

From bait to plate: strengthening sustainable fisheries to safeguard marine biodiversity and food security

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10540

Countries

Mexico

Project Name

From bait to plate: strengthening sustainable fisheries to safeguard marine biodiversity and food security

Agencies

FAO

Date received by PM

3/30/2022

Review completed by PM

6/1/2023

Program Manager

Mark Zimsky

Focal Area

Biodiversity

Project Type

FSP

PIF
CEO Endorsement

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Project description summary

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

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

5/24/2023

2. On table B: there are differences in the amounts for the components between table B and the budget provided in Annex. Please update the numbers so they

match across all sections in the portal.

3. On the proportionality of the PMC: the co-financing contribution to PMC is not proportionate compared with the GEF contribution to PMC. If the GEF contribution is kept at 5%, for a co-financing of \$40,290,142 the expected contribution to PMC must be around \$2,014,507 instead of \$1,340,552 (which is 3.3%). As the costs associated with the project management have to be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion.

5/26/2023

Yes. Cleared.

Agency Response

26 May 2023

2. Noted. Component amounts in table B (GEF portal and agency document) have been updated and are in line with budget provided in Annex.

3. Noted. PMC co-financing portion has been increased to 5%, which is equivalent to USD 1,984,774 considering that the total cofinancing now amounts to USD 41,680,250 (not USD 40,290,142 anymore)

Please refer to the updated co-financing of KfW (in view of the exchange rate Euro/USD on 15 May 2023: <https://treasury.un.org/operationalrates/OperationalRates.php>)

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request

4/21/2022

NA

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

5/18/2023

4. On co-financing:

a. All letters of co-financing support have old dates in 2021. Please provide an updated estimation of the actual amount that the agency think will go to the project considering the timeframe for both ? the co-finance and the GEF project. Agency can provide a written statement confirming the actual amounts for all co-financing letters.

b. The letter of support from KfW Dev. Does not indicate the title of project which co-financing is contributed to. Also, it lacks the committed co-financing amount. This co-financing amount is about 50% of co-financing committed for this project. Hence, it's important to address it clearly.

5/26/2023

Yes. Cleared.

Agency Response

26 May 2023

4.a Kindly note that CONANP, INAPESCA and GIZ will co-finance the project implementation during project lifetime. This is confirmed. There is no need to adjust the

amounts because the co-financing letters were signed in USD, and not in Mexican pesos. The partners will extend their support to the project, despite the delay in its approval.

FAO co-financing was intended to cover the 2022-2026 period. The agency hereby confirms that the co-financing will also extend until 2028.

As for KfW cofinancing (in EUR), the amount shall be considered as changed due to the EUR/USD exchange rate increase from 0.888 in December 2021 to 0.917 on 15 May 2023. (<https://treasury.un.org/operationalrates/OperationalRates.php>). Kfw cofinancing will span from 2023 to 2026 inclusive. Potential follow-up initiatives will be explored by 2026 with the German cooperation.

Total cofinancing (in USD) has, therefore, changed to USD 41,680,250.

4.b Kindly note that the KfW co-financing letter does refer to this project title in Spanish ("*Del anzuelo al plato*").

The co-financing letter confirmed the amount of EUR 22 million, which updated to the exchange rate of 15 May 2023, is equivalent to USD 23,991,276.

Kindly note that this letter was already submitted in March 2022.

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response

Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared. These are also embedded in the Results Framework.

Agency Response

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion
4/21/2022

Yes cleared.

Agency Response

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

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response

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

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

4/21/2022

NA.

Agency Response

Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response

Gender Equality and Women's Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response
Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request
4/22/2022

This is a very well designed and articulated project, but the institutional arrangements whereby FAO is serving as the GEF agency while having a significant executing role is untenable.

FAO cannot assume significant operational roles of an Executing Agency (EA) and remain the GEF agency as this creates an unavoidable conflict of interest. As we have noted to FAO in the past, if FAO wishes to assume a significant role as the project EA for a GEF project, then another GEF agency should fulfill the role of GEF agency such that the GEF agency can assume the independent supervisory and fiduciary role.

Please note that at most the exceptions GEF allows is for the GEF agency to play a fiduciary role in the procurement of goods and services, the hiring of consultants (who report to the EA), international payments on behalf of the EA when the EA cannot handle dollars in an account from GEF or the like. In cases like Mexico, where there is lots of capacity, it is not acceptable for the GEF agency to play a significant technical lead role as is being proposed in the OFP letter. This simply does not make sense, and it blurs the lines between a nationally-run project and a GEF-agency-run project and undermines the investment in national capacity building that is central to the sustainability of every GEF project.

With regards to next steps, please propose a more reduced fiduciary role as noted in the previous paragraph, assign a clear and transparent cost to these additional costs, adjust projects plans, budgets etc accordingly and resubmit the project along with a new letter from the OFP outlining the reduced role of FAO as simply the GEF agency for this project.

5/15/2023

Cleared.

Agency Response
November 17, 2022:

The agency has taken this comment into account and is now resubmitting the project with updated execution arrangements. FAO will act as the GEF-Implementing agency and WWF-Mexico will act as executing agency. Please refer to the updated institutional arrangements section as well as the updated budget. The following sections throughout the project document have also been updated to include WWF-Mexico's role in the project: Baseline projects, 2. Stakeholders, 4. Private Sector, 5. Risks (Responsible parties), 6a. Institutional arrangements, Results Framework (responsible parties), and Budget.

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Knowledge Management

Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
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 CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Monitoring and Evaluation

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

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

5/23/2023

5. On the budget:

- a. Unspecified ?general expenses and miscellaneous? require further explanation.
- b. \$712,500 USD have been allocated for mobility expenses, which basically refer to vehicles. Per Guidelines, it is recommended that vehicles are covered by the co-financing resources. If this cannot be covered by co-financing, please advise.
- c. The formatting of the table makes difficult to read it as numbers are not aligned due to the width of the cells ? please amend (hint: by removing the columns Year 1 to Year 5, the cells will be wider and the figures will fit)

5/31/2023

There are differences between figures in Table B and budget table ? when adding the amounts in budget table, the total is \$9,325,470, but the total GEF Financing amount for this project is \$9,005,609 (as shown in the budget table). The mistake is that the M&E portion (\$319,861) is not deducted from component 4. Also, this M&E amount in budget table (\$319,861) is different from the M&E amount in M&E Budget table (\$324,800). Please revise and send back ASAP given the pending cancellation deadlines.

6/1/2023

By adding the amounts in each component + M&E + PMC, the total is \$9,325,470 ? BUT the total budget for this project is \$9,005,609. FAO did not deduct the M&E costs from Component 4. In the attached excel budget table (which we downloaded from portal) one can see that the M&E budget lines have been removed from the Component 4, therefore, please do so as was indicated in the previous set of comments. Once the budget is fixed, this has to be reflected in new excel budget table, in Portal and in ProDoc.

6/1/2023

Cleared.

Agency Response

31 May 2023

Please note that the M&E column (column K of the Excel Budget table) is shown for illustrative purposes in FAO format, but DO NOT add to the Component 4 totals -- instead it is deducted from. So the total amount for line 103 of the Excel table is 9,005,609 and is correct.

Thanks for mentioning the M&E table on Section 9.4 of the Prodoc. We have updated the M&E total, which now reflects USD 319,861 as in the M&E column of the Budget Table.

Kindly note that Annex E of the Portal is a summary of the Budget Excel table uploaded under Documents

The agency remains open to discuss any further doubts the Secretariat may have, in order to avoid the project cancellation in the system.

26 May 2023

5.a Kindly note that the national partners will co-finance the awareness-raising materials to be distributed both in paper and web modalities, with the partners' logo.

General expenses and miscellaneous will cover the following:

- Office supplies and stationery,
- Communication and internet services,
- Development of educational materials,
- Purchase of field supplies,
- Communication devices,
- Public awareness campaigns and media outreach

Kindly refer to the updated budget annex.

5.b Kindly note that the project budget does not include vehicle purchases but rentals.

Please also note that the project sites are scattered among three different states with limited and complex access due to the geographical features. The intervention areas where the 'Bait to plate' project will take place can only be accessed through several days of combined travel by water and land. Therefore, appropriate means for travel (on land and by water) are crucial for the implementation of field activities. In this context, vehicle and boat rental is highly required for project success. Based on the principle of proportionality and the rationale of the incremental reasoning, the use of co-financing will be prioritized for covering costs related to workshop facilities, venues, supplies, and provision of vehicles for project management, which will not be financed with GEF funding. Recurrent mobility expenses will cover technical field activities, in particular: continued training of local management authorities and fishers, at all project seascapes; implementation of capacity-building programs for

governmental officers and local fishers to facilitate the development of co-management plans; implementation of agreements between authorities and producers from the project seascapes; continued education to local fishers on social and environmental leadership; community Surveillance Committees for legally supporting surveillance activities within the three seascapes; among others.

5.c Noted, budget table has been formatted as requested in the GEF portal.

Project Results Framework

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Council comments

Secretariat Comment at CEO Endorsement Request

5/24/2023

On the comments from Council members: it seems that the comment from Germany were not addressed/acknowledged. Please include a response to Germany with other responses included in Annex B.

5/26/2023

Yes. Cleared.

Agency Response

26 May 2023

Noted. Comments from Germany have been duly addressed and a response has been included in Annex B of the agency project document and in the GEF portal.

STAP comments

Secretariat Comment at CEO Endorsement Request

4/21/2022

Yes cleared.

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

4/21/2022

NA.

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request

4/21/2022

NA.

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request

4/21/2022

NA.

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Project maps and coordinates

Secretariat Comment at CEO Endorsement Request
4/21/2022

Yes cleared.

Agency Response
Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request
4/21/2022

NA.

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request
4/21/2022

NA

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

4/21/2022

NA

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

4/21/2022

Please adjust the institutional arrangements as noted above and resubmit.

5/24/2023

No, please correct the information below and submit ASAP with complete accuracy by June 1.

1. On project information:

a. please change the executing partner type as WWF-Mexico is not a governmental agency.

b. Please change the expected implementation start to a future date and kindly adapt the expected completion date to match the 60 months duration.

2. On table B: there are differences in the amounts for the components between table B and the budget provided in Annex. Please update the numbers so they match across all sections in the portal.

3. On the proportionality of the PMC: the co-financing contribution to PMC is not proportionate compared with the GEF contribution to PMC. If the GEF contribution is kept at 5%, for a co-financing of \$40,290,142 the expected

contribution to PMC must be around \$2,014,507 instead of \$1,340,552 (which is 3.3%). As the costs associated with the project management have to be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion.

4. On co-financing:

- a. All letters of co-financing support have old dates in 2021. Please provide an updated estimation of the actual amount that the agency think will go to the project considering the timeframe for both ? the co-finance and the GEF project. Agency can provide a written statement confirming the actual amounts for all co-financing letters.
- b. The letter of support from KfW Dev. Does not indicate the title of project which co-financing is contributed to. Also, it lacks the committed co-financing amount. This co-financing amount is about 50% of co-financing committed for this project. Hence, it?s important to address it clearly.

5. On the budget:

- a. Unspecified ?general expenses and miscellaneous? require further explanation.
- b. \$712,500 USD have been allocated for mobility expenses, which basically refer to vehicles. Per Guidelines, it is recommended that vehicles are covered by the co-financing resources. If this cannot be covered by co-financing, please advise.
- c. The formatting of the table makes difficult to read it as numbers are not aligned due to the width of the cells ? please amend (hint: by removing the columns Year 1 to Year 5, the cells will be wider and the figures will fit)

6. On the comments from Council members: it seems that the comment from Germany were not addressed/acknowledged. Please include a response to Germany with other responses included in Annex B.

5/31/2023

No.

There are differences between figures in Table B and budget table ? when adding the amounts in budget table, the total is \$9,325,470, but the total GEF Financing

amount for this project is \$9,005,609 (as shown in the budget table). The mistake is that the M&E portion (\$319,861) is not deducted from component 4. Also, this M&E amount in budget table (\$319,861) is different from the M&E amount in M&E Budget table (\$324,800). Please revise and send back ASAP given the pending cancellation deadlines.

6/1/2023

No, please fix the budget issues noted above.

6/1/2023

Yes, CEO endorsement is recommended.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	4/21/2022	
Additional Review (as necessary)	5/24/2023	
Additional Review (as necessary)	5/26/2023	
Additional Review (as necessary)	6/1/2023	
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations