

# Integrated watershed management of the Putumayo-I?? river basin

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10531

**Countries**

Regional (Brazil, Colombia, Ecuador, Peru)

**Project Name**

Integrated watershed management of the Putumayo-I?? river basin

**Agencies**

World Bank

**Date received by PM**

8/25/2021

**Review completed by PM**

12/8/2021

**Program Manager**

Christian Severin

**Focal Area**

Multi Focal Area

**Project Type**

## 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

20th of September 2021 (cseverin): No, please include the correct focal areas in table A. The project is financed by IW and CW, not CCM

29th of October 2021 (cseverin): Addressed

#### Agency Response

10/25/2021

Corrected. thank you.

#### 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

20th of September 2021 (cseverin): No, at PIF stage, one of the comments were the need for this SAP implementation project to deliver tangible results that will minimize the environmental stress on the ecosystem. In response to this the WB promised that the project would, among others, be delivering stress reduction. The submitted package need to include quantifiable impact indicators, in the way the outputs are presented in its current form, they solely focus on process indicators (plans, strategies, processes etc).

It is noted that the project proponents has undertaken an analysis of alignment between the SAP and the proposed project. As part of implementing the SAP, it is anticipated that some deliverables will be associated with quantifiable stress reduction, as indicated at PIF stage.

Further, Table B of the project includes different components, compared to at PIF stage, Justification for these changes has been included, however, the mercury aspects of this investments are not as clear in the new components as they were at PIF stage. The Mercury aspects needs to be strengthened.

Comments specific to the PAD:

1) Based on the project documents it is not clear how mercury will be addressed through the project. Details on how the project will reduce and eliminate mercury in the watershed are missing.

2) There is information provided related to the pilot for remediation activities, however as commented at PIF stage, the main focus of mercury components should be to prevent mercury from entering into the environment. Information is also lacking on how the project will address illegal ASGM in the region.

3) Substantial information on the links to the GEF GOLD Program in the three countries with overlap is also lacking in the project documents.

29th of October 2021 (cseverin): The presented project still focuses on process related targets. Please ensure that the results framework will include quantifiable targets for Mercury (that links with the Core indicator targets) as well as include quantifiable targets for moving transboundary fish stocks to sustainable management (as identified in the regional SAP), such as Catfish, as discussed and included at the time of PIF. Such target should also be featured in the core indicator table under Core indicator 8.

2nd of December 2021 (cseverin): Thanks for having identified a core indicator target for CI 8. As indicated previously, it is important that the Results Framework (Table B captures the quantifiable indicators. Therefore, please make sure that there is connections between Core Indicators, Intermediate Results Indicators and Results Framework Table B. The easiest way to do this is by inserting ensuring that the Results Framework includes the Core Indicators and the Intermediate Results Indicators from the PAD.

Further, please make sure to insert the intermediate target for Core Indicator 8, into the PAD. It is assumed that the correct place to include this would be in the table that captures the "**Intermediate Results Indicators by Components**".

2nd of December 2021 (cseverin): Addressed

16th of December 2021 (cseverin): Please address following points:

1. Core Indicators: Please reflect all relevant GEF Core Indictors (found in Core Indicators table) in Annex A ?Project Results Framework?.

2. Co-financing: European Space Agency \$1M: The co-financing letter indicates this ?grant? fund has been allocated to support the GEF program. Therefore, change the type from ?Other? to ?Grant?.

3. Operations:

(i) The Expected Implementation Start and Completion date give 180 months of implementation but not 60 as indicated in the Project Information section of the Portal entry, please correct as appropriate:

(ii) PMC is not proportionate between GEF funding and co-financing. Please adjust accordingly

(iii) Please upload one readable version of the budget table, preferably in excel, in the Document section of the Portal to facilitate review.

(iv) Budget table:

a. Office supplies and Other Operating Costs should generally be charged to PMC but not to project components.

b. Please include more details of various positions under Salaries and benefits/Staff costs and whether associated costs are being charged for what position to which components or M&E or PMC of the project budget.

18th of January 2022 (cseverin): Addressed.

## Agency Response

12/23/2021

GEFSEC questions are listed with the team responses highlighted in yellow color

1. Core Indicators: Please reflect all relevant GEF Core Indictors (found in Core Indicators table) in Annex A ?Project Results Framework?.

All relevant core indicators are in the RF, except for Core indicator 8. As agreed with GEFSEC program manager and explained in the PAD and core indicator annex, the baseline and definite targets for this indicator will result after the first year of required analytical studies. The WB portal does not allow to include an indicator with a baseline to be determined?. The commitment to deliver on the indicator is reflected in the GEF document and the PAD. After explanation of the matter, this issue was considered addressed by the program manager as shown in the review sheet.

2. Co-financing: European Space Agency \$1M: The co-financing letter indicates this grant? fund has been allocated to support the GEF program. Therefore, change the type from ?Other? to ?Grant?.

Comment addressed in the new submission. The table has been adjusted to show it's a grant.

3. Operations:

(i) The Expected Implementation Start and Completion date give 180 months of implementation but not 60 as indicated in the Project Information section of the Portal entry, please correct as appropriate:

Comment addressed in the new submission. The project will last 60 months from 2022 until 2027.

(ii) PMC is not proportionate between GEF funding and co-financing. Please adjust accordingly

The team was able to obtain a new letter of cofinancing from WCS incorporating additional esources from the institution that will support PMC. Proportionality has risen from the previous 4% in cofinancing to 5%.

(iii) Please upload one readable version of the budget table, preferably in excel, in the Document section of the Portal to facilitate review.

Attached an excel version of the budget. This has been adjusted to respond to the comments below.

(iv) Budget table:

a. Office supplies and Other Operating Costs should generally be charged to PMC but not to project components.

The description in the budget has been adjusted to provide better clarity. These supplies are those required for the delivery of field technical activities including workshops and training, and M&E; not allocated for PIU's project management. Operating costs for Project management have been left separately in the budget for clarity. Other operating costs include the 1% for IWLearn that is requested by the GEFSEC and allocated to component 1 as it relates to Knowledge management. Detailed annual expenses will be prepared in due time as per WB procedures and will receive WB no objection.

b. Please include more details of various positions under Salaries and benefits/Staff costs and whether associated costs are being charged for what position to which components or M&E or PMC of the project budget.

Details have been added. Salaries and benefits for personnel who will be working on the project implementation. These will include technical and administrative staff, including a Project Director, a communications specialist, coordinators and specialists for each major thematic area, as well as social and environmental specialists. The administrative/operational staff will consist of a grants manager, procurement specialist, M&E specialist. Staff delivering on technical outcomes and conducting complex regional activities in the four countries (including knowledge management, fisheries, mercury contamination, community governance experts) are allocated to the project components. Amounts include gross salaries, social security charge, and related costs that paid staff will receive for this project. All salary costs are based on the standard offered by the organization (to be further refined by market analysis following WB annual budgeting and procurement procedures) and following the minimum requirements required by the countries' labor legislation. As with other WB projects, terms of reference for staff (and consultants) will be prepared to be approved by the WB previous to any hiring process and following WB procurement guidelines.

11/30/2021

Core indicator 8 value is updated. Relevant changes are made in PAD text

11/23/2021

In response to the comment from the GEFSEC, quantifiable impact indicators have been added, to reflect stress reduction on fisheries and pollution, as a result of the pilot investments.

A Quantifiable target for mercury, linked to the core indicator, has been added to the results framework.

An quantifiable target to measure priority species populations exploited at sustainable levels within the basin has been added to the results framework; with these species being ideal proxies to indicate stress reduction, improved watershed management and improved wellbeing as these species have important economic value.

GEF Core indicator No. 8 (Globally over-exploited fisheries moved to more sustainable levels) to consider priority species in the basin (like catfish) moving to sustainable management will also be monitored by the Project but, as agreed with GEFSEC, the baseline and target will be included at year 1 of implementation after the required studies and analysis have been conducted during project implementation.

Migratory species have been shown to be the most important group of fishes in commercial fisheries in the Amazon, and for many if not most indigenous riparian populations as well. The two main migratory fish groups exploited for human consumption are the transnational continental-scale species that migrate from as far as the Amazon estuary to near or in the Andean foothills to spawn, and those species that make shorter migrations restricted mostly to the Putumayo-I?? and other tributaries of the western Amazon. In addition, non-migratory species have increased their importance in fisheries of the Putumayo-I??, such as the Arawana (*Osteoglossum bicirrhosum*) and the Pirarucu or Paiche (*Arapaima gigas*). Although anecdotal information suggests that the populations of these species in the Putumayo-I?? are under pressure, evidenced by reports of smaller catches and smaller sizes of individuals captured, their actual status throughout the basin is unknown.

Therefore, during the first year of the project, the team will implement methodologies to quantify the stock status of these species in the Putumayo-I??, and the extent to which overfishing has occurred. These studies will allow to establish targets and fine tune a quantitative indicator that properly reflect how these species can remain at sustainable levels of exploitation or are moved to more sustainable levels if already seriously overexploited. Indicators will include impact level (stock status) and the stressor (overfishing). These studies will involve:

For non-migratory fish-species (e.g. Arawana -*Osteoglossum bicirrhosum* and the Pirarucu or Paiche -*Arapaima gigas*), as well as for species that perform relatively large-scale but local migrations (e.g. Boquichico -*Prochilodus nigricans*), mean and median capture size for the various species in key areas of the basin (e.g. major landing centers), including known major community-based fishery sites. Mean and median size distribution is known to be a good indicator of the population structure for fish species and indicates to what extent young fish are being overexploited. Rapid assessments of selected fisheries could reveal whether catches consist mostly of immature or mature fish.

Continental-scale migratory species (to be included for Core indicator 8), including the dorado (*Brachyplatystoma rousseauxii*), the most important species of this group and whose migrations from the estuary to the far western Amazon have been extensively investigated. Nearly the entire stock of this species exploited in fisheries of the far western Amazon consists of adult fish since the young size classes are only found downstream and their nursery is in the Amazon River estuary or nearby. Since nearly all dorado in the Río Putumayo would be adult fish, body length data could indicate to what extent the species has been overexploited locally. For example, if the catch consists mostly of new recruits (3-4 yrs old) and few older fish (>4 years), then it has probably been overfished in the Río Putumayo. Likewise, if there are few new recruits arriving from downstream, then it would be possible to identify recruitment failure and thus overfishing downstream of the Río Putumayo. Therefore, during the first year the Project will conduct studies that will allow for comparisons with other large tributaries, such as the Peruvian Ucayali and Madre de Dios, or Colombian Caquetá to contribute to a more regional strategy for managing the species.

An innovative method independent of fishery data that would provide a strong statistical control for all groups is larvae sampling coupled with DNA assays in the Río Putumayo channel. This method has been adopted by various research groups in the Amazon and has proved promising and relatively inexpensive to implement. Depending on the exact methodology employed, this method can measure larval presence and density at various depths in the river channel and at various sampling times during the year. The seasonal presence and densities of the various fish species could be compared to those already established in other Andes-Amazon rivers as an indicator of exploitation levels.

Project documents have been adjusted accordingly. This includes: PAD, GEF Appraisal CEO endorsement request, Core indicator Annex and a specific annex for IWRM,

10/25/2021

Responses are organized by the questions raised:

1. During the decision meeting, it was agreed that regarding indicators, the team should revise them to better depict realistic outcomes and tangible deliverables that the project can commit to, considering the available resources and the complexity of the project. Tangible deliverables will be achieved via the subprojects, but enabling conditions (knowledge and strengthened governance) are required to achieve collaborative efforts between the four countries that allow for the subprojects to effectively happen. The project will add value to the SAP prepared in 2018 with the broader Amazon level, by focusing on this region, providing detailed analysis and supporting investments that respond to the region's specific needs. The project team included the GEFSEC recommendation in a review meeting to prepare with ample multistakeholder participation work plans at the sub basin level in prioritized topics, building on the SAP for the whole Amazon, but filling existing knowledge gaps to inform better decision making, and enhancing specific arrangements in the area for effective collaboration.

From the pilot investments, expected quantifiable but also realistic deliverables include the ones already in the results framework that the project can commit to.

The RF includes the indicator:

2.3 Fisheries management plans implemented.

Overfishing stress reduction will be achieved via the establishment of fisheries management plans (setting up inter alia fishing quotas, bans, best practices) to be financed via subprojects in sites along the river basin favoring connectivity. Participatory management plans for commercial and subsistence fishing will be agreed building on critical information provided by the project for improved practices and management.

Management plans will include the following vulnerable species: 1. Arawana (*Osteoglossum bicirrhosum*) and 2. Pirarucu or Paiche (*Arapaima gigas*) CITES listing - Appendix II. Plans will also be supported involving migratory species in the threatened category that can include Spotted tiger shovelnose catfish (*Pseudoplatystoma punctifer*), Tiger sorubim or caparari (*Pseudoplatystoma tigrinum*), Gilded catfish or dourada (*Brachyplatystoma rousseauxii*), ?Baboso? (*Brachyplatystoma platynemum*), Zebra catfish (*Brachyplatystoma juruense*), Pira?ba or Kumakuma (*Brachyplatystoma*

filamentosum), Cachama or Tambaqui (*Colossoma macropomum*) and yam?, boc?n or pirabi?a (*Brycon amazonicus*).

Positive quantifiable outcomes from the management plans will be measurable for Arawana and Pirarucu species (included in a new indicator 2.4 ? see below). Improved management for species like Arawana and Pirarucu will also have a positive effect of other fish species sharing habitats. For migratory species common in the basin, experts consulted indicate that impacts will not be possible to measure within a 5 year period and to attribute solely to the project activities (so no SMART indicator possible). However, success as for migratory species will be measured by the establishment of harmonized protocols between the four countries for integrated management of selected migratory fish. Achieving such protocols is a key outcome that the participant countries have prioritized to achieve with GEF incremental funding. The project will build on a list of species of particular interest for integrated management identified by Colombia and Peru to incorporate the results from dialogue with Ecuador and Brazil.

In addition, a new SMART quantifiable indicator that can be measured within a 5 year period is:

2.4. Number of endangered/vulnerable species moved to a more sustainable levels within the basin. Baseline: 0 Target: 4

Management agreements design/strengthened and enforced will address stress on these species and improve practices. Species to include are:

1. Arawana (*Osteoglossum bicirrhosum*) CITES - Appendix II
2. Pirarucu or Paiche (*Arapaima gigas*) CITES - Appendix II
3. South American river turtle (*Podocnemis expansa*) CITES - Appendix II
4. Yellow-spotted river turtle, Taricaya (*P. unifilis*) CITES listing - Appendix II; Vulnerable Redlist

If fish species have moved to more sustainable levels (after year 2) will be monitored by measuring:

- Presence/absence of fish in certain key parts of the basin (using tools like Ictio ? Pirarucu for example, is traditionally counted without capturing it in certain wetlands/lakes within the basin)

- Age diversity of species observed
- Size of captures
- Catch for unit of effort (measured for each management plan)
- PDO indicator 1, that measures subproject beneficiaries with improved livelihood conditions. Improvement of livelihood conditions will be measured via surveys. Among these, one will

include perceptions and attitudes toward fisheries management of urban and rural artisanal and small-scale fishers asking beneficiaries for increased in fish size, compliance with management agreements, (as proxies of the effectiveness of management plans designed to reduce stress)

If turtle species have moved to more sustainable levels will be monitored (after year 3) by measuring:

- Increased number of individuals observed
- Increase in individuals released

Each management plan and subproject will include a baseline analysis that will allow to track results of the plan's implementation.

The results framework in the PAD has been updated as well as other sections in the PAD that refer to the management plans.

2. Mercury related activities are included not only in the specific 2.1 subcomponent but in those related to governance and knowledge management as these involve activities that will enable the conditions to prevent and reduce mercury contamination. After the PIF stage, the teams including government counterparts better assessed the activities that could realistically be delivered by the project in this topic (given the scope, eligibility and risks). These are described as follows and the PAD has been adjusted to provide more clarity.

How will the Project will reduce mercury

This will be done via bioremediation pilot sub-projects that will prove technologies agreed by local communities. This will happen in strategic areas selected based on an analysis on levels of contamination and risks. Proposals for mercury remediation pilot subprojects will be rated considering the cost effectiveness of the solution proposed, its financial and operational sustainability, the acceptance and inclusion of local stakeholders from design to implementation, the quantitative and demonstrable reduction of negative environmental impacts, its replicability and scalability. Additionally, due to the key role of the phytostabilization linked to afforestation of mercury degraded soils, and to the fact that mercury stored in forests can be volatilized to the atmosphere during fires, interventions will have an added value if linked to complementary strategies that aim to immobilize and maintain mercury stored such as restoration, and conservation of forests and sustainable land cover.

An annex about remediation processes and the project contribution has been attached to the package.

Prevent of mercury entering the environment:

This will be achieved via multiple activities, with the note that it will be beyond this project scope and eligibility to address illegal armed groups. Also, formalization is not allowed for most of the basin and not included within the activities for this project.

? training and capacity building to promote best practices among key sectors responsible for water pollution, including entities legally registered to carry out ASGM.

- Operationalization of such practices with pilot subprojects with communities in Ecuador that legally develop ASGM (this will involve collaboration with GOLD).

? strengthening joint efforts for prevention and control of contamination involving national and subnational environmental authorities, as well as civil society organizations, in selected areas (including neighboring protected areas), through (with added support via USAID grant to WCS):

- harmonization of surveillance, command and control procedures between countries

- systematization of information and data associated with illegal mining, ensuring adequate data security and custody chain of the evidence

- improved detection tools for illegal mercury (with support from European Space Agency)

? Training and workshops on environmental issues, specifically regarding the use of contaminants and their impacts on communities and ecosystems, for environmental authorities and prosecutorial agencies that are officially mandated to prevent the use of contaminants

? Training to improve and scale up the efforts that assess the economic and social impacts from mining generating data that supports awareness raising, advocacy and judicial cases (proven successful in Brazil to raise fines associated with unsustainable mining practices).

? Pilot design and set-up of an early warning system for water pollution

? Support communications and awareness raising campaigns with gold supply and demand chains including articles/journals on environmental crimes and its impacts (in collaboration with GOLD projects and USAID via agreement with WCS)

? Complementary support from USAID (via agreement with WCS), will allow the project to provide incentives and educational campaigns towards licit and sustainable productive activities

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

Secretariat Comment at CEO Endorsement Request 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 20th of September 2021

(cseverin): Yes, however, it is noted that the cofinancing has dropped by 25% since PIF stage and that it is primarily national financing that has dropped and that most private sector financing has not materialized.

Agency Response

11/23/2021

Thank you.

#### **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 20th of September 2021  
(cseverin): Yes

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 20th of September 2021  
(cseverin): no ppg given, hence no report included.

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  
20th of September 2021 (cseverin):Partly, As the project is working to address stress on transboundary fishstocks, please estimate these quantifiable outputs and have them captured in Core Indicator 8. and when doing so, please ensure that those amounts are backed up by quantifiable component outputs in the results framework.

29th of October 2021 (cseverin): Partly. One of the main reasons for IW financing to be deployed for this investment was to address the sustainability of the transboundary stock of catfish. As indicated throughout the project reviews, there has been a request for including a target for Core Indicator 8. This is still missing. Please address

2nd of December 2021 (cseverin): a Target for Core Indicator 8 has now been included. Thank you. However, it needs to also be reflected upon in the Results Framework (table

B) as well as in the "**Intermediate Results Indicators by Components**" section of the **PAD**.

2nd of December 2021 (cseverin): Addressed

Agency Response

11/30/2021

Core indicator 8 value is updated, the explanation is provided in the PAD text

11/23/2021

Thank you. As indicated above, Core indicator no. 8 will be tracked with baseline and targets included after year 1 of the project

10/25/2021

See comment above about quantifiable indicators.

An additional output: has been added to the Theory of Change in the PAD and in the GEF endorsement data sheet (Table B). Output is:

Endangered/vulnerable species moved to more sustainable levels in the basin

The core indicator 8 "Globally over-exploited fisheries moved to more sustainable levels" is beyond project's scope.

Many of the fish species found in the Putumayo-I?? watershed are highly distributed and migrate long distances. These species are not unique to the Putumayo-I??, so the specific actions of the project may not reflect improvements in the management of the species at a global scale. Nonetheless, through other indicators, the project will measure how the integrated management of the basin benefits the health of local habitats that are fundamental for fisheries and directly affect fisheries stocks.

Taking into account the activities that the project focuses on (promoting sustainable management and value chains for fisheries) according to experts consulted during preparation, there are other indicators that reflect better the state of the fisheries, such as the presence or absence of fish in certain parts of the basin, the size of the captures, the catch for unit of effort and perceptions and attitudes toward fisheries management of

urban and rural artisanal and small-scale fishers. These variables will be measured to track the new indicator (2.4) added to the RF, and which will assess sustainability levels in number of prioritized species. These will be a more comprehensive and doable approach than via weight (tons) of fish which could reflect industrialized methods that capture more fish and not necessarily sustainability levels. Increased catch in landings is not an indication that the population has improved, it may be an indicator that increased fishing efforts or a greater number of fishermen are fishing them (even violating agreements in the management plans).

## **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

20th of September 2021 (cseverin): Yes

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

20th of September 2021 (cseverin): Partly, the sections in the PAD on "additionality of the project"/Incremental reasoning and the "GEF INcremental value" are fairly generic. Please include specific examples on what/how the proposed investment will be incremental.

29th of October 2021 (cseverin): Addressed

Agency Response

10/25/2021

Text has been improved with examples in the PAD core section and Annex 3.

Without GEF financing: (i) there would be no strengthened governance structures working in coordination along the whole basin, or an analysis that assesses the feasibility of a regional basin governance structure; (ii) information and knowledge about the region would continue siloed and thus not available to support basin and transboundary scale decision making; (iii) duplication shall remain in terms of actions and projects developed by private and public agencies without an intentional cohesive

dialogue along common themes; (iv) emphasis would remain in understanding and conserving land and forest ecosystems with diminished attention to the basin's water resources at regional scale; (v) water resources planning and management would remain mostly sector by sector at national levels, without taking into account upstream and downstream dynamics.

GEF funding will add incremental value to existing actions in each jurisdiction and bring it up to the basin-level scale. Some examples include the following: (i) the project will scale up the efforts so far achieved between Colombia and Peru towards an integrated plan for a cultural and biological corridor for the basin (that have received a total estimated baseline support of \$0.6M), by integrating key stakeholders from Ecuador and Brazil and bringing the IWRM perspective to an exclusively forestry one; (ii) the GEF will also complement baseline projects such as the Special Project for the Integral Development of the Putumayo River Basin (PEDICP) operating in the frontier between Colombia and Peru with a current financing of \$5M from multiple sources, enhancing its accomplishments and involving the other two neighboring countries; (iii) GEF funding will also support monitoring, control and vigilance efforts in the area of neighboring protected areas between Colombia, Peru and Ecuador, with a current \$0.6M baseline adding value by harmonizing protocols for joint action and a common knowledge management system; (iv) The project will scale up and add value to existing experiences in natural resources value chains (like the binational pisciculture value chain receiving \$0.5M from IDB) and fishing agreements (like those supported in the Peruvian Loreto region by NGO IBC) which remain national or, in a few cases, binational; (v) The project will expand the network of community leaders (citizen scientists) in charge of monitoring the status of the basin's biodiversity and the sustainable use of its natural resources; (vi) GEF funding will provide the means to scale up the existing few national level endogenous research processes by financing indigenous people organizations to conduct their own research in the terms and topics identified as strategic for their cultural survival and in turn, their sustainable practices. This will allow the fulfillment of a request to integrate of ethnic groups between the different countries, scaling up from national jurisdictions.

Learning that otherwise occurs at national level will be accelerated and enriched via the project's knowledge exchange activities between the four countries and with other projects (facilitated by IWLEARN Platform) making it accessible to all stakeholders and promoting decision making. The project also add value by: (i) promoting multisectoral dialogue between local, subnational, and national actors as well as local communities and Indigenous Peoples leading to the fulfillment of the core indicator associated with setting up functional inter-ministerial committees with national/local reforms in preparation; (ii) promoting joint activities and harmonization of policies to reduce levels of mercury contamination in a region where actions, given the transboundary nature of the threat, will be more effective if working in collaboration, and where, given the basin's environment and physical cultural importance and tangible cultural heritage, mining remains largely restricted and when in use of mercury, remains illegal.

GEF funding is a strategic opportunity to address the threats in time before they reach higher levels that would require larger investments to repair environmental damage and would cause further social/health negative impacts; and when there is also the political and institutional commitment to strengthen enabling conditions for collaborative management beyond national scale approaches, and in a context where building trust and collective action has initiated and is susceptible to be scaled up.

**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

29th of October 2021 (cseverin): Yes

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

20th of September 2021 (cseverin): Yes, the PAD includes adequate elaboration on this point.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

20th of September 2021 (cseverin): No. It is difficult to understand when reading the "additionality section of the PAD" , what actions will be carried out without the GEF financing and what will be possible to achieve as a result of the GEF financing. Please elaborate further.

29th of October 2021 (cseverin): Addressed

Agency Response

10/25/2021

See response above as it refers to the incremental reasoning.

PAD has been adjusted.

**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

20th of September 2021 (cseverin): No, please provide more detail, especially regarding estimated stress reduction results and how these are expected to be achieved.

29th of October 2021 (cseverin): No, the project results framework does still not include quantifiable stress reduction targets for fisheries, nor the mercury targets have been captured in the results framework. Please add these to the RF as well as to the Core Indicator (primarily for Core Indicator 8.

2nd of December 2021 (cseverin): Core Indicator 8 target has been included, but is still not included in the RF and in the PAD. Please do so.

2nd of December 2021 (cseverin): Addressed

Agency Response

11/30/2021

quantifiable target for core indicator 8 is provided, mercury targets are captured in the results framework

11/23/2021

See responses above about adjustments in the results framework and the Core indicator 8 to be included with baseline and target by year 1.

10/25/2021

See comments above about stress reduction related to overfishing and water contamination.

PAD information has been adjusted

The project will contribute to global benefits by strengthening the capacity of country governments to address threats that cross borders in a highly conserved area in the Amazon. This in turn will contribute to the objective of enhancing water security in freshwater ecosystems aligning with the GEF's direction that sustainable environmental management of transboundary resources requires a common understanding of what pressures the shared ecosystems are facing, coupled with national and regional

investment plans. Global environmental benefits secured by protecting the basin include biodiversity conservation, food and water security, regulation of hydrological and biogeochemical cycles, sediment/nutrients to various wetlands, and other ecosystem services, including those that play an important role in strategies for tackling climate change, and all of which is the foundation for the development and quality of life of its inhabitants. In addition, the project will sustain cultural traditional practices that have proven effective in conserving Amazon ecosystems and will incorporate them to support the making watershed use planning and decision processes in the basin.

In terms of biodiversity to protect with IWRM, just the Yaguas National Park, is home to more than 900 species of animals, including 330 kinds of freshwater fish, which amounts to two thirds of the different types of fish on the entire continent. Overfishing stress reduction will be achieved via the establishment of fisheries management plans (setting up inter alia fishing quotas, bans, best practices) to be financed via subprojects in sites along the river basin favoring connectivity. Fisheries management plans will protect key species including, arawana - *Osteoglossum bicirrhosum*- (red list, vulnerable), pirarucu - *Arapaima gigas*- (vulnerable, CITES) and other migratory species considered vulnerable (including Gilded catfish or dourada -*Brachyplatystoma rousseauxii* and Zebra catfish -*Brachyplatystoma juruense*-). Alternative livelihood small scale sustainable activities will promote food security to alleviate the impacts of the COVID-19 pandemic. The project will support activities leading to a reduction of mercury contamination that threatens ecosystem (as well as human) health. Finally, improved management of watersheds included flooded forests and peatlands (some yet to be explored) lead to a reduction in carbon emissions, contributing to carbon storage and sequestration.

**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

20th of September 2021 (cseverin): No, the portal entry includes no information on this, nor does the PAD. Please elaborate on the innovative and sustainable aspects of the investment and the potential for the investment to be scaled up.

29th of October 2021 (cseverin): Addressed

Agency Response

10/25/2021

Portal entry for the Bank projects follows harmonized procedures, hence this section is not included in the WB datasheet neither word version, nor online template or it.

*A section has been added in the PAD to respond to these matters. It will also be included in the Project Information Document to be shared with the GEF Council members during the 4-week review.*

Even though there have been several projects and initiatives for PA systems, mainstreaming of biodiversity, and natural resource management, the Project will include a suite of investments to be coordinated regionally across the four countries in this basin. Brazil and Ecuador will join innovative efforts of coordinated action, planning, and dialogue that have been initiated in this particular basin between Peru and Colombia toward a shared vision that also aligns with cultural knowledge and tradition. The Project has been identified and prioritized by all four governments as a pilot for regional integrated watershed management with the potential to generate lessons that can be scaled up in other Amazon basins. No similar effort has happened in a transboundary area that includes four of the Amazon countries. Promoting knowledge sharing of innovative practices among countries and other partners will raise awareness, commitment, and buy-in to incorporate an integrated watershed approach. Innovation, sustainability, and capacity to be scaled up will be among the criteria to select the mitigation, remediation, and restoration pilot sub-projects financed through Component 2.

Other innovations will translate as follows:

a. **Technological innovations:** During project design and with support from the Disruptive Technology group at the World Bank, new ideas to incorporate technological innovations have been included. A spatial database for the basin was prepared and linked to the project's webpage ([www.cuencaputumayoica.com](http://www.cuencaputumayoica.com)) as a one-stop-shop for geospatial data and datasets that provide open access information about the basin. This, together with other platforms that the project will ensure interoperability, will become accessible in the long term by the relevant institutions. The Project will consider technological and innovative participatory tools for a data system that will collect, collate, organize and promptly analyze needed information and make it accessible to the diverse audience for better decision making related to IWRM. These innovative participatory tools include customized digital systems using cost-free, low connectivity demand, open-source tools and hand-held devices to collect granular geo-tagged data that feeds into interactive dashboards and web maps. In addition, the Project was selected as one pilot in the World Bank portfolio to have the executing agency and government partners receive capacity building in remote participatory monitoring methods using tools like Kobotoolbox. The Project will develop and use online applications and smartphones for community-based monitoring (in partnership with WCS Citizen Science for Amazon). In addition, the Project will also analyze the feasibility and further pilot potential agrotechnology systems for vegetable gardens and fisheries (following on the suggestion from the Amazon level Strategic Action Plan). Finally, WCS is a partner of the Artisanal Mining Grand Challenge, which seeks

and recognizes innovations that improve the environmental and social outcomes of artisanal and small-scale gold mining (ASGM) in the Amazon region. The innovations that demonstrate to be measurable, and with an impact on reducing, mitigating, or eliminating harm to water resources, soil, biodiversity, and/or human health and well-being, will be promoted for the Putumayo-Ic? basin. Other technological innovations to be used to facilitate harmonized action along the four countries involved include SMART (Spatial Monitoring and Reporting Tool) and Wildlife Insights (platform to maximize the potential of camera trap, already being piloted in the Amazon with GEF-ASL support).

b. **Business model innovations:** Promoting value chains in the Amazon with products coming from remote areas and with limited distribution systems will require innovation and scaling up of lessons from other successful business models and entrepreneurship forms. The pilot subprojects to strengthen the value chain of selected freshwater products will be selected based on their capacity to be sustainable, innovative, and scalable at the regional level. Innovations have already been discussed with private sector partners such as the National Business Association of Colombia (ANDI) who has prioritized the Putumayo-I?? region to channel private support due to its high conservation value and will be a key partner providing entrepreneurial assistance and business opportunities. Also, the project will take advantage of the ongoing experience of several initiatives in the region (including Amazon 4.0 project) that combine the natural wealth of the Amazonian environment with traditional forms of knowledge and cutting-edge technologies (biotech, digital, artificial intelligence etc.), to promote sustainable economic and social development, grounded in respect for biodiversity and local traditions and lifestyles. Collaboration will be sought with recently approved GCF projects that aim to support private sector led business bioeconomy development.

c. **Institutional innovation:** The Program will support innovative ways to foster changes in informal institutions and strengthen multi-stakeholder governance structures. The Project will bring in thematic working groups and diverse institutions and actors, allowing the voices of the indigenous communities and most vulnerable to be heard in decision-making spaces, mainly women, youth and elders. While respecting stakeholder engagement approaches, the Project will also promote the recovery and exchange of traditions that for centuries have protected forests and rivers. Innovative changes in formal institutions will be mostly achieved through promoting multisectoral coordination to jointly address issues of common concern, including illegal mining and others. Finally, the project will promote the adoption of new methodologies to improve efficiency in operation, communication and coordination between institutions. It will also assess the political and institutional feasibility of establishing a single governance structure to guide IWRM in the basin.

d. **Policy innovation:** The project will promote analysis of national policies around issues of common concern to foster dialogue among stakeholders and learning and harmonization of activities developed around such policies that impact the region; mainstream environmental concerns into sectoral policies across countries, to build sustainability into government interventions; and strengthen new policies and frameworks that support integrated watershed management. By supporting the implementation of the SAP, the Project will generate information and recommendations to improve existing legal and institutional frameworks to help strengthen IWRM in the specific context of this basin.

#### Sustainability

Project sustainability will be assured in multiple ways: (i) *Policy level* ? The Project aligns and contributes to implementation with multiple national, binational and multinational plans, programs and agreements that go beyond the duration of the Project, ensuring that project activities and results will contribute to the sustainability of governments interventions and commitments in the area; (ii) *Institutional level* ? the proposed Project will strengthen institutional capacity and promote multi-level, multi-stakeholder and multi-sectoral dialogue and joint decision making as a key enabling condition for the basin's integrated water resource management, with an emphasis on strengthening implementation capabilities of key stakeholders and ongoing public/private/community alliances, to remain after project completion; (iii) *Knowledge and information* ? by promoting interoperability with and between existing platforms from government and research institutions, the information collected, analyzed and systematized by the Project will remain accessible beyond the Project's duration. Building institutional memory and making it easily accessible will also help overcome risks related to government staff turnovers; (iv) *Community engagement* ? By involving communities in project implementation and monitoring activities and strengthening community-level governance structures, the Project will promote the construction of an informed conservation constituency, and empower people to take care of the basin, ensuring long-term engagement and conservation; (v) *Economic* ? Business models promoted for fish and NTFP value chains will be designed in order to reach financial sustainability by project completion. In addition, the Project will finance a study to estimate the medium- and long-term costs of continuing activities towards integrated watershed management. Through this analysis, potential sources of funding will be identified, and a fundraising strategy will be proposed to inform government decision makers; (vi) *Ecological* ? Actions to improve PA management effectiveness and strengthen connectivity between these and their surrounding jurisdictions, including

communal lands and productive areas, will increase ecosystem integrity and climate resilience.

**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

9th of April 2020 (cseverin):Yes

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

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

20th of September 2021 (cseverin): Yes, the submission includes a detailed stakeholder engagement plan

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

20th of September 2021 (cseverin): Yes, the submission includes a detailed Gender action plan

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

20th of September 2021 (cseverin): No. as mentioned at PIF stage, it is anticipated that the project will be engaging with private sector stakeholders. However, reading through the Stakeholder Engagement Plan, that has been uploaded, the private sector is only very briefly touched upon (mentioned four times). In order to initiate a process that will catalyze lasting changes in the basin, the engagement of the private sector, especially small holders and SMEs in the region is essential. Please Expand on this.

4th of November 2021 (cseverin): Addressed

Agency Response

10/25/2021

The SEP and the section within the GEF Data Sheet Endorsement request have been updated. Once approved the SEP will go through the WB clearance procedures so the updated version becomes public.

The Project will engage the private sector by supporting community producer organizations and working with companies whose business is linked with the basin's natural resources use.

Within component 1, relevant private sector representatives will be invited to participate in the relevant thematic groups that will serve as discussion platforms to build the shared

vision and where the strategic plan for the basin will be designed. This will foster dialogue and collaboration with productive community organizations and bring private sector perspective into the forum.

For component 2, the Project provide technical assistance to private sector companies involved with activities that could lead to water contamination in order to generate agreements and promote sustainable best practices. For the design and piloting of an early warning system, the private sector will play a crucial role as project partner. The system will trigger communication with local and regional emergency attention agencies, indicating the need to initiate contingency plans and, above all, prioritize attention to local communities located along the affected areas. To successfully implement this approach, the project will work with private companies providing technical assistance to improve their contingency plans.

Also, within component 2, the strengthening of productive value chains, via subprojects, will involve various private stakeholders with specific roles: (i) local private producer organizations as key beneficiaries (with special emphasis to strengthen women led organizations); (ii) private investors, providing capital and knowledge on business development, entrepreneurship and marketing; (iii) private research institutions, offering scientific knowledge; (iv) regional environmental authorities aligning project activities with their Green Business programs that establish alliances with potential private buyers; and, (v) other local NGOs and private institutions that will share lessons learned from similar experiences in the region. The project will develop market analysis to assess the feasibility of selected products to connect to markets with a differential price that reflects their origin and sustainable practices. The analysis, with guidance from private sector partners, will involve the identification of potential challenges and opportunities, and innovations to improve access to markets.

During project preparation, the team identified potential private companies interested in marketing goods at a premium price that recognizes and encourage sustainable practices. One of the companies identified is Natura, the largest Brazilian multinational cosmetics company, which uses mainly local Amazonian products like Castanha (*Bertholletia excelsa*), Açaí (*Euterpe oleracea*), Ucuuba (*Virola Surinamensis*), Patau (*Oenocarpus bataua*), camu camu (*Myrciaria dubia*), and involves local communities in its value chains. Natura has initiatives in some areas of the Brazilian Amazon within the Putumayo-I?? basin and hopes to expand its operations to Peru, Ecuador and Colombia. Its participation will be key for the commercialization of NTFPs in the area.

Private community producer organizations will also benefit from the market place and courses led by environmental authorities like Colombian Corpoamazonia, to strengthen their capacity to establish business with the private sector under fair trade agreements.

As part of the fisheries management plans, the Project will provide support to private local community organizations to design and develop business plans and feasibility analysis giving them the tools to reach private investors willing to support sustainable value chains of natural resources.

The Colombian Private Sector National Association (ANDI) participated during the project design to identify areas of common interest between the project and their environmental objectives. They have identified the basin as a priority area due to its high biodiversity value and committed to provide funding to the project.

Finally, the Project, in collaboration with GEF GOLD projects, will seek to establish alliances with private gold companies in joint efforts to ensure gold traceability, responsible sourcing, and support awareness related to the negative impacts of mercury use.

#### **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

20th of September 2021 (cseverin): Please provide an annex that outlines the risks and opportunities that COVID19 provides for the implementation of the investment.

Furthmore, please also ensure that the risks that COVID19 presents to the project's successful implementation are being elaborated upon in the portal entry. Currently it is only touched on very briefly in the risk section of the submission.

29th of October 2021 (cseverin): Addressed

#### Agency Response

10/25/2021

An Annex was developed by the project team and has been uploaded in the portal.

#### **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

20th of September 2021 (cseverin): Yes, the project coordination arrangements has been described in Annex 1 of the PAD

Agency Response

**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

20th of September 2021 (cseverin): Yes

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

20th of September 2021 (cseverin): Yes, the project will be utilizing the IWLEARN platform to disseminate lessons learned. Furthermore, a considerable part of component 1 will be working towards increasing local capacity through KM and topical knowledge events.

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

20th of September 2021 (cseverin): Yes, the submission includes a detailed ESS report and a Climate and Disaster Risk Screening Report,

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  
20th of September 2021 (cseverin):Yes

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  
20th of September 2021 (cseverin): Yes, the project is among others delivering socio economic benefits, as well as stress reduction, which both will be essential in supporting GEB delivery

Agency Response  
**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request  
20th of September 2021 (cseverin):Yes

Agency Response  
**Project Results Framework**

Secretariat Comment at CEO Endorsement Request

20th of September 2021 (cseverin): Partly, the Results framework is primarily capturing process oriented indicators, but lack the specificity of the stress reduction indicators. Please develop and add these.

29th of October 2021 (cseverin): The above issue persists, please address comment

2nd of December 2021 (cseverin): The issue persists, please make sure the results framework captures the Core Indicators and the "**Intermediate Results Indicators by Components**" as identified in the PAD.

2nd of December 2021 (cseverin): Addressed

### Agency Response

11/30/21

RF includes indicator for mercury. Core indicator 8 value is added

11/23/2021

See responses above about adjustments in the results framework and the Core indicator 8 to be included with baseline and target by year 1. Please note that the WB portal system will not allow now to add an indicator in the RF with pending baseline and targets; but the team has kept the reference in the other corresponding documents.

10/25/2021

Quantitative indicators have been added in the results framework as explained above.

### GEF Secretariat comments

#### Secretariat Comment at CEO Endorsement Request

20th of September 2021 (cseverin): Partly addressed, one of the main outstanding issues from PIF stage is the development and inclusion of quantifiable stress reduction indicators on the IW part of the investment.

29th of October 2021 (cseverin): Issue persists, please address

2nd of December 2021 (cseverin): The issue persists, please make sure the results framework captures the Core Indicators and the "**Intermediate Results Indicators by Components**" as identified in the PAD.

2nd of December 2021 (cseverin): Addressed

Agency Response

11/30/21

quantifiable stress reduction indicator on the IW part of the investment is provided  
(Core indicator 8)

10/25/2021

See comment above

**Council comments**

Secretariat Comment at CEO Endorsement Request 20th of September 2021

(cseverin):Addressed

Agency Response

**STAP comments**

Secretariat Comment at CEO Endorsement Request 20th of September 2021

(cseverin): Addressed

Agency Response

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request NA according to GEF  
portal

Agency Response

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request NA according to GEF

Portal

Agency Response

**CSOs comments**

Secretariat Comment at CEO Endorsement Request NA according to GEF

Portal

Agency Response

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request No PPG provided

Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request 20th of September 2021  
(cseverin):Okay

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

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 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 NA

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

**Secretariat Comment at CEO Endorsement Request**

20th of September 2021 (cseverin): No, please address above comments

4th of November 2021 (cseverin): No, please address above comments.

2nd of December 2021 (cseverin): No, please address above comments

2nd of December 2021 (cseverin): Yes, the project is recommended for CEO Endorsement

16th of December 2021 (cseverin): No, please above comments and resubmit

18th of January 2022 (cseverin): Yes, the project is recommended for CEO Endorsement

**Review Dates**

**Secretariat Comment at  
CEO Endorsement**

**Response to  
Secretariat  
comments**

<b>First Review</b>
<b>Additional Review (as necessary)</b>

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**

The Putumayo-I?? River is the tenth longest tributary of the Amazon River, and its watershed covers 118,000 km2, approximately 1.7 percent of the Amazon basin. Andean countries refer to the main river as the Putumayo. Of the large Andes-Amazon Rivers, the Putumayo-I?? is the only one without plans for large hydroelectric dams. The watershed includes some of the most remote, economically underdeveloped, lowest population density and also best conserved areas of Brazil, Colombia, Ecuador and Peru.

Overall population density of the watershed is < 14 people/km<sup>2</sup>), with density declining from the upper to the lower watershed. The socioeconomic conditions and dynamics of the watershed vary along the region. The bulk of the watershed is a nearly entirely roadless wilderness, with the exception of the road network in the upper reaches in Ecuador and Colombia that supports larger towns and oil exploration and exploitation

With an objective to: ?Improve the capacity of Brazil, Colombia, Ecuador and Peru to manage freshwater ecosystems and aquatic resources of the Putumayo-Ica watershed in the Amazon?, the project will support some of the priority regional transboundary problems identified in the Strategic Action Programme (SAP) for the Amazon Basin.

The project will address main drivers of deforestation, water pollution, and biodiversity loss in the basin, aiming to maintain its high conservation status. The first relates to the lack of consideration for the biological, cultural, and spatial complexity of freshwater ecosystem dynamics in jurisdictional-level planning and management decision making. Decisions related to interventions involving infrastructure, agriculture, fishing, and hydrocarbon activities do not fully consider the integrated dynamics of the basin's watershed, resulting in accumulated impacts downstream. Second is the unsustainable and unregulated natural resources use practices. For example, due to overfishing, previously common fish species consumed by the local population in the Putumayo-Ica are now scarce. In addition, unregulated fishing amongst the countries results in regional-level mismanagement that particularly affects migratory fish species. Illegal ASGM uses mercury that contaminates soil and water. Improper oil extraction practices contaminate water with total petroleum hydrocarbons (TPH). The unsustainable use of agrochemicals, the indiscriminate use of pharmaceuticals in livestock, and lack of proper waste management systems also contribute to water contamination.

The project will be supporting different kinds of innovations, among others, technological innovations through, 1) deploying innovations from the Disruptive Technology group at the World Bank, 2) business model innovations, through promoting value chains, 3) Institutional innovation through supporting ways to foster changes in informal institutions and strengthen multi-stakeholder governance structures and 4) policy innovation through promoting analysis of national policies.

#### COVID Risk:

The COVID-19 risk is considered Substantial. The expansion of the outbreak is not yet controlled, causing movement restrictions and participation during project design. The Project has been adjusted to better respond to the new set of circumstances in the post-COVID-19 situation, and mitigate the risk of increasing pressure on natural resources. At the operational level, the Project design has acknowledged the possible impacts and has incorporated measures (to be updated as needed) to implement activities under the pandemic scenario considering health security protocols, and following WB guidelines

and governments? internal protocols. This project is expected to start implementation by the last quarter of 2021 by which time the team and the implementation partners will have gained the required experience to implement the necessary protocols and procedures even if the pandemic continues and no vaccination has fully reached the areas of intervention and the teams.

#### COVID Response:

The Project aligns with the WBG COVID-19 crisis response approach paper "Saving lives, scaling-up impact and getting back on track" (June 2020) . While not considered a COVID-19 response operation, it will assist countries in addressing the health threat and the social and economic impacts of the COVID-19 crisis, while maintaining a line of sight for their long-term development. The Project particularly contributes to the pillars related to protecting the poor and vulnerable; ensuring sustainable business growth and job creation; and rebuilding better strengthening policies, institutions, and investments. The proposed Project will assist the countries building a resilient, equitable, and inclusive recovery and by supporting green businesses in an area inhabited by economically vulnerable populations. Conserving pristine forests also contributes to minimize risks of zoonotic diseases.