



Protecting biodiversity and recovering degraded ecosystems - RECOVER Honduras

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10220

Countries

Honduras

Project Name

Protecting biodiversity and recovering degraded ecosystems - RECOVER

Honduras

Agencies

UNDP, FAO

Date received by PM

1/27/2021

Review completed by PM

3/31/2021

Program Manager

Mark Zimsky

Focal Area

Multi Focal Area

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
2/21/2020

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
2/21/2020

In the budget table in the CEO endorsement a small grants program within the project is identified. Please elaborate the criteria upon which the grants are awarded and who decides who receives the grants.

3/31/2021

Cleared.

Agency Response

UNDP Agency Response to GEF Sec Comments from 2/21/2020

The mechanism through which the Executing Entity (MiAmbiente) will select the low-value grant proposals and disburse the funds will closely follow the standard mechanism used by the GEF Small Grants Programme (SGP) to award grants; this process is comprised of the following seven steps:

1. The project proponents/beneficiaries of the incentives/contact the Project Manager and/or the SGP staff to receive project application guidelines and forms.
2. With assistance from the technical teams of the RECOVER Project and the SGP, the proponents prepare a brief project concept paper and submits this to the Project Manager or Director of the SGP.
3. The technical team of the SGP, with support from the project's technical team, reviews and pre-screens the concept paper to see if it meets the criteria for support.
4. If the project is judged eligible, the project proponents prepare a project proposal.
5. Completed project proposals are submitted by the Project Manager or Director of the SGP to a Selection Committee comprised of representatives of the SGP Steering Committee and the project.
6. The Selection Committee reviews the proposal and either accepts it, rejects it, or returns it to the proponents with a request that further work be done on formulating and refining the proposal.
7. For approved proposals, low-value grants are paid in three installments: an up-front payment to initiate the project; a mid-term payment upon receipt of a satisfactory progress report; and a final payment against the achievement of the expected results to the satisfaction of the RECOVER project and the SGP technical teams, as well as delivery of the final report.

The selection criteria for the low-value grant proposals include the following:

1. The location of implementation must be within the landscape area of the RECOVER Project.
2. The proposals should be developed or linked to the geographic context of protected areas, biological corridors, important ecosystems for biodiversity, or productive landscapes that favor biological connectivity.
3. They must contribute to the conservation of biodiversity or ecosystems in the project area.
4. In the case of sustainable production projects, they must contain actions harmonized with the conservation of species and ecosystems in the area (mainstreaming biodiversity across sectors and landscapes).
5. They should address direct drivers to protect habitats and species.

6. They must ensure a broad, fair and equitable participation of women, youth, the elderly, as well as people with disabilities.
7. They should be planned and implemented in full alignment with the UNDP social and environmental safeguards.
8. They should integrate solutions to local problems offering opportunities to generate well-being.

The financial resources will be granted to Community Based Organizations (CBOs), which show a commitment to develop actions for the conservation of local and regional natural heritage, regardless of the nature of their project.

The description of activities related to Output 2.1.2 in the UNDP-GEF Project Document was updated to outline the criteria upon which the grants are awarded and who decides who receives the grants.

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

Secretariat Comment at CEO Endorsement Request

2/21/2020

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

2/21/2020

Yes. Cleared.

Agency Response

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

2/21/2020

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

2/21/2020

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

2/21/2020

For the most part changes made are explained clearly.

Please clarify why in the PIF hectares were to be certified, but in the project document the number of hectares certified dropped to zero.

3/31/2021

Cleared.

Agency Response

UNDP Agency Response to GEF Sec Comments from 2/21/2020

Thanks for the comment. The number of hectares to be certified (third-party certification) was updated to 7,500 as it was indicated originally in the PIF. After further consultations with Government of Honduras (i.e., Secretariat of Natural Resources and Environment ? MiAmbiente+), it was decided that the project will support at least five (5) cooperatives or groups of small and medium palm oil producers, including women?s groups, to adopt the Roundtable on Sustainable Palm Oil (RSPO) certification using the RSPO Independent Smallholder Standard (<https://rspo.org/certification/rspo-independent-smallholder-standard>) rather than what was previously proposed of creating and using a national sustainable palm oil certification standard (Output 3.1.4). This adjustment was agreed with the government, considering that the RSPO certification standard will guarantee compliance with biodiversity conservation and access to international markets to the palm oil produced by the small and medium farmers participating in the project. The project results framework and the project?s target contributions to the GEF 7 core indicators (including the GEF 7 Core Indicator Worksheet) were updated accordingly. In addition, the description of the activities related to Output 3.1.4 in the UNDP-GEF Project Document was updated to reflect this change.

Output 3.1.4. At least five (5) cooperatives or groups of small and medium palm oil producers, including women?s groups, with technical support to adopt the Roundtable on Sustainable Palm Oil (RSPO) certification, prioritizing producers impacted by COVID-19

Implemented by UNDP

Based on the census of palm oil producers to be developed by the project as part of the actions of Output 1.3.1, and using the baseline information palm oil sector developed by the government and leading organizations in the field, cooperatives or groups of small and medium palm oil producers will be identified, including groups of women and indigenous peoples and producers impacted by COVID-19, to adopt the RSPO certification. RSPO is an international standard for the production of sustainable palm oil and recognized throughout the world; it is the most robust certification standard recognized by the international and global market, which is why it is in high demand and positions companies as well as groups of small producers in a highly competitive and sustainable framework.

According to the report of the Economic Commission for Latin America and the Caribbean (ECLAC, 2020), the effects on the agri-food sector of the COVID-19 pandemic and recent natural disasters (ETA and IOTA storms) resulted in a drop of 8.2% of GDP in 2020; the productive sector registered 65% of losses. In the northern region of Honduras 18,000 hectares were lost due to floods (currently there are 152,437 hectares of oil palm in the departments of Cortes, Atl?ntida and Colon). For these reasons, direct support to small oil palm producers is more necessary than ever to transform conventional palm oil production to a sustainable production system that contributes to improving their income, the conservation of biodiversity, the management of areas of high conservation value, low-emissions and resilient production, decent work, and best agricultural practices with positive socio-economic, agricultural, and environmental impacts for small and medium producers.

The organizational capacity of the cooperatives or producers' groups will be evaluated, and they will be given support and training to implement sustainable practices on the producers' farms. This will include cooperative management and/or formation of small producer organizations (including regulatory, operational, and administrative aspects), best production practices, participation of women and youth, and certification processes. The project will work closely with MiAmbiente+ to socialize the criteria for sustainable palm oil certification for small and medium producers in the project area in line with the national regulatory framework and established guidelines for RSPO sustainable palm oil certification. Considering the national health emergency situation in Honduras because of the COVID-19 pandemic, the country has been adapting work plans and actions for the palm oil sector; this includes the use of an interactive methodology with online meetings via webinars through the digital platform of the Mesoamerican Alliance for Sustainable Palm Program- (MAPA)[1]¹ led by Solidaridad. Relevant RSPO reference documents were posted on this platform to support the process, as well as the virtual meeting schedule.

In order to accelerate the RSPO certification process for small producers, in 2019, in addition to the generic standard, the RSPO Independent Smallholder Standard was adopted to accelerate the implementation of good practices and their insertion into the market.[2]² This newly adopted standard aims to increase the inclusion of smallholders into the RSPO system through a mechanism which takes into consideration the diversity in challenges and situations faced by smallholders globally, together with their varying needs and concerns while adhering to the key pillars of RSPO's Theory of Change (ToC): Prosperity, People and Planet. In 2020, Solidaridad socialized and trained the Technical Group of Honduras of Honduras on this standard and the importance of being aligned with the RSPO National Interpretation (NI) for Honduras. The project will make use of this new RSPO standard to support the certification of small and medium palm oil producers present in the project landscape and associated in at least five (5) cooperatives or groups.

In order to implement the RSPO principles and criteria (social, economic, environmental) in Honduras, in 2018 started the creation of the technical roundtable for the adoption and interpretation of the RSPO standard to the legal and regulatory framework of the country for the sustainable production of palm oil in Honduras. The technical roundtable was integrated with the participation of 26 civil society organizations, non-governmental, environmental and social organizations, ministries of Agriculture and Livestock (SAG), MiAmbiente +, Institute for Forest Conservation, Wildlife and Protected Areas (ICF), Secretariat of Work, National Agrarian Institute (INA), the Federation of Oil Palm Producers (FENAPALMAH), the Association of Oil Palm Industries of Honduras (AIPAH), experts (auditors RSPO, High Conservation Values [HCV), Biodiversity Conservation), Honduran Council of the Social Sector of the Economy (COHDESSE), and marketers of oil and derivatives. The project will build

on the achievements of this technical roundtable to facilitate the RSPO certification process of small and medium palm oil producers that will participate in the project. In addition, the project will consider GEF recommendations environmental certification (i.e., *Environmental certification and the Global Environment Facility: A STAP advisory document*).^[3] In line with the ESMF (Annex 9), the ESIA approach is required to manage potential social and environmental impacts associated with this output

[1] [1] <https://www.mapa-solidaridad.org/interpretacion-nacional-rspo-hondur>

[2] <https://rspo.org/certification/rspo-independent-smallholder-standard>

[3]

https://www.thegef.org/sites/default/files/publications/STAP_Certification_2010_1.pdf

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

2/21/2020

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

2/21/2020

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
2/21/2020

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
2/21/2020

Yes. Cleared.

Agency Response

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

Secretariat Comment at CEO Endorsement Request
2/21/2020

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
2/21/2020

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
2/21/2020

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
2/21/2020

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
2/21/2020

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
2/21/2020

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

2/21/2020

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

2/21/2020

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

2/21/2020

Yes. Project is high risk and based on the risk analysis and mitigation strategy this is an honest and fair assessment. 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
2/21/2020

Yes. Cleared.

4/9/2021

FAO is performing some execution support at Government's request with a signed letter. The Program Manager approves this request.

Agency Response

UNDP Agency Response to GEF Sec Comments from 4/9/2020

At the request of the government of Honduras, FAO will provide technical support services to the project. FAO support services will be related with (i) the LDN target-setting process, and (ii) the development of a system to monitor the project's environmental benefits (which will in turn support the LDN target setting process).

In order to help the country develop its LDN baseline and establish its voluntary goals to 2030, FAO will manage funds to hire specialized technical support and to lead efforts to build the capacity of government and local staff (i) on different FAO-developed tools such as GLEAM, EX-ACT (but could include Collect Earth or SEPAL) and (ii) on the application of relevant methodologies such as the recently approved GSOC MRV Protocol. These efforts will also be aligned with FAO-led efforts under the Global Soil Partnership to update national soil carbon maps (i.e. one of the three LDN indicators) and the recarbonization of soils in the context of sustainable soil management. These tools will be used to develop national baseline data, to support land use planning processes and to develop and monitor project investments that will be the basis for establishing the country's LDN priorities.

In addition, FAO will contribute (i.e. cofinance) technical experts on (i) Monitoring and Evaluation, (ii) Gender, and (iii) Indigenous Peoples who will participate in the different

consultations throughout the project. These technical staff will work with the PIU in the design (including background documentation) and implementation of participatory processes (including leading discussion sessions and analyzing data collected). GEF funds will be used to cover the travel costs of these experts to the different meetings. In this context, backstopping by the FAO Lead Technical Officers will be covered by the GEF fee.

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

2/21/2020

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

2/21/2020

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

2/21/2020

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
2/21/2020

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
2/21/2020

Yes. Cleared.

Agency Response
Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request
2/21/2020

Yes. Cleared.

Agency Response
Project Results Framework

Secretariat Comment at CEO Endorsement Request
2/21/2020

The results framework in the portal is illegible. Please resubmit and reinsert the results framework in the portal.

3/31/2021

Cleared.

Agency Response

UNDP Agency Response to GEF Sec Comments from 2/21/2020

The results framework is resubmitted and should be legible.

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request
2/21/2020

Yes. Cleared.

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request
2/21/2020

Yes. Cleared.

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request
2/21/2020

Yes. Cleared.

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request
2/21/2020

NA.

Agency Response
Other Agencies comments

Secretariat Comment at CEO Endorsement Request
2/21/2020

NA.

Agency Response
CSOs comments

Secretariat Comment at CEO Endorsement Request
2/21/2020

NA.

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request
2/21/2020

Yes. Cleared.

Agency Response
Project maps and coordinates

Secretariat Comment at CEO Endorsement Request
2/21/2020

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

2/21/2020

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

2/21/2020

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

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

2/21/2020

No. Please address outstanding issues above and resubmit.

4/9/2021

FAO is performing some execution support at Government's request with a signed letter. The program manager clears this request.

CEO endorsement is not yet recommended. Please address outstanding issues below and resubmit.

1) As in this project UNDP participates, it has to be circulated to Council 4 weeks prior to CEO Endorsement. Hence, it is not possible for the project to start implementation on May 2021. Please amend the start date for a more realistic date.

2. On Budget: Annex F at the end of the CEO endorsement entry in the Portal only has the UNDP's component budget but not FAO's budget. FAO's budget is included in the ProDoc uploaded in Portal, but not in Annex F ? please include it in Portal.

4/16/2021

Yes, project is recommended for CEO endorsement.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	2/21/2021	
Additional Review (as necessary)	4/9/2021	
Additional Review (as necessary)	4/16/2021	
Additional Review (as necessary)		
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations