest Management</p> <p>Improved Soil and Water management Techniques</p>
		Climate Finance (Rio Markers)	<p>Climate Change Mitigation 1</p> <p>Climate Change Adaptation 1</p>