

Fostering sustainable, legal and traceable use and trade of wild native species in Mexico

Basic Information

GEF ID

10689

Countries

Mexico

Project Title

Fostering sustainable, legal and traceable use and trade of wild native species in Mexico

GEF Agency(ies)

UNDP

Agency ID

UNDP: 6610

GEF Focal Area(s)

Biodiversity

Program Manager

Mark Zimsky

PIF

Part I – Project Informatic

Focal area elements

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Project is well-aligned with GEF's strategy on protected areas (BD2-7) and BD mainstreaming (BD 1-1). Cleared.

Agency Response

Indicative project/program description summary

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Co-financing

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

Secretariat Comment at PIF/Work Program Inclusion

10/22/2020

Project includes US\$ 29M public investment co-financing that is all currently identified as “recurrent expenditure” (e.g. expenditures related to operational costs).

Please provide approach/definition used to differentiate between "investment mobilized" and "recurrent expenditures".

10/24/2020

Cleared.

Agency Response

10/23/2020

All public investment identified as potential co-financing should indeed be classified as “recurrent expenditure”. We have modified the entry on State Governments to reflect this. Our working definition and the reason for selecting “recurrent expenditure” for public institutions and state governments relies on the fact that these are yearly budgets approved by Congress and are tagged within spending categories that are related to operational costs. We understand as “Investment mobilized”, additional private sector resources that can be added to the project and that are expected to generate a ROI. This definition therefore excludes all public investment to be counted as “investment mobilized”.

GEF Resource Availability

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

NA.

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

NA.

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

NA.

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

NA.

Agency Response

Project Preparation Grant

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

11/23/2020

The exception has been substantiated in the PIF. Cleared.

Agency Response

Core indicators

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

Secretariat Comment at PIF/Work Program Inclusion

10/22/2020

Yes. Please use sub-indicator 1.2 (and not 1.1) for the protected areas under improved management as we understand that the proposal is not creating new protected areas but improving the management of existing protected areas. Please revise and clarify as necessary.

10/24/2020

Cleared.

At the time of CEO endorsement, please list all the protected areas in the portal and the protected areas that will contribute to the 50,000 hectares.

Agency Response

10/23/2020

Revised and modified according to comment. Sub-indicator 1.2 has been selected to reflect improved management of existing protected areas. Indeed, the proposal will not create new protected areas under supervision and management of the National Commission of Protected Areas, but instead focus on new UMAS/UMAFORES that could be created, although these would be accounted for in Indicator 4.

Project/Program taxonomy

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

art II – Project Justification

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

The alternative scenario is well articulated aims to complement the baseline investments and programs by systemizing available data, harmonizing their objectives and facilitating their implementation. This will translate into additional financial resources, simplified procedures, effective management, increased area under sustainable use and conservation of species. The effective operation of selected UMA/UMAFORES and the consolidation of healthy value chains, is expected to result in their self-sufficiency and sustainable operation in the long term.

The alternative then describes in some detail the various components and their outputs and outcomes to realize the alternative scenario.

Please revise and strengthen this section by addressing the following issues:

1)The ToC diagram is simply a presentation of the results framework. A ToC diagram should show a coherent and logical causal model that includes explicit mention of the assumptions that underpin the causal pathways as this is an essential element to understanding the project hypothesis. Please refer to the STAP publication as a reference for different approaches to the visual presentation of a ToC: <https://www.stapgef.org/theory-change-primer>.

2) Please strengthen the written description of the incremental scenario by paying special attention to describing the causal pathways of the expected outcomes and the underlying assumptions of the causal pathways. Given that this is a very innovative project dependent on elements outside of the project domain (i.e., market demands, international and national markets etc.) documenting these assumptions now will enable a better PPG design process and eventual evaluation of the project intervention strategy at mid-term for course correction if needed and at final evaluation when lessons can be extracted. Clear identification of assumptions may also uncover other intervention

options available to the project.

3) Once you have more clearly identified these causal pathways please provide a more robust justification that these pathways are sufficient to achieve the project objectives, given the assumptions upon which they are based.

4) This then could be better reflected in your graphic presentation of the theory of change. Most importantly, though, is the clear articulation of the project's causal pathways and underlying assumptions.

5) Finally, Mexico and often with the assistance of UNDP and GEF, has implemented numerous projects (some of which are referenced in the coordination section) with the objective of supporting biodiversity-based enterprises at the community level focused on product development, value chains, tourism etc. Please describe how the project design being proposed draws on the lessons learned from these previous interventions.

10/20/2020

Cleared.

Agency Response

10/19/2020

1) Changes in the PIF: page 20
The ToC diagram has been updated.

2) Changes in the PIF: Pages 10-11, 17-19

The description of the incremental scenario has been updated with causal pathways of the expected outcomes and underlying assumptions have been added.

3) Changes in the PIF: pages 18-19
The assumptions have been more clearly identified.

4) Changes in the PIF: page 20
The ToC diagram has been updated

5) Changes in the PIF: page 37-38

Actions in the project's intervention regions will build upon results achieved and best practices of the UNDP GEF portfolio for the focal area of biodiversity; in particular the different institutional and local governance models that have been promoted at the territorial level and in Protected Natural Areas.

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes - Cleared

Yes. Cleared.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Project/Program Map and Coordinates

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Maps are provided but it is not clear from the maps where exactly in the biocultural landscapes the project will intervene. Please identify this more clearly in the maps. In addition, by the time of CEO endorsement provide more granular maps of the project locations.

10/20/2020

Cleared.

Agency Response

10/19/2020

Changes in the PIF: pages 29-30, 41-44

Stakeholders

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Please also provide a summary of any stakeholder discussions that have taken place to date.

10/20/2020

Cleared.

Agency Response

10/19/2020

Project stakeholders engaged to date in either the Project's formulation, consultations, or future engagement are quite ample, as shown in the stakeholder table below.

During the PIF formulation phase, key institutions that can contribute to the Project's success were consulted. For example, the Ministry of Environment (Vice Ministry of Environmental Management and Protection), the General Directorate of Wildlife, the General Directorate of Forestry and Soil Management, the National Commission of Natural Protected Areas, and the National Commission for the Knowledge and Use of Biodiversity. Additionally, the PIF team carried out consultations with other Ministries to align efforts with other related projects, including the Ministry of Agriculture and Rural Development. Further, private sector stakeholders and CSOs were engaged to secure the necessary co-financing, i.e., Fomento Social-Banamex.

In the upcoming phases, PPG and implementation, additional stakeholders will be formally engaged, based on previous informal consultations. For example, the National Institute of Indigenous Peoples, the Federal Environmental Law Enforcement Agency, legal wildlife traders, the academia, selected landowners, indigenous and local communities. To strengthen stakeholders' engagement, a stakeholders' engagement plan and an indigenous peoples' plan will be formulated during the PPG phase. These plans will be informed by the FPIC guidelines and a gender action plan.

Gender Equality and Women's Empowerment

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Private Sector Engagement

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Risks to Achieving Project Objectives

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes including an adequate discussion of COVID-19 as a risk along with adequate mitigation measures. Cleared.

Agency Response

Coordination

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Consistency with National Priorities

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Knowledge Management

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Environmental and Social Safeguards (ESS)

Environmental and Social Safeguard (ESS)

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Part III – Country Endorsements

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

Yes. Cleared.

Agency Response

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

NA

Agency Response

EFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at PIF/Work Program Inclusion

9/29/2020

This is a very well articulated project design that proposes an innovative approach to promoting and implementing sustainable use of biodiversity making it one of the few projects in the GEF portfolio with such a discrete focus.

Please revise the sections noted above and provide a more fulsome discussion of the theory of change and the underlying assumptions of the projects proposed causal pathways to achieve the project outcomes.

A number of other issues are identified that require clarification. Once revised please resubmit.

10/20/2020

No. As noted above, two minor issues remain:

1. Clarify the project design and the theory of change. 2. Clarify the project design and the theory of change.

1- Core Indicators: Please use sub-indicator 1.2 (and not 1.1) for the protected areas under improved management as indicated in the proposal.

2- Co-financing: Project includes US\$ 29M public investment co-financing that is all currently identified as "recurrent expenditure" (e.g. expenditures related to operational costs). Please provide approach/definition used to differentiate between "investment mobilized" and "recurrent expenditures".

10/24/2020

Yes. PIF is recommended for technical clearance.

ADDITIONAL COMMENTS

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

Secretariat Comment at PIF/Work Program Inclusion

10/24/2020

At the time of CEO endorsement, please list all the protected areas in the portal and the protected areas that will contribute to the 50,000 hectares.

/iew Dates

	PIF Review	Agency Response
First Review	9/29/2020	
Additional Review (as necessary)	10/21/2020	
Additional Review (as necessary)	10/24/2020	
Additional Review (as necessary)		
Additional Review (as necessary)		

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval

The project will promote long term conservation through legal, sustainable and traceable trade of native species of wild flora and fauna involving IPLCs, while addressing the drivers of biodiversity and habitat loss. For this, it will focus on selected species and landscapes identified for the project, which are considered flagship species. UMA and UMAFORES can manage multiple species and favor a diversified production. Thus, this project has a great potential for scaling up by working with other species in these and other key areas.

The objective is to promote sustainable, legal and traceable use and trade of native species in order to reduce biodiversity loss and improve livelihoods in selected landscapes throughout Mexico.

The specific objectives are:

1. Encourage the creation and effective operation of UMA/UMAFORES, by focusing on those that manage species selected for the project and located within key biodiversity areas (KBA) of global importance for conservation.
2. Promote the sustainable, legal and traceable use and trade of selected species through value chains with fair and equitable sharing of benefits; particularly for IPLCs.
3. Strengthen inspection and surveillance capacities to promote the sustainable, legal and traceable trade of native species of wild flora and fauna.

The project will contribute to the conservation of globally significant biodiversity and sustainable use of the components of globally significant biodiversity. As such, it will generate the following global environmental benefits (GEBs):

- GEF Core Indicator 1: 50,000 hectares Terrestrial protected areas created or under improved management for conservation and sustainable use (the METT will be applied to selected PAs during the PPG)
 - o Sub-Indicator 1.2: Terrestrial protected areas under improved management effectiveness: 50,000 hectares
- GEF Core Indicator 4: 500,000 hectares of landscapes under improved practices (hectares; excluding protected areas)
 - o Sub-Indicator 4.1: Area of landscapes under improved management to benefit biodiversity: 500,000 hectares