



## **Expanding blue economy benefits and the conservation of critical biodiversity and ecosystem services by managing surf ecosystems**

### **Part I: Project Information**

#### **GEF ID**

#### **Project Type**

MSP

#### **Type of Trust Fund**

GET

#### **CBIT/NGI**

**CBIT No**

**NGI No**

#### **Project Title**

Expanding blue economy benefits and the conservation of critical biodiversity and ecosystem services by managing surf ecosystems

#### **Countries**

Regional, Chile, Costa Rica, Panama, Peru

#### **Agency(ies)**

UNIDO

#### **Other Executing Partner(s)**

Conservation International Foundation

#### **Executing Partner Type**

Others

#### **GEF Focal Area**

International Waters

#### **Taxonomy**

Focal Areas, International Waters, Marine Protected Area, Influencing models, Strengthen institutional capacity and decision-making, Transform policy and regulatory environments, Stakeholders, Local Communities, Indigenous Peoples, Private Sector, SMEs, Individuals/Entrepreneurs, Beneficiaries, Civil Society, Non-Governmental Organization, Community Based Organization, Gender Equality, Gender Mainstreaming, Sex-disaggregated indicators, Capacity, Knowledge and Research, Knowledge Generation, Learning, Knowledge Exchange, Capacity Development

#### **Sector**

Mixed & Others

**Rio Markers**

**Climate Change Mitigation**

Climate Change Mitigation 0

**Climate Change Adaptation**

Climate Change Adaptation 0

**Duration**

36 In Months

**Agency Fee(\$)**

190,000.00

**Submission Date**

3/3/2022

**A. Indicative Focal/Non-Focal Area Elements**

<b>Programming Directions</b>	<b>Trust Fund</b>	<b>GEF Amount(\$)</b>	<b>Co-Fin Amount(\$)</b>
IW-1-1	GET	1,000,000.00	5,000,000.00
IW-1-2	GET	1,000,000.00	5,000,000.00
	<b>Total Project Cost (\$)</b>	<b>2,000,000.00</b>	<b>10,000,000.00</b>

**B. Indicative Project description summary**

**Project Objective**

To demonstrate the critical role that the effective management of marine and coastal ecosystems surrounding surf breaks can play in protecting biodiversity and ecosystem function, and in generating blue economy benefits that will motivate further ecosystem conservation.

<b>Project Component</b>	<b>Financing Type</b>	<b>Project Outcomes</b>	<b>Project Outputs</b>	<b>Trust Fund</b>	<b>GEF Amount(\$)</b>	<b>Co-Fin Amount(\$)</b>
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Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
Component 1: Peruvian and Costa Rican communities and governments have the tools and capacity to effectively manage surf ecosystems	Technical Assistance	<p><b>1.1.</b> Surf ecosystems are identified and their management has been strengthened.</p> <p>Indicator: Strengthened management</p> <p>Target: 10 surfing ecosystems</p> <p><b>1.2</b> Coalitions for the conservation of surf ecosystems are created and/or strengthened and actively advance the effective management of surf ecosystems in key local and national level processes.</p> <p>Indicator: # of coalitions created or strengthened</p> <p>Target: 1 coalition created 2 (+) coalitions strengthened</p>	<p><b>1.1.1.</b> Surf ecosystem sites have been identified and prioritized for protection in Costa Rica and Peru, and presented to the governments with possible management mechanisms and guidelines to enable current mechanisms to incorporate surf ecosystems into conservation strategies</p> <p>Indicator: # of sites identified and prioritized and presented to governments; # meetings with policy makers</p> <p>Indicator: # of documents with possible management mechanisms and guidelines</p> <p>Target: # of sites, and guidance documents.</p> <p><b>1.1.2 .</b> An awareness raising campaign is implemented in the target countries and internationally to advocate for the effective protection of surf ecosystems</p> <p>Indicator: awareness raising campaign</p> <p>Target: # of</p>	GET	485,000.00	3,000,000.00

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
Component 2. Blue economy benefits linked to surf ecosystem management in Peru and Costa Rica are identified, assessed and amplified	Technical Assistance	<p><b>2.1.</b> A standard methodology for assessing blue economy benefits has been tested and a mechanism is developed for equitable and inclusive benefit sharing of the blue economy.</p> <p>Indicator 1: Standardized methodology for assessing blue economy benefits</p> <p>Indicator 2: Standardized mechanism for equitable and inclusive management of blue economy benefits is tested</p> <p>Target: 1 Standardized methodology tested in selected surfing ecosystem communities</p> <p>Target: 1 Standardized benefit sharing mechanism tested in selected surfing ecosystem communities</p> <p><b>2.2</b> Aligning opportunities for community members to</p>	<p><b>2.1.1.</b> A standard methodology for blue economy assessment at pilot sites has been tested and applied to evaluate the current state of the blue economy and the benefits of the surf ecosystem, as well as identify potential avenues for growth .</p> <p>Indicator: # of blue economy assessments</p> <p>Target: 2 site assessments in Peru; 2 site assessments in Costa Rica</p> <p><b>2.1.2.</b> A mechanism for equitable and inclusive sharing of blue economy benefits from surf ecosystems is developed with best practices to maximize ecosystem protection, while ensuring gender equity in benefit sharing for communities in or near surf ecosystems.</p> <p>Indicator: # of standardized methodologies and best practices documents + Stakeholder mapping</p> <p>Target: 1 document</p>	GET	790,000.00	4,590,909.00

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
Component 3. Global and national-level best-practice guidelines and effective approaches for the protection and management of surf ecosystems and building a blue economy are collected, developed and shared	Technical Assistance	<p>3.1. Surf ecosystem stakeholders, including governments of Costa Rica and Peru and neighboring countries, are better equipped to engage in surf ecosystem management through learning exchange and sharing of key documents, best practices, case studies, and lessons learned documents (in English and Spanish).</p> <p>Indicator: # of surf ecosystem stakeholders (outside project pilot sites) that have been reached</p> <p>Target: &gt; 100</p> <p>3.2. Enhancing institutional capacity for education and vocational training for skills and lifelong learning to increase participation and ownership of key decision makers in Peru,</p>	<p>3.1.1. A global assessment of best practice in the legal protection and effective management and enhancing of blue economy benefits of surf ecosystems and a compilation of best-practices is completed and disseminated</p> <p>Indicator: # of global assessments of best practices; # compilation of legal best-practices and legal use cases for wave protection.</p> <p>Target: 1 assessment; 1 compilation</p> <p>3.1.2. Key lessons from the project are shared with governments of Peru, Costa Rica and in one or two additional countries (Panama and/or Chile), through multiple approaches such as the Global Wave Conference and/or other learning exchanges and sharing of key materials with best practice examples on legal options and effective mechanisms for protecting surf</p>	GET	443,182.00	1,000,000.00

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
Component 4: Monitoring and Evaluation	Technical Assistance	<p>Outcome 4.1: Monitoring and evaluation program in place that assess overall progress and results of the project and facilitates adaptive management.</p> <p>Indicator: Number of required reports and evaluations completed.</p> <p>Target: 100% of required reports and evaluations completed</p>	<p>Output 4.1: Monitoring and evaluation program developed.</p> <p>Indicator: Number of M&amp;E programs developed and Mid-Term review (MTR)</p> <p>Target: 1</p> <p>Output 4.2: Monitoring and evaluation program, including an MTR implemented, and results compiled into a final report.</p> <p>Indicator: Number of reports</p> <p>Target: 1</p> <p>Output 4.3: Terminal Evaluation of the project completed by the IA</p> <p>Indicator: number of evaluations</p> <p>Target: 1</p>	GET	100,000.00	500,000.00
<b>Sub Total (\$)</b>					<b>1,818,182.00</b>	<b>9,090,909.00</b>
<b>Project Management Cost (PMC)</b>						
				GET	181,818.00	909,091.00

**Project Management Cost (PMC)**

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<b>Sub Total(\$)</b>	<b>181,818.00</b>	<b>909,091.00</b>
<b>Total Project Cost(\$)</b>	<b>2,000,000.00</b>	<b>10,000,000.00</b>

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**Please provide justification**

**C. Indicative sources of Co-financing for the Project by name and by type**

<b>Sources of Co-financing</b>	<b>Name of Co-financier</b>	<b>Type of Co-financing</b>	<b>Investment Mobilized</b>	<b>Amount(\$)</b>
GEF Agency	UNIDO	Grant	Investment mobilized	53,000.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	53,000.00
Recipient Country Government	Ministerio de la Produccion de Peru	In-kind	Recurrent expenditures	1,000,000.00
Recipient Country Government	Servicio Nacional de Areas Protegidas de Peru	In-kind	Recurrent expenditures	200,000.00
Recipient Country Government	Marina de Guerra del Peru	In-kind	Recurrent expenditures	100,000.00
Recipient Country Government	Municipalidad Distrital de Huanchacho, Peru	In-kind	Recurrent expenditures	25,000.00
Recipient Country Government	Ministerio de Medio Ambiente de Peru	In-kind	Recurrent expenditures	3,000,000.00
Recipient Country Government	Direccion regional de Recursos Naturales del Gobierno Rengional de la Libertad de Peru	In-kind	Recurrent expenditures	100,000.00
Recipient Country Government	Direccion regional de Recursos Naturales del Gobierno Regional Piura	In-kind	Recurrent expenditures	50,000.00
Recipient Country Government	Ministerio de Ambiente y Energia de Costa Rica	In-kind	Recurrent expenditures	3,000,000.00
Recipient Country Government	Municipality of Ostional, Costa Rica	In-kind	Recurrent expenditures	250,000.00

<b>Sources of Co-financing</b>	<b>Name of Co-financier</b>	<b>Type of Co-financing</b>	<b>Investment Mobilized</b>	<b>Amount(\$)</b>
Recipient Country Government	Municipality of Garabito, Costa Rica	In-kind	Recurrent expenditures	250,000.00
Other	Conservation International Foundation	In-kind	Recurrent expenditures	350,000.00
Other	Save the Waves Coalition	In-kind	Recurrent expenditures	750,000.00
Other	Chile-California Conservation Exchange	In-kind	Recurrent expenditures	25,000.00
Other	UN World Tourism Organization	In-kind	Recurrent expenditures	25,000.00
Private Sector	Beneficiaries in Costa Rica and Peru	In-kind	Recurrent expenditures	28,000.00
Recipient Country Government	Ministry of Environment of Panama and/or Chile	In-kind	Recurrent expenditures	741,000.00
<b>Total Project Cost(\$)</b>				<b>10,000,000.00</b>

**Describe how any "Investment Mobilized" was identified**

TBC

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

<b>Agency</b>	<b>Trust Fund</b>	<b>Country</b>	<b>Focal Area</b>	<b>Programming of Funds</b>	<b>Amount(\$)</b>	<b>Fee(\$)</b>	<b>Total(\$)</b>
UNIDO	GET	Regional	International Waters	International Waters	2,000,000	190,000	2,190,000.00
<b>Total GEF Resources(\$)</b>					<b>2,000,000.00</b>	<b>190,000.00</b>	<b>2,190,000.00</b>

**E. Project Preparation Grant (PPG)**

PPG Required **true**

**PPG Amount (\$)**

50,000

**PPG Agency Fee (\$)**

4,750

<b>Agency</b>	<b>Trust Fund</b>	<b>Country</b>	<b>Focal Area</b>	<b>Programming of Funds</b>	<b>Amount(\$)</b>	<b>Fee(\$)</b>	<b>Total(\$)</b>
UNIDO	GET	Regional	International Waters	International Waters	50,000	4,750	<b>54,750.00</b>
<b>Total Project Costs(\$)</b>					<b>50,000.00</b>	<b>4,750.00</b>	<b>54,750.00</b>

## Core Indicators

**Indicator 2 Marine protected areas created or under improved management for conservation and sustainable use**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
47,794.15	0.00	0.00	0.00

**Indicator 2.1 Marine Protected Areas Newly created**

Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
0.00	0.00	0.00	0.00

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

**Indicator 2.2 Marine Protected Areas Under improved management effectiveness**

Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
47,794.15	0.00	0.00	0.00

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Akula National Park	125689	Select	47,794.15						

**Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment**

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
<b>Female</b>	303			
<b>Male</b>	492			
<b>Total</b>	795	0	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

**The Ostional Wildlife Shelter and Playa Hermosa - Punta Mala Wildlife Shelter are 10,331.575 ha and the Illescas National Reserve is 37,452.58 ha. Direct beneficiaries include government protected area personnel and agency staff, community members and community organizations in the project sites, fishers' associations, non-governmental organizations, local tourism companies including hotels, surf schools, tour operators, guides, restaurants, and surf media. In the process of supporting local communities to benefit equitably from the blue economy, the project will work with actors at different steps in the value chain with providing sustainably sources products such as fish and agriculture products to surf tourism and other surf related businesses that the project supports to transition to more sustainable, environmentally, and socially responsible practices. This will be linked to the efforts to strengthen management of surf ecosystems, by integrating ecosystem management activities with blue economy activities to create a positive feedback loop between ecosystem protection, maintenance of surfing waves and improving the surfing experience, empowering and benefiting local community members economically, which will in turn motivate stronger ecosystem management. For Component 1 and 2, the project will directly benefit 205 women and 263 men (468) in Costa Rica and 98 women and 229 men (329 people) in Peru, that includes local authorities, members of conservation and surfing organizations, tour operators, fishers' associations and their families. The project will seek more accurate direct beneficiary figures during the PPG phase. The project will seek to engage at least 300 individuals in the virtual trainings, conference, etc. as part of Component 3. Previous participation in such activities has been split male/female by 70/30. Actions to increase female participation will be taken.**

## Part II. Project Justification

### 1a. Project Description

#### *Global environmental problems, root causes and barriers that need to be addressed*

Assessments have indicated that as much as 75% of the world's surf breaks are in locations with important marine ecosystems and biodiversity. A recent, more comprehensive study demonstrated that 26% of a total of 3,755 surf breaks assessed are located inside or within five kilometers of Key Biodiversity Areas (KBAs), the most important places in the world for conservation of species and their habitats.<sup>[1]</sup> Likewise, the study demonstrated that at least 63% of the surf breaks assessed are not within protected areas. As a result, hundreds to thousands of surf breaks and surrounding biodiverse ecosystems are vulnerable to ongoing anthropogenic threats. In the long-term, these threats will negatively impact ecosystems services, blue economy benefits and the biodiversity of these critical areas.

The ability of surf breaks to contribute to local blue economies and socioeconomic well-being depends on the breaks being in a condition where they can be surfed and the surrounding areas being attractive to residents and visitors. Surf breaks are the main attraction for the international surf tourism industry, which has recently been valued at US\$31.5 - 64.9 billion<sup>[2]</sup> per year. Highly sought-out surf breaks increase the values of local real estate<sup>[3]</sup> and income for local businesses. For example, a 2014 study in the Uluwatu surfing area of Indonesia demonstrated that the local surf break, which is less than two kilometers long, contributes US\$35 million annually to the local economy.<sup>[4]</sup> This type of economic output from surf breaks creates hundreds to thousands of local jobs that are critical to the well-being of communities across the world. Surf breaks are also important marine recreational spaces that allow the world's 35 million surfers to connect positively with the sea.

Surf breaks are highly vulnerable to anthropogenic threats, such as coastal development, habitat alteration, coastal erosion, oil spills, water pollution and restrictions in public access to beaches. For surfing areas to be of high quality and attractive to local residents and visitors, key factors need to be maintained including water quality and ecosystem features that create the waves and enhance the surfing experience. When properly managed, surf ecosystems can be at the center of strategies to strengthen ecosystem conservation and sustain the quality of surf breaks themselves thus maintaining or enhancing sustainable local blue economies on which communities depend for their livelihoods.<sup>[5]</sup>

Peru and Costa Rica were selected for many reasons, including:

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- ? Surfing's current and potential contribution to local blue economies that results from the outstanding quality of their surf ecosystems and the high volume of surf-related tourism,
- ? The significant overlap of good quality waves and important biological diversity in each country,
- ? The acute and growing threats to surf ecosystems,
- ? Significant opportunity to use surfing locations as a motivator and anchor for conservation of surrounding ecosystems,
- ? The ability to maintain the quality of surfing locations and thus their contribution to sustainable blue economy through protection of much larger surrounding ecosystems, and
- ? Openness by these countries to exchange knowledge to advance effective management of surf ecosystems in the region.

Surf ecosystem conservation in these two countries has the potential to protect a coastline that provides unique ecosystem services to various stakeholder groups including surfers, fishers and tourism operators, as well as the wildlife and habitats that make their respective activities possible.

Alvarado et al. (2012) highlighted the needs of Marine Protected Areas in Costa Rica, which included a lack of stakeholder engagement and community participation. In addition, only 5,208.89 km<sup>2</sup> (17.5% of territorial waters and 0.9% of Exclusive Economic Zone) have some level of protection in Costa Rica.

CI and Save the Waves developed the Surf Protected Area Network approach, a six-step process to identify, implement, and manage surf protected areas around the world. The Surf Conservation index (SCI) helps to identify potential sites for surf conservation, and has created a prioritization of surf spots in Costa Rica based on the highest surf conservation potential. This analysis was based on the Pressure-State-Response framework and geospatial methodology applied in similar studies in Mexico and the Azores archipelago in Portugal, to identify priority areas for surf conservation in Costa Rica. The results suggest that Costa Rica's Central Pacific coast, in the area around Playa Hermosa, has the highest surf conservation potential. This analysis also finds that the overlap of high priority surf spots with existing protected areas can make surf conservation more feasible by adding surf spots into existing management plans.

Peru's marine ecosystems harbor a rich biodiversity due to upwelling of the Humboldt Current Ecosystem, and in the north of the country, the interaction of the northern tropical waters with the cold Humboldt Current. Surf is embedded in the Peruvian culture as it is one of the sports that has brought the most awards and international recognition to the country. It is calculated that there are around 150,000 active surfers in Peru and 2% of tourists that come to the country surf during their time in the country (in 2018, foreign tourists totaled more than 5 million in Peru<sup>[6]</sup>). The over 3,000 km coastline offers a variety of surfing options for beginners to advanced surfers. Huanchaco is known as a destination in Peru for its consistent, clean surf and ancient pre-Colombian history as a seafaring town, reasons that it has been recognized as one of the first World Surfing Reserves. The Illescas Reserved Zone is the ultimate surfing destination for surfers looking for isolated waves and immersion in nature. Three world quality waves have been found in the area and have attracted surfers since the nineties:

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Punta Malnobre or Punta Luna (ideal for kite surfers and wind surfers), Nonura and Punta Tur. The access has improved in the last years and more surfers are coming to the protected area, however there are no regulations to control the potential impacts on biodiversity and no formal scheme to allow surfing to contribute to finance the management of the protected area (PA).

***The baseline scenario and any associated baseline projects***

Surf ecosystem conservation is a novel approach to coastal conservation that aims to mobilize surfing communities around the protection of surf breaks and their surrounding ecosystems. In this sense, demonstrating the value of expanding conservation efforts to surf ecosystems is a key component of this project. Sharing global and national-level best-practice guidelines and effective approaches for the protection and management of surf ecosystems and building a blue economy will encourage governments and the conservation community to recognize the value of surf ecosystem protection as a part of the global marine and coastal conservation effort.

Improving the management and protection of a surf ecosystem to safeguard ecosystem benefits and build a strong blue economy for local communities is a relatively new idea. And although Peru has the Ley de Rompientes, which legally protects surf breaks, it does not consider the entire surf ecosystem.

The baseline scenario for these sites means the integration of protecting the surf ecosystem and the building of a blue economy based on that ecosystem, will not occur without this project. These sites may be protected without the proposed project, but the improved management, including sharing of lessons learned and tools needed by governments and local communities; the increased engagement with the community in building the blue economy and the standard methodology and an equitable and inclusive benefit-sharing mechanism will not be developed; and these lessons and trainings will not be provided to a wider audience globally. As a result, both the strengthening of management of surf ecosystems in the project sites and the building of knowledge and capacity among key stakeholder groups to replicate these approaches will not occur under the baseline scenario.

There are very few Marine Protected Areas (MPAs) in Costa Rica that integrate surfing into management, even though it is one of the most frequent activities within protected areas. Incorporating the concept of surf ecosystems and their conservation will generate a solid tool to improve the management of the areas and the coordination with local groups related to the sport, tourism, and conservation. An important element in coastal communities is the integration of local populations in a fairer and more equitable economy. The proposed project seeks to include local residents (guides, fishers, trainers or surf schools, restaurants, and others) in a circular economy that promotes sustainable development based on the conservation of the surf ecosystems which attract people and resources.

At Marine Protected Areas where surfing is practiced, initially authorities perceived surfers as a threat. This was due to reasons such as their frequent visits, long stays, basic sanitation requirements, waste generation and motorized movement around the area. Nevertheless, the work of previous generations of surfers in some locations has changed this perception, providing this project a baseline scenario of surfers as potential allies for conservation with common interests.

If this project does not occur, some Marine Protected Areas will keep their baseline scenarios and won't be able to take advantage of the conservation potential of their surf areas. Marine Protected Areas will not have the tools or knowledge to enhance their management through surfing or be enabled to connect with surfers and surfer communities as valuable stakeholders.

For most of the surf ecosystems in Costa Rica, which are not protected, the baseline scenario is unplanned development with incipient or advanced degradation of the surf ecosystem. This degradation is caused by wastewater discharges, unmanaged storm water, changes of sandbar conformation, loss of biodiversity and changes in the coastal landscape. For example, in Santa Teresa (1) water pollution reached levels of  $10^3$  fecal coliform for every 100 ml while in Jacó  $10^4$  fecal coliform for every 100 ml.

Peruvian Society of Environmental Law (SPDA), a project partner, was a key player in designing a legal framework that made Peru the first country in the world to have a specific legal mechanism that protects surf breaks by law, finalized in 2013. The system revolves around a National Registry of Protected Surf Breaks managed by the Peruvian Navy. Once a surf break is included in the Registry, no other use rights can be granted over that area (e.g. aquaculture, building of ports, oil towers and pipelines or piers), and infrastructure activities within 1 km on each side of the coast must prove, via an environmental impact assessment, that the surf break will not be affected. In essence, the law allows for the creation of areas similar to what would be considered Natural Monuments in the IUCN Categories of Protected Areas, focusing on small, iconic seascapes that have a history of human use, such as surfing in this instance. In the current political climate, the law is the only mechanism being actively approved by the government for the protection of marine spaces.

So far, 33 surf breaks have been protected in this way, covering 862 hectares of coastal seascapes, plus, in each case, a buffer zone of 1km in each direction along the coast (in total protecting an estimated 50km of coastline). The law has already proved its efficacy over the past few years, helping prevent badly planned projects. For example, the wave in Cabo Blanco was protected from the construction of a new fishing dock that in the original plans would have significantly affected the waves' quality and function. As a result of a multilateral dialogue process among fishers, surfers and public entities, stakeholders acknowledged that changes in dock construction plans were required to reduce potential impacts to the Cabo Blanco wave.

In Peru, where there are only very few integrated management plans for coastal zones and no marine spatial planning processes, decisions are often made with poor inter-sectorial coordination, and a site protected by the law may help to reduce the threats but it is not enough to avoid other effects on the surf break or ecosystem. It is crucial to have groups of surfers and civil society actively organized to defend surf breaks and monitor compliance with the law and its regulation. The advantage of having the law in place is that it offers civil society and advocacy groups a solid legal tool to address threats, such as environmentally risky development projects.

If this project does not occur, communities and stakeholders will not be able to understand the impact of urban development trends in their surf breaks. Thus, any conservation measure in the future would not find community support or science-based grounds on which to be developed.

Baseline projects include the following:

? ?Integrated Management of Marine and Coastal Resources in Puntarenas;? completed in 2016; GEF-funded. Project Objective: To promote the integrated planning and management of marine and coastal ecosystems in the Multiple-Use Marine Areas (MUMAs) Golfo de Nicoya and Pacífico Sur (Puntarena Province), with the goal of conserving important biodiversity, maintaining the provision of crucial ecosystem services, and providing a basis for sustainable socio-economic development through tourism, artisanal fishing and other income generating activities at the local scale. The proposed project will utilize lessons learned from the project regarding activities of improved management of coastal resources.

? ?Consolidating Costa Rica's Marine Protected Areas (MPAs);? completed in 2017; GEF-funded. Project objective: To consolidate Costa Rica's marine protected areas (MPAs) by increasing their ecological representation and ensuring their effective management and financial sustainability. The proposed project will utilize lessons learned in the effective management of MPAs.

? ?Towards Ecosystem Management of the Humboldt Current Large Marine Ecosystem;? completed in 2018; GEF-funded. Project Objective: Ecosystem-based management (EBM) in the Humboldt Current Large Marine Ecosystem (HCLME) is advanced through a coordinated framework that provides for improved governance and the sustainable use of living marine resources and services. The proposed project will review the framework developed in this project to inform design.

? ?Strengthening the Blue Economy: the Economic Case, Science-Informed Policy, and Transparency;? The project was approved for implementation in December 2019 and expected completion date was December 2020; GEF-funded. Project objective was for governments and businesses to commit to and begin implementing policies, programs, and investments that advance the transition to blue economy. This was a global project and the proposed project will utilize the lessons learned.

? ?Mainstreaming Market-based Instruments for Environmental Management Project;? This 8-year project took place in Costa Rica and closed in March 2014; GEF-funded. Its Project Development Objective is to enhance the provision of environmental services of a national and global significance and secure their long-term sustainability. The proposed project will investigate the market-based instruments to determine if they can be used in surf ecosystems.

? ?Improved Management and Conservation Practices for the Cocos Island Marine Conservation Area;? This 10-year project in Costa Rica closed in 2013 (GEF-funded), the overall objective was to improve management of the CIMCA including the terrestrial component, to ensure long-term reduction of threats to the island. Lessons learned related to improving the management of the conservation area will be used by the proposed project.

? ?Generating Enhanced Political Will for Natural Resource Management and Conservation;? This three year regional project covering Mexico, Colombia and Peru began in January 2017; GEF-funded. The goals for the project are to catalyze greater commitment by governments to conservation, which will lead to policy reforms to integrate best practices for biodiversity conservation and sustainable use. The proposed project will review the policy reforms to determine tactics to use in policy recommendations in Component 1.

? ?Capacity building of stakeholders involved on Marine Spatial Planning? Blue Solutions Program; closed December 2021; Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

GmbH funded. The project objective was to identify and build capacity on Spatial Planning for coastal and marine stakeholders in the light of a future National Marine Spatial Planning Process. The proposed project will seek the lessons learned in the capacity building of this project.

? The Surf Conservation Index (SCI). This study done by CI and STW in 2021 helped to identify potential sites for surf conservation, and provides a prioritization of surf spots in Costa Rica based on the highest surf conservation potential. The Index informed the site selection of the proposed project.

? Regional Profile. This document provides a detail description of surfing resources in specific locations of the Central Pacific coast of Costa Rica, highlighting the waves qualities, coastal formations and threats. This document includes an initial mapping of stakeholders, and conservation pathways at private, local and national scales. Broad ideas on funding alternatives for specific surf locations are also presented. The profile informed the site selection of the proposed project.

? Surfonomics, Playa Hermosa. The surfonomics study, developed in California and applied in six countries, was adapted to Playa Hermosa to understand surf tourism demographics and spending patterns, as well as their views on environmental by Save The Waves Coalition, and on the ground by the local nonprofit organization EcoSwell, together with the Federal University of Santa Catarina Surf and Sustainability Research group (SandS). This study shows the inherent economic value of surf tourism in Lobitos and what the community stands to lose if some of these threats are not adequately addressed. This work will be heavily utilized in developing the blue economy aspects of the proposed project.

? Surfonomics, Huanchaco, Peru. Save The Waves Coalition, The Center For The Blue Economy (Monterey Institute of International Studies), and Desarrollo y Gestión Costera initiated a year-long Surfonomics study in the coastal community of Huanchaco, Peru. The economic valuation of the Huanchaco coastline and waves will provide empirical economic data to quantify the dollar value of surfing in Huanchaco and also provide policymakers with data to support the protection of the coastline and living culture. The data produced from this study will reinforce the inherent value in protecting the Huanchaco World Surfing Reserve. This work will be heavily utilized in developing the blue economy aspects of the proposed project.

? A series of webinars on legal protection of surf breaks, featuring organizations and projects from Peru, Brazil, Uruguay and Chile. These webinars will be utilized in the proposed project.

Academic research on surf ecosystem conservation includes:

? Scheske, C., Arroyo Rodriguez, M., Buttazzoni, J. E., Strong-Cvetich, N., Gelcich, S., Monteferri, B., ... & Ruiz, M. (2019). Surfing and marine conservation: Exploring surf-break protection as IUCN protected area categories and other effective area-based conservation measures. *Aquatic Conservation: Marine and Freshwater Ecosystems*, 29, 195-211.

? Reineman, D. R., Koenig, K., Strong-Cvetich, N., & Kittinger, J. N. (2021). Conservation Opportunities Arise From the Co-Occurrence of Surfing and Key Biodiversity Areas. *Frontiers in Marine Science*, 8, 253.

### ***The proposed alternative scenario with a brief description of expected outcomes and components***

The project will demonstrate the critical role that the effective management of marine and coastal ecosystems surrounding surf breaks can play in protecting biodiversity and ecosystem function, and in generating blue economy benefits that will, in turn, motivate further ecosystem conservation. Balancing active conservation of critical ecosystems with community income generation is a major challenge

across the world. A key element in addressing this challenge is engaging key stakeholder groups and economic sectors in conservation approaches that benefit them and thus encourage their active participation.

The project will address this challenge in key surfing areas in Costa Rica and Peru where the protection of important biodiversity and critical ecosystems can reinforce blue economy benefits for local communities, creating a positive feedback loop for increased ecosystem management. The project will provide approaches and tools for decision-makers, local community members and other key stakeholders, allowing them to fully harness conservation and blue economy benefits from surf ecosystems.<sup>[27]</sup>

This project seeks to strengthen and expand legal and management mechanisms to conserve marine and coastal biodiversity while advancing blue economy initiatives that benefit local people and in turn further drive surf ecosystem management in Peru and Costa Rica. The project will promote a circular economy approach, strengthening linkages between local producers and the tourism and other sectors and supporting ecosystem conservation. The project will also include Chile and/or Panama in lessons learned and knowledge sharing, on how to more effectively manage surf ecosystems to extend the project benefits in the Humboldt Current and Pacific Central America Coastal Large Marine Ecosystems (LMEs).

The proposed project's objective is to demonstrate the role that the effective management of marine and coastal ecosystems surrounding surf breaks can play in protecting biodiversity and ecosystem function, and in generating blue economy benefits that will motivate further ecosystem conservation. This will be done by 1) Ensuring the Peruvian and Costa Rican communities and governments have the tools and capacity to effectively manage surf ecosystems, 2) Identifying, assessing and amplifying blue economy benefits linked to surf ecosystem management in Peru and Costa Rica, and 3) Collecting, developing and sharing global and national-level best-practice guidelines and effective approaches for the protection and management of surf ecosystems and building a blue economy.

Figure 1

## **In 2.2 Target:# to be identified by gender disaggregated data.**

**Component 1:** Peruvian and Costa Rican communities and governments have the tools and capacity to effectively manage surf ecosystems.

Ten surf ecosystems will be identified, and their management strengthened directly (Outcome 1.1). Communities and governments will be provided with resources for improving legal protection of surf ecosystems, protected area management, advancing conservation finance mechanisms and/or including surf ecosystems in integrated coastal management and conservation strategies (Output 1.1.1). An

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awareness raising campaign will be implemented in target countries and internationally to advocate for the effective protection of surf ecosystems (Output 1.1.2). The government of Peru, who already has a law of the breakers (*Ley de Rompientes*), will be provided with support to legally project 10 surf breaks (Output 1.1.3) The Costa Rican government will be provided with management policy recommendations to support creating laws to protect surf ecosystems in prioritized areas (Output 1.1.4). And finally, the project will document possible financial mechanisms and guidelines for how to adapt current mechanisms to incorporate surf ecosystems (Output 1.1.5.).

Coalitions for the conservation of surf ecosystems will be created (in Costa Rica) or strengthened (in Peru) and actively advance the effective management of surf ecosystems in key local and national level processes (Outcome 1.2). The project team will engage and build capacity with institutions not traditionally involved in protected area protection and management including local/national authorities, civil society organizations, private sector and other relevant actors, and bring them together as coalitions. This work will focus on engaging women-led or women-focused organizations and institutions.

**Component 2:** Blue economy benefits linked to surf ecosystem management in Peru and Costa Rica are identified, assessed, and amplified.

The potential for inclusive and equitable blue economy benefits will be explored in both countries in the pilot sites: the Nicoya Gulf and Peninsula in Costa Rica and Huanchaco and Illescas in Peru. This component will build on existing blue economy approaches to test a standardized methodology to assess and develop blue economy benefits in surf ecosystems and develop a mechanism for equitable and inclusive benefit sharing of the blue economy (Outcome 2.1). A standard methodology for blue economy assessment will be created and then tested at the pilot sites (Output 2.1.1). This methodology will evaluate the benefits of the surf ecosystem and identify potential avenues for growth; assessing the current state of the blue economy and providing recommendations to strengthen it. A mechanism for equitable and inclusive benefit sharing will be developed with best practices to maximize ecosystem protection for blue economy benefits (Output 2.1.2). This work will ensure gender equity in the benefit sharing within communities or in nearby surf ecosystems.

The proposed project will align opportunities for community members to participate in the surf ecosystem blue economy (Outcome 2.2). Local businesses will be engaged in the blue economy, including artisanal fishers, to utilize sustainable practices in the pilot sites and that they are enabled to access markets for their catch with local businesses related to the surf economy (Output 2.2.1). To build on the work with fishers, a pilot will be conducted with a local surf-tourism venture to grow their commitment to sustainable practices (Output 2.2.2.). Both the outputs under Outcome 2.2. will ensure gender equity through direct action (to be detailed in the work plan and the gender action plan). Agreements between producers, enterprises and cooperatives will be developed with the aim of producing measurable and equitable blue economy benefits for the local communities.

**Component 3:** Global and national-level best-practice guidelines and effective approaches for the protection and management of surf ecosystems and building a blue economy are collected, developed, and shared.

Surf ecosystem stakeholders, including governments of Costa Rica, Peru and neighboring countries, will be better equipped to engage in surf ecosystem management through learning exchange and sharing of key documents, best practices, case studies, and lessons learned from the project (Outcome 3.1). All materials will be provided in English and Spanish. A global assessment of best practices in the legal protection and effective management and enhancing of blue economy benefits of surf ecosystems will be produced and disseminated and a compilation of best-practices will also be completed and disseminated (Output 3.1.1). Key lessons from the project will be shared with the governments of Peru, Costa Rica and neighboring countries through multiple approaches such as the Global Wave Conference and learning exchanges and sharing of key materials with best practice examples on legal options and effective mechanisms for protecting surf ecosystems and implementing mechanisms for conservation finance (Output 3.1.2). This will include sharing of successful surf ecosystem management approaches and lessons learned with at least 100 key stakeholders who can improve ecosystem conservation and facilitate the growth of the blue economy if surf ecosystems are properly managed. The project will pay particular attention to sharing lessons and building capacity to replicate project approaches in regions and protected areas of Costa Rica and Peru that have foundation elements to allow for application of surf ecosystem management. This includes locations such as Santa Rosa National Park, Baulas National Park and Golfo Dulce in Costa Rica, which have outstanding waves and globally significant biological diversity. The project will coordinate with the administration of the MPA and the relevant Conservation Areas to encourage their participation in the exchange of learning on better management and conservation of surf ecosystems based on the experiences and approaches of the project. Other locations and practitioners that are good candidates for receiving lessons sharing and capacity development will be identified during the PPG phase. The project team will also explore options for knowledge sharing with Panama and/or Chile and possibly other countries.

The proposed project will enhance institutional capacity for education and vocational training for skills and lifelong learning to increase participation and ownership of key decision makers in Peru, Costa Rica and in one or two additional countries (Panama and/or Chile), in surf ecosystem management and development of blue economy benefits (Outcome 3.2). Ten theme-based, virtual training sessions will be created and provided (Output 3.2.1). Analyses, reports and best-practice guidelines and knowledge developed throughout the project will be translated into at least English and Spanish and made available on existing knowledge-sharing global and local platforms specific to surf-ecosystems, as well as UN Oceans, IW: Learn and Panorama (Output 3.2.2).

The set of outcomes described above and their corresponding outputs reflect the project's Theory of Change in that if pilot projects address the challenge of balancing active conservation of critical ecosystems with community income generation, it will create a positive feedback loop for increased and improved ecosystem management. This is a critical exercise in key surfing areas in Costa Rica and Peru where the protection of important biodiversity and critical ecosystems reinforce blue economy benefits for the local communities. The project will also provide approaches and tools for decision-makers, local community members and other key stakeholders to fully harness conservation and blue economy benefits from surf ecosystems.

#### **Component 4: Monitoring and Evaluation**

A Monitoring and evaluation program will be developed (Output 4.1) and implemented to assess overall progress and results from the project and facilitate adaptive management, and its results will be compiled into a final report (Outcome 4.2). Additionally, a terminal evaluation will be conducted (Output 4.3).

### ***Alignment with GEF-7 International Waters***

This project will focus on Objective One of GEF 7 ? IW investments: Strengthening national blue economy opportunities to reduce threats to marine and coastal waters, through two areas of strategic action: 1) Sustaining healthy coastal and marine ecosystems, and 2) Catalyzing sustainable fisheries management. The ways in which the project will support these strategic actions are outlined below.

? Sustaining healthy coastal and marine ecosystems. The project will support this strategic action by:

- a) Developing and executing blue economy development strategies
- b) Strengthening management of protected areas that include surf ecosystems.
- c) Developing surf ecosystems as an input to spatial management targets and equitable benefit sharing.
- d) Engaging with national, regional, and global stakeholders to increase uptake of surf ecosystems management as a contribution to Blue Economies and biodiversity conservation, including through IW: LEARN.
- e) Supporting and mainstreaming surf ecosystem management as a marine area-based management and spatial management tool.

? Catalyzing sustainable fisheries management. The project will support this strategic action by:

- a) Increasing direct market linkages between artisanal fisheries and surf, tourism and related enterprises and executive conservation agreements to help ensure sustainable fisheries practices.

### ***Incremental/additional cost reasoning and expected contributions from the baseline***

Without the GEF funding, the baseline scenario will persist and there will be a major lost opportunity to establish a positive feedback loop between ecosystem conservation that protects waves and generates income and quality of life benefits, thus motivating local people and government to expand protection of ecosystems and waves in the long-term. Likewise, without the GEF support, the opportunity to demonstrate a model with this positive feedback loop that will create incremental benefits in the project countries and provide lessons learned to governments and conservation practitioners to allow for replication of this approach will not happen.

However, with GEF support, the project will create a new and powerful approach to generate incremental environmental and blue economy benefits. This will include protecting critical ecosystems surrounding high-quality surf breaks, completing necessary legal analysis to register additional surf ecosystems using the law of the breakers in Per? to help ensure their long-term protection and

strengthening links between community enterprises and surf tourism businesses to create economic benefits that motivate further ecosystem protection surrounding waves.

With the GEF support, the proposed project will also document and share these innovative approaches to motivate and sustain long-term environmental and blue economy benefits by systematically protecting ecosystems surrounding waves and greatly improving economic linkages between community members and local surf related businesses. This will provide a new and innovative approach to expanding biodiversity conservation and sustainable blue economy benefits by mobilizing a new and powerful constituency. Sharing these approaches systematically will provide both inspiration and capacity for other actors in Costa Rica and Per? and in Panama and/or Chile and other countries to formulate plans to replicate them.

### ***Global environmental benefits***

The Global Environmental Benefits (GEBs) will result from improved management and legal protections of surf ecosystems, further protecting globally threatened species; the project supports both countries? commitments to the CBD.

The proposed project will be implemented in Costa Rica in the Nicoya Gulf and Peninsula and in Per? in the Piura region (Illescas National Reserve) and in the La Libertad region (Huanchaco city), with lessons sharing with one or two additional countries (Panama and/or Chile).

Two communities in Costa Rica on the Pacific have been selected for this project. Both border marine protected areas and important surfing ecosystems. The first is Playa Hermosa, in the central Pacific and part of the Gulf of Nicoya. This is a community dedicated for the most part to surf tourism and the recreational beach activities. Playa Hermosa - Punta Mala wildlife shelter with 2,741 hectares, was established in 1998, and stands out as one of the most important nesting habitats for the olive ridley sea turtle (*Lepidochelys Olivacea*). Occasional spawning of three other species has also been reported (*Chelonia mydas*, *Eretmochelys imbricata* and *Dermochelys coriacea*). The MPA has high diversity with more than 380 identified species, mainly marine, and has a unique structure in the area of rocky reef formations and long sand beach ecosystem, as well as mangroves, estuaries, flooded forests and ponds.

Nosara, the second community selected in Costa Rica, is located on the Nicoya peninsula to the north of the Pacific coast. This is a community mainly dedicated to tourism that receives thousands of tourists seeking surfing and white sand beaches. Nosara is part of the Ostional Wildlife Shelter (IUCN IV category) created in 1985 with the aim of conserving the nesting of sea turtles; specially the olive ridley sea turtle (*Lepidochelys Olivacea*) that in certain months of the year generates aggregations of more than 150,000 individuals spawning in a period of 3-4 days on Ostional beach. Ostional is an exceptional and successful case of co-management, where environmental authorities and community regulate the extraction of eggs (that would have been lost due to the massive nesting), and the tourism that the natural phenomenon generates. Three other species of turtle spawn in the shelter (*Chelonia mydas*, *Eretmochelys imbricata* and *Dermochelys coriacea*). With a total area of 8,500 hectares, mainly marine, the area also contains mangroves, rocky and coral reefs, and sand and stone beaches. In addition, the MPA regulates the extraction of fisheries through a management plan, an activity on

which a number of families from nearby communities such as Guiones, Garza, San Juanillo and Lagarto depend.

Huanchaco is a fishing town close to the city of Trujillo in Peru, where surfing is part of the local identity. The fishers of Huanchaco have used *caballitos de totoras* as fishing vessels and they have been surfing waves with them for centuries. Huanchaco is a hub for international and national tourism. In the coastal area, there are marshes that provide important habitat for migratory birds and the source of reeds (totoraes) from which the fishers construct their fishing vessels. Furthermore, it is located in the vicinity of the mouth of the Moche River and one of the most important pre-Inca ruins of Chan Chan. The interrelationships of the fishers with the surf breaks, the coastal marshes and the rich culture and history of the site make it ideal to explore blue economy opportunities for surf within a broader integrated coastal development approach.

In Huanchaco alone, the Caballito de Titora fishery catches just over twenty fish species (mullet, banded croaker, Lorna drum, weakfish, grunt, and morwong are the most caught species) and a few invertebrate species (with the purple crab as the most caught species). The Peruvian coast, because of the Humboldt Current Ecosystem, supports 66 species of shark and 38% of the world's species of cetaceans. Other marine mammals include the endangered marine otter (*Lontra felina*) and two species of sea lion (*Actocephalus australis*, *Otaria flavescens*). Unique, massive conglomerations of guano bird species include the Peruvian Booby (*Sula variegata*), the Peruvian pelican (*Pelecanus thagus*) and the Guanay cormorant (*Leucocarbo bougainvillorum*) – the latter two are considered near-threatened by the IUCN. Also present is the Humboldt Penguin (*Spheniscus humboldti*), considered vulnerable by the IUCN. Meanwhile, fishing is an important form of livelihood on which many sub-sectors depend, contributing an estimated 2.64% to Peru's GDP and employing over 232,000 people. Importantly, although fishing itself is a mainly male activity, women's employment in restaurants and supermarkets that sell fish comprises around 57% of the total employment – more than men.

The Illescas Reserved Zone (ZRI) was declared by Ministerial Resolution No. 251-2010-MINAN on December 16, 2010. It has an area of 37,452.58 ha and it is located in the Sechura district, Sechura province, Piura department in Peru. A Reserved Zone is considered a transitory status before a definitive category is assigned to the protected site. The ZRI comprises the biome of the Desert and Xeric Shrubs and the Sechura Desert Ecoregion, whose climatic and geomorphological conditions have allowed the formation of a varied plant community and a diversity of species of very particular wildlife, so that the Illescas Peninsula is recognized as one of the most important wildlife refuges in the entire Sechura Desert Ecoregion. It is home to important populations of endemic species such as the mouse *Phyllotis amicus* and the desert mouse *Phyllotis gerbillus*.

The peninsula is the only place where the reproduction of the Andean condor (*Vultur gryphus*) – categorized as vulnerable (VU) by IUCN's Red List – has been evidenced on the north coast of Peru. It also has the largest population of Andean condors on the Pacific coast. Other endangered species inhabit the area, such as the Peruvian plantcutter (*Phytotoma raimondii* (VU)), the Humboldt penguin (*Spheniscus humboldti* (VU)), as well as other charismatic species such as the Peruvian pelican (*Pelecanus thagus* (near-threatened – NT)), the Red-legged cormorant (*Poikilocarbo gaimardi* (NT)), the Inca Tern (*Larosterna inca* (NT)) and the Sechuran Fox (*Lycalopex sechurae* (NT)). The Algarrobal (carob trees) and rocky vegetation of the peninsula are home to five reptile species, including *Microlophus thoracicus talarae*, a subspecies endemic to Peru; and the endemic desert fauna

provides habitat for lizards such as *Microlophus Peruvianus*, *M. theresiae*, *M. thracicus*, *Ctenoblepharis adspersus*. The Illescas Peninsula is considered the only place in the Americas where four sympatric species of geckos occur: *Phyllodactylus climatus* (endemic to the Illescas Peninsula), *P. Kofordi*, *P. reiss* and *P. microphyllus*.

There is great potential to recognize the massive contribution that effective management of surf ecosystems can make to conservation and Blue Economies globally. The proposed project is designed to capture this potential and develop replicable actions that can take place in any surf ecosystem globally, protecting global biodiversity and providing improved and resilient livelihoods for coastal communities.

## **7) Innovation, sustainability and scalability**

### *Innovation*

The primary innovation behind this project is the creation of new legal, financial, management and benefit sharing approaches to support the conservation of surf ecosystems. It recognizes that surf ecosystems are a valuable marine resource that, if properly managed, can create an important and equitable source of income for local populations, contribute to the protection of coastal and marine ecosystems and engage a new constituency (surfers and the related businesses) to be more active in marine conservation.

### *Sustainability*

The project will build the long-term management capacity of government and surfing communities and other stakeholders that are motivated to protect their surf ecosystems. The project will also support key communities and stakeholder groups to implement protected areas and other conservation approaches that will reduce threats and restore and sustain the health of key natural resources and ecosystems. The project will support the development of conservation finance and sustainable livelihood/blue economy enterprises that will yield both funding and jobs linked to the effective management of the surf ecosystems and equitable benefit sharing. These will serve as a strong motivator for communities and stakeholder groups to maintain management action and achieve permanent protection in the long-term. Finally, the project will capture and share lessons learned and build capacity of key government and stakeholder groups to apply these approaches in the long-term.

### *Scalability*

The potential for scaling up is very high. There are over 35 million surfers on the planet and the surf tourism industry is valued at US\$64 billion annually, growing every year until the COVID 19 pandemic. So far, only a limited number of countries have developed legal strategies for the protection of surf ecosystems (e.g., New Zealand, Peru, Australia), which allows for the scaling up of these strategies in more than 40 countries that attract both national and foreign surfers. Also, only a few protected areas include regulations for surfing within PA boundaries and utilize surfing as an anchor and motivator for larger ecosystem conservation. Finally, there are hundreds of surf ecosystems within existing protected areas, providing an opportunity for national governments and protected area managers to use the best practices that the proposed project will develop to strengthen management of their protected areas.

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- [1] Reineman Dan R., Koenig Kellee, Strong-Cvetich Nik, Kittinger John N. ?Conservation Opportunities Arise From the Co-Occurrence of Surfing and Key Biodiversity Areas.? *Frontiers in Marine Science*. <https://www.frontiersin.org/article/10.3389/fmars.2021.663460>
- [2] Leon Mach, Jess Ponting, ?Establishing a pre-COVID-19 baseline for surf tourism: Trip expenditure and attitudes, behaviors and willingness to pay for sustainability,? *Annals of Tourism Research Empirical Insights*, Volume 2, Issue 1,2021, <https://doi.org/10.1016/j.annale.2021.100011>.
- [3] Scorse J, Reynolds F, Sackett A. ?Impact of Surf Breaks on Home Prices in Santa Cruz, CA.? *Tourism Economics*. 2015;21(2):409-418. doi:10.5367/te.2013.0367
- [4] Margules, Tom, Jess Ponting, Ellie Lovett, Putu Mustika, and Justin Pardee Wright, ?Assessing Direct Expenditure Associated with Ecosystem Services in the Local Economy of Uluwatu, Bali, Indonesia?. [https://www.savethewaves.org/wp-content/uploads/Bali\\_Surfonomics\\_Final%20Report\\_14\\_11\\_28\\_nm.pdf](https://www.savethewaves.org/wp-content/uploads/Bali_Surfonomics_Final%20Report_14_11_28_nm.pdf).
- [5] Arroyo, M., Levine, A., & Espejel, I. (2019). A transdisciplinary framework proposal for surf break conservation and management: Bah?a de Todos Santos World Surfing Reserve. *Ocean & Coastal Management*, 168, 197-211.
- [6] <https://data.worldbank.org/indicator/ST.INT.ARVL?locations=PE>
- [7] In recognition of the multi-faceted characteristics and environmental and economic benefits of surf breaks, this project uses ?surf ecosystem? as its target unit. Surf ecosystems include the surf break, the surrounding ecosystems (including watersheds), biodiversity, ecosystem services provided by these areas and the socio-cultural interactions that take place in these areas.

#### **1b. Project Map and Coordinates**

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

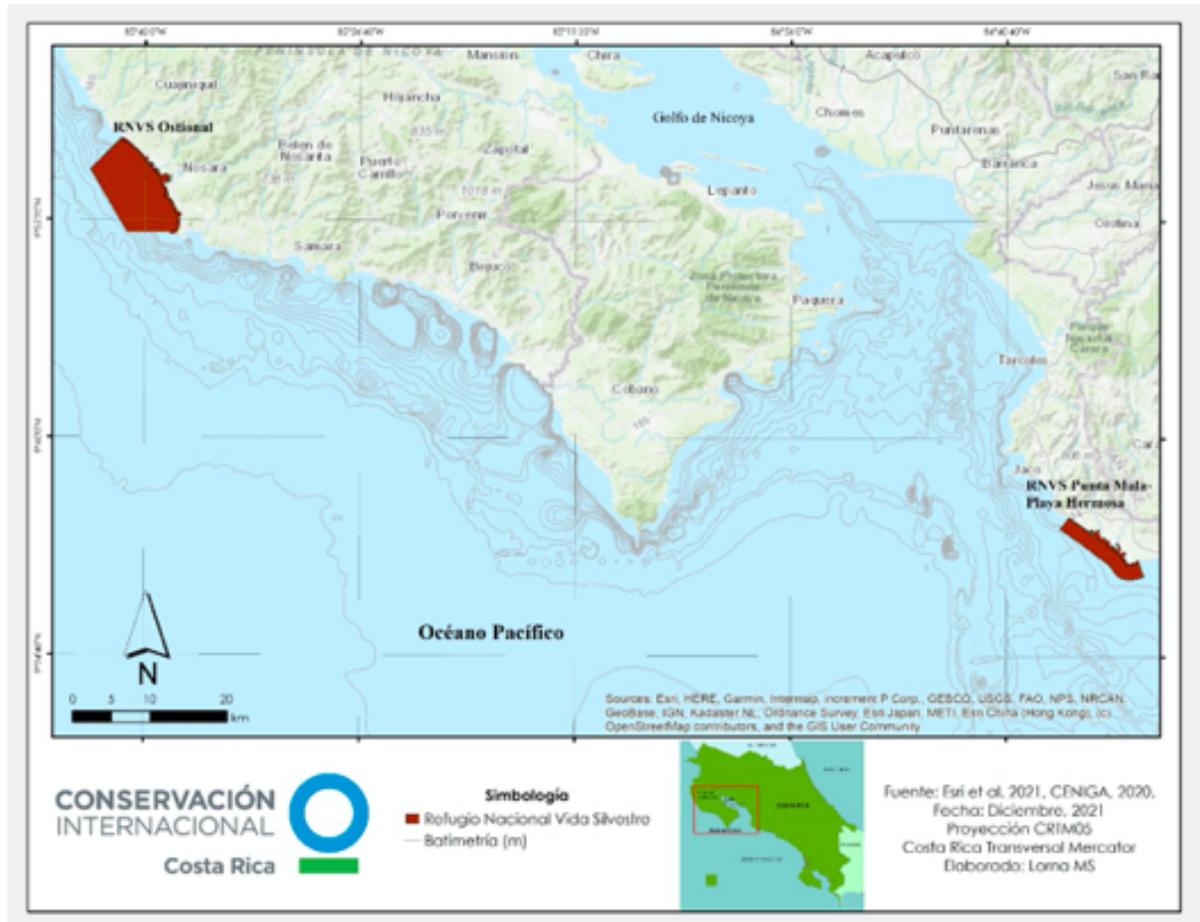


Figure 1: Costa Rica sites Playa Hermosa-Punta Mala and Ostional MPAS (in red)

# Humedales de Huanchaco

Ubicación política: Departamento de La Libertad, provincia de Trujillo, distrito de Huanchaco.

Coordenadas: 79° 07' 16" - 79° 12' 46" LO y 8° 01' 04" - 8° 04' 17" LS  
Elevación: 0 - 5 metros sobre el nivel del mar.



Descripción: Es un complejo de humedales artificiales, formado por la excavación de pozos para el riego y posterior cosecha de lodo. Se extiende paralelo a la orilla del mar por cerca de nueve kilómetros. El complejo está separado de la orilla por playas arenosas. El sitio no cuenta con algún tipo de protección.

Número de especies registradas	1
Número estimado de individuos	3

Especies importantes	Número de individuos	Porcentaje de total regional
<i>Arrebitopus mexicanus</i>	3	0.01

## Área evaluada en el censo de aves playeras en Huanchaco



Humedales de Huanchaco



Figure 2: Per? site at Humedales de Huanchaco

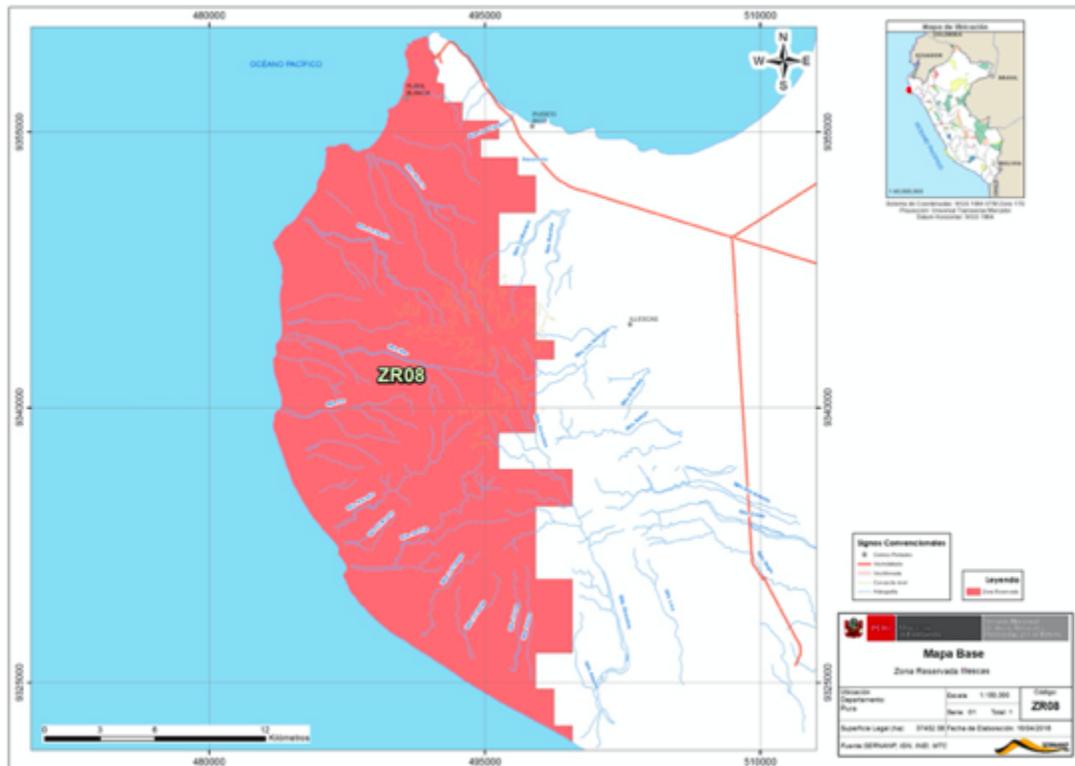


Figure 3: Illescas pam, source: Servicio Nacional de Áreas Naturales Protegidas por el Estado  
<https://www.sernanp.gob.pe/illescas>

**2. Stakeholders**

**Select the stakeholders that have participated in consultations during the project identification phase:**

**Indigenous Peoples and Local Communities** Yes

**Civil Society Organizations** Yes

**Private Sector Entities** Yes

**If none of the above, please explain why:**

The proposed project prioritized for initial engagement the relevant set of national government authorities. In preparing the PIF, this group was the principal focus of consultations, as the project could not proceed without their approval and support. Due to Covid-19 restrictions, project proponents determined that direct consultations with local communities are better deferred to the PPG phase. This will also limit raising expectations until after government support was assured and PIF approval indicated some likelihood that the project will proceed. Confidence in this sequencing is provided by the fact that some communities already are involved in related efforts, evidencing local appetite for participation in the types of project activities proposed. During the PPG phase, however, a priority will be direct engagement with local communities and CSOs to collect baseline information and solicit input in detailed project design. Documentation included from personal interviews with community members of the Central Pacific (June 2021), emails between partners and government officials responsible for MPAs sharing the concept and accepted invitations to further discuss the project (November 2021), an attendance list from a community meeting at Playa Hermosa reviewing the surf conservation approach and surf oriented sustainable planning (December 2021), and pictures from a community meeting for MPA Management Plans, where the community asked officials for surf inclusion (December 2021).

**In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement**

A working list of Stakeholders is presented in the table below, which will be finalized during the PPG phase:

Stakeholder	Means of consultation/ involvement during project execution	The means and timing of engagement	The means of information dissemination
Local and National NGOs/ CSOs			
Costa Rica			
Community Development Association Mal Pa?s Santa Teresa	Personal interview/ active participation in the process, general community liaison group	Community board of directors during project preparation	Periodic interview and project execution report

Nosara Civic Association	Personal interview/ active participation in the process, general community liaison group	Community board of directors during project preparation	Periodic interview and project execution report
Playa Hermosa Neighbors Association	Personal interview/ active participation in the process, general community liaison group	Community board of directors during project preparation	Periodic interview and project execution report
CATUCOSO	Personal interview/ active participation in the process, civil society liaison group	Executive director	Project execution report
The Clean Wave	Personal interview/ active participation in the process, civil society liaison group	Executive director	Project execution report
Costa Rican Surfing Association (ACOS)	Personal interview/ active participation in the process, civil society liaison group	Executive director	Project execution report
Per?			
Hazla por tu Ola Campaign	Personal interview/ active participation in the process, civil society liaison group		
National Surfing Federation and surfing clubs	Personal interview/ active participation in the process, civil society liaison group	Presidents	Project execution report
Huanchaco World Surfing Reserve	Personal interview/ active participation in the process, civil society liaison group	International executive committee and vision council	
Asociación de Pescadores Artesanales de Huanchaco	Personal interview/ active participation in the process, general community liaison group	President	Periodic interview and project execution report
Additional NGOs who use surfing as a way to connect and promote development (EcoSwell, Puemape Planet, Waves for Development)	Personal interview/ active participation in the process, civil society liaison group	Directors	Periodic interview and project execution report
Government Agencies			
Costa Rica			
Ministry of Environment and Energy	Official written communication, personal meetings/ approval, political direction, execution guidance	Minister, ministry project contact point	Periodic results report

Vice minister of Oceans and Water	Official written communication, personal meetings/ approval, political direction, execution guidance	Vice minister, project contact point	Periodic results report
National Conservation Areas System (SINAC)	Official written communication, personal meetings/ approval, political direction, execution guidance	Executive Director, SINAC project contact point	Periodic timeline update and results report
Tempisque Conservation Area (ACT)	Official written communication, personal meetings/ approval, programmatic direction, execution partner	General manager	Project execution satisfaction survey, Periodic timeline update and results report
Refugio Nacional de Vida Silvestre Ostional	Official written, personal meetings /partners in the implementation process	Administrator	Project execution satisfaction survey, Periodic timeline update and results report
Área de Conservación Pacífico Central (ACOPAC) SINAC	Official written communication, personal meetings/ approval, programmatic direction, execution partner	General manager, Project execution satisfaction survey,	Periodic timeline update and results report
Other Relevant Conservation Areas (SINAC)	Potential partners to participate on exchanges of experiences	Project execution satisfaction survey,	
Refugio Nacional de Vida Silvestre Playa Hermosa - Punta Mala	Official written, personal meetings /partners in the implementation process	Administrator	Project execution satisfaction survey, Periodic timeline update and results report
Costa Rican Institute of Tourism (ICT)	Official written communication, personal meetings/ approval, political direction, execution guidance	Minister, ICT project contact point	Periodic timeline update and results report
Costarican Institute of sports and recreation (ICODER)	Official written communication, personal meetings/ approval, political direction, execution guidance	Minister, ICODER project contact point	Periodic timeline update and results report
Per?			
The Peruvian Navy	Official written communication, personal meetings/ approval, political direction, execution guidance	Ministry of Defense	Periodic timeline update and results report

The National Surfing Federation and the Peruvian Sports (Ministry of Education)	Official written communication, personal meetings/ approval, political direction, execution guidance	Ministry of Education	Periodic timeline update and results report
National Service of Natural Protected Areas(SERNANP)	Official written communication, personal meetings/ approval, political direction, execution guidance	Minister	Periodic timeline update and results report
Ministry for Tourism and Commerce	Official written communication, personal meetings/ approval, political direction, execution guidance	Minister	Periodic timeline update and results report
National Institute of the Seas (IMARPE)	Official written communication, personal meetings/ approval, political direction, execution guidance	Director	Periodic timeline update and results report
Regional Direction of Production of La Libertad	Official written communication, personal meetings/ approval, political direction, execution guidance	Director	Periodic timeline update and results report
Regional Government of La Libertad	Official written communication, personal meetings/ approval, political direction, execution guidance	Head	Periodic timeline update and results report
District Municipality of Huanchaco	Official written communication, personal meetings/ approval, political direction, execution guidance	Head	Periodic timeline update and results report
Provincial Municipality of Sechura	Official written communication, personal meetings/ approval, political direction, execution guidance	Head	Periodic timeline update and results report
<b>Communities</b>			
Pochotal- Playa Hermosa	Verbal and in person meeting during project execution	Engaged and participating members of the community	Execution and results reporting
Nosara ? Playa Pelada- Ostional	Verbal and in person meeting during project execution	Engaged and participating members of the community	Execution and results reporting
<b>Private Sector</b>			
Costa Rica			

Nosara Real Estate	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Surf Simply Surf School	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Harmony Hotel	Personal interview/ active participation in the process, business liaison group	Hotel Manager	Periodic interview and project execution report
Vida Hermosa Restaurant	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Bowies Point Restaurant	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Hermosa Surf Inn	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Hermosa Riders Surf School	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Per?			
Hotels (Punta Luna Ecolodge)	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Tourism operators (Olas Per? Travel, Surf Trips and Soul)	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Nemo (aquaculture business)	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Surf industry businesses that have support surf conservation projects (O'Neill, Quiksilver, Vissla, Patagonia, Klimax)	Personal interview/ active participation in the process, business liaison group	Business owner	Periodic interview and project execution report
Academia			
Del Mar Academy	Personal interview/ active participation in the process, youth involvement	Director	Project execution report

Media			
Costa Rica			
Surfing Republica	Personal meetings, informal written modes / social media communication strategy implementation	Business owner	Periodic consultations and photographic update report
Gallo Pinto TV	Personal meetings, informal written modes / social media communication strategy implementation	Business owner	Periodic consultations and photographic update report
Surfsmag	Personal meetings, informal written modes / social media communication strategy implementation	Business owner	Periodic consultations and photographic update report
Per?			
Olas Per?	Personal and digital virtual meetings, informal written modes / social media communication strategy implementation	Business owner	Periodic consultations and photographic update report
Surf Place	Personal and virtual meetings, informal written modes / social media communication strategy implementation	Business owner	Periodic consultations and photographic update report
Surfing Latino	Personal and virtual meetings, informal written modes / social media communication strategy implementation	Business owner	Periodic consultations and photographic update report
Duke Surf	Personal and virtual meetings, informal written modes / social media communication strategy implementation	Business owner	Periodic consultations and photographic update report

### 3. Gender Equality and Women's Empowerment

**Briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis).**

Gender considerations will be mainstreamed into the project through stakeholder consultations with women's and other associations active in the two target countries and by consideration of gender differences in decision making/access to power. Different roles of men and women in protection and management activities will also be considered. Training

targeting women will be provided in Outcome 1.2, where the project activities will include engaging and building capacity for women-led institutions to join or be more active in conservation-focused coalitions. Component 2 will include activities that are directly related to ensuring gender equity in the blue economy benefit sharing options included in the standard methodology (Outcome 2.1) and in the aligning of opportunities to participate in the blue economy (Outcome 2.2). The development of gender disaggregated indicators for monitoring project impacts are included in the PIF and will be strengthened in the PPG, especially with respect to participation in conservation coalitions, and involvement in field testing the blue economy methodology and in participation of training session (in Outcome 3.2). The project will also design a Gender Mainstreaming Plan based on a gender analysis conducted, that aligns with UNIDOS-GEF policies and guidelines during the PPG phase. This will help to create a gender responsive project that closes gender gaps and supports reaching our 30% women beneficiary target.

**Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?**

**closing gender gaps in access to and control over natural resources; Yes**

**improving women's participation and decision-making; and/or Yes**

**generating socio-economic benefits or services for women. Yes**

**Will the project's results framework or logical framework include gender-sensitive indicators?**

Yes

**4. Private sector engagement**

**Will there be private sector engagement in the project?**

**Please briefly explain the rationale behind your answer.**

The proposed project will engage with the private sector through four main avenues: 1) surf tourism related businesses (surf schools, surf accommodations, tour operators, guides and associated businesses), 2) small businesses (such as individual fisher and/or fishers associations) working in the coastal area that are linked to tourism and other surfing and nature related enterprises, 3) surfing equipment manufacturers, and 4) surfing competition bodies like the World Surf League or ALAS (Asociación Latinoamericana de Surfistas).

A primary private sector engagement of the project will be to work with surf related tourism businesses to support them to achieve greater environmental and social responsibility that reinforces strengthening of surf ecosystem management and blue economy benefits for local community members. The project

will create a positive feedback loop between surf ecosystem management, private sector engagement in this management, sourcing from and partnering with community members that commit to sustainable harvest methods as a standard business practice, and collectively encouraging additional management of the surf ecosystem. The project will also support tourism businesses to engage their guests in actively supporting surf ecosystem management through awareness raising and providing opportunities for them to visit key surf ecosystems, learn about the project approach of linking management and blue economy benefits and optionally supporting the efforts financially

Private sector partners may assist in co-financing and/or outreach activities necessary in Components 1 and 2. The World Surf League and the Surf Industry Manufacturers Association have already committed to this work. Additional private sector engagement is listed in the stakeholder chart above.

**5. Risks to Achieving Project Objectives**

**Indicate risks, including climate change, potential social and environmental risks that might prevent the Project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the Project design (table format acceptable)**

Identification	Analysis	Mitigation	
Risk factors (caused by the project itself or external )	Probability (1 No, 5 ? Expected)	Consequence 1 ? 5 Critical)	Risk reduction measures
<p><b>Covid-19 infections or related global pandemic</b>            The pandemic continues (or a new pandemic occurs) that will require self-isolation, which could result in hospitalization, or even become fatal to technicians and beneficiaries (and families, friends, acquaintances) of the project.</p> <p>[See Covid-section below.]</p>	<p>4</p>	<p>4</p>	<p>All CI offices have an emergency response plan that addresses COVID-19 risks, and provides guidance on:</p> <ul style="list-style-type: none"> <li>? Social distancing, PPE, safety and security measures, and partner engagement procedures.</li> <li>? Biosecurity protocols for small producers; coordination with national and regional health and security officials.</li> <li>? Apply CI COVID-19 Project risk guidance to re- assess risks on a regular basis;</li> <li>? Permanent two-way communication on the health condition between CI and the technical team and beneficiaries</li> </ul> <p>[CI seeks to influence partners to use our covid-19 risk reduction methods]</p>

<p><b>Security risks.</b></p> <p>Potential incidence of conflict increases risks of social instability, and in turn delays progress on the established activities of the project, which limits its reach and effectiveness</p>	3	3	<ul style="list-style-type: none"> <li>? Coordinate with the authorities in the relevant project areas, keeping in mind the pre-existing conflicts and being sensitive in future activities and consultations</li> <li>? Keep in constant contact with police and government</li> <li>? Ensure effective communication about project objectives and plans to relevant authorities</li> <li>? Create, communicate and train stakeholders to use protocols that protect personnel safety and care</li> <li>? Prepare contingency plans to ensure the feasible execution of the Project</li> </ul>
Changes in governments	3	3	<ul style="list-style-type: none"> <li>? Ensure the work is fully aligned with country-specific global commitments and internal policy.</li> </ul>
Occupation and degradation of forest areas/coastal areas, which would affect natural habitats and alter the corridor's ecosystem	2	3	<ul style="list-style-type: none"> <li>? Complete a territorial analysis of strategic social actors and define stakeholder engagement approach</li> <li>? Create and sign at-will agreements for conservation purposes with the beneficiaries</li> <li>? Train the community in activities that incentivize conservation and conflict risk management</li> <li>? Design inclusive and participatory methods of prevention and control of degradation, with conflict analysis to inform project design</li> </ul>
Decision-making processes do not ensure equal terms for the population or are discriminatory or exclusive	3	3	<ul style="list-style-type: none"> <li>? Socialize and request feedback on an Environmental and Social Management Plan (ESMP) covering each component of the project. The ESMP integrates CI's RBA and safeguards and will be designed with input from community members (men and women) and other stakeholders to ensure their participation in project implementation.</li> <li>? Define the beneficiary selection process to be respectful of differences without discrimination regarding race, religion, gender or other type. Increase women's meaningful and equal participation and benefits in the project and value chain</li> <li>? Define and implement project activities that reflect and meet the RBA and ESM</li> <li>? Design an equitable beneficiary selection strategy that guarantees the empowerment of women and youth</li> </ul>

The negative impact of potential climate change effects on the cultures, soil, water, and social impact	3	3	? Provide trainings on mitigation measures and implement adaptation practices suggested in the activities.
Women may face barriers to engage in project training, participation and decision-making processes, and therefore may not be able to engage in, influence, and benefit from the project as planned  Gender inequality within the household or producer organizations can increase risks of sex and gender-based violence.	3	3	? Implement training processes with a gender focus (proactively encourage women's participation through understanding the barriers they face and implementing mitigation measures) ? Promote the participation and enrolment of women as project beneficiaries, working both with women themselves and their spouses in support of this ? Create inclusive spaces for women in the process of establishing committees and other decision-making instances of the project, including in the Irrecoverable Carbon Finance Lab ? Develop and monitor indicators to measure progress on women's increasing leadership and voice in the project design and implementation
The chance of gender-based violence (GBV) can be increased when raising incomes and creating jobs, particularly work that focuses on increasing representation from women in traditionally male-dominated sectors such as coffee and where there is gender inequality within the household.	3	4	? Provide basic training to the project teams on GBV and how to respond if incidents are reported/disclosed ? The program team will assess the implications (for everyone involved) of talking to a survivor or reporter: CI recognizes that our involvement may make the situation worse. Guidance will be given to follow the lead of the survivor/reporter in determining what is best. ? Establish a referral list of groups who are trained to support this in case it is needed ? Ensure that the project's GRM is designed to respond to project related GBV incidents ? Research and become familiar with national laws and regulations related to GBV including victim's rights
Development pressures override protections	3	3	? Ensure government (local and national) are engaged in project delivery ? ESMP should help secure community commitment and co-creation in project
Market price instability	3	3	Livelihood work should be diverse.

*Climate risks:*

The ND-GAIN Index<sup>[1]</sup> (used by the World Bank and other development agencies) ranks Costa Rica 60<sup>th</sup> out of 182 countries for vulnerability to climate change. Costa Rica has prioritized de-

carbonization by 2050, as indicated in its NDCs (updated in 2020) and the country's decarbonization plan of 2019.<sup>[2]</sup>

The ND-GAIN Index has ranked Per? 91<sup>st</sup> out of 182 countries.<sup>[3]</sup> Per??s geographic diversity exposes it to natural hazards, including having seven of the nine possible characteristics that make a country vulnerable to natural disasters. The population is highly vulnerable to climate change, particularly because the majority of the country?s population lives on the coast.<sup>[4]</sup>

Given the project?s coastal location, climate change could have an impact on work with the coastal communities. Also, these communities are vulnerable to storm surge and flooding, which could destroy their homes and their livelihoods. Climate change impacts will be considered when working towards strengthening the management of the surf ecosystems and also in determining a methodology for developing a blue economy. The project team understands that any work involving coastal communities or even to develop lessons learned from this project, must consider future climate change impacts.

*Covid risks:*

During the PPG the project will ensure the work plan has flexibility and mitigation measures in place to manage a possible re-instatement of COVID-19 containment measures. CI now has extensive experience providing the necessary arrangements to keep projects moving during a global pandemic, and has instructions for all field offices to follow. CI developed guidance and recommendations specifically on how to support Indigenous Peoples and local communities during the pandemic, which included a social safeguard tool. CI also worked to improve remote communications with the communities with which we work. In all cases, CI?s guiding principal is ?do no harm,? meaning CI will not put isolated communities at risk by pushing to reengage when CI team members or activities could potentially expose these individuals to virus.

The stakeholder engagement plan of the proposed project will include measures for reducing risk and will always err on the side of caution. By building a blue economy in these communities, the project hopes to reduce the shocks to their economies during times of financial crisis. Although the premise for the proposed project includes engaging the surf community in the blue economy, the surf, and therefore the tourist, community is not the only source for building a stronger, more resilient blue economy. The project will ensure this is the case.

In addition, the project will assess the opportunities that the COVID pandemic has on the blue recovery and particularly for new business opportunities to build back better for business continuity and economic recovery post COVID-19.

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<sup>[1]</sup> On the ND-GAIN Index ?the more vulnerable a country is the lower their score, while the more ready a country is to improve it sresilience the higher it will rank.? Climate Risk Profile: Costa Rica (2021): The World Bank Group.

<sup>[2]</sup> Climate Risk Profile: Costa Rica (2021): The World Bank Group.

<sup>[3]</sup> <https://gain.nd.edu/our-work/country-index/rankings/>

[\[4\] https://climateknowledgeportal.worldbank.org/country/Per?](https://climateknowledgeportal.worldbank.org/country/Per?)

## 6. Coordination

### **Outline the institutional structure of the project including monitoring and evaluation coordination at the project level. Describe possible coordination with other relevant GEF-financed projects and other initiatives.**

UNIDO will be the Implementing Agency, responsible for the overall implementation of the project in line with the GEF guidelines and requirements. It will oversee the execution of the project by the executing entity, Conservation International, and will be responsible for the external MTR and the independent Terminal Evaluation to be conducted.

Conservation International Foundation (CI) will be responsible for the day to day execution of the project and cooperation with national counterparts and partners project partners, which include Save The Waves and The Peruvian Society for Environmental Law. All project partners will support the delivery of the project activities based on their area of expertise. CI is responsible for the day to day monitoring, evaluation and reporting of the project.

The organizational and operational structure of the project will be designed in such a way as to allow autonomy in the execution of activities and operational efficiency. This will also allow introduce the necessary modifications to the actions / activities of the project for a consistent evolution during the implementation period. The project management Unit (PMU) will be established, headed by a project lead and other project staff assigned to the target countries. They will work in close collaboration with the counterparts for the planning and implementation of the project.

The project will coordinate closely with the government at the Municipal, State and National Government in Costa Rica and Peru as well as with the private sector and other stakeholder groups. A major goal of the project is to increasingly mainstream the surf ecosystem management approach into consistent protected area management actions and policies and into private sector business approaches and operations. To advance toward this goal, it is critical that there is consistent engagement with stakeholders in a collaborative approach, so they are aware of and can appropriately respond to one another's activities and approaches as well as concerns. Given the project approach of integrating ecosystem management with the blue economy and local community benefit, it is critical that stakeholder groups collaborate effectively with one another.

The project steering committee (PSC) will be established and chaired by the Line Ministry of the target countries, Ministry of Environment and Energy of Costa Rica (MINAE) and Ministry of the Environment of Peru (MINAM). The PSC will be organized regularly, twice a year, with the overall objective to assess the progress of the project towards its planned objectives. In particular, the PSC will :

- 1) Approve project Annual Work Plan and Budget(s);
- 2) Approve the six-monthly Project Progress Reports (PPRs) and financial reports;
- 3) Approve project final report;
- 4) Review and approve changes to project outcomes, outputs and risk management plan(s);
- 5) Approve the Terms of Reference of the Project Team;
- 6) approve the nominations of the Project Director and Project Team (PT).

The project will benefit from the support of UNIDO field presence covering the target countries and particularly the Programme for Country Partnership for the Republic of Peru (PCP-Peru), a 5-year programme to accelerate inclusive and sustainable industrial development in line with SDG 9. The PCP rests on a multi-stakeholder partnership led by the government (PRODUCE) and is fully aligned with the National Development Plan. Moreover, PCP Peru is designed to leverage investment and mobilize partners and resources to achieve large impact..

**Project Partners**

**Conservation International Foundation (CI):** People need nature ? and for over 30 years, Conservation International has worked to protect it. Through cutting-edge science, innovative policy and global reach, we empower people to protect the nature that we rely on for food, fresh water and livelihoods. CI has established or improved the management of over 170 marine protected areas around the world - an area of 5.4 million square kilometers, or more than one half the size of the United States. In these areas, ecosystems are thriving and local people are benefiting from improved fish catches and sustainable tourism.

**Save The Waves Coalition:** Save The Waves (STW) has worked with local communities and surfers for over 18 years to protect surf ecosystems around the world. Conservation outcomes include the designation of protected areas and ongoing stewardship for coastlines through World Surfing Reserves and Surf Protected Area Networks, as well as taking direct action to protect the surf zone through campaigns. In all, more than 200 surfing spots and 33 protected areas have been safe guarded through the efforts of Save The Waves Coalition.

**The Peruvian Society for Environmental Law:** The Peruvian Society for Environmental Law has led the efforts to legally protect 33 surf breaks in Peru based on the Ley de Rompientes, a unique law that allows for the legal protection of surf breaks and restricts any use that could affect them. Thanks to the award-winning, citizen-led campaign ‘Hazla por tu Ola,’ over US\$100,000 have been raised from individual donors to protect surf breaks, over 50 partnerships with the private sector have been created and over 1,500 people have been engaged in strategic conservation actions to protect surf ecosystems.

Initiative	Coordination
?Catalysing Implementation of a Strategic Action Programme for the Sustainable Management of Shared Living Marine Resources in the Humboldt Current System (HCS);? Active until Nov. 2023; GEF-funded.	Project Objective: to facilitate ecosystem-based fisheries management (EBFM) and ecosystem restoration in the Humboldt current system for the sustainable and resilient delivery of goods and services from shared living marine resources, in accordance with the Strategic Action Programme (SAP) endorsed by Chile and Peru. Lessons learned regarding fisheries management will inform the proposed project.

<p>?Protecting and Restoring the Ocean?s natural capital, building resilience and supporting region-wide investments for sustainable blue socio-economic development (PROCARIBE+);? The concept for this was approved May 2021, it is a regional project in Latin America and Caribbean; GEF-funded.</p>	<p>The project objective is protecting, restoring and harnessing the natural coastal and marine capital of the Caribbean and the North Brazil Shelf LMEs to catalyse investments in a climate-resilient, sustainable post-COVID blue economy through strengthened regional coordination and collaboration. The proposed project will use the lessons learned regarding the post-COVID blue economy.</p>
<p>?BE-CLME+: Promoting National Blue Economy Priorities through Marine Spatial Planning in the Caribbean LME+;? This project, which includes Panama along with several other countries, was approved as a concept in November 2019; GEF-funded.</p>	<p>The proposed project will coordinate with this project to ensure there is no duplication with possible efforts in Panama and will also share lessons learned.</p>
<p>?Mainstreaming Biodiversity Conservation through Low-Impact Ecotourism in SINAP II (ECOTUR-AP II);? GEF-funded. This project, which was approved for implementation in 2017, is located in Panama.</p>	<p>The project objective is to strengthen management effectiveness of protected areas, specifically through activities related to ecotourism. The proposed project will coordinate lessons learned particularly as they relate to ecotourism and protected areas management.</p>
<p>?Towards Joint Integrated, Ecosystem-based Management of the Pacific Central American Coastal Large Marine Ecosystem (PACA);? GEF-funded. This project was approved for implementation in September 2021, and it includes both Costa Rica and Panama.</p>	<p>The project objective is to strengthen regional governance to promote ecosystem-based management. The proposed project will ensure there is no duplication of efforts and will share lessons learned.</p>
<p>?TRANSFORMA: Transformative Low Carbon and Climate Resilient Pathways of Costa Rica;? GEF-funded. Set for five years, starting January 2022.</p>	<p>The project aims that Costa Rica will be an emission-free country in 2050 through the contributions of the agricultural sector, sustainable blue value chains and the conservation of coastal and marine ecosystems. A specific component seeks to improve the livelihoods of coastal communities, based on sustainable management and conservation of marine and coastal resources. The proposed project will coordinate with this project to ensure no duplication of efforts and to share lessons learned.</p>
<p>?Overcoming Barriers to Sustainability of Costa Rica?s Protected Area System;? This project was approved in 2008 and closed in 2016, and the objective was to assist Costa Rica in eliminating the barriers for the consolidation and strengthening of a System of Protected Areas. ?Costa Rica Blue Platform for Sustainable Seafood Markets;? closes in Jan. 2023; CRUSA Foundation-funded.</p>	<p>Lead by Conservation International Costa Rica and the CRUSA foundation, the main objective of the project is to promote the development of national models of sustainable and socially responsible production of marine fisheries and aquaculture resources that promote a healthy, biodiverse and productive marine ecosystem. Lessons learned will be shared between the projects.</p>
<p>?Foundations for long-term progress towards sustainability in Per??s fisheries;? 2021-2023; funded by Walton Family Foundation</p>	<p>Fisheries work will align with the work done with fisheries in the proposed project.</p>

?Fostering Marine Protected Area Management Effectiveness and Sustainable Fisheries in Per?;? 2021-2025; funded by the Blue Action Fund (sub-grant through The Nature Conservancy)

Fisheries work will align with the work done with fisheries in the proposed project. Lessons learned from improved management of MPAs will also inform the proposed project.

Legal clauses applicable to the project :

Costa Rica (Republic of):

?The Government of the Republic of Costa Rica agrees to apply to the present project, mutatis mutandis, the provisions of the Standard Basic Assistance Agreement between the United Nations Development Programme and the Government, signed on 7 August 1973 and entered into force on 6 February 1976.

Peru (Republic of):

?The Government of the Republic of Peru agrees to apply to the present project, mutatis mutandis, the provisions of the Revised Standard Technical Assistance Agreement concluded between the United Nations and the Specialized Agencies and the Government on 30 March 1956.?

Panama (Republic of):

?The Government of the Republic of Panama agrees to apply to the present project, mutatis mutandis, the provisions of the Standard Basic Assistance Agreement between the United Nations Development Programme and the Government, signed on 23 August 1973 and entered into force on 19 April 1974.?

Chile (Republic of):

?The present project is governed by the provisions of the Standard Basic Cooperation Agreement between the Government of the Republic of Chile and UNIDO, signed on 26 April 1988.?

#### **Transfer of assets**

Full or partial ownership of equipment/assets purchased under the project may be transferred to national counterparts and/or project beneficiaries during the project implementation as deemed appropriate by the government counterpart in consultation with the UNIDO Project Manager.

#### **7. Consistency with National Priorities**

**Is the Project consistent with the National Strategies and plans or reports and assesments under relevant conventions?**

**If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc**

**Convention on Biological Diversity (CBD)** - Costa Rica has been part of the CBD since 1994, its latest report (2014-2018) mentions the need to improve marine planning and management processes. Costa Rica has a National Biodiversity Strategy, which responds to planning to achieve the national and global goals established in the framework of the CBD. It has been defined a priority to specify actions to improve the knowledge, analysis, and attention of marine ecosystems, especially in protected areas. Per? ratified the CBD in 1993. The National Strategy of Biological Diversity and its Action Plan by 2021, approved by Decree Supreme No. 004-2021-MINAM, is the main planning instrument for the conservation and sustainable use of the country?s biological diversity. For marine ecosystems It proposes that by 2021, 10% of marine ecosystems will be under different modalities of in situ conservation and management.

#### *UNFCCC*

? National Determined Contribution ? The last update of Costa Rica's NDCs (2020) identifies "Oceans, water resources and blue biodiversity" as one of its actions. The government is committed to seeking healthy, adapted and resilient, marine and coastal ecosystems, that allow a sustainable use of natural resources and whose management is focused on the well-being of people and nature. Per?, in its NDCs, has established as an adaptation measure for the fishing and aquaculture sector, that artisanal fisheries actors apply good fishing practices in a climate change context. Component 2 of the project will involve the artisanal fisheries from Huanchaco that use caballitos de totoras as ancestral fishing vessels. This fishery has been declared as a national heritage.

? National Adaptation Programme of Action ? Costa Rica has developed and is executing a national climate change adaptation policy. In one work axis the policy further aims to ?Promote conditions for the resilience of human and natural systems through territorial, marine and coastal planning.? In June 2021, Per??s Ministry of the Environment (MINAM) launched Per??s National Adaptation Plan. Per??s NAP promotes the involvement of private sector and gender equity.

**The Wetlands Convention (Ramsar)** ? Costa Rica has been part of the convention since 1992 and increasing the conservation of wetlands is one of the country's priorities. It is proposed to increase the coverage of Ramsar sites within the framework of biodiversity strategies and policies. Currently, under the Ramsar convention, sites linked to recognized surfing ecosystems are protected, such as the mangroves of the Las Baulas National Park. Per? entered the convention in 1992 and currently has 14 sites designated as Wetlands of International Importance, of which Paracas National Reserve is a proposed site.

**FAO Code of Conduct for Responsible Fisheries** ? The code of conduct is a tool in implementation since 1999. The Code considers the biological characteristics of the resources and their environment and the interests of fishers, consumers, and other users. The adaptation of responsibility and sustainability measures in fisheries is of high importance, especially for coastal populations that are highly dependent on marine resources. The FAO Code of Conduct will be utilized for Output 2.2.1.

***Sustainable Development Goals*** ? The project will also help participating countries progress towards meeting the UN Sustainable Development Goals, by helping to protect critical biodiversity and ecosystems, developing sustainable blue economies with a focus on gender equity and maintaining quality of life benefits through healthy interaction with the ocean. The specific goals the proposed project supports are Goal 3: good health and well-being; Goal 5: gender equality; Goal 8: decent work and economic growth; Goal 12: responsible consumption and production; and, Goal 14: life below water. In addition, the project applies the Inclusive and Sustainable Industrial Development (ISID) approach to support the surfing industry, while safeguarding the environment which relates to the Key Biodiversity Areas (KBAs), targeting SDG9.3 (Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets).

***Costa Rican National Ocean Policy (2013-2028)*** ? Addresses marine and coastal resources conservation and risk reduction based on ecosystems. It defines as an overall objective that the Costa Rican State protects ecosystems, their functionality, and productivity by preventing the anthropogenic and natural impacts over marine and coastal areas, as well as integrated risk management and climate change adaptation.

***Costa Rican National Biodiversity Policy (2015-2030)*** ? The result of a participatory process, in which different sectors, institutional representatives, civil society and the private sector contributed their knowledge and experiences of what should be the conservation and sustainable use of biodiversity, as well as the fair and equitable distribution of the benefits derived from its use. As part of the policy, it is proposed to improve the resilience capacity of vulnerable sectors through actions at the ecosystem-level and productive landscapes in biological corridors, and marine-coastal areas.

***Costa Rican National Climate Change Adaptation Policy (2018-2030)*** ? This policy has been proposed as a guiding framework that will inform the country's actions in terms of adaptation. It seeks to strengthen capacities and resilience conditions, reduce vulnerability, damages and losses, and take advantage of opportunities generated by adaptation measures. One of six work axis refers to, ?Promote conditions for the resilience of human and natural systems through territorial, marine and coastal planning.?

***Costa Rican National Biodiversity Strategy (2016-2025)*** ? Based on the paradigms of sustainable human development and human rights under the principles of co-responsibility, decentralization, and shared management. Seven strategic themes are directly related to the marine-coastal management and conservation. It also notes that there is "evidence of the deterioration and loss of biodiversity in its different manifestations, in particular for some key ecosystems that include wetlands, coral reefs, and marine-coastal ecosystems in general? that needs to be addressed.

***Costa Rica Economy of the Oceans and Trade (\*fishing sector)*** ? Aims to promote the competitiveness and sustainability of the fishing sector. A series of strategic actions are proposed to develop fairer and more sustainable value chains, an important element in fisheries associated with coastal communities.

*Peruvian National Environmental Policy by 2030*, approved by Decree Supreme N° 023-2019-MINAM. The policy has 3 priority objectives with which the project is aligned:

? Reduce levels of deforestation and degradation of ecosystems (OP2). To achieve this objective the policy establishes among its guidelines to increase recovery and restoration interventions for degraded ecosystems and increase the value of ecosystem goods and services. The guidelines propose to strengthen public and private actors' capacities regarding financing mechanisms for the conservation and recovery of ecosystems. The proposed project supports that well managed surf ecosystems can be a driver to strengthen marine and coastal ecosystems conservation and surfing could be used as an innovative mechanism for financing conservation of marine and coastal ecosystems.

? Strengthen environmental governance with a territorial approach in public and private entities (OP6). To achieve this objective the policy establishes among its guidelines to build capacity within the three government levels to develop and implement tools for environmental spatial planning in the integrated management of marine and coastal ecosystems. The surf ecosystems approach proposed by the GEF project could be an innovative tool to include surf ecosystems in integrated coastal management plans.

? Improving the environmental performance of citizens (OP9). This objective seeks to improve the sustainability of citizen action in environmental matters. The proposed project will form coalitions of actors from different economic sectors to actively participate in surf ecosystem management, develop links to blue economy benefits, and potentially pursue conservation finance mechanisms.

*Peruvian National Maritime Policy*, approved by Decree Supreme N° 012-2019-2030 ? This policy seeks to strengthen the governance of the maritime environment, the development of science, technology and innovation, and increase maritime awareness in the national population. The project is aligned with the following priority objectives of this policy: a) to strengthen productive activities in the maritime area, and b) to ensure the sustainability of marine resources and ecosystems. It should be mentioned that the policy recognizes the value of surfing in the mobilization of the national economy and the great potential surfing has for positioning Per? as a global surfing destination.

*Peruvian National Tourism Strategic Plan 2025 (PENTUR)* ? The objective of this strategy is to promote Per? as a competitive, sustainable, quality and safe tourist destination, to contribute to the economic and social development of the country. This plan recognizes surfing as a specialized niche.

*Peruvian Law of Natural Protected Areas* (Law N° 26834) and its regulation (Supreme Decree No. 038-2001- AG) ? The project will contribute to the strengthened management of marine and coastal protected areas by developing regulations for surfing within these areas.

*Peruvian Law of Preservation of Suitable Breakers for Sports Practice*, Law No. 27280 ? This law aims to ensure that the waves do not suffer human alterations. Protected waves are registered in the National Record of Breakers (RENARO), in charge of the General Directorate of Captains and Coast Guard (DICAPI, its acronym in Spanish). The project seeks to give legal protection to surf breaks in Per?.

## **8. Knowledge Management**

**Outline the knowledge management approach for the Project, including, if any, plans for the Project to learn from other relevant Projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.**

One of the main comparative advantages of GEF's global outreach is its IW:LEARN program, as well as the extensive networks the institution has with a wide range of multilateral agencies, inter-governmental bodies, public and private research institutions, academia, and civil society. The proposed project will leverage this expansive resource and institutional capacity, working with key national and regional partners as well as other GEF-funding recipients within and outside of the IW:LEARN network, aiming to improve upon the process followed, methods used, and results achieved. The proposed project has extensive activities related to information gathering and distribution and these will be managed and shared in an efficient and inclusive manner.

This is a regional project that will both enhance surf ecosystem management in specific sites in Costa Rica and Per? and also share knowledge and key approaches to encourage replication of surf ecosystem management across Costa Rica and Per?, regionally and globally. As such our knowledge management strategy for the project is focused on capturing and sharing experiences, lessons, approaches and best practices on surf ecosystem management that can be replicated both in other locations in Costa Rica and Per? and in other countries that have potential for surf ecosystem management. This will include producing informative knowledge products, enhancing access to the knowledge created by the project, and mainstreaming knowledge products and services created via existing global and local platforms. These efforts will be designed to facilitate ownership and to help ensure sustainable institutional and financial support following completion of the planned project activities.

The knowledge management strategy for the project includes producing informative knowledge products, enhancing access to the knowledge created by the project, and mainstreaming knowledge products and services created via existing global and local platforms. These efforts will be designed to facilitate ownership and to ensure sustainable institutional and financial support following completion of the planned project activities.

The main objectives of the knowledge management strategy are to raise awareness and to facilitate the uptake of improved management of surf ecosystems and designing and building Blue Economies that are equitable and inclusive. Some of the key aspects of the knowledge management strategy include: facilitating effective stakeholder engagement; delivering timely and targeted information to end-users in forms that are accessible, lead to on the ground responses, and are culturally appropriate; providing direct lines for feedback to agencies, NGOs, and community groups; monitoring and evaluating the success of knowledge management and communications activities, such that their efficiency and effectiveness can be increased over time; and establishing arrangements relating to data ownership and access, ensuring that project outputs are widely accessible long after the GEF project closes.

Save The Waves, CI and SPDA have all functioned as collaborative partners in the creation of academic justification for this approach, with peer reviewed papers created on the connection between Key Biodiversity Areas and surf breaks, the role of surf break conservation in creating protected areas

or other effective area-based conservation measures, and the role of surf breaks in socio-ecological systems. See the baseline section for academic work cited.

Similarly, all partner organizations have experience independently and collaboratively in delivering capacity-building workshops. Most recently SPDA and Save The Waves collaborated to deliver a series of workshops on legal tools and conservation approach to surf ecosystem conservation in Latin America.

Save The Waves has experience in organizing the Global Wave Conference, along with the Surfrider Foundation, in 2018 and 2020, with collaborative participation from project partners at CI and SPDA. STW, CI and SPDA also collaborated in 2017 to coordinate a symposium at IMPAC 4 on surfing and protected area creation.

CI staff bring extensive experience in marine management capacity development and learning. The CI Project Lead currently serves as the Capacity Development and Learning lead for the Blue Nature Alliance (which is also supported with GEF IW funds). This includes helping to manage the Blue Nature Alliance engagement in IW:LEARN. CI will bring these skills and experience to the execution of this project, and will work closely and provide guidance to and oversight of a full-time staff member focused on Component 3 of the proposed project.

The project will utilize and share learning and best practices through existing mechanisms, including IW:Learn, as well as others to be identified further during the PPG phase, such as UN Oceans; the project will allocate 1% of the GEF grant to participation in IW:LEARN activities.

## 9. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

### Overall Project/Program Risk Classification\*

PIF	CEO Endorsement/Approva I	MTR	TE
<b>Medium/Moderate</b>			

### Measures to address identified risks and impacts

Provide preliminary information on the types and levels of risk classifications/ratings of any identified environmental and social risks and potential impacts associated with

the project (considering the GEF ESS Minimum Standards) and describe measures to address these risks during the project design.

As the surfing activities promoted by the project are located within and close to protected marine habitats and involve tourism development, it would be a "Project that may have potentially minor adverse impacts on physical and cultural resources" under UNIDO Environmental and Social Safeguards Policies and Procedures (ESSPP). Therefore, as per UNIDO ESSPP, the Environmental and Social screening template has been completed and this project has been categorized as ??Category B??. Category B projects are likely to have less adverse impacts on human populations or environmentally important areas than those of Category A. As a result, an Environmental and Social Management Plan (ESMP) will be developed to assess potential adverse impacts of surfing activities on natural marine habitats, local peoples and cultural heritage and define management measures to avoid, reduce or compensate those.

**Supporting Documents**

Upload available ESS supporting documents.

Title	Submitted
<b>ESS_Screening_Template_Regional_Blue_Economy</b>	

**Part III: Approval/Endorsement By GEF Operational Focal Point(S) And GEF Agency(ies)**

**A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Point endorsement letter with this template).**

<b>Name</b>	<b>Position</b>	<b>Ministry</b>	<b>Date</b>
Ms. Enid Chaverri-Tapia	OFP	Ministry of Environment and Energy of Costa Rica	2/21/2022

ANNEX A: Project Map and Geographic Coordinates

Please provide geo-referenced information and map where the project intervention takes place

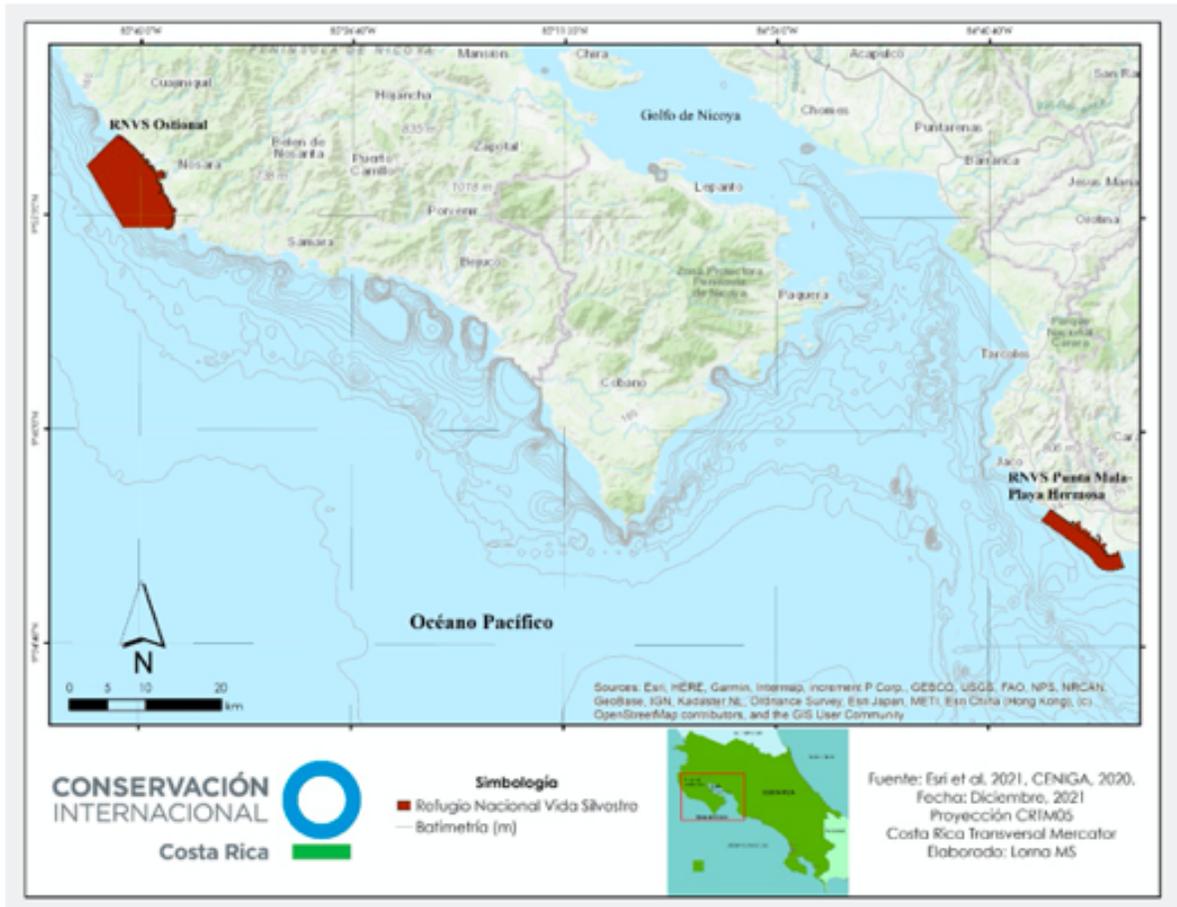


Figure 1: Costa Rica sites Playa Hermosa-Punta Mala and Ostional MPAS (in red)

# Humedales de Huanchaco

Ubicación política: Departamento de La Libertad, provincia de Trujillo, distrito de Huanchaco.  
 Coordenadas: 79° 07' 30" - 79° 10' 40" LO y 8° 01' 04" - 8° 04' 11" LS  
 Elevación: 0 - 5 metros sobre el nivel del mar.



**Descripción:** Es un complejo de humedales artificiales, formado por la excavación de pozos para el sembrado y posterior cosecha de algodón. Se extiende paralelo a la orilla del mar por cerca de nueve kilómetros. El complejo está separado de la orilla por playas arenosas. El sitio no cuenta con algún tipo de protección.

Número de especies registradas	1
Número estimado de individuos	3

Especies importantes	Número de individuos	Porcentaje de total regional
<i>Alouatta palliata</i>	3	100%

Área evaluada en el censo de aves playeras en Huanchaco



Humedales de Huanchaco

Figure 2: Per? site at Humedales de Huanchaco

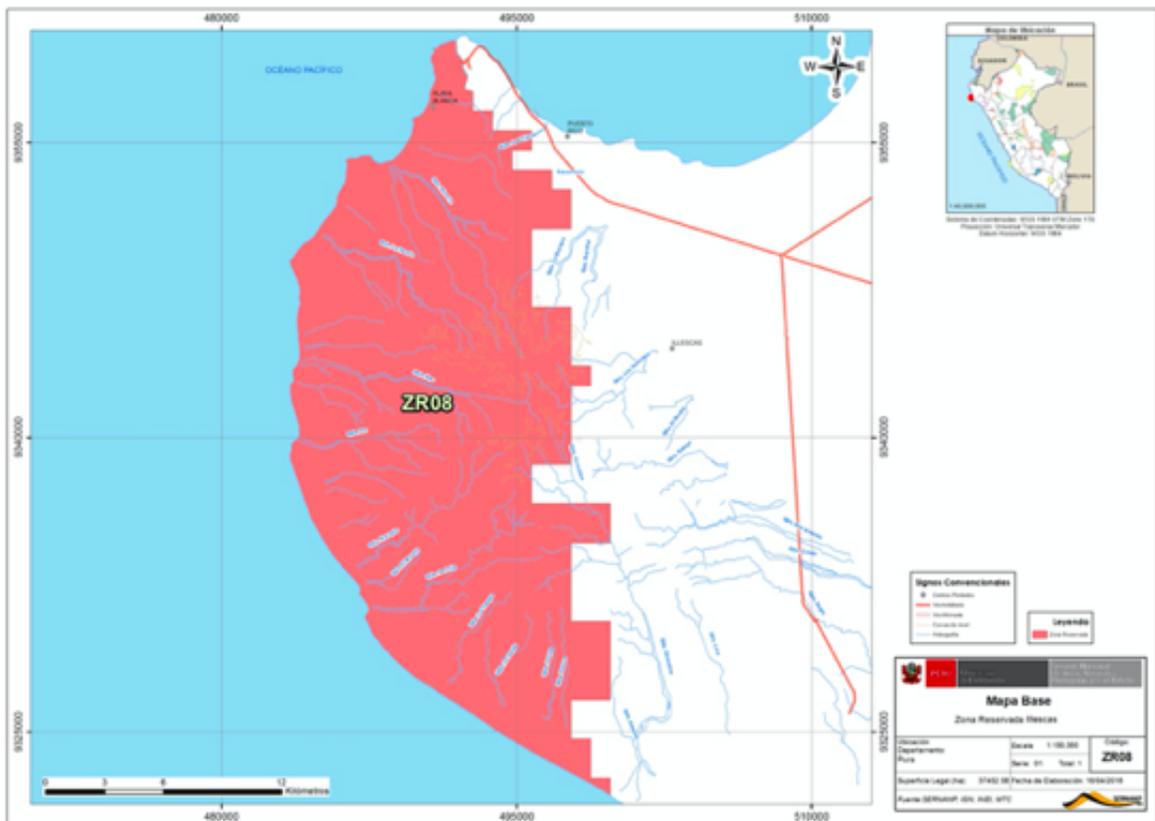


Figure 3: Illescas pam, source: Servicio Nacional de Áreas Naturales Protegidas por el Estado  
<https://www.sernanp.gob.pe/illescas>