



Seventh Operational Phase of the GEF Small Grants Programme in Mexico

Part I: Project Information

GEF ID

10504

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT No

NGI No

Project Title

Seventh Operational Phase of the GEF Small Grants Programme in Mexico

Countries

Mexico

Agency(ies)

UNDP

Other Executing Partner(s)

UNOPS

Executing Partner Type

Others

GEF Focal Area

Multi Focal Area

Taxonomy

Focal Areas, Biodiversity, Protected Areas and Landscapes, Community Based Natural Resource Mngt, Productive Landscapes, Coastal and Marine Protected Areas, Productive Seascapes, Terrestrial Protected

Areas, Biomes, Tropical Rain Forests, Mangroves, Sea Grasses, Coral Reefs, Rivers, Wetlands, Temperate Forests, Tropical Dry Forests, Species, Threatened Species, Crop Wild Relatives, Invasive Alien Species, Wildlife for Sustainable Development, Mainstreaming, Certification - International Standards, Tourism, Forestry - Including HCVF and REDD+, Agriculture and agrobiodiversity, Fisheries, Land Degradation, Sustainable Land Management, Sustainable Livelihoods, Income Generating Activities, Sustainable Fire Management, Integrated and Cross-sectoral approach, Sustainable Agriculture, Community-Based Natural Resource Management, Drought Mitigation, Improved Soil and Water Management Techniques, Food Security, Climate Change, Climate Change Mitigation, Renewable Energy, Energy Efficiency, Agriculture, Forestry, and Other Land Use, Climate Change Adaptation, Ecosystem-based Adaptation, Disaster risk management, Community-based adaptation, Livelihoods, Climate information, Climate resilience, Climate finance, United Nations Framework Convention on Climate Change, Nationally Determined Contribution, Influencing models, Deploy innovative financial instruments, Strengthen institutional capacity and decision-making, Demonstrate innovative approaches, Transform policy and regulatory environments, Convene multi-stakeholder alliances, Stakeholders, Private Sector, Capital providers, Local Communities, Indigenous Peoples, Civil Society, Non-Governmental Organization, Community Based Organization, Academia, Communications, Awareness Raising, Behavior change, Education, Public Campaigns, Type of Engagement, Partnership, Information Dissemination, Consultation, Participation, Gender Equality, Gender results areas, Access to benefits and services, Participation and leadership, Knowledge Generation and Exchange, Access and control over natural resources, Capacity Development, Gender Mainstreaming, Beneficiaries, Gender-sensitive indicators, Sex-disaggregated indicators, Women groups, Capacity, Knowledge and Research, Knowledge Generation, Learning, Adaptive management, Indicators to measure change, Innovation, Knowledge Exchange

Rio Markers

Climate Change Mitigation

Climate Change Mitigation 1

Climate Change Adaptation

Climate Change Adaptation 1

Submission Date

7/13/2021

Expected Implementation Start

9/1/2021

Expected Completion Date

8/31/2026

Duration

60In Months

Agency Fee(\$)

425,715.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
BD-1-1	Mainstream biodiversity across sectors as well as landscapes and seascapes through biodiversity mainstreaming in priority sectors	GET	3,214,727.00	10,423,468.00
CCM-1-1	Promote innovation and technology transfer for sustainable energy breakthroughs	GET	976,087.00	1,310,319.00
LD-1-4	Reduce pressures on natural resources from competing land uses and increase resilience in the wider landscape.	GET	290,396.00	500,000.00
Total Project Cost(\$)			4,481,210.00	12,233,787.00

B. Project description summary

Project Objective

To strengthen socio-ecological and economic resilience in seven (7) landscapes and seascapes in Mexico ?(1) Agroforestry Landscape of Chiapas and Tabasco, (2) Coastal Seascape of the Yucatan Peninsula, (3) Grijalva-Usumacinta Lower Basin Landscape, (4) Sustainable Forestry Landscape of Campeche, Quintana Roo, and Yucatan, (5) Forest and Milpa Landscape of Campeche, Quintana Roo, and Yucatan, (6) Oaxaca Mountains Landscape, (7) Mixteca Arid Landscape? through community-based activities contributing to global environmental benefits and sustainable development.

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
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Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Resilient landscapes for sustainable development and global environmental protection	Technical Assistance	<p>1.1. Coastal and terrestrial biocultural areas and their associated ecosystem services within seven targeted landscapes and seascapes are enhanced through community conservation and restoration.</p> <p>1.2. The sustainability of production systems in the target landscapes is strengthened through integrated agroecological and sustainable forestry practices in biocultural landscapes and seascapes.</p> <p>1.3. Increased adoption (development, demonstration and financing) of renewable and energy-efficient technologies at community level</p>	<p>1.1.1. Community-level small grant projects in the selected landscapes and seascapes that improve connectivity, support innovation in biodiversity conservation and optimization of ecosystem services (including no-take zones to promote sustainable fisheries; agrobiodiversity conservation; support to traditional medicine; improved cooperative management of underwater ecosystems; wetland and reef restoration; establishment of new community conservation areas and territories and promotion of inclusive conservation).</p> <p>1.2.1. Targeted community projects and alliances enhancing the sustainability and resilience of production systems, including silvopastoral</p>	GET	2,561,702.00	8,577,759.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Landscape governance, adaptive management for upscaling and replication and strengthening of value chains	Technical Assistance	<p>2.1. Second-tier organizations and multi-stakeholder governance platforms strengthened/in place for improved governance of target landscapes and seascapes for effective participatory decision making to enhance socio-ecological landscape resilience and improve inclusion of vulnerable sectors.</p> <p>2.2. The resilience of local communities in key landscapes and seascapes is strengthened by adding value and connecting to markets through sustainable value chains, and improving the financial sustainability of existing projects.</p>	<p>2.1.1. Two additional landscape strategies developed, and the five strategies developed in GEF-06 disseminated and revised participatorily.</p> <p>2.1.2. Second-tier organizations and community networks implement strategic initiatives to upscale successful SGP project experiences and practices including community-CSO-government policy dialogues (for example, Beekeepers Alliance, Ecotourism Alliance, Native Seed Guardians Alliance, and Forestry Alliance).</p> <p>2.1.3. Knowledge from community project innovations shared through communities of practice (for example, renewable energy,</p>	GET	1,566,515.00	2,692,352.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Monitoring & Evaluation	Technical Assistance			GET	139,602.00	381,116.00
Sub Total (\$)					4,267,819.00	11,651,227.00
Project Management Cost (PMC)						
	GET		213,391.00		582,560.00	
Sub Total(\$)			213,391.00		582,560.00	
Total Project Cost(\$)			4,481,210.00		12,233,787.00	

C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Other	UNDP	Grant	Investment mobilized	855,000.00
Other	UNDP	In-kind	Recurrent expenditures	26,000.00
Recipient Country Government	Secretar?a de Medio Ambiente y Recursos Naturales (SEMARNAT), and Comisi?n Nacional de ?reas Naturales Protegidas (CONANP)	In-kind	Recurrent expenditures	740,000.00
Recipient Country Government	Instituto Nacional de la Econom?a Social, Secretar?a de Bienestar (INAES)	In-kind	Recurrent expenditures	692,468.00
Recipient Country Government	Quintana Roo State Government	Grant	Investment mobilized	1,310,319.00
Recipient Country Government	Yucat?n State Government	Grant	Investment mobilized	463,458.00
Recipient Country Government	Yucat?n State Government	In-kind	Recurrent expenditures	1,036,542.00
Civil Society Organization	Conservation International Mexico	Grant	Investment mobilized	500,000.00
Civil Society Organization	Conservation International Mexico	In-kind	Recurrent expenditures	1,000,000.00
Civil Society Organization	The Nature Conservancy	Grant	Investment mobilized	1,250,000.00

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Civil Society Organization	The Nature Conservancy	In-kind	Recurrent expenditures	1,250,000.00
Civil Society Organization	Grantees	Grant	Investment mobilized	460,000.00
Civil Society Organization	Grantees	In-kind	Recurrent expenditures	2,650,000.00
Total Co-Financing(\$)				12,233,787.00

Describe how any "Investment Mobilized" was identified

SGP National Coordinators were instructed to differentiate co-financing commitments between those corresponding to recurrent costs e.g., salaries of CSOs or government staff, costs of premises, etc., and Investment Mobilized, corresponding to new and additional funding either directly contributed to SGP to apply to project grants, as grantee contributions in kind and in cash, or mobilized to support project objectives but not managed by SGP. The Investment Mobilized figure from Conservation International is based on discussions with them. It will be provided as a cash contribution to the Country Programme's objectives and outcomes through the related Sustainable Landscape Ventures Project by co-investing in strengthening the resilience of local communities in key landscapes by adding value and connecting to markets through sustainable value chains and improving the financial sustainability of existing projects. The purpose of this project is to develop sustainable and inclusive value chains at scale, that are market-driven and investor-ready in four landscapes in Campeche, Chiapas, Jalisco, and Oaxaca. It aims at consolidating long-term partnerships among small producers, investors, and buyers in sustainable and inclusive value chains to avoid deforestation. Synergies will be sought with this project within the landscapes where the Mexico Small Grants Programme works. This has been formally confirmed through a co-financing letter defining their contribution in cash and in-kind. The Investment Mobilized figure from The Nature Conservancy is based on discussions with them. It will be provided as a cash contribution to the Country Programme's objectives and outcomes through their related projects in the Maya Forest and Mesoamerican Reef. Their investment will clearly contribute to guaranteeing the conservation of biodiversity services of these two ecosystems of global importance through actions such as increasing capacities for community-based forestry management, enhancing coastal ecosystems to increase coastal resilience in the face of climate events and climate change, and overall, advancing sustainable management to mitigate current and future threats within the intervention area. This figure has been formally confirmed through a co-financing letter defining the contribution in cash. SGP global policy requests grant recipients (grantees) to contribute to their projects in cash and in-kind to the best of their abilities. The National

Steering Committee will foster compliance with this policy as appropriate. These contributions will only be confirmed during project implementation as grant projects are approved.

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

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)
UNDP	GET	Mexico	Biodiversity	BD STAR Allocation	3,214,727	305,399
UNDP	GET	Mexico	Climate Change	CC STAR Allocation	976,087	92,728
UNDP	GET	Mexico	Land Degradation	LD STAR Allocation	290,396	27,588
Total Grant Resources(\$)					4,481,210.00	425,715.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required **true**

PPG Amount (\$)

85,000

PPG Agency Fee (\$)

8,075

Agency	Trust Fund	Country	Focal Area	Programmin g of Funds	Amount(\$)	Fee(\$)
UNDP	GET	Mexico	Biodiversity	BD STAR Allocation	60,000	5,700
UNDP	GET	Mexico	Climate Change	CC STAR Allocation	17,000	1,615
UNDP	GET	Mexico	Land Degradation	LD STAR Allocation	8,000	760
Total Project Costs(\$)					85,000.00	8,075.00

Core Indicators

Indicator 3 Area of land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2500.00	2300.00	0.00	0.00

Indicator 3.1 Area of degraded agricultural land restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2,300.00	2,300.00		

Indicator 3.2 Area of Forest and Forest Land restored

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

Indicator 3.3 Area of natural grass and shrublands restored

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

Indicator 3.4 Area of wetlands (incl. estuaries, mangroves) restored

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
200.00			

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
100000.00	100000.00	0.00	0.00

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
10,000.00	10,000.00		

Indicator 4.2 Area of landscapes that meets national or international third party certification that incorporates biodiversity considerations (hectares)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
40,000.00	40,000.00		

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
50,000.00	50,000.00		

Indicator 4.4 Area of High Conservation Value Forest (HCVF) loss avoided

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

Documents (Please upload document(s) that justifies the HCVF)

Title	Submitted

Indicator 5 Area of marine habitat under improved practices to benefit biodiversity (excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
6,000.00			

Indicator 5.1 Number of fisheries that meet national or international third party certification that incorporates biodiversity considerations

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
3	3		

Type/name of the third-party certification

Indicator 5.2 Number of Large Marine Ecosystems (LMEs) with reduced pollutions and hypoxia

Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (achieved at MTR)	Number (achieved at TE)
0	0	0	0

LME at PIF	LME at CEO Endorsement	LME at MTR	LME at TE
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Indicator 5.3 Amount of Marine Litter Avoided

Metric Tons (expected at PIF)	Metric Tons (expected at CEO Endorsement)	Metric Tons (Achieved at MTR)	Metric Tons (Achieved at TE)
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Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO₂e (direct)	8000 0	15000	0	0
Expected metric tons of CO₂e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO₂e (direct)				
Expected metric tons of CO₂e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
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Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO ₂ e (direct)	80,000	15,000		
Expected metric tons of CO ₂ e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)
select				<input type="checkbox"/>
Biomass	0.80	3.25		<input type="checkbox"/>
select				<input type="checkbox"/>

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)
Female	2,000	2,000		
Male	2,000	2,000		
Total	4000	4000	0	0

Part II. Project Justification

1a. Project Description

•There are no significant changes in alignment with the project design of the original PIF. The Project target landscapes remain the same; however, the boundaries of the two new target landscapes' were more precisely defined during project preparation. Consultation workshops were held to enable participants (beneficiaries and stakeholders) to provide inputs and feedback on the recently incorporated topics and approaches, such as energy efficiency, renewable energies, gender equality, and women's empowerment. These discussions helped identify the Project's activities, which are elaborated more fully in the Project Document than in the PIF. Furthermore, a fully costed budget was developed during the PPG; this means that the funds allocated to each component are more precise than those in the PIF, which had used approximate figures. As a result, the budget allocation for Component 1 was increased 8% and the allocation for Component 2 proportionally decreased to respond to requests for more community-level projects in each landscape and to include Component 3 dedicated to monitoring and evaluation.

Minor changes from the PIF include the following:

Original PIF	Change at CEO Endorsement
<ul style="list-style-type: none">- Target of Greenhouse Gas Emissions Mitigated (metric tons of CO₂e) identified at PIF was 80,000.- Target to Increase in installed renewable energy capacity per technology (Capacity in MW) identified at PIF was 0.8.	<p>During the PPG, a Climate Change expert conducted a detailed analysis of the landscapes, examined the types of activities projected, considered the baseline, and provided a more accurate estimate.</p> <p>The new final targets now read:</p> <ul style="list-style-type: none">? Greenhouse Gas Emissions Mitigated Expected CO₂e (direct): 15,000 metric tons of CO₂e.? Increase in installed renewable energy capacity per technology: 5 MW <p>The complete report is appended as Annex 13 of the Project Document.</p>

Original PIF	Change at CEO Endorsement
<p>- Minor changes in the GEF Project Financing for components 1 and 2.</p>	<p>Component 1 will have a budget of US\$2,561,702 instead of US\$2,261,944 at PIF stage</p> <p>Component 2 will have a budget of US\$1,566,516 instead of US\$2,005,875 at PIF stage</p> <p>The inclusion of an M&E component, independent of the two components, is the main reason for decreased budgets for Components 1 and 2. Adjustments based on the report on renewable capacity and consultation among key stakeholders, who requested more community-level projects in each landscape, also explain these changes. The overall financial balance of the Project is not affected by these adjustments.</p>
<p>- Co-financing amounts changed. Details are included below.</p>	<p>During the project preparation phase, the detailed results framework and the overall strategy were presented among key allies. Through this process, details of possible collaboration to increase the impact of OP7 were discussed. Therefore, the overall co-financing amount increased from USD 9,492,468 at PIF stage to USD 12,233,787.</p>

Original PIF			Change at CEO Endorsement		
Name of Co-financier	Type of Cofinancing	Amount (\$)	Name of Co-financier	Type of Cofinancing	Amount (\$)
Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT), and CONANP	In-kind	740,000	Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT), and Comisión Nacional de Áreas Naturales Protegidas (CONANP)	In-kind	740,000
Name of Co-financier	Type of Cofinancing	Amount (\$)	Name of Co-financier	Type of Cofinancing	Amount (\$)
Instituto Nacional de la Economía Social, Secretaría de Bienestar (INAES)	In-kind	692,468	Instituto Nacional de la Economía Social, Secretaría de Bienestar (INAES)	In-kind	692,468
Quintana Roo, Yucatán, Oaxaca, Tabasco and Campeche State	Cash	450,000	Quintana Roo State Government	Cash	1,310,319
			Yucatán State Government	Cash	463,458
				In-kind	1,035,542
Grantees	Cash	460,000	Grantees	Cash	460,000
Grantees	In-kind	2,900,000	Grantees	In-kind	2,650,000
Conservation International	Cash	500,000	Conservation International	In-kind	1,000,000
				Cash	500,000
The Nature Conservancy	Cash	1,500,000	The Nature Conservancy	In-kind	1,250,000
				Cash	1,250,000
Rainforest Alliance	Cash	2,250,000	Rainforest Alliance	Not confirmed.	
--	--	--	UNDP (BIOFIN and	Cash	855,000

Original PIF			Change at CEO Endorsement		
			Disaster Risk Reduction Support Programme)	In-kind	26,000
Total at PIF stage		9,492,468	Total at CEO Endorsement		12,233,787

The co-financing letters are appended as Annex 19 of the Project Document.

1) The global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)

In Mexico, the prevailing form of agriculture and forest land tenure is communal in the form of *ejidos* and communities. It is estimated that 15,584 agrarian nuclei of around 200 hectares each, possess some 62.6 million hectares of tropical and temperate forests, as well as other areas with arid-zone forest vegetation, corresponding to about 45% of the total national forest cover. Of these, 20.2 million hectares are within the territories of indigenous communities. Conservation of ecosystem services and resilience of production landscapes depends significantly on the ability of rural communities to implement sustainable production practices. On the other hand, rural communities, and in particular those living in forest areas, are among the most economically and socially disadvantaged in the country.

According to a World Bank report[1], progress towards poverty reduction and shared prosperity has been moderate. Although Mexico has made considerable progress since 1996, the Global Financial Crisis of 2008-2009 and other prior shocks in output, encumbered poverty reduction until 2014. Monetary poverty rates, also called wellbeing poverty, dropped from 53.2 percent in 2014 to 50.6 percent by 2016. And over the same period, monetary extreme poverty rates, also called minimum wellbeing poverty, declined from 20.6 percent to 17.5 percent. However, poverty rates in states with significant forest cover such as Chiapas are significantly higher than in the more prosperous states, where access to basic social services such as health and education continue to be inadequate, and adult illiteracy is still high. Due to the Covid-19 crisis, Coneval[2] estimates that income poverty in Mexico could grow from 48.0% in 2018 to between 56.0-56.7% in 2020, which is equivalent to an additional increase of 8.9 to 9.8 million people. Moreover, the population living in extreme income poverty could increase from 16.8% in 2018 to between 21.7-25.3% in 2020, representing an increase of 6.1 to 10.7 million additional people in this condition. The socioeconomic disruptions associated with the COVID-19 pandemic have also exacerbated inequalities in the labor market throughout the country.

Despite numerous efforts to stop land degradation and forest cover loss, these problems still prevail within the seven selected landscapes. The expansion of the agricultural and livestock production frontier, real estate development, and tourism infrastructure projects, as well as illegal logging, are the main drivers of deforestation[3]. It is estimated that only in the state of Yucatan, each year 20,000

hectares of rainforest are lost, and between 30 and 40% of the original rainforest has been deforested. In the state of Quintana Roo, between 2014 and 2018, 82,300 hectares of rainforest were lost, which makes it one of the states, at the national level, with the greatest rate of loss of forest cover[4]. And in Campeche, a total of 235,000 hectares were deforested over the last 10 years.[5] In the state of Oaxaca, the situation is similar and each year close to 35,000 hectares of forest are lost.[6]

Moreover, there are increasing pressures on land tenure and natural resources by private agents seeking business opportunities associated with large-scale infrastructure projects ?the Maya Train in Yucatan Peninsula and the Trans-Isthmus Train in Oaxaca? and mining in Chiapas and Oaxaca.

The drivers of environmental degradation are directly linked to unsustainable production practices in agriculture, fisheries, and forestry: inadequate fisheries management, the introduction of exotic and invasive species by aquaculture farms, and the transformation from tropical forest to crop and grazing lands that brings about substantial losses of soil fertility and soil erosion. Marine-coastal zones are also affected by the construction of large-scale tourism infrastructure and industrial and domestic wastewater discharge.

While communities own the land and the natural assets within ejidos and communities, they must overcome multiple barriers to be able to make effective use of natural resources and improve their livelihoods with sustainability considerations. Such barriers are organizational, technical, financial, and commercial. Rural communities lack sufficient means and/or knowledge to address the drivers of environmental degradation consistently and over the long-term through a strategic framework of integrated and sustainable landscape and seascape management, and there are no incentives for ejidos and communities within landscapes to invest time and resources to plan and implement integrated land-use management for increased ecosystem and socio-economic resilience.

Individual communities are generally constrained by local trade systems that make them depend on a few middlemen who control trade and hence the prices of their products in exchange for working capital and consumer credits. Ejidos lack access to financial markets, mostly because they cannot use the land as collateral for credit. This makes communities vulnerable and creates a dependency on those advancing cash against future production. In the absence of sufficient working capital, technical know-how, and business skills, communities are unable to innovate to change their production systems or achieve the quantity and quality that more sophisticated markets would require.

Communities are not willing to invest and adopt energy efficiency measures and renewable energy technologies for their productive activities and projects ?which could increase their resilience and at the same time reduce their CO₂ emissions? due to many factors, including financial barriers such as high initial capital investment, and competition from traditional energy sources, as well as lack of knowledge, awareness, and trained personnel to demonstrate, maintain and operate these technologies.

Institutions at the federal, state, and local levels with responsibility for land use, rural development, and environmental management, among others, also face significant challenges when trying to overcome horizontal (between sectors) and vertical coordination barriers to avoid unnecessary costs duplications, or contradictions. Generally, there is little communication among governmental institutions, and each

operates according to its priorities and programs. This barrier is especially relevant when attempting to deal with issues such as sustainable landscape management or climate change.

There are also policy and regulatory barriers. While the government has put in place policies, regulations, and programs that are supportive of community management of natural resources, in practice there are still several fiscal, institutional, and procedural impediments to sustainable land and resource use. Inappropriate incentives, land tenure issues, and institutional policies have also played a role in deforestation, land degradation, and biodiversity loss.

2) The baseline scenario and any associated baseline projects

In Mexico, SGP has evolved conceptually, focusing first on micro-regional strategies, then on large ecosystems, and, as an Upgraded Country Programme (UCP), during OP6, SGP Mexico adopted a community-based landscape approach as its core programming framework, building on the experience of UNDP's COMDEKS landscape planning approach.

Using participatory methodologies and the Community Development and Knowledge Management for the Satoyama Initiative Programme (COMDEKS) framework, five selected landscapes established a baseline, evaluated socio-ecological resilience indicators, and defined a strategic vision, goals, milestones, expected results, and strategies to guide the selection of projects to be financed according to its specificities. Seven cross-cutting strategic axes were identified linked to the Sustainable Development Goals (SDGs) of the United Nations Development Program (UNDP) and the Aichi targets of the CBD's Strategic Plan for Biodiversity 2011-2020.

The results were five landscape strategies and the Mexican Small Grant Programme 2020-2030 Strategic Plan[7]. The 10-year vision that underpins landscape-level planning for the Seventh Operational Phase (OP7) of SGP Mexico is to develop innovative, inclusive, and equitable projects that promote the management and conservation of agriculture and biodiversity and adaptation to global changes, generating economic, social, organizational, and health benefits to local communities in the biocultural landscapes of southern Mexico, including vulnerable groups such as women, youth, people with disabilities, and indigenous groups.

Throughout its 26 years of operation, SGP Mexico has continuously fostered the development of capacities and strengthened local organizations to identify and use intelligent alternatives to promote conservation, manage biodiversity and natural resources sustainably to obtain food and raw materials, satisfy their needs, or produce environmentally-friendly goods and services, while building social, economic, and ecological resilience and improving the wellbeing of rural communities.

So far SGP Mexico has funded 666 projects, including those of the Sixth Small Grants Programme in Mexico Operational Phase (OP6), for a total amount of USD 16.8 million of GEF financing. These have benefited around 14,000 people, of which approximately 6,000 are women. Projects funded have generated over 5,000 direct jobs and 13,000 indirectly. These projects addressed most GEF Focal Areas (BD, CC, LD, IW, POPs), with the majority (70%) of projects in the biodiversity focal area (465 projects).

The main results over the combined lifetime of SGP Mexico are summarized below:

- 666 funded projects.
- More than 14,000 beneficiaries. During GEF-6: 2,095 (910 women; 1,185 men) direct beneficiaries, and 8,380 (3,640 women; 4,740 men) indirect beneficiaries.
- 1,167,693 hectares under community management.
- 221,773 hectares protected through community conservation projects.
- 485 hectares of coastal, lagoon, or pluvial surface in aquaculture projects.
- 133,000 hectares under improved practices during GEF-6.
- 252 plant and 137 animal species managed and/or conserved.
- 5,400 ?sustainable? jobs created.
- 5,798,500 tCO₂e of emissions avoided in the AFOLU sector during GEF-6.

The number of community projects supported by the Small Grants Programme in Mexico (SGP Mexico) has grown over time. Large extensions of tropical and mountain forests and coastal and marine lagoon areas have been protected through different conservation instruments and practices and contribute to maintaining the continuity of ecological and evolutionary processes of flora and fauna populations. In the first five phases of the SGP, habitat conservation focused on establishing and strengthening natural protected areas, biological corridors, and their surroundings. In OP6, the strategy was diversified by supporting the creation of two voluntary conservation areas and two no-take zones (or fish refuges, as they are called in Mexico). In response to the Terminal Evaluation of the Fifth Operational Phase, community protection of forest areas was strengthened through twelve initiatives and ten projects that include FSC certification for timber exports. This comprehensive conservation strategy contributes to maintaining connectivity between forest areas, increasing communities' capacities and motivation to avoid land-use change, and apply ecosystem management and conservation practices. It also promotes agrobiodiversity conservation, mainly rescuing native flora species traditionally used in agricultural production systems (agricultural parcels, milpa, and *traspacios*).

Efforts in community-based tourism have made significant progress, moving from supporting family initiatives to endorsing a regional tourism network (Alianza Peninsular para el Turismo Comunitario). This network provides direct support to 24 community cooperatives, which are now profitable enterprises that share their landscapes and culture with national and international tourism. Benefits derived from tourism are reaching a greater number of families, and communities are taking ownership of local conservation initiatives and increasing their appreciation of and attachment to their locality. However, these alternative tourism initiatives need further investment to improve their marketing strategies beyond promoting existing destinations.

A similar story can be told about freshwater aquaculture based on native fish species (i.e., *pejelagarto* [tropical gar]) where the alliance with academic organizations allowed the development of the scientific research required to establish aquaculture farms managed by small cooperatives and groups in the Usumacinta delta and neighboring areas in Tabasco. The technical and financial involvement of governmental, private, academic, and civil organizations in the operation of this value chain (aquaculture with native fish species) has been key to its success and its extension beyond the state of Tabasco to access other markets with fresh products and also different industrial processing alternatives. During OP6, SGP Mexico supported two aquaponics projects, one mariculture project with Mayan octopus and twelve aquaculture projects with native species in Tabasco and Chiapas, including a project for the production of fish food based on insect biomass, thus consolidating the aquaculture strategy with native species. It is necessary to continue these efforts to reduce the risk posed by introducing exotic species, particularly aquatic species, through productive reconversion in aquaculture projects.

The development of organic apiculture with value chains going from individual small farmer production to the export of certified organic honey to very demanding markets such as Germany and other European countries is another area of great success. This has been possible by articulating different actions such as identifying market opportunities and forging alliances between governmental, academic, civil, and private organizations to weave networks of interacting and complementing CBOs and CSOs.

So far, SGP Mexico contributes to addressing climate change priorities through fostering community projects for forest land cover conservation, forest fire-prevention, agrobiodiversity restoration, diversification of sustainable production activities, and promoting agroforestry practices for forest recovery.

Considering that organization is the basis for long-term sustainability, SGP Mexico strengthens community organizations' capacities to establish community businesses with high social impact. According to a study carried out in 2019 on the situation of CSOs and CBOs, and the state of cooperativism in the Yucatan Peninsula[10], collective organization increases resilience in the face of socio-environmental crisis, promotes financial self-management, generates self-employment, reduces transaction costs, fosters win-win relationships, and advances human values (solidarity, equity, equality, democracy, responsibility, and mutual aid).

Opportunities for improvement identified include promoting soil conservation practices, supporting initiatives to transfer sustainable technologies to the communities, and encouraging the diversification of funding sources. It is also essential to increase the number of species harvested by the different community projects, as in sustainable fisheries and sustainable aquaculture, with a small number of commercial species. The number of wildlife species managed and used in non-timber forest harvesting projects can also be increased. Moreover, the diversification of productive activities in forest communities could add value to the timber harvested and increase employment opportunities.

In various community-based groups, there is a lack of information and conviction about the effectiveness of sustainable resource use and the risk that climate change represents for their productive activities, safety, health, and assets. It is advisable to increase efforts to disseminate biodiversity conservation and

sustainable management principles, so that food production is not perceived in opposition to natural resource conservation. Instead, they could be reconciled to aspire to sustainable development.

While lessons learned allowed SGP Mexico to upscale successful experiences in each of the four large ecosystems previously identified and today guide an instrumental use of resources to consolidate support to communities grouped within different landscapes/seascapes, the main problem remains the prevalent weakness of rural communities in the Southeast of Mexico to address the drivers of global environmental degradation (biodiversity loss, land degradation, and greenhouse gas emissions) in a strategic, integrated and sustainable way at landscape/seascape level. Community organizations in the targeted states are experiencing the landscape approach for the first time, with 75% of organizations receiving grants for the first time, and only 25% supported previously; work in Chiapas and Tabasco is incipient. The CBOs and CSOs funded to date only represent a fraction of the potential number of communities that could benefit from SGP Mexico. Moreover, community organizations where SGP Mexico has been long present need to be strengthened to participate in multi-level organizations and diversify their economic strategies to effectively act strategically and collectively in building and maintaining social and ecological resilience.

The primary baseline investments and activities in the seven target landscapes in Mexico relevant to the OP7 include the development of five landscape strategies. During OP6, using participatory methodologies and the COMDEKS landscape planning approach, stakeholders participated in each of the five target landscapes to determine a baseline and evaluate socio-ecological resilience indicators. They also defined goals, milestones, expected results, and a vision for each landscape.

Moreover, three strategic projects, based on the alliance of communities, were awarded during OP6: (i) community tourism (finding common approaches to manage data and information, policymaking, capacity building, and collective marketing); (ii) sustainable forest management (sustaining the processes for wood certification and market access), and (iii) organic beekeeping (establishing a beekeeping agenda around which donors may coordinate investments). Allied communities now have new skills to have direct dialogue with high-level government officials and share their agenda. Market access is also increasing through these alliances. These projects also generated accurate baseline data and a needs assessment for these three sectors and have served as the basis for developing partnerships with co-financing agents to continue strengthening local capacities.

- Tourist sector: There is an accurate diagnosis of the current situation of the cooperatives dedicated to community tourism and the steps to be taken to support this sector.

- Forestry sector: With partners such as The Nature Conservancy (TNC) and Rainforest Alliance (RA), SGP Mexico has worked on the value chain approach and generated data on the sector's main challenges.

- Apiculture sector: There is data on production and the number of families that have been benefited, as well as on public policies that need to be improved to strengthen the sector.

Also, SGP Mexico sponsored a governance analysis of CBOs and CSOs in the Yucatan Peninsula, published in 2020, that provides an analysis of the state of community governance and identifies

opportunities for improvement; it also includes a tool to assess the evolution of the level of governance of these organizations.

Regarding energy efficiency and renewable energy technologies, during OP6, at least seven projects with energy-related activities were financed, which include photovoltaic systems interconnected to the grid for the constant generation of electric energy ?given the deficient and intermittent nature of the current service? and reduction of both energy consumption and payments, as well as the replacement of motorized equipment with more efficient units to reduce fuel consumption. These actions have been linked to community tourism projects, so in addition to their direct contribution to their objectives, they also serve as demonstrations for visitors and local inhabitants.

Concerning COVID-19, SGP Mexico and UNDP jointly prepared an assessment of impacts and needs, making it possible to have updated data on economic impact and steps to recover livelihoods. This methodology allowed working with the multiple sectors in the landscapes and managing co-financing to promote recovery strategies by sector, formulated in a participatory manner through virtual workshops. A COVID-19 Analysis and Action Framework (see Annex 14 of the Project Document) was prepared to provide more detailed guidance on managing the COVID-19 pandemic.

3) The proposed alternative scenario with a brief description of expected outcomes and components of the Project

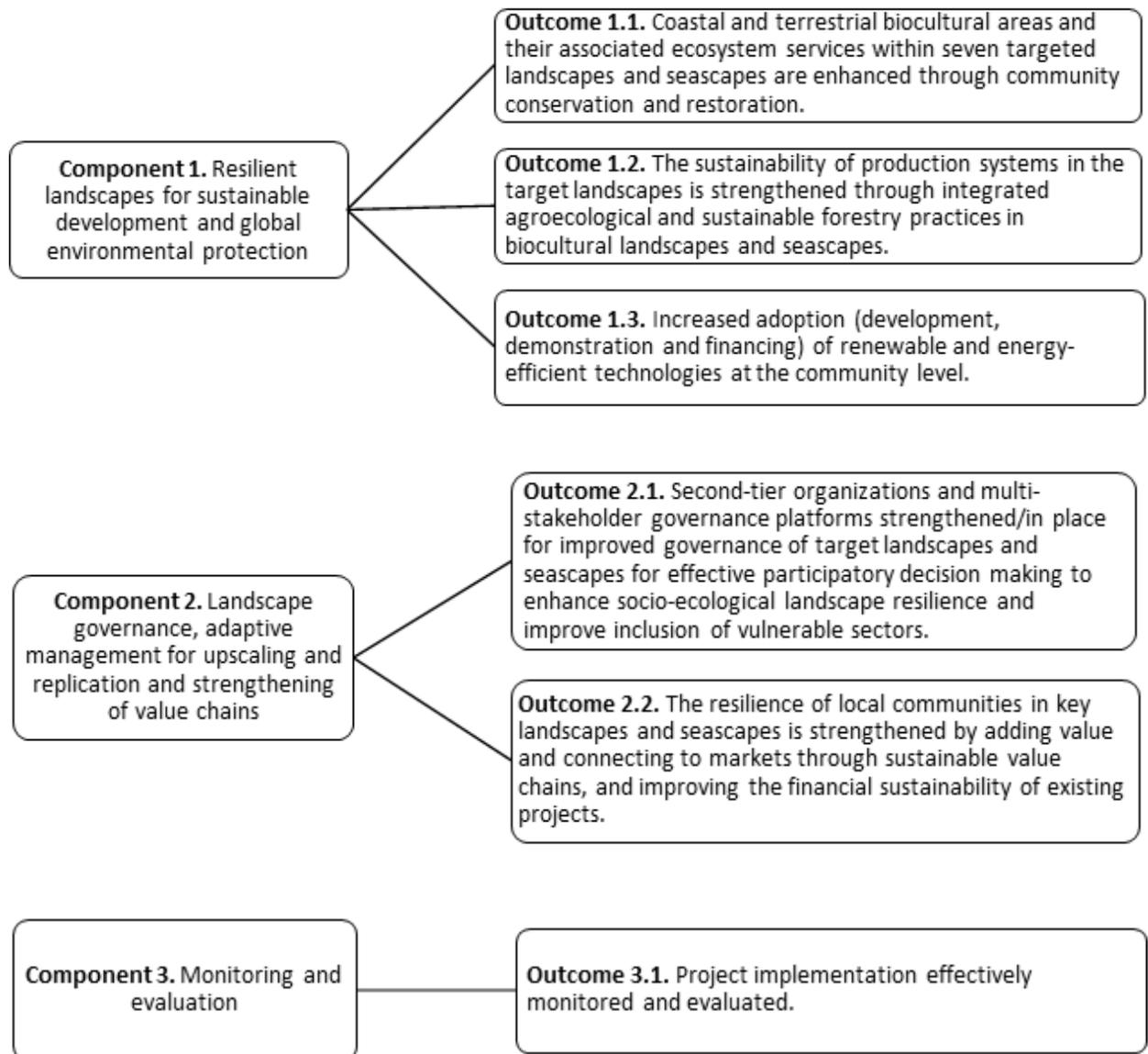
The Seventh Operational Phase of the GEF Small Grants Program in Mexico will enable communities and organizations in seven landscapes and seascapes in the South and Southeast regions of Mexico, in the states of Campeche, Chiapas, Oaxaca, Puebla, Tabasco, Quintana Roo, and Yucatan, to take collective action to enhance the socio-ecological resilience of their production landscapes through a participatory landscape planning and management approach that supports multi-functional land-use systems aimed at optimizing ecosystem services and strengthening biodiversity for local and global environmental benefits. SGP will support specific community-based actions in each landscape by financing small-scale projects implemented by local community organizations and coordinating them within the priority landscapes to achieve landscape-scale impacts.

The Project will promote landscape sustainability and connectivity in identified priority areas for the maintenance of ecosystem services and biodiversity conservation through a small grants programme for communities and their organizations. The grants will support activities such as promoting timber and non-timber forest products, agroecology, agroforestry, landscape restoration and mitigation of climate change, adopting renewable energy and energy efficiency technologies to improve resilience and reduce CO₂ emissions, among others. Besides small grants, the Project will also work in the broader context by providing training, capacity building, and advocacy for individuals and organizations to improve their participation in new value chains, influence public policies, and contribute to the advancement of human rights to land and territory.

Project Objective

To strengthen socio-ecological and economic resilience in seven (7) landscapes and seascapes in Mexico (1) Agroforestry Landscape of Chiapas and Tabasco, (2) Coastal Seascape of the Yucatan Peninsula, (3) Grijalva-Usumacinta Lower Basin Landscape, (4) Sustainable Forestry Landscape of Campeche, Quintana Roo, and Yucatan, (5) Forest and Milpa Landscape of Campeche, Quintana Roo, and Yucatan, (6) Oaxaca Mountains Landscape, (7) Mixteca Arid Landscape through community-based activities contributing to global environmental benefits and sustainable development. The GEF-funded alternative will be delivered through three Components:

Project Components, Outcomes, Outputs and Activities



Component 1. Resilient landscapes for sustainable development and global environmental protection

Outcome 1.1. Coastal and terrestrial biocultural areas and their associated ecosystem services within seven targeted landscapes and seascapes are enhanced through community conservation and restoration.

Under **Outcome 1.1**, the Project recognizes that one of the effective means of engaging various levels of community and government is through sustainable management of landscapes and seascapes while ensuring connectivity and preserving significant biodiversity and ecosystems. This involves strategies for restoring degraded ecosystems; promoting inclusive conservation, with the participation of women, youth, indigenous peoples, and other vulnerable groups; fostering a shared understanding of the importance of ecosystem services and how best to manage them; and contributing to the improved and sustainable management of community resources, including no-take zones to promote sustainable fisheries, agrobiodiversity conservation, support to traditional medicine, improved cooperative management of underwater ecosystems, better approaches to watershed governance, wetland and reef restoration, among others. Interventions under this outcome will require restoration actions as well as a shared vision of how to rehabilitate and maintain natural resources.

This outcome will be delivered by **Output 1.1.1** Community level small grant projects in the selected landscapes and seascapes that improve connectivity, support innovation in biodiversity conservation and optimization of ecosystem services (including no-take zones to promote sustainable fisheries; agrobiodiversity conservation; support to traditional medicine; improved cooperative management of underwater ecosystems; wetland and reef restoration; establishment of new community conservation areas and territories; and promotion of inclusive conservation). In line with the COVID-19 green recovery efforts, the Project will be in a good position to promote sustainable natural resource management, thereby safeguarding and restoring critical habitats. Moreover, supporting sustainable use of medicinal plants and gathering traditional knowledge related to health and epidemic response will help strengthen the coping capacities of local communities.

The activities carried out under this output will include:

- Definition and establishment of no-take zones (or fish refuges, as they are called in Mexico) in marine-coastal areas key to biodiversity conservation.
- Enhancing fishers' capacities to prevent environmental impacts of fishing practices on islands and reefs in the Gulf of Mexico.
- Conservation and restoration of mangroves, reefs, and coastal dunes.
- Conservation of biodiversity and traditional medicine in terrestrial areas voluntarily designated for conservation (ADVC) and territories and areas conserved by indigenous peoples and local communities (TICCA).
- Strengthening community participation and coordination among stakeholders in formal watershed governance bodies and testing innovative solutions to improve water quality.

- Capacity building/training initiatives for engaging women and youth in projects that benefit connectivity and biodiversity and promote inclusive conservation[12].

Outcome 1.2. The sustainability of production systems in the target landscapes is strengthened through integrated agroecological and sustainable forestry practices in biocultural landscapes and seascapes.

Under **Outcome 1.2**, the Project acknowledges that agroecological practices and systems contribute to the transition of food and agricultural systems that are environmentally sustainable, economically fair, viable, and socially equitable. Given that the Project primarily targets rural communities, agriculture, fishing, and community tourism, adoption of agroecological practices and systems by farmers, fishers, and other users of terrestrial, coastal, and marine resources will contribute directly to several development objectives, including ensuring secure and safe food supplies, achieving gender equality, increasing water-use efficiency, ensuring sustainable consumption and production, building climate resilience and halting the loss of biodiversity.

Within rural communities, baseline assessments have shown that the inclusion of vulnerable groups, including women, youth, and indigenous peoples, plays a critical role in the transition to more sustainable management systems, leading to introducing innovations in techniques and procedures.

This outcome will be delivered by **Output 1.2.1** Targeted community projects and alliances enhancing the sustainability and resilience of production systems, including silvopastoral and agroforestry systems, agroecological practices, sustainable forest management, and responsible fisheries. The project interventions under this output will contribute towards the COVID-19 recovery efforts, i.e., building communities' capacities to enable aggregation of produce and linkages to market opportunities.

The activities carried out under this output will include:

- Encouraging responsible and sustainable fishing practices and strengthening the value chain for native species (lobster, sea bass, grouper fish, among others).
- Promoting sustainable and resilient production systems such as sustainable community tourism, sustainable forest management, agrosilvopastoral systems, agroforestry systems (such as coffee and cocoa), and community germplasm conservation actions (Seed Guardians[13]).
- Supporting cross-cutting projects that target access to and management of natural resources by women, youth, indigenous peoples and/or other vulnerable groups.
- Sponsoring citizen science and community-based monitoring initiatives and new technologies to help collect and analyze data and improve landscape, biodiversity, and climate change monitoring.

Outcome 1.3. Increased adoption (development, demonstration, and financing) of renewable and energy-efficient technologies at the community level.

Under **Outcome 1.3**, the Project will foster the use of renewable and energy-efficient technologies in each landscape. There is both an interest and an opportunity in the selected landscapes for piloting

innovative and energy-efficient technologies at the community level. There is also an opportunity for landscape-to-landscape exchanges and peer-to-peer learning by supporting discussion and reflection on new sources of energy and energy efficiency, as well as on energy and the gender gap. Project interventions will be aligned with the COVID-19 recovery efforts in the project landscapes, e.g., exploring renewable energy options for local facilities and enhancing energy access, etcetera.

There is one output foreseen under this outcome:

Output 1.3.1. Targeted community projects implementing renewable and energy-efficient technologies in each landscape, including solar and wind energy applications, micro-hydro power generation systems, biodigestors, efficient biomass use, and wood stoves.

The activities carried out under this output will include training, planning and design, investment, and innovation (technology development) and will focus mainly on generating changes at household level through strategic projects with rural cooperatives:

- Local energy efficiency projects through bio-construction, eco-techniques and reduction of electricity and fuel consumption for lighting, transportation, productive equipment, irrigation, and heating and cooling processes.
- Local projects for clean energy generation from alternative sources such as solar energy, hydropower (micro-hydro), wind, biogas, and biomass.
- Local microgrid and interconnection projects.

Component 2. Landscape governance, adaptive management for upscaling and replication and strengthening of value chains

Outcome 2.1. Second-tier organizations and multi-stakeholder governance platforms strengthened/in place for improved governance of target landscapes and seascapes for effective participatory decision making to enhance socio-ecological landscape resilience and improve inclusion of vulnerable sectors.

Under **Outcome 2.1**, the Project will focus on strengthening landscape-based planning and effective and inclusive participatory decision making in the seven target landscapes and seascapes by developing a comprehensive strategy to protect valuable natural resources while ensuring livelihoods; improve administrative and management capacities, social equity, gender mainstreaming, and inclusion; promote effective participation, enhance citizenship, and preserve traditional knowledge.

Two more participatory strategies will be developed in Oaxaca and Puebla. Developing these landscape strategies will require various local organizations to work together to determine their landscape priorities, objectives, and strategies so that they may yield collective benefits. In each landscape all voices will be considered: youth, women, and vulnerable groups, such as people with disabilities and migrants. The landscape strategies will also reflect local development priorities, including COVID-19 response and recovery.

All seven landscape strategies will be disseminated, and their implementation will be revised and evaluated through adaptive management methodologies.

Resources will also be made available for projects focused on integrating networks and strengthening second-tier producer organizations to scale-up production and marketing of sustainably produced goods and services by facilitating access to financial resources for sustainable production activities, specific product development, certification, and marketing. Implementation of the knowledge management and communication strategy will continue through the integration of second-tier organizations, emphasizing community inclusion, gender perspectives, intergenerational dialogue, storytelling, knowledge sharing, and horizontal communication[14], as well as systematization and dissemination of lessons learned among local stakeholders in user-friendly language and form. The Project will also support the establishment of training programs and communities of practice on cross-cutting subjects such as community sustainable forest management and ecotourism to exchange knowledge and experiences between communities. Activities under this outcome can also help leverage other funds and support South-South partnerships.

There are three outputs planned under this outcome:

Output 2.1.1. Two additional landscape strategies developed, and the five strategies developed during GEF-06 disseminated and revised participatorily.

During the PPG phase, important issues and concerns were identified for each new landscape, as well as key institutional stakeholders. The key activities under this output will include:

The activities carried out under output 2.1.1. will include:

- Identifying landscape-level priorities according to the points of view of different stakeholders, and specifically including the perspectives of women, youth, and indigenous peoples.
- Planning and undertaking a baseline assessment in each new landscape against which results can be measured.
- Mainstreaming gender considerations in the baseline assessment.
- Establishing timelines for activities.
- Clarifying the roles and responsibilities of the various stakeholders in contributing to landscape resilience.
- Reviewing and updating the five landscape/seascape strategies developed during OP6.
- Disseminating and promoting the adoption of landscape strategies and collaboration between organized community groups and communities within the landscapes.

Output 2.1.2. Second-tier organizations and community networks implement strategic initiatives to upscale successful SGP project experiences and practices, including community-CSO-government policy dialogues (for example, Beekeepers Alliance, Ecotourism Alliance, Native Seed Guardians Alliance, and Forestry Alliance).

The activities carried out under output 2.1.2. will include:

- Identifying second-tier organizations and alliances within the seven landscapes and promoting capacity building, horizontal training, gender perspective, and continuing education on cooperative entrepreneurship (cooperativism).
- Encouraging second-tier organization and alliances between organized women dedicated to rural production, resource management, improving access to land, and ensuring property rights, including strengthening or reactivating Women's Agricultural and Industrial Units (UAIM).
- Supporting training and knowledge exchange between cooperatives to strengthen their governance and thus bring long-term sustainability to their actions and impact.
- Promoting inclusive policy dialogues and multi-stakeholder dialogues, as part of SGP Mexico's knowledge management and communication strategy.
- Implementing strategic projects with second and third-tier organizations, encouraging mainstreaming risk management, supporting gender mainstreaming, and fostering the establishment of learning communities or communities of practice.
- Supporting cross-cutting projects on climate change resilience.

Output 2.1.3. Knowledge from community project innovations shared through communities of practice (for example, renewable energy, agroecology, sustainable forestry, and fisheries) and regional South-South exchanges with Latin American and Caribbean countries.

The activities carried out under output 2.1.3. will include:

- Facilitating the exchange of experiences between networks (community-community, landscape-landscape, and alliance-alliance levels) to promote innovation, including exchanges between women.
- Establishing communities of practice on cross-cutting subjects and learning communities for exchanging knowledge, experiences, and lessons learned.
- Develop a training program for community organizations and civil society ?in coordination with other GEF projects?, aimed at raising their knowledge and analytical capacity on socio-environmental issues and strengthening their abilities to promote territorial alliances and improve their capacity for dialogue with governmental and non-governmental entities.
- Supporting South-South cooperation partnerships.
- Encouraging cross-cutting projects on gender and women's empowerment.
- Establish partnerships with similarly oriented projects to promote the cross-pollination of innovations.

Outcome 2.2. The resilience of local communities in key landscapes and seascapes is strengthened by adding value and connecting to markets through sustainable value chains, and improving the financial sustainability of existing projects.

Under **Outcome 2.2**, the Project aims at community livelihoods in the target landscapes becoming more resilient by enhancing value creation for sustainable products and its connection with new markets and sustainable consumption through strengthening the capacities of organized second-tier producer organizations. One of the main issues identified in landscape strategies is the need to strengthen the economic sustainability of value chains to produce goods and services that comply with verifiable fair trade and sustainable standards and certifications. This will be achieved by offering technical training to improve production and transformation, including appropriate technologies, assisted development of marketing strategies, and access to financial services. Organized second-tier producer organizations will be eligible for training in themes such as marketing, advertising, contract negotiation, access to credit/financial support, feasibility studies, business planning, logistics, and retail, etc. By forming alliances, the groups will be able to achieve the economies of scale needed to enter and successfully compete in markets. Inclusion of youth, women, and other vulnerable groups, such as people with disabilities and migrants, will be promoted. The project interventions under this outcome will contribute towards the COVID-19 recovery efforts, e.g., building capacities of producer organizations to enable linkages to market opportunities and improving their access to sustainable finance.

There are two outputs planned under this outcome:

Output 2.2.1. Targeted community projects and second-tier organizations increase their participation in new links (inputs, transformation, logistics, and retail) within the value chain (including fair and sustainable standards and certifications for fisheries, timber, cocoa, coffee, honey, mezcal, and agroecological production).

The core activities under this output include:

- Supporting associations/second-tier organizations to bring stakeholders together around value chains.
- Improving value chains and removing barriers to entry into markets.
- Facilitating the strengthening of value chains, from supply and product logistics to local markets and patterns of distribution and responsible consumption.
- Promoting access to market mechanisms to add value to sustainable production, such as environmental seals, fair and sustainable standards and certifications, and other differentiation schemes.
- Promoting bioeconomy and innovation pilots.
- Supporting in key regions traditional independent local economies (short circuits) capable of supplying communities the goods and services they need.

Output 2.2.2. Targeted community projects and second-tier organizations improve their access to sustainable finance (fair credits, work capital, community savings banks, impact investment, natural capital assets).

The core activities under this output are:

- Capacity building and training for organizations and alliances to understand and access financing mechanisms and channels.
- Strengthening capacities for business plan development.
- Facilitating contact with alternative fair and sustainable financial sources that improve the financial resilience of community organizations.
- Facilitating access to working capital to community organizations and second-tier organizations and promoting fair and equitable profit allocation within the value chain.
- Exploring options for establishing payments for ecosystem services (PES), for water supply, for example.
- Strengthening community-based savings groups and local savings banks (cajas de ahorro) at community and regional levels.

Component 3. Monitoring and Evaluation

Outcome 3.1. Project implementation effectively monitored and evaluated.

Under **Outcome 3.1**, the Project will focus on putting in place effective project monitoring and evaluation procedures for ensuring efficient use of resources, inclusive participation and achievement of the project objective and outcomes.

Output 3.1.1. Sustainability of project results enhanced through participatory monitoring and evaluation. The activities under this output are designed to put in place enabling procedures and protocols to facilitate effective monitoring & evaluation.

The Project Inception Workshop, to be held within 60 days of CEO endorsement, is a critical milestone on the implementation timeline, providing an opportunity to validate the Project Document, including the environmental and social management framework; confirming governance implementation arrangements, including agreements with responsible parties; assessing changes in relevant circumstances and making adjustments to the project and program results framework accordingly; verifying stakeholder roles and responsibilities; updating the project risks and agreeing to mitigation measures and responsibilities; and agreeing to the multi-year work plan. An inception workshop report will be prepared and disseminated among the NSC members. The National Steering Committee (NSC) will be the main platform for high-level and strategic decisions. Monitoring indicators in the project results framework, project risks, implementation of the stakeholder engagement plan and implementation of the gender action plan will be carried out by the Country Programme Management Unit. According to GEF requirements, two independent evaluations will be carried out: a mid-term review, and a terminal evaluation.

The core activities under this output are:

- Organizing the Project Inception Workshop, including review of multi-year work plan, project results framework, Gender Analysis and Gender Action Plan, Stakeholder Engagement Plan, social and environmental screening procedure, etc., and prepare an inception report to provide guidance for initiating the implementation of the Project.
- Organizing periodical NSC meetings, providing strategic guidance to the country programme management unit and approving project grants.
- Monitoring, using the Mon-ALISA System[16], and evaluating the project progress, risks, and results, facilitating adaptive management, ensuring gender mainstreaming objectives are achieved, and preparing project progress reports,
- Training communities to monitor and measure the impacts achieved by their projects.
- Monitoring the impact of restoration and conservation practices through new technologies for the collection and analysis of data (i.e., the SGP land monitoring cell phone app).
- Monitoring the implementation of the Stakeholder Engagement Plan.
- Monitoring the implementation of the gender action plan, with the support of a gender specialist.
- Assessing mid-term achievement of GEF core indicator targets.
- Procuring and supporting an independent mid-term review of the Project, according to UNDP and GEF guidelines.
- Assessing end-of-project achievement of GEF core indicator targets.
- Procuring and supporting an independent terminal evaluation of the Project, according to UNDP and GEF guidelines.

Theory of Change

One of the key assumptions outlined in the project theory of change for advancing from project-level outcomes to longer-term outcomes (intermediate states) and ultimately to durable long-term impacts is that the landscape approach, reinforced through multi-stakeholder collaboration, will help achieve a cohesive and coherent vision, under which development actors and local partners will execute synergistic and complementary activities to reach a tipping point towards sustainability in each of the seven selected landscapes and seascapes in Mexico. By focusing on targeted communities in these landscapes, the project seeks cost-effective delivery of community-level investments, processes, and tools within a measurable, limited geographic scope.

Another assumption is that there is market demand for products differentiated by their sustainable production. The project aims to strengthen value chains' economic sustainability to produce goods and

services that comply with verifiable fair trade and sustainable standards and certifications. This will be achieved by offering technical training to improve production and transformation, including appropriate technologies, assisted development of marketing strategies, and access to financial services.

The barriers to overcome are mainly related to the communities' capacity for planning the use of natural resources with a long-term sustainability vision and the technical and financial resources to initiate agroecological transition processes and promote value chains. Addressing socioeconomic well-being, including livelihood benefits, is fundamental to ensure local communities' genuine participation in conservation and restoration initiatives. The proposed solution based on GEF funding will address the barriers faced by communities in these seven landscapes to develop and implement adaptive management, production, and marketing strategies that are sustainable and foster social, economic, and ecological resilience.

The project will seek to empower and support local community organizations, CBOs and CSOs, to pilot and carry out sustainable interventions that support livelihoods and reverse biodiversity loss, control land degradation and implement mitigative activities against climate change. Therefore, local organizations will implement small grants, with a landscape strategy cohering the work. These discrete interventions will aggregate and generate landscape-level changes while promoting social cohesion and facilitating new knowledge, partnerships, and experience.

These partnerships will be reinforced through second- or third-level networks and alliances to increase their capacity to influence environmental governance. Links (i.e., ecosystem continuity, migration fluxes) and synergies (i.e., effective governance; concrete funding opportunities) will be promoted among organizations that have been supported for years, and new ones will be established to ensure integrated support.

Organized second-tier producer organizations will be eligible for training in themes such as marketing, advertising, contract negotiation, access to credit/financial support, feasibility studies, business planning, logistics, and retail, etc. By forming alliances, the groups will achieve the economies of scale needed to enter and successfully compete in markets.

Achieving durable changes in attitudes and practices depends on ensuring CBOs and CSOs attain and keep abreast of knowledge and best practices/models. The project will facilitate capacity building, sharing technical expertise, and networking and knowledge-sharing opportunities, including women and marginalized groups. The project will also foster the establishment of learning communities or communities of practice to exchange knowledge, and experiences on specific topics such as renewable energy and gender leadership, among others. The lessons learned from this project will enable upscaling of best practices, inform policy development, improve baseline data in the country, and provide models to be replicated elsewhere.

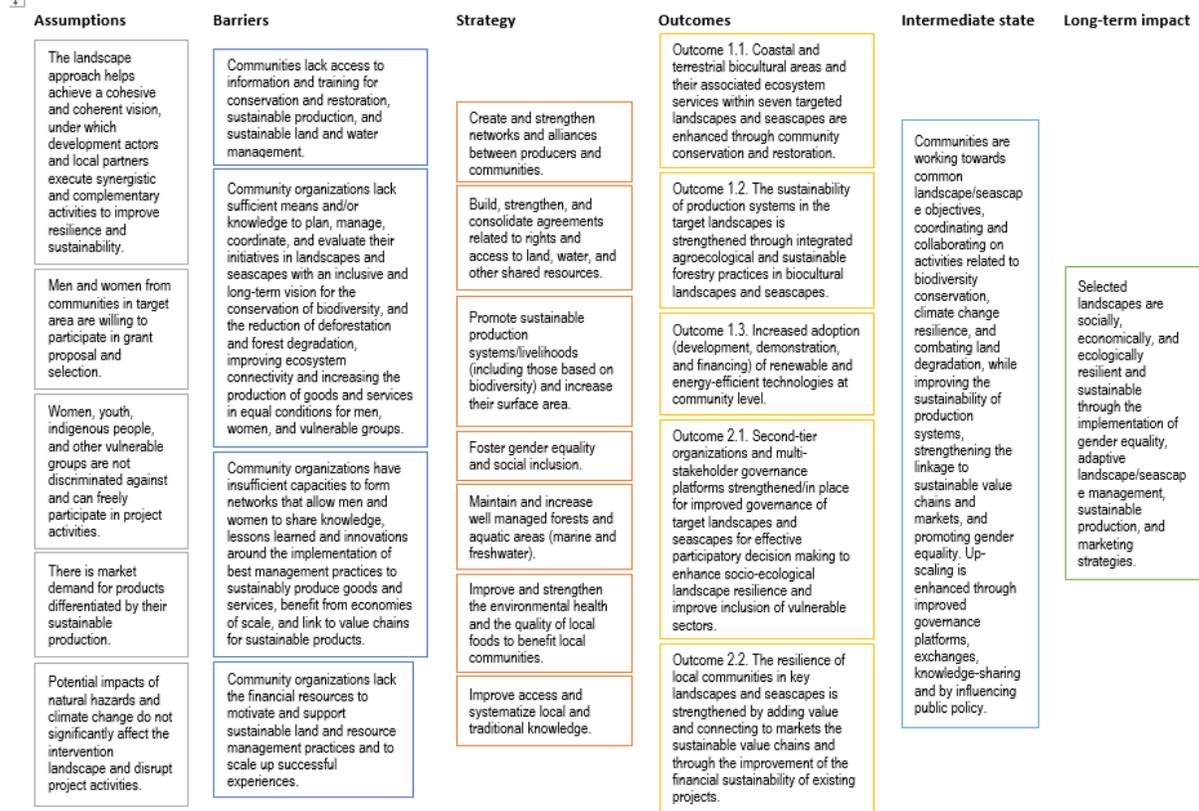
Sustaining and upscaling innovative renewable and energy-efficient technologies at the community level are similarly a function of having local capacities developed for adopting, operating, and maintaining the systems. Landscape-to-landscape exchanges and peer-to-peer learning on new sources of energy and energy efficiency will promote public awareness and make these new technological solutions more accessible and contribute to increasing resilience and reducing CO₂ emissions in community production activities.

Incorporating the gender perspective and the empowerment of women is a priority and fundamental to reducing the barriers that women face on the road to sustainable rural development. Moreover, inclusion of youth, and other vulnerable groups, such as people with disabilities and migrants, will be promoted.

Nine strategic projects are planned during project implementation to facilitate durable impacts and upscale results. Thematic-based strategic grants are envisaged to be awarded to second and third-level organizations and alliances for enhancing their capacities to organize themselves at these higher governance levels, delivering technical and strategic capacity building, providing technical guidance during the implementation of the small grants projects, and linking CBOs with other enabling partners to enhance the durability of the results achieved. The indicative thematic strategic grants will cover the following subjects:

- One on biodiversity management and conservation, and traditional ecological knowledge linked to community forest management, sustainable tourism, or agroecological milpa system.
- Two on community-level renewable energy and energy efficiency.
- Two to strengthen second and third-level organizations or alliances to upscale successful SGP project experiences.
- One to encourage mainstreaming risk management within projects, in partnership with UNDP's Disaster Risk Management Programme in Mexico.
- One in support of gender mainstreaming within projects.
- One to foster the establishment of learning communities or communities of practice.
- One to foster community-based communication within projects to encourage community organizations to produce their own materials and share lessons learned.

Figure 1: Theory of change



4) Alignment with GEF focal area and/or Impact Program strategies

This project is aligned with GEF-7 Programming Directions and strategic priorities. In accordance with GEF-7 strategic directions, it will focus on promoting and supporting innovative and scalable initiatives at the local level to protect the global environment in priority landscapes and seascapes and becoming an incubator and facilitator of innovation, with the potential for broader replication of successful approaches through alliances with other GEF-funded projects and other partners.

The Project proposed here is in full conformity with the policy for the upgrading of SGP Country Programmes, as first described in *GEF/C.36/4 Small Grants Programme Execution Arrangements and Upgrading Policy for GEF-5* and then in *GEF/C.46/13 GEF Small Grants Programme: Implementation Arrangements for GEF-6*, and *GEF/C.54/05/Rev.01 GEF Small Grants Programme: Implementation Arrangements for GEF-7*, approved by GEF Council. This GEF SGP Upgraded Country Programme will continue to follow the SGP's Operational Guidelines to ensure compliance with longstanding best practices and GEF policy for the SGP.

The Mexico SGP Country Programme will work in seven (7) selected landscapes/seascapes and continue to seek synergies, by implementing multi-sectoral approaches involving communities at the landscapes/seascapes level and facilitating communities' innovative actions to effectively manage their complex biocultural landscapes/seascapes.

The Mexico SGP Country Programme is aligned with the Biodiversity Focal Area Strategy as it engages communities in landscape strategies that (i) ?mainstream biodiversity across sectors as well as landscapes and seascapes through biodiversity mainstreaming in priority sectors?, (ii) ?reduce direct drivers to protect habitats and species?, and (iii) ?mainstream biodiversity across sectors as well as landscapes and seascapes through inclusive conservation?.

During OP7, the Mexico SGP Country Programme will also be aligned with the GEF-7 Climate Change Focal Area objective by (i) ?promoting innovation and technology transfer for sustainable energy breakthroughs for decentralized power with energy usage?, since it will encourage the use of renewable energy and energy efficiency technologies in community productive infrastructure to improve resilience and reduce CO2 emissions (through solar water pumps and gasification of biomass and waste, for example).

The Country Programme is also aligned with the GEF 7 Land Degradation Focal Area with a view to (i) ?maintain or improve flow of agro-ecosystem services to sustain food production and livelihoods through Sustainable Land Management (SLM)?, (ii) ?maintain or improve the flow of ecosystem services, including sustaining livelihoods of forest-dependent people through Sustainable Forest Management (SFM)? and (iii) ?reduce pressures on natural resources from competing land uses and increase resilience in the wider landscape?. SGP Mexico will support efforts to secure livelihoods of smallholders; build capacity at local and landscape levels to restore and maintain functional landscapes while conserving biodiversity, and promote lessons learning and knowledge exchange and South-South cooperation. The programme focuses on enhancing resilient livelihoods and food security in local communities through promoting sustainable agriculture, participatory land-use planning, and forest conservation-based livelihoods.

During project preparation, SGP Mexico has liaised with the agencies in charge of implementing the GEF project portfolio in Mexico, thanks to the support of the UNDP Country Office and the GEF Focal Point, to align itself with relevant programs and projects, particularly with those concerning local community-driven initiatives in the seven selected landscapes. The partnerships with other stakeholders and organizations, as well as the linkages with other GEF projects and initiatives, are described in section IV. Results and Partnerships, of the Project Document.

5) Incremental/additional cost reasoning and expected contributions from the baseline, and co-financing

Baseline projects as well as other contributions to the Project?s baseline and co-financing are given in Project Document Section III (Strategy), Section IV (Results and Partnerships), and Section VIII (Financial Planning and Management). *There are no changes from the PIF in the incremental reasoning or the expected contributions from baseline.*

GEF incremental funding and co-financing will be applied to add value, where appropriate and possible, to existing initiatives in collaboration with the government, the private sector, or CSOs in the seven target landscapes. GEF funding will provide small grants to CSOs and Community-based Organizations to develop landscape management strategies and implement community projects to

pursue strategic landscape-level outcomes related to biodiversity conservation, climate change mitigation and adaptation, and sustainable land management. Funding will also be available for initiatives that build the organizational capacities of landscape-level organizations and other organizations with strategic approaches. Resources will also be made available through SGP strategic grant modality to upscale proven technologies, systems, or practices based on knowledge gained from experience and systematization and analysis of successful community innovations during previous phases of SGP Mexico Country Programme.

Second and third-tier organizations will be consolidated in each target landscape. These partnerships will provide technical assistance, strategic guidance and financial support, where possible, to community-based organizations for individual community initiatives, as well as landscape-level projects and strategic upgrading projects. Agreements will be formulated and signed with communities as projects are identified and aligned with landscape-level outcomes.

Project experiences and best practices will be systematized, and knowledge generated for discussion and dissemination to local policymakers, national/subnational advisors, landscape-level organizations, CSOs, and other networks.

During OP7, co-financing will be sought for the goals established in the 2020-2030 SGP Mexico Strategic Plan for the following cross-cutting strategic priorities: a) Create and strengthen networks and alliances between producers and communities; b) Create, strengthen and consolidate agreements related to rights and access to land, water, and other shared resources; c) Strengthen sustainable production systems/livelihoods (including those based on biodiversity) and increase their surface area; d) Promote and strengthen gender equity, and social inclusion; e) Maintain and increase forest areas (forests and mangroves) and aquatic areas (marine and freshwater) in a healthy condition; f) Improve and strengthen the quality of local foods and promote healthy environments for the benefit of local communities; and g) Systematize local and traditional knowledge and improve access to it. The 2020-2030 SGP Mexico Strategic Plan integrates the results of the first five landscape strategies. It proposes a vision to develop innovative, inclusive, and equitable projects, contributing to the management and conservation of biological diversity, maintaining or improving the flow of ecosystem services through sustainable land management, and adaptation to climate change while generating economic, social, organizational, and health benefits for local communities.

The Mexican government proposed expanding the impact of SGP in light of the results of the five landscape strategies developed. Considerations for expanding SGP Mexico are: (i) targeted states are experiencing the landscape approach for the first time, with 75% of participant organizations receiving grants for the first time and 25% which were supported previously; (ii) 10% are dealing with new topics, and (iii) work in Chiapas and Tabasco is in initial stages only.

Criteria for expansion to new geographical areas suggested by the 2019 Mid Term Review were adopted and include: (i) continuity of the ecosystems already targeted; (ii) safety of operation: there is no point in expanding to areas that are ecologically important but where it would be impossible or too insecure for both SGP team and the communities to work; (iii) presence of an already solid civil society allowing governance and processes to bring about change effectively; (iv) a mixed approach to support CBOs and second/third-level organizations according to their maturity; (v) socio-economic elements,

i.e., migratory flows which may provide opportunities to strengthen actions; and (vi) reliable co-financing commitments.

Applying these criteria led to the decision to work to extend the area in Chiapas and add two more landscapes in Oaxaca so that the seven selected target landscapes are: (1) Agroforestry Landscape in Chiapas and Tabasco, (2) Usumacinta and Grijalva Rivers Watershed Landscape, (3) Coastal Seascape of the Yucatan Peninsula, (4) Sustainable Forestry Landscape of Quintana Roo, Campeche and Yucatan, (5) Forest and Milpa Landscape in Quintana Roo, Yucatan and Campeche, (6) Mixteca Landscape, and (7) Oaxaca Mountains Landscape.

The indicative co-financing for the Project has been confirmed through discussions with co-financers to identify aligned efforts that can feasibly count as co-financing in accordance with GEF rules. This is shown in Table C. The overall amount of confirmed co-financing is USD 12,233,787.

6) Global environmental benefits (GEFTF)

Global environmental benefits (GEB) will be achieved, particularly for biodiversity, climate change mitigation and adaptation, and sustainable land management. These will result from the synergistic implementation of community-based landscape/seascape management initiatives proposed here over the short term and the aggregated longer-term impacts of new and previously funded SGP initiatives.

Overall, the Project foresees the involvement of 4,000 direct beneficiaries (2,000 men and 2,000 women) and their families and other community members (16,000 indirect beneficiaries, of which 50% will be women) in rural communities. The long-term total benefits will be a function of the synergies created between projects through the proposed landscape management approach and additional mainstreaming and upscaling efforts.

Up to OP6 (2019), SGP Mexico's geographic coverage of the targeted landscapes/seascapes was approximately 171,500 Km². This new operational phase is expected to increase this area by nearly 12%, reaching a little over 239,000 Km². The landscape scale seems large; however, in areas where SGP Mexico has been working during the last couple of decades, as in the Yucatan Peninsula (Campeche, Quintana Roo, and Yucatan), there are regional CBO and CSO alliances and multi-stakeholder partnerships that cover territories of this scale. Therefore, OP 7 will be dedicated to strengthening and building networks and alliances between producers and communities in the seven (7) landscapes to scale the impact. Simultaneously, the Project's emphasis on multi-stakeholder partnerships and alliances will explicitly develop larger cross-cutting projects (up to USD 150,000) to upscale successful SGP-supported technologies, practices, or systems that enhance resilient landscapes identified from previous phases of the Mexican SGP Country Programme.

The Mexico SGP Country Programme will generate the expected outcomes through two main strategic components: 1) Resilient landscapes for sustainable development and global environmental protection and 2) Landscape governance, adaptive management for upscaling and replication, and strengthening of value chains. The Project will bring results related to climate change, land degradation, and biodiversity through these components, as described below.

As such, SGP Mexico will look to initiate the restoration of 200 hectares of coastal wetlands and dunes and coral reefs and enhance the sustainability and resilience of 2,300 hectares of production systems, including silvopastoral and agroforestry systems, agroecological practices, and sustainable forest management. The Project will also secure 100,000 hectares under improved practices by applying sustainable land management measures on production landscapes and encouraging voluntary conservation.

On biodiversity, the Project will seek to promote community-level projects in the selected landscapes and seascapes that improve connectivity, support innovation in biodiversity conservation and optimization of ecosystem services, including no-take zones to promote sustainable fisheries; agrobiodiversity conservation; support to traditional medicine; improved cooperative management of underwater ecosystems; wetland and reef restoration; establishment of new community conservation areas and territories and promotion of inclusive conservation.

Project interventions will foster:

- Conservation of globally significant biocultural resources, including traditional medicine in terrestrial areas through areas voluntarily designated for conservation (ADVC) and territories and areas conserved by indigenous peoples and local communities (TICCA).
- Improved marine habitat conservation practices through the establishment of no-take zones (6,000 hectares) and enhancing fishers' capacities to prevent environmental impacts on islands and reefs in marine-coastal areas crucial to biodiversity conservation.
- Agrobiodiversity conservation through preservation and promotion of native seeds and plant species, and community germplasm conservation actions.
- Conservation and restoration of mangroves, reefs, and coastal dunes.
- Strengthening community participation and coordination among stakeholders in formal watershed governance bodies and testing innovative solutions to improve water quality.
- Capacity building/training initiatives for engaging women and youth in projects that benefit connectivity and biodiversity and promote inclusive conservation.
- Conservation of forest areas through promoting sustainable forest management and livelihood-based restoration activities.

Regarding **land degradation**, the Project will address erosion, desertification, and deforestation by enhancing the sustainability and resilience of production systems through:

- Promoting sustainable and resilient production systems such as sustainable community tourism, sustainable forest management, agrosilvopastoral systems, agroforestry systems (such as coffee and cocoa), and community germplasm conservation actions (Seed Guardians).
- Community-managed natural regeneration of degraded lands and marine-coastal ecosystems., including mangroves, dunes, and reefs.

- Conservation and sustainable use of biodiversity in productive landscapes and within buffer zones of protected areas (i.e., sustainable utilization of non-forest timber products).
- Encouraging responsible and sustainable fishing practices and strengthening the value chain for native species (lobster, sea bass, grouper fish, among others).

The Project will seek the sustainable mitigation of 15,000 t CO₂e of **greenhouse gases (GHGs)**, with avoided greenhouse gas emissions resulting from the increased adoption (development, demonstration, and financing) of renewable and energy-efficient technologies, by:

- Mitigating GHG emissions, i.e., through energy efficient solutions introduced, adapted, piloted, and disseminated.
- Expanding the application of renewable and clean energy solutions for productive uses, such as solar pumps, hydropower (micro-hydro), biogas, efficient biomass use, wood stoves, etc.
- Increasing use of renewable energy, including alternatives to fuelwood and coal.
- Improving energy efficiency, i.e., for productive infrastructure, household use and community lighting.

7) Innovativeness, sustainability and potential for scaling up

Innovation: One of the most relevant innovative aspects of the Seventh Operational Phase (OP7) of SGP Mexico is the full implementation of the landscape approach focused on people and their aspirations to address development needs while restoring and protecting natural resources.^[17]

During the Sixth Operational Phase (OP6), SGP Mexico initiated the process of adopting a landscape approach and five landscapes and seascapes were geographically defined, highlighting their specific socio-cultural, ecological-environmental, and production features. Moreover, using participatory methodologies and the COMDEKS landscape planning approach, stakeholders participated in each of the five target landscapes to determine a baseline and evaluate socio-ecological resilience indicators. They also defined goals, milestones, expected results, and a vision for each landscape.

The SGP Mexico's 2020-2030 Strategic Plan results from integrating the five Landscape/Seascape Strategies developed during OP6 and it is the basis for OP7. This Strategic Plan identifies several innovations for each selected landscape; some relate specifically to livelihoods, while others refer to governance or socio-cultural processes. Some of the innovations identified are based on encouraging the use of renewable energy sources and energy efficiency technologies; diversifying production activities; promoting market diversification and de-commoditization of farm products to increase resilience against international market changes; adding value to sustainable products by improving provision, production, transformation and marketing practices, as well as encouraging agreements between producer groups and other economic stakeholders, companies and service providers to

establish value chain relationships that increase the profitability of local production and enhance sustainable consumption through social solidarity economic practices.

Other innovations relate to organizational aspects such as promoting ownership of and responsibility for collective coastal resources to benefit local economies and fostering the existence of integrators[18], processors, and product collection centers under alliances and community networks to standardize production and marketing practices.

To promote capacity development, the Project will establish community training and demonstration centers and field schools to advance sustainable natural resource use, exchange experiences, disseminate success stories, and foster partnerships with organizations that can provide training and technical assistance in decision-making technologies, participatory mapping, and geographic information systems and visualization platforms.

In addition, the Project proposes to implement strategic projects to pilot renewable and energy-efficient technologies, creating a portfolio of potential solutions for uptake at the regional and landscape levels.

SGP Mexico is aware of the need to embrace technological advances. It will encourage innovation and knowledge-exchange platforms ?digital (i.e., web pages, chats, social networks) or face-to-face (i.e., events and fora, experience exchanges with ?innovation laboratories,? and communities of practice)? to strengthen relations between communities and develop a shared landscape vision.

Sustainability: To ensure the sustainability of community-based landscape management initiatives, SGP Mexico, with the support of the UNDP Country Office, will actively promote cross-cutting interventions to overcome regulatory, governance, technical, communications, and policy barriers and transition from a grant-making approach concerned primarily with local issues to a process-oriented approach in which planning, implementation, and evaluation increasingly address a larger geographic scale with longer time-horizons.

The sustainability of landscape management processes and community initiatives is predicated on the principle ?based on SGP Mexico?s experience? that global environmental benefits can be produced and maintained through community-based sustainable development projects. Previous phases of the Mexico SGP Country Programme have identified and promoted clear win-win opportunities with community initiatives and clusters of initiatives in areas such as sustainable use of biodiversity (organic apiculture, ecotourism, aquaculture, and mariculture), and crop genetic resources, agroecological production practices and systems (sustainable silvopastoral systems, agroforestry systems, low input agriculture), sustainable land management (sustainable community forestry), renewable energy (micro-hydro power and solar), and value addition to crops through sustainable practices (organic, sustainable certification schemes).

Strengthening associativity and access to financing will help improve profitability and sustainability conditions for community projects. Resources will be made available for projects focused on building the capacities of rural cooperatives, integrating networks and alliances, and consolidating second-tier producer organizations to scale-up production and marketing of sustainably produced goods and

services by facilitating access to financial resources for sustainable production activities, specific product development, certification, and marketing.

Also, sustainability of landscape planning and management processes will be enhanced through the involvement of local government, national agencies and institutions, CBOs and CSOs, the private sector, and others at the landscape level to pursue specific landscape-level outcomes. CSO networks will be called upon to support community projects and landscape planning processes, and technical assistance will be engaged through government, CSOs, universities, academic institutes, and other institutions.

At the community level, SGP Mexico will strengthen community organizational capacities to understand legal and regulatory frameworks and in order to respond to pressures on land tenure (i.e., support to legal education and training for communal or ejido authorities), since the alienation of communal lands contravenes the principle of the social function associated with agrarian commons embodied in current legislation^[19] and erodes the foundations of ejidos and agrarian communities, as collective land organizations, whose main authority is the assembly.^[20] Securing communal land tenure enables communal and ejido authorities to assign lands to inclusive and voluntary conservation initiatives (such as TICCA and ADVC), as well as to sustainable production, delivering global environmental benefits for sustainable development within the biocultural landscapes.

To strengthen governance mechanisms, SGP Mexico will promote the active engagement of community organizations in participatory processes to develop watershed and water resource management plans, territorial planning, and sustainable resource use; foster the participation of young people by encouraging innovative uses of natural resources; establish coordination between community committees and authorities to inspect, monitor, and report on extractive activities in forestry and fishing areas; and organize landscape-level events for sharing, and recovering different biocultural traditions.

Potential for scaling up: Scaling up of successful initiatives is an essential output of this Project and builds on the scaling up done successfully during previous operational phases of SGP Mexico. The principle of scaling up is that the communities adopt, or replicate lessons learned in their own initiatives from other successful experiences. For this reason, the SGP strategic grant modality will be maintained and upscaled to foster interventions capable of generating both global environmental and community benefits and involving second and third-tier organizations (associations, thematic networks, and network alliances).

An essential output of this project is replicating and enhancing previous experiences of community-based ?on the ground? initiatives in the selected landscapes in South and Southeastern Mexico. Building on the training of trainers experience for organic apiculture that has been successfully upscaled over the past years, the Project will support upscaling other initiatives that have been piloted successfully during previous phases of the Mexico SGP Country Programme. These include aquaculture using native fish species in the deltaic-estuarine landscape of the Grijalva-Usumacinta river system, community forestry (Yucatan and Chiapas forest landscapes), and ecotourism (coastal lagoons and marine interface of northern Yucatan). In this context, the premise of upscaling is that the aggregate of community adopters of successful SGP-supported technologies, practices, and systems from previous SGP Mexico phases have been slowly acquiring critical mass to reach a tipping point of

adoption more broadly by rural constituencies of adaptive practice and innovation. SGP Mexico has facilitated this aggregation process by accompanying community organizations over the years, building networks of rural producers, establishing vertical linkages from producer to market, and advocating policy support from local, state, and federal governments. Also, SGP Mexico seeks to transfer its approach to other donors and promote donor alliances to provide incentives for sustainable rural production with a joint framework of performance indicators.

[1] World Bank. 2019. *Systematic Country Diagnostic Mexico*. Available at: <http://documents.worldbank.org/curated/en/?588351544812277321/pdf/Mexico-Systematic-Country-Diagnostic.pdf>.

[2] Consejo Nacional de Evaluaci?n de la Pol?tica de Desarrollo Social (Coneval). 2020 (May). La pol?tica social en el contexto de la pandemia por el virus SARS-CoV2 (Covid-19) en M?xico. Available at: https://www.coneval.org.mx/Evaluacion/IEPSM/Paginas/Politica_Social_COVID-19.aspx

[3] Morcillo, F. 2019. *Op. cit.*

[4] ?guila-Arreola, C. 2018. Quintana Roo, estado con mayor tasa de deforestaci?n en M?xico. *La Jornada Maya*. Available at: <https://agua.org.mx/quintana-roo-estado-con-mayor-tasa-de-deforestacion-en-mexico-la-jornada-maya/>.

[5] Secretar?a de Desarrollo Sustentable de Yucat?n. 2015. *Op. cit.*

[6] Torres-Mazuera, G. 2015. ?Las consecuencias ocultas de la enajenaci?n de tierras ejidales: proliferaci?n de disonancias normativas?. *Desacatos*, (49), pp. 150-167. Available at: http://www.scielo.org.mx/scielo.php?script=sci_arttext&pid=S1607-050X2015000300150&lng=es&tlng=es.

[7] Mexican SGP 2020-2030 Strategic Plan. PPD-FMAM-PNUD. 2019. ?Estrategia 2020-2030. Programa de Peque?as Donaciones M?xico?. Documento de trabajo. Programa de Peque?as Donaciones (PPD), Fondo para el Medio Ambiente Mundial (FMAM), Programa de las Naciones Unidas para el Desarrollo (PNUD), Yucat?n, M?xico.

[8] Imbach, A. C. 2014. Terminal Evaluation of the Fifth Operational Phase of the GEF Small Grants Programme in Mexico (June 2014). 89 pp.

[9] Refer to footnote 31.

[10] Corrales Ferrayola, E.I. & R. Orozco Mart?nez. 2019. ?An?lisis situacional y de capacidades de las organizaciones comunitarias y organizaciones de la sociedad civil de la Pen?nsula de Yucat?n?. Programa de Peque?as Donaciones (PPD), Fondo para el Medio Ambiente Mundial (FMAM), Programa de las Naciones Unidas para el Desarrollo (PNUD). Campeche, M?xico. Available at: <http://ppdmexico.org/AnalisisdeorganizacionescomycivilesPY.html/>.

[11] Corrales Ferrayola, E.I. & R. Orozco Mart?nez. 2019. ?An?lisis situacional y de capacidades de las organizaciones comunitarias y organizaciones de la sociedad civil de la pen?nsula de Yucat?n?,

Programa de Pequeñas Donaciones (PPD), Fondo para el Medio Ambiente Mundial (FMAM), Programa de las Naciones Unidas para el Desarrollo (PNUD), Yucatán, México. Available at: <http://ppdmexico.org/AnalisisdeorganizacionescomycivilesPY.html/>.

[12] Inclusive conservation supports indigenous peoples and local communities, their regional and local organizations, governments, NGOs, civil society, and others, to further strengthen their capacity to conserve globally significant biodiversity and ecosystems (<https://www.inclusiveconservationinitiative.org/>).

[13] Seed Guardians (Guardianes de las Semillas) are local organizations dedicated to promoting, conserving, and using traditional seeds (germplasm) and developing knowledge about them.

[14] Horizontal communication methods utilize a mix of channels and emphasize the importance of dialogue in facilitating trust and mutual understanding, amplify the voice of poor people and enable them to identify ways of overcoming problems in order to improve their own well-being. UNDP. 2011. *Communication for Development. Strengthening the effectiveness of the United Nations*. United Nations Development Programme, New York. Available at: http://www.unesco.org/new/fileadmin/?MULTIMEDIA/HQ/CI/CI/pdf/communication_form_development_oslo_c4d_pda_en.pdf/.

[15] Value chains describe the work processes and actors involved in the production, processing, trade, and end use or consumption of a product. They offer opportunities to improve the living and production conditions of the people involved and to conserve biological diversity for food and agriculture.

[16] Sistema Mon-ALISA: Sistema de Monitoreo de Acuerdos, Línea Base, Impacto, Seguimiento y Administración (Agreements, Baseline, Impacts, Follow-up and Administration Monitoring System)

[17] FAO. 2017. Landscapes for life. Approaches to landscape management for sustainable food and agriculture. Available at: <http://www.fao.org/3/i8324en/i8324en.pdf>.

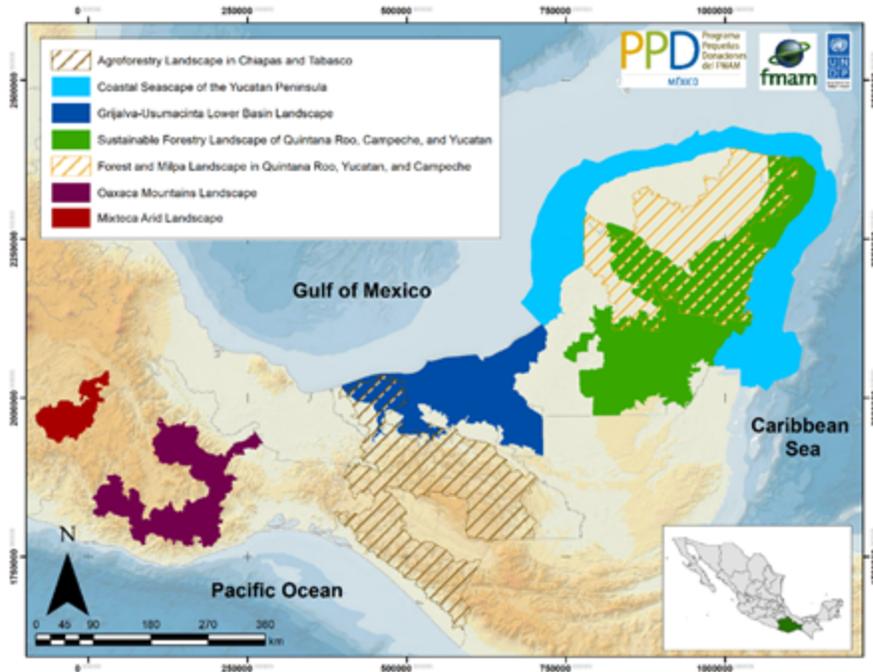
[18] Integrators collect products from many individual producers into a central processing plant.

[19] Article 59 of Mexico's Agrarian Law states that the allocation of plots in forests or rainforests shall be null and void.

[20] Torres-Mazuera, G. 2015. *Op. cit.*

1b. Project Map and Coordinates

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



	Lat	Long
1. Agroforestry Landscape in Chiapas and Tabasco	16.726338	-92.660084
2. Coastal Seascape of the Yucatan Peninsula	20.223197	-88.703243
3. Grijalva-Usumacinta Lower Basin Landscape	18.148864	-92.182865
4. Sustainable Forestry Landscape of Campeche, Quintana Roo, and Yucatan	19.413551	-88.842832
5. Forest and Milpa Landscape of Campeche, Quintana Roo, and Yucatan	20.204795	-88.730069
6. Oaxaca Mountains Landscape	16.457121	-96.369931
7. Mixteca Arid Landscape	17.821262	-97.943751

1c. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

2. Stakeholders

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

Civil Society Organizations Yes

Indigenous Peoples and Local Communities Yes

Private Sector Entities Yes

If none of the above, please explain why:

Please provide the Stakeholder Engagement Plan or equivalent assessment.

The Stakeholder Engagement Plan (SEP) for the Seventh Operational Phase of SGP Mexico is included in Annex 8 of the Project Document (pages 124-143). It focuses on promoting inclusive and meaningful consultations that include the participation of women, youth, migrants, people with disabilities; foster culturally appropriate dialogues with indigenous peoples (IP); and forge stronger partnerships, particularly with civil society, governmental institutions, private sector, academia, productive associations, and producers. The SEP seeks to promote the participation of community-based organizations, collectives, producers' associations, and other organizational schemes. Currently, SGP Mexico supports 65% of community-based organizations and 35% of local nonprofit organizations and is interested in increasing the number of community-based organizations supported.

The SEP seeks to stimulate broad and inclusive dialogues where the different voices within each landscape may participate. It is linked to the SPG Mexico monitoring and evaluation system and involves three key phases: consultation, project preparation, and implementation.

As part of the consultations, in 2019, SGP Mexico undertook a strategic and participatory planning process to develop five landscape strategies, which were used to integrate the Mexico SGP 2020-2030 Strategic Plan. The process involved interviewing 212 people plus the participation of about 500 people (25% women) in 23 community workshops and the development of a strategy for each of the five selected landscapes.

During project preparation, from August 2020 to February 2021, consultation activities were organized to ensure the participation of relevant and diverse stakeholders. These activities are listed below and are explained in more detail in Annexes 8 and 9 of the Project Document:

- Consultation in the new landscapes and a scouting field mission to Oaxaca and Puebla
- Thematic forums
- Individual dialogues
- Validation workshops

Lastly, the participation of various stakeholders will be key to the success of project implementation. Stakeholders range from organizations that will provide co-financing or technical assistance to potential beneficiaries that can participate in the open calls for proposals.

Key activities during this phase are:

- Inception workshop
- Dissemination of the call for proposals
- Development of new landscape strategies in Oaxaca and Puebla
- Participatory and inclusive forums for knowledge exchange

Finally, the SEP includes lists of potential beneficiaries for each landscape. Their participation will depend on their interest in the calls for proposals, and on complying with the requirements for SGP grant recipients stated in each call for proposals.

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

The Stakeholder Engagement Plan (SEP) describes the following stakeholders' categories; it also includes lists of potential stakeholders per landscape. (See Annex 8 of the Project Document in pages 124-143 for further details).

Category	Description	Roles
Producers and producers' organizations	Productive community-based organizations, including associations, cooperatives, community-based enterprises, productive committees, rural production societies, individual producers, and communities' members. They might have a high representation from indigenous groups.	The organizations within this category could be potential beneficiaries of SGP Mexico's OP7.
Non-Governmental Organizations (NGOs)	Non-State, not-for-profit, voluntary entities formed by people in the social sphere that are separate from the State and the market.	These organizations work closely with local communities; they could support the planning and execution of project activities.
Government	Government institutions at the federal, state, and municipal levels, as well as para-governmental organizations such as inter-municipal alliances.	Governmental institutions may provide strategical, technical, or financial support and become partners for Project implementation.

Category	Description	Roles
Academia	All the academic institutions including local universities and colleges, research centers, technical baccalaureates (advance level high schools), and others that can provide further technical assistance and support projects on the ground.	Academia may have a key role for engaging young people in SGP Mexico's activities.
Private Sector	Private sector involves small, medium, and large size companies for profit.	Possible synergies with the private sector include increasing the use of energy efficient and renewable energy technologies; diversifying production activities; adding value to sustainable products through its production, transformation, and commercialization, as well as establishing value chain relationships that improve the profitability of local production. Impact investment may also be considered for specific activities such as sustainable cattle ranching.

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor; Yes

Co-financier; Yes

Member of project steering committee or equivalent decision-making body; Yes

Executor or co-executor; Yes

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

At the global level, SGP advocates incorporating the gender perspective and the empowerment of women as a priority and fundamental issue for reducing the barriers that women face on the road to sustainable rural development. In Mexico, all states have legislation supporting gender equality, and 31 states possess legislation on non-discrimination. However, the National Human Rights Commission (Comisi?n Nacional de los Derechos Humanos, CNDH)[1] recognizes that much is needed to ensure equality between women and men and eradicate discrimination. It argues that violations of women's human rights are intertwined with a wide variety of factors such as poverty, lack of access to basic services, or the defense of their natural resources and territory. Therefore, it is vitally important to ensure that such legislation adapts to changing contexts and new challenges since non-compliance with national policy maintains high inequality gaps between men and women.

Mexican women belong to several priority care groups (indigenous, rural, migrant, disabled, deprived of their liberty, Afro-descendants, sexual diversity, etc.). Women may suffer from unequal conditions, such as limited access to education (educational gap of 6.5 percentage points between both sexes) and social security (inequitable labor inclusion); healthcare gaps (dependence on family members to access free health services); unpaid domestic work and responsibilities as head of the household (female-headed households usually have a greater burden), among others. Moreover, the CNDH recognizes the high level of violence against women in the country; according to a national survey, 7 out of 10 women over 15 have suffered some type of violence (emotional, sexual, physical, economic, patrimonial, or discrimination).

The COVID-19 pandemic is likely to affect women more adversely than men. While the COVID-19 disease appears to affect men more than women, the adverse economic impacts will potentially be more significant on women and girls. They are more likely to lose jobs and generally earn less, save less, and hold insecure jobs. A disproportionate increase in the burden on women of household and care work can also be anticipated. Unpaid care work that is generally high for women is likely to increase, with children out-of-school, heightened care needs of older persons, and overwhelmed health services.

To address this situation, the inclusion of a gender approach is a priority for the Mexico SGP Country Programme. During OP6, the National Steering Committee (NSC) developed *The Recommendations for the Inclusion of the Gender Approach* to prioritize the participation and empowerment of women as SGP beneficiaries, and implemented the following actions:

- Women's participation became a project selection criterion.
- Six projects targeted at all-women groups were designed and financed, considering their particular needs.
- 46 projects with more than 50% of female participants were implemented.
- Two strategic projects to provide training and guidance on mainstreaming the gender perspective in organizations responsible for project execution (grantees) were developed.
- Seven training and awareness workshops on gender issues were offered to organizations responsible for project execution (grantees).

- Four landscape strategies included gender indicators related to the knowledge and participation of women.

Gender has been considered extensively throughout the project preparation phase, and a Gender Analysis and Gender Action Plan were developed. The Gender Analysis provides an assessment of the actions implemented by SGP Mexico to reduce the gender gap in women's participation in SGP-funded projects. This document offers a series of recommendations to strengthen gender equity in three priority areas: program execution, gender mainstreaming and women's empowerment, and access to and management of natural resources (for the full report in Spanish, [click on this link](#)).

Based on the results of the Gender Analysis, a detailed and progressive Gender Action Plan, with key indicators and targets was established, which defines a gender-related objective for each of the Project outcomes. The OP7 Gender Action Plan, included in Annex 10, recommends the following actions, among others:

- Amending various project management tools to incorporate gender requirements and ensure the reporting of affirmative gender actions.
- Including gender-sensitive indicators for program and project monitoring.
- Developing a training process so that projects establish gender-sensitive goals.
- Participation of women in development activities and strengthening their technical capacities, as required.
- Initiatives promoted by women receive business, financial, and management support and follow-up to enhance their economic empowerment.
- Promoting and supporting female leadership in projects and within their communities.

[1]Comisi?n Nacional de Derechos Humanos. 2016. ?La violencia contra las mujeres: tipos y modalidades. Principales resultados del monitoreo?. Comisi?n Nacional de Derechos Humanos, M?xico. Available at: https://www.cndh.org.mx/sites/all/doc/?Informes/Especiales/Diagnostico-Violencia-_20161212.pdf

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

Yes

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

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

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

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

The private sector will be involved as appropriate, participating in multi-stakeholder partnerships in the landscapes, but particularly through the development of links with other value-chain stakeholders to improve value chains for timber, honey, mezcal, ecotourism, coffee, cacao, mezcal and fisheries products. Consultations with stakeholders during the design of landscape strategies indicate a strong need to improve access to fair and local markets, especially national markets.

Encouraging partnerships with the private sector will be key to increasing the use of energy-efficient and renewable energy technologies; diversifying production activities; adding value to sustainable products through its production, transformation, and marketing, as well as establishing value chain relationships that improve the profitability of local production. Impact investment may also be considered for specific activities such as sustainable cattle ranching.

Another potential collaboration with the private sector will be for leveraging sustainable finance for community-based activities with support from UNDP's Biodiversity Finance Initiative (BIOFIN).

5. Risks to Achieving Project Objectives

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

See also ProDoc Annex 5: Social and Environmental Screening Procedure and the mitigation measures in Annex 6: UNDP Risk Register; both were conducted and aligned during project preparation.

Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
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Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
Risk 1: Project may potentially reproduce discriminations against women based on gender.	P=3 I=3	Moderate	<p>SGP Mexico is encouraging more active women's participation. Actions to reduce the gender gap are established in the Gender Action Plan.</p> <p>During the dissemination of calls for proposals, women may experience limited access and barriers when applying due to non-inclusive and not accessible language (mainly in projects related to energy).</p> <p>Projects may potentially reproduce gender stereotypes/roles.</p> <p>All-women and women-led projects might experience isolation and exclusion from their communities because of breaking their 'traditional' gender roles.</p>	<p>SGP Mexico's Gender Action Plan for OP7 was developed to ensure the full participation of women in projects. This plan has established tools and incentives to improve female empowerment and participation at every stage of project development and implementation including:</p> <ul style="list-style-type: none"> - Communication activities and calls for proposals will use inclusive language. Moreover, the call for proposals for adopting renewable energy and energy efficiency technologies will include examples of women-led initiatives. - The Stakeholder Engagement Plan has identified organizations that may support the dissemination of calls for proposals among groups dedicated to promoting women's empowerment, gender equality, and human rights. - Proponents will receive training in gender inclusion during the project design stage; they will have access to the 'Recommendations for the Inclusion of the Gender Approach,' and the project's design template will include a section on gender-sensitive indicators which will be monitored and reported by the SGP M&E system. - More inclusive methodologies for training participants in all-women and mixed projects will be promoted.

Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
Risk 2: Vulnerable groups such as youth, migrants, indigenous groups, and people with disabilities may have limited or no access to calls for proposals.	P=3 I=3	Moderate	Dissemination of calls for proposals usually happens in adult men dominated platforms with limited access for vulnerable groups.	The Stakeholder Engagement Plan has identified organizations and activities that may support the dissemination of calls for proposals among vulnerable groups in the regions where the SGP is implemented, such as local universities, organizations, and government institutions dedicated to youth, migrants, people with disabilities.

Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
<p>Risk 3: Poor site selection within or adjacent to critical habitats and/or environmentally sensitive areas, such as public protected areas and private reserves, may enable the harvesting of natural resources and forests, plantation development, or reforestation.</p>	<p>P=1 I=4</p>	<p>Moderate</p>	<p>Since the target landscapes include areas of importance to biodiversity, some projects are likely to occur within or adjacent to critical habitats or sensitive areas such as parks, wetlands, and other key biodiversity areas.</p>	<p>The Mexico SGP Country Programme will ensure consistency with the national sectoral strategy on protected areas, published in 2020. The existing coordination with the National Commission for Protected Areas will be reinforced through co-financing and permanent monitoring of any potential risk.</p> <p>To confirm project sites and outline strategies for socio-ecological production landscapes, site inventory and analysis of biodiversity, land use, local livelihoods, and climate conditions and impacts from climate change, and needs? assessments of selected communities have been conducted.</p> <p>The projects proposed under this programme are designed to mitigate and reverse the impacts of environmental degradation.</p> <p>Part of the selection process for small grants involves screening out projects that may have negative environmental impacts. The NSC will continue supporting project selection based on initial risk assessments to prevent socio-ecological negative impacts.</p>

Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
<p>Risk 4: Clean energy technologies may produce waste that require special management for final disposition.</p>	<p>P = 3 I = 2</p>	<p>Moderate</p>	<p>Clean energy technologies, such as biodigesters, may produce waste requiring special treatment and physicochemical analyses to be used for other purposes.</p>	<p>The scale of GEF SGP energy projects will be small. However, further assessment of the risks will be done for each proposed technology, including factors such as compliance with governmental policies and regulations, technical and socio-economic feasibility, hydrology, physicochemical and biological analyses of water quality, operations, and maintenance, among others.</p> <p>Calls for proposals will contain a technical annex with guidelines for best practices for renewable energy and energy efficiency projects. A technical advisory group specialized in clean energies and energy efficiency might be integrated to support the NSC in the project selection process.</p> <p>Technology suppliers will be required to provide technical assistance, supply services for waste management, and training to future users. Moreover, partnerships with local universities and colleges will be established to provide technical assistance and research as needed.</p>

Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
<p>Risk 5: Climatic unpredictability and extreme scenarios may undermine efforts to arrest biodiversity loss, reverse land degradation, and promote better livelihoods.</p>	<p>P=4 I=3</p>	<p>Moderate</p>	<p>Climatic unpredictability, periodic droughts, floods, changes in rainfall distribution, altered frequency of extreme meteorological events, rising temperatures in coastal waters may affect agroecology, beekeeping, sustainable tourism, forestry and fisheries, and community-based conservation initiatives.</p>	<p>Climate vulnerability is considered across all components of the SGP Country Programme, working in partnership with UNDP's Disaster Risk Management Programme in Mexico on applying an ecosystem-based adaptation methodology at the design phase of every project.</p> <p>Communities invest between 3 to 5% of the total of every grant in adaptation and mitigation measures for every project. Adaptation measures include establishing community committees dedicated to risk prevention and management.</p> <p>By developing capacities for appropriate landscape management and adopting innovative and sustainable practices and technologies, such as renewable and efficient energy sources, agroecology, sustainable tourism, forestry and fisheries, the Project will enable local communities to reduce vulnerabilities, and increase ecosystem resilience.</p>

Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
<p>Risk 6: Indigenous peoples (IPs) may not be properly and sufficiently informed, consulted on or involved in activities that impact their lands, territories, and/or culture, and the Project includes the utilization, and/or commercialization of natural resources on lands and territories claimed by indigenous peoples.</p>	<p>P=3 I=3</p>	<p>Moderate</p>	<p>The National Steering Committee has demonstrated over the past two decades of SGP work in Mexico that indigenous peoples' rights, livelihood, culture, and resources are fundamental concerns when assessing grant project proposals for financing approval. This will continue to remain one of the guiding principles of the NSC.</p>	<p>A comprehensive Stakeholder Engagement Plan was prepared, meeting Standard 6 on Indigenous Peoples, and validated by the NSC's IP focal point; also, in-depth consultations with IPs were carried out in the PPG phase.</p> <p>Potential social impacts of small grants are assessed by the National Coordinator and the NSC, and actions to mitigate risk are incorporated into each proposal before approval. No proposals are accepted or approved without consultations and participation of the communities.</p> <p>Recording or otherwise documenting traditional knowledge held by indigenous communities will only be made upon free, prior, and informed consent (FPIC).</p> <p>SGP Mexico will provide a grievance and conflict resolution mechanism to address IP's or any other person's concerns about the Project.</p> <p>SGP Mexico will promote the bilingual IP representatives' participation in project design, implementation, and evaluation processes, considering potential language barriers. If necessary, the SGP team will provide translators.</p> <p>The SGP Mexico team will also disseminate calls for proposals widely through local NGOs and government institutions that work directly with</p>

Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design
<p>Risk 7: COVID-19 may delay project's implementation, affect health of beneficiaries, limit areas in which the Project can be implemented, limit face-to-face consultations among stakeholders, and further marginalize the disenfranchised that have limited access to resources and technology.</p>	<p>P=4 I=3</p>	<p>Moderate</p>	<p>Due to the pandemic, risk mitigation procedures will be developed to address possible operational delays or pauses on an ongoing basis, to follow the latest guidance and advisories.</p>	<p>SGP Mexico has developed an internal protocol to provide safety measures for essential face-to-face meetings and monitoring visits during the COVID-19 pandemic, approved in September 2020 by the UNDP Country Office. This protocol contains planning and recovery measures, as well as the required equipment for every field trip. The SGP Mexico will provide face masks, physical barriers, and sanitizer for any face-to-face interaction. Travel and presential activities will be postponed should COVID-19 risk levels become higher in project areas.</p> <p>During pandemic conditions, remote meetings and consultations will be held to reduce the risk of exposure. If conditions allow it and abiding by the COVID-19 Field Protocol safety measures, presential workshops or interviews will be held, restricting the number of participants, preferentially selecting open spaces, and social distancing.</p> <p>The SGP Mexico UCP implements an internal register of COVID-19 cases in local projects to manage the risk of exposure and infection.</p> <p>Considering COVID-19 restrictions, calls for proposals will be open longer than the ones during the Sixth Operational Phase that were only open for 1 month. Calls for proposals will be disseminated using virtual</p>

6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

Roles and responsibilities of the project's governance mechanism

Implementing Partner: The Implementing Partner for this project is the UN Office for Project Services (UNOPS).

The Implementing Partner is the entity to which the UNDP Administrator has entrusted the implementation of UNDP assistance specified in this signed project document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs, as set forth in this document.

The Implementing Partner is responsible for executing this project. Specific tasks include:

- Project planning, coordination, management, monitoring, evaluation, and reporting. This includes providing all required information and data necessary for timely, comprehensive, and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.
- Risk management as outlined in this Project Document;
- Procurement of goods and services, including human resources;
- Financial management, including overseeing financial expenditures against project budgets;
- Approving and signing the multiyear workplan;
- Approving and signing the combined delivery report at the end of the year; and,
- Signing the financial report or the funding authorization and certificate of expenditures.

Project beneficiary Groups CBOs, CSOs and NGOs in the target landscapes: These stakeholders, with support of state institutions (principally SEMARNAT, SADER, CONAFOR and CONANP) as well as technical assistance from the SGP, will design and implement the projects to generate global environmental benefits and community livelihood benefits.

UNDP: UNDP is accountable to the GEF for the implementation of this project. This includes oversight of project execution to ensure that the Project is being carried out in accordance with agreed standards and provisions. UNDP is responsible for delivering GEF project cycle management services comprising project approval and start-up, project supervision and oversight, and project completion and evaluation. UNDP is responsible for the Project Assurance role of the Project Board/SGP National Steering Committee.

Project organisation structure



The diagram above shows the project organizational structure. Please refer to Annex 15: SGP Operational Guidelines of the Project Document for a description of roles and responsibilities of the various parties to the project.

Project Board: The Project Board (also called SGP National Steering Committee) is responsible for taking corrective action as needed to ensure the project achieves the desired results. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value for money, fairness, integrity, transparency and effective international competition. Establishment and operations of SGP National Steering Committees are carried out in accordance with the SGP Operational Guidelines.

In case consensus cannot be reached within the Board, the UNDP Resident Representative (or their designate) will mediate to find consensus and, if this cannot be found, will take the final decision to ensure project implementation is not unduly delayed.

Specific responsibilities of the Project Board (SGP National Steering Committee) include:

- Draw up, adopt, and if necessary, amend its own internal regulations.
- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints.

- Address project issues as raised by the project manager (also called SGP National Coordinator).
- Provide guidance on new project risks and agree on possible mitigation and management actions to address specific risks.
- Agree on project manager's tolerances as required, within the parameters set by UNDP-GEF, and provide direction and advice for exceptional situations when the project manager's tolerances are exceeded.
- Advise on major and minor amendments to the project within the parameters set by UNDP-GEF.
- Ensure coordination between various donor and government-funded projects and programmes.
- Ensure coordination with various government agencies and their participation in project activities.
- Track and monitor co-financing for this project.
- Review the project progress, assess performance, and appraise the Annual Work Plan for the following year.
- Appraise the annual project implementation report, including the quality assessment rating report.
- Review combined delivery reports prior to certification by the implementing partner.
- Ensure commitment of human resources to support project implementation, arbitrating any issues within the project.
- Provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Address project-level grievances.
- Approve the project Inception Report, Mid-term Review and Terminal Evaluation reports and corresponding management responses.
- Review the final project report package during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.
- Ensure highest levels of transparency and take all measures to avoid any real or perceived conflicts of interest.

Project Assurance: UNDP performs the quality assurance role and supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. UNDP provides a three-tier oversight services involving the UNDP Country Offices and UNDP at regional and headquarters levels. Project assurance is totally independent of the Project Management function.

Project extensions: The BPPS/GEF Executive Coordinator must approve all project extensions. All extensions incur costs, and the GEF project budget cannot be increased. A single extension may be granted on an exceptional basis only if the following conditions are met: one extension only for a project for a maximum of six months; the project management costs during the extension period must remain within the originally approved amount, and any increase in PMC costs will be covered by non-GEF resources; the UNDP Country Office oversight costs during the extension period must be covered by non-GEF resources.

UNDP will provide overall Programme oversight and take responsibility for standard GEF project cycle management services beyond assistance and oversight of project design and negotiation, including project monitoring, periodic evaluations, troubleshooting, and reporting to the GEF. UNDP will also provide high level technical and managerial support from the UNDP GEF Global Coordinator for the SGP Upgrading Country Programmes, who is responsible for project oversight for all SGP Upgraded Country Programme projects.[1] The SGP Central Programme Management Team (CPMT) will monitor Upgraded Country Programmes for compliance with GEF SGP core policies and procedures.

In accordance with the global **SGP Operational Guidelines (Annex 15)** that will guide overall project implementation in Mexico, and in keeping with past best practice, the UNDP Resident Representative will appoint the **National Steering Committee (NSC)** members. The NSC, composed of government and non-government organizations with a non-government majority, a UNDP representative, and individuals with expertise in the GEF Focal Areas, is responsible for grant selection and approval and for determining the overall strategy of the SGP in the country. NSC members serve without remuneration and rotate periodically in accordance with the NSC's recently established rules of procedure. The Government is usually represented by the GEF Operational Focal Point or by another high-level representative of relevant ministries or institutions. The NSC assesses the performance of the National Coordinator with input from the UNDP RR, the SGP UCP Global Coordinator, and UNOPS. The NSC also contributes to bridging community-level experiences with national policymaking.

Technical Advisory Group (TAG) In accordance with the global SGP Operational Guidelines, the NSC may also establish a Technical Advisory Group (TAG) with a pool of voluntary experts on call to serve as a technical sub-committee, for review of proposals and in relation to specific areas of programming and partnership development. The TAG can also be tasked by the NSC to provide specific technical guidance in specialised areas of work, such as carbon measurement, payments for ecosystem services, marketing and certification of products, transboundary diagnostic analysis, and other relevant fields. In addition, the TAG may also be formed in response to donor and co-financing requirements mobilised for the SGP country programme. In the case of Mexico, the TAG will be formed by voluntary experts on renewable energy and energy efficiency technologies. The TAG will provide advice to select the best suppliers, as well as train, and offer technical support to strengthen the capacities of the Country Programme Team and potential beneficiaries. It will also provide technical guidance with regards to project selection and the quality of project proposals, prior to final review and approval by the NSC. Minutes from TAG meetings will be a pre-requisite and fully report on the review process and recommendations made to the NSC. In certain cases, and depending on the area of technical specialization required, the NSC may decide to invite other organisations or individual experts to assist in project review.

The **UNDP Country Office** is the business unit in UNDP for the SGP project and is responsible for ensuring the project meets its objective and delivers on its targets. The Resident Representative signs the

grant agreements with beneficiary organizations on behalf of UNOPS. The Country Office will make available its expertise in various environment and development fields as shown below. It will also provide other types of support at the local level such as infrastructure and financial management services, as required. UNDP will be represented in the NSC and will actively participate in grant monitoring activities. The CO will participate in NSC meetings, promoting synergies with other relevant Programmes, and support the design and implementation of the SGP strategy, among other things.

The **Country Programme Team**, composed of a National Coordinator, a Technical Assistant, and a Project Assistant, recruited through competitive processes, is responsible for the day-to-day operations of the Programme. This includes supporting NSC strategic work and grant selection by developing technical papers, undertaking ex-ante technical reviews of project proposals; taking responsibility for monitoring the grant portfolio and for providing technical assistance to grantees during project design and implementation; mobilizing cash and in-kind resources; preparing reports for UNDP, GEF and other donors; implementing a capacity development Programme for communities, CBOs, and NGOs, as well as a communications and knowledge management strategy to ensure adequate visibility of GEF investments, and disseminating good practices and lessons learned. Please see TORs for the members of the Country Programme Team annexed to this document (Annex 7).

Grants will be selected by the NSC from proposals submitted by CBOs and NGOs through calls for proposals in specific thematic and geographic areas relevant to the SGP Country Programme strategy, as embodied in this document. Although government organizations cannot receive SGP grants, every effort will be made to coordinate grant implementation with relevant line ministries, decentralized institutions, universities, and local government authorities to ensure their support, create opportunities for co-financing, and provide feedback on policy implementation on the ground. Contributions from and cooperation with the private sector will also be sought.

UNOPS will provide Country Programme implementation services, including human resources management, budgeting, accounting, grant disbursement, auditing, and procurement. UNOPS is responsible for SGP's financial management and provides monthly financial reports to UNDP. The UNOPS SGP Standard Operating Procedures guide the financial and administrative management of the project. UNOPS will provide a certified expenditure report as of 31 December of each year of implementation.

A key service of UNOPS is the contracting of SGP staff as needed and required by the Programme, and once contracted, UNOPS provides guidance and supervision, together with the UNDP CO acting on behalf of UNOPS, to the SGP country staff in their administrative and finance related work. UNOPS also provides other important services (as specified in the GEF Council document C.36/4) that include (1) oversight and quality assurance: (i) coordinate with the Upgrading Country Programme (UCP) Global Coordinator on annual work plan activities and (ii) undertake trouble-shooting and problem-solving missions; (2) project financial management: (i) review and authorize operating budgets; (ii) review and authorize disbursement, (iii) monitor and oversee all financial transactions, (iv) prepare semi-annual and annual financial progress reports and (v) prepare periodic status reports on grant allocations and expenditures; (3) project procurement management: (i) undertake procurement activities and (ii) management of contracts; (4) project assets management: (i) maintain an inventory of all capitalized assets; (5) project risks management: (i) prepare and implement an annual audit plan and (ii) follow up on all audit

recommendations; and (6) Grants management: (i) administer all grants, (ii) financial grant monitoring and (iii) legal advice.

Under its legal advice role, UNOPS takes the lead in investigations of UNOPS-contracted SGP staff. UNOPS services also include transactional services: (1) personnel administration, benefits and entitlements of project personnel contracted by UNOPS; (2) processing payroll of project personnel contracted by UNOPS, (3) input transaction instruction and automated processing of project personnel official mission travel and DSA; (4) input transaction instruction and automated processing of financial transactions such as Purchase Order, Receipts, Payment Vouchers and Vendor Approval and (5) procurement in UN Web Buy.

UNOPS will continue with a number of areas for enhancing execution services started in the previous the SGP GEF-5, including: inclusion of co-financing below \$500,000; technical assistance to high risk/low performing countries; developing a risk-based management approach; strengthening the central structure to make it more suitable for an expanded Programme; resolving grant disbursement delays; enhancing country Programme oversight; improving monitoring & evaluation; increasing the audit volume and quality assurance work; and optimizing Programme cost-effectiveness. To facilitate global coherence in execution of services, guidance, and operating procedures, UNOPS through a central management team and NSC, coordinates primarily with UNDP/GEF HQ respectively.

UNOPS will not make any financial commitments or incur any expenses that would exceed the budget for implementing the project as set forth in this Project Document. UNOPS shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when UNOPS is aware that the budget to carry out these services is insufficient to fully implement the project in the manner set out in the Project Document. UNDP shall have no obligation to provide UNOPS with any funds or to make any reimbursement for expenses incurred by UNOPS in excess of the total budget as set forth in the Project Document.

UNOPS will submit a cumulative financial report each quarter (31 March, 30 June, 30 September, and 31 December). The report will be submitted to UNDP through the ATLAS Project Delivery Report (PDR) system and follow the established ATLAS formats and PDR timelines. The level of detail in relation to the reporting requirement is indicated in the Project Document budget which will be translated into the ATLAS budgets. UNDP will include the expenditure reported by UNOPS in its reconciliation of the project financial report.

Upon completion or termination of activities, UNOPS shall furnish a financial closure report, including a list of non-expendable equipment purchased by UNOPS, and all relevant audited or certified financial statements and records related to such activities, as appropriate, pursuant to its Financial Regulations and Rules.

Title to any equipment and supplies that may be furnished by UNDP or procured through UNDP funds shall rest with UNDP until such time as ownership thereof is transferred. Equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and UNOPS. UNDP shall provide UNOPS with instructions on the disposal of such equipment and supplies within 90 days of the end of the Project.

The arrangements described in this Project Document will remain in effect until the end of the project, or until terminated in writing (with 30 days' notice) by either party. The schedule of activities specified in the Project Document remains in effect based on continued performance by UNOPS unless it receives written indication to the contrary from UNDP. The arrangements described in this Agreement, including the structure of implementation and responsibility for results, shall be revisited on an annual basis and may result in the amendment of this Project Document.

If this Agreement is terminated or suspended, UNDP shall reimburse UNOPS for all costs directly incurred by UNOPS in the amounts specified in the project budget or as otherwise agreed in writing by UNDP and UNOPS.

All further correspondence regarding this Agreement, other than signed letters of agreement or amendments thereto should be addressed to the UNDP-GEF Executive Coordinator and the UNDP Resident Coordinator.

UNOPS shall keep UNDP fully informed of all actions undertaken by them in carrying out this Agreement.

Any changes to the Project Document that would affect the work being performed by UNOPS shall be recommended only after consultation between the parties. Any amendment to this Project Document shall be affected by mutual agreement, in writing.

If UNOPS is prevented by force majeure from fulfilling its obligations under this Agreement, it shall not be deemed in breach of such obligations. UNOPS shall use all reasonable efforts to mitigate the consequences of force majeure. Force majeure is defined as natural catastrophes such as but not limited to earthquakes, floods, cyclonic or volcanic activity; war (whether declared or not), invasion, rebellion, terrorism, revolution, insurrection, civil war, riot, radiation, or contaminations by radio-activity; other acts of a similar nature or force.

Notwithstanding anything to the contrary, UNOPS shall in no event be liable as a result or consequence of any act or omission on the part of UNDP, the government and/or any provincial and/or municipal authorities, including its agents, servants, and employees.

UNDP and UNOPS shall use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim which is not settled within sixty (60) days from the date either party has notified the other party of the dispute, controversy or claim and of measures which should be taken to rectify it, shall be referred to the UNDP Administrator and the UNOPS Executive Director for resolution.

This project will be implemented by UNOPS in accordance with UNOPS' Financial Rules and Regulations provided these do not contravene the principles established in UNDP's Financial Regulations and Rules.

UNOPS as the Implementing Partner shall comply with the policies, procedures, and practices of the United Nations security management system.

Coordination with other relevant GEF-financed projects and other initiatives

SGP Mexico has consistently reached out and coordinated with other relevant GEF initiatives in in the Programme's intervention areas. Besides, the Government of Mexico, through the SHCP (Ministry of Finance), Political and Operational Focal Point, and SEMARNAT (Ministry of Environment and Natural Resources), as the leader of the environmental sector, has promoted interaction between GEF project proponents to promote synergies and guarantee that projects are complementary and avoid double counting of the co-financing resources.

Strategic partnerships have been promoted at the highest level to enhance the impact of concurrent projects in different regions, consistent with the Federal decision of supporting vulnerable areas and groups to enhance sustainable development in the southeast of the country. Furthermore, both SHCP and SEMARNAT are part of SGP Mexico's National Steering Committee; hence actions will be taken to avoid duplication of investments and secure the most efficient application of GEF resources.

SGP Mexico has also identified opportunities to collaborate with and build on the lessons of a range of related projects and initiatives, which are listed below. For further details, see page 43 in the Section IV.4.2: Linkages and Synergies with other Projects and Initiatives of the Project Document.

GEF Projects

- **Connecting Watershed Health with Livestock Production (Full-Sized Child Project, FOLUR).** There is an opportunity for collaboration between this project and SGP Mexico to promote the watershed management approach in Chiapas.
- **From bait to plate: strengthening sustainable fisheries to safeguard marine biodiversity and food security (ID: 10540).** Synergies are expected between this project and SGP Mexico in the state of Quintana Roo on securing the sustainable livelihoods of fishing communities through innovative fisheries co-management approaches and the establishment of no-take zones.
- **Mainstreaming Biodiversity in Rural Landscapes of Mexico (ID: 10574).** SGP Mexico looks forward to working jointly with this project on promoting the National Strategy for the Conservation and Sustainable Use of Pollinators in the Yucatan Peninsula.
- **Securing the Future of Global Agriculture in the Face of Climate Change by Conserving the Genetic Diversity of the Traditional Agro-ecosystems of Mexico (ID: 9380).** During OP6, SGP Mexico collaborated with this project on promoting the use of native seeds and jointly organized a fair of eco-techniques towards agroecological transition. Prior collaboration has been in the three states of the Yucatan Peninsula and will be extended to Chiapas and Oaxaca during OP7.
- **Conservation and Sustainable Use of Biological Diversity in Priority Landscapes of Oaxaca and Chiapas (ID: 9445).** Inputs from this project have been used to design this OP7 proposal, and information from Oaxaca has been useful in defining the two new target landscapes.
- **Sustainable Productive Landscapes (ID: 9555).** This project aims to strengthen sustainable management of production landscapes and increase economic opportunities for rural producers in priority areas of Mexico. It has taken a step further by incorporating the private sector and blended finance in

sustainable rural production with a landscape approach. SGP Mexico expects collaboration with this project on accessing sustainable finance at the community level.

- **Mainstreaming Biodiversity Conservation Criteria in Mexico's Tourism Sector with Emphasis on Biodiversity-rich Coastal Ecosystems (ID: 9613).** For short, this project has been called "Kuxatur," a Mayan word that means "living tourism." SGP Mexico intends to work jointly with this project on upscaling community tourism in the Yucatan Peninsula.
- **Integrated Transboundary Ridges-to-Reef Management of the Mesoamerican Reef (ID: 5765).** Synergies will be sought between this project and SGP Mexico in promoting better approaches to watershed governance in the Rio Hondo and Lake Bacalar basins.

Non-GEF Initiatives

- **Sustainable Landscape Ventures** (USAID-Conservation International Mexico). SGP Mexico looks forward to working jointly with this project to develop sustainable and inclusive value chains at scale that are market-driven and investor-ready in Campeche, Chiapas, and Oaxaca.
- **Reducing vulnerability to climate change in the coastal communities of the Yucatan Peninsula and their livelihoods through ecosystem-based adaptation measures.** (Initiative presented by the Fondo Mexicano para la Conservación de la Naturaleza, FMCN, to the Green Climate Fund). With this project, there is potential for working jointly on strengthening the adaptive capacity of local communities for the management of coastal and marine ecosystems; the improvement of community enterprises; access to private funds to support ecosystem-based adaptation solutions; and the management of knowledge and the promotion of coordination with existing public policies.
- **Sustainable Development Project for Rural Communities in Semi-arid Zones (PRODEZSA).** SGP Mexico and CONAFOR have identified opportunities for collaboration in municipalities in Puebla and Oaxaca. on promoting business opportunities with timber or non-timber forest harvesting without damaging ecosystems.
- **Yucatan Peninsula's Mayan Milpa System as a Globally Important Agricultural Heritage System (GIAHS).** This initiative proposes safeguarding the social, cultural, economic, and environmental goods and services that these systems provide to family farmers, small producers, indigenous peoples, and local communities through an integrated approach to sustainable agriculture and rural development. In 2018, the process to recognize the Yucatan Peninsula's Mayan Milpa System as a GIAHS was initiated, and its approval was recently announced. SGP Mexico looks forward to promoting the implementation of this initiative during OP7.
- **The Biodiversity Finance Initiative (BIOFIN)** is a UNDP-managed global collaborative partnership to develop and implement an evidence-based methodology to reach national biodiversity targets using finance and economics. It promotes national platforms, regional and global dialogues, enabling countries to accelerate the reduction of their financial needs to the point where the systemic lack of investment no longer hampers these biodiversity targets. Biodiversity finance is not only about mobilizing new resources.

It is concerned with delivering better on what is available, reallocating resources from where they harm to where they help and acting today to reduce the need for future investments.

[1] GEF/C.54/05/Rev.01 *GEF Small Grants Programme: Implementation Arrangements for GEF-7*, approved by GEF Council.

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

Mexico is Party to multiple multilateral environmental agreements, including the Convention on Biological Diversity (CBD), ratified in December 1993; the United Nations Framework Convention on Climate Change (UNFCCC), ratified in December 1993, and the United Nations Convention to Combat Desertification (UNCCD), ratified in April 1995.

Moreover, SGP Mexico is directly relevant to, supportive of, and consistent with Mexico's National Development Plan and its priorities, the National Biodiversity Strategy, the climate change legal and policy framework, and other policy instruments related to the environment, sustainable rural production and natural resources management, and well-being. It is also consistent with relevant state-level development plans and policy frameworks. Below is a brief review of the most important. For further details, please refer to Section II.6: Consistency with National Priorities and International Agreements in the Project Document.

National Biodiversity Strategy and Action Plan 2016-2030. It contains six strategic components aimed at fulfilling Mexico's commitments under the CBD, particularly its 2011-2020 Strategic Plan and the Aichi Targets, the 2030 Agenda, and the Sustainable Development Goals. The Mexico SGP Country Programme contributes to ecosystem conservation and restoration, sustainable use and management of natural resources, environmental culture, education and communication, and governance and social participation.

National Climate Change Strategy 10-20-40.[1] Published in 2015, it defines milestones for the next 10, 20, and 40 years. It contains strategic lines that simultaneously promote actions to mitigate and adapt to climate change through an integrated territorial management approach to fulfill its commitments under the UNFCCC. One of the strategic action areas aims at promoting best practices in agriculture and forestry to increase and preserve natural carbon sinks, which include five lines of action directly supporting sustainable forest management, community forest management, and REDD+ in addition to forest ecosystem conservation and improved agricultural/livestock practices.

Nationally Determined Contribution (NDC). Mexico was the first developing country to present its National Planned and Determined Contributions to the UNFCCC. Mexico's NDC has two components: one dedicated to mitigation and the other related to adaptation. The mitigation portion includes two types

of measures: unconditional and conditional. The goal is to unconditionally reduce GHG emissions by 22% with the country's own resources and conditionally by 36% if Mexico can obtain additional international support. The participation of the agricultural and forestry sector to meet the goals of Mexico's contribution includes meeting the 0% deforestation rate target by the year 2030, improving forestry management, driving the sustainable technification of the agriculture and livestock sectors, promoting the use of biogas on livestock farms and enhancing grassland rehabilitation.

In December 2020, Mexico presented its updated NDC Report, which expands the adaptation objectives into 27 lines of action in five areas: (1) prevention and attention to negative impacts on the human population and in the territory, (2) resilient production systems and food security, (3) conservation, restoration and sustainable use of biodiversity and ecosystem services, (4) integrated management of water resources with a climate change approach, and (5) protection of strategic infrastructure and tangible cultural heritage. One of the new multisectoral approaches is blue carbon (carbon dioxide removed from the atmosphere by coastal marine ecosystems).

National Land Management Strategy (2010).^[2] It presents the Mexican Government's commitment to meet the targets established in the UNCCD. Its main goal is to promote sustainable land management through coordination and concurrence of actions, programs, and resources from the three levels of government, and the participation of various sectors of the society.

National Development Plan 2019-2024.^[3] It states that the main national development objective is to construct a viable economic development model of political order and coexistence between social sectors to achieve progress with justice and growth with well-being. The Mexico SGP Country Programme is consistent with the NDP's primary objective.

Programa Sectorial de Medio Ambiente y Recursos Naturales 2020-2024 (PROMARNAT)^[4] (**Environment and Natural Resources Sectoral Programme 2020-2024**). Under the Ministry of Environment and Natural Resources, the PROMARNAT is based on the principle of promoting sustainable development, considered one of the most critical factors for achieving the Mexican population's well-being. The Mexico SGP Country Programme is consistent with PROMARNAT's priority goals and contributes to their achievement.

Programa Nacional Forestal 2019-2014^[5] (**National Forest Programme 2019-2014**). The objectives of this programme, under the National Forest Commission (CONAFOR), include, among others, fostering community forest management for the sustainable and diversified use of forest resources, as well as the integration and development of local value-creating networks that trigger local economies to improve the quality of life of the population living in forest areas; protecting forest ecosystems, through territorial management, from factors that deteriorate forest cover, maintain natural capital, and contribute to mitigating climate change; conserving and restoring the capacity to provide ecosystem services in strategic forest areas, through an inclusive and participatory approach, and promoting a new model of governance, plural, effective and inclusive, with citizen participation from the forestry sector. SGP Mexico's work on sustainable forest management is aligned with the main objectives of this programme.

Programa Nacional de Áreas Naturales Protegidas 2020-2024^[6] (**National Programme on Natural Protected Areas**). The priority objectives of this programme, under the National Commission on Natural

Protected Areas (CONANP) comprise, among others, strengthening the effective management of protected areas and increasing the conservation area to maintain the representativeness of biodiversity, the connectivity and functionality of ecosystems and the provision of their environmental services to improve the quality of life of current and future generations; promoting community participation in the conservation and sustainable use of natural resources in protected areas to improve their livelihoods and reduce their vulnerability; and promoting the restoration of ecosystems, as well as protection and monitoring actions for the conservation and recovery of priority species and their habitats in protected areas. The Mexico SGP Country Programme goals are consistent with the priority objectives of this National Programme.

Programa Sectorial de Agricultura y Desarrollo Rural 2019-2024[7] (Agriculture and Rural Development Sector Programme 2019-2024). The objectives of this programme, under the Ministry of Agriculture and Rural Development (SADER), included achieving food self-sufficiency through increased production and productivity in agriculture, livestock, and fisheries; contributing to the well-being of the rural population by including producers who have historically been excluded from rural and coastal production activities, taking advantage of the potential of local territories and markets, and increasing sustainable production practices in the agricultural and aquacultural fishing sectors in the face of agroclimatic risks. This programme includes components related to the economic integration of production chains and strengthening of family production units through soil and biomass conservation activities, and investment in fixed assets to improve the units' production capacity, which are consistent with SGP Mexico's goals.

Programa Sectorial de Energía 2020-2024[8] (Energy Sectoral Programme 2020-2024). The relevant priority objectives of this programme, under the Ministry of Energy (SENER), are 1: To reach and maintain sustainable energy self-sufficiency to satisfy the energy demand of the population with national production; 4: To raise the level of efficiency and sustainability in the production and use of energy in the national territory, and 5: To ensure universal access to energy, so that it is available for the development of Mexican society. Collaboration with this programme is fundamental for SGP Mexico during the implementation of OP7 since it will encourage the use of renewable energy and energy efficiency technologies at the community level.

Programa Nacional para la Igualdad entre Mujeres y Hombres 2020-2024 (National Programme for Equality between Women and Men 2020-2024). This programme seeks to contribute decisively to the enforcement of Mexican women's rights to equality, non-discrimination, and to live a life free of violence. It establishes six priority objectives to close gender gaps in the rural, community, and territorial environments and sets concrete actions for government agencies such as the Ministry of Welfare, Ministry of Rural Development, and Ministry of Agrarian, Land, and Urban Development.

Programa Sembrando Vida[9] (Sowing Life Programme). Through this programme, the Ministry of Welfare seeks to improve producers' income and recover one million hectares of forest cover in Mexico by establishing agroforestry systems, where traditional crops and fruit and timber trees are combined, and to convert the traditional milpa system into milpa interspersed with fruit trees in 19 states including Campeche, Chiapas, Oaxaca, Puebla, Quintana Roo, Tabasco, and Yucatán. The Mexico SGP Country Programme will establish alliances with the Sowing Life Program beneficiaries to improve the sustainability and resilience of these production systems. Recently direct subsidies to beekeepers and small-scale cacao farmers were included as part of this programme.

Programa Jóvenes Construyendo el Futuro[10] (**Youth Building the Future Programme**). Mexico's Ministry of Labor and Social Welfare grants scholarships through this programme to train young people between 18 and 29 years of age with different education levels for a year in the work center of their choice. The Mexico SGP Country Programme will seek to involve young beneficiaries in targeted community projects that could benefit from this synergy.

Programa Producción para el Bienestar[11] (**Production for Well-being Programme**). The objective of this programme, under the Ministry of Agriculture and Rural Development (SADER), is to channel production support to agroecological and sustainable practices for soil water and agrobiodiversity conservation; encourage self-reliance in seed production and other inputs; provide funding for renewable energy systems and machinery and equipment suitable for small-scale agriculture. This programme also seeks to foster the establishment of micro, small, and medium private companies associated with the commercialization of food products. Collaboration with this programme is key to the Mexico SGP Country Programme since it also contributes to promoting agroecological practices, soil, water, and agrobiodiversity conservation, and the inclusion of communities in new sustainable value chains.

Sub-national programmes and strategies. The states governments of Campeche, Chiapas, Oaxaca, Puebla, Quintana Roo, and Yucatan have formulated their state-level Strategies for the Conservation and Use of Biodiversity to contribute to the objectives established in the Convention on Biological Diversity, following the National Strategy on Biodiversity (ENBioMex) and its 2016-2030 Action Plan. These states also have their Climate Change Action Plans consistent with the National Climate Change Strategy and the Mexican Special Climate Change Programme. Campeche, Chiapas, Oaxaca, Quintana Roo, and Yucatan have also prepared their state-level Strategies for Reducing Emissions from Deforestation and Forest Degradation, aligned with the National Strategy for the Reduction of Emissions from Deforestation and Forest and Forest Degradation (ENAREDD+). These policy instruments provide a congruent framework that facilitates coordination and exchange of information with SGP Mexico and allows joint investment in community projects.

[1] SEMARNAT-INECC. 2016. *Mexico's Climate Change Mid-Century Strategy*. Ministry of Environment and Natural Resources (SEMARNAT) and National Institute of Ecology and Climate Change (INECC). Mexico City, Mexico. Available at: https://unfccc.int/files/focus/long-term_strategies/application/pdf/mexico_mcs_final_cop22nov16_red.pdf

[2] SEMARNAT. 2010. *Estrategia Nacional de Manejo Sustentable de Tierras*. Ministry of Environment and Natural Resources (SEMARNAT). Mexico City, Mexico. Available at: http://www.cmss.org.mx/wp-content/uploads/2014/10/?Estrategia_Nacional_de_Manejo_Sustentable_de_Tierras.pdf

[3] Diario Oficial de la Federación. 2019. Plan Nacional de Desarrollo 2019-2024. Mexico City, Mexico. Available at: https://www.dof.gob.mx/nota_detalle.php?codigo=5565599&fecha=12/07/2019.

[4] Diario Oficial de la Federación, 2020. Programa Sectorial de Medio Ambiente y Recursos Naturales 2020-2024. Available at: https://www.dof.gob.mx/nota_detalle.php?codigo=5596232&fecha=07/07/2020/.

[5] Comisi?n Nacional Forestal. Programa anual de trabajo 2020. Available at: https://www.conafor.gob.mx/transparencia/?docs/PAT_2020_CONAFOR.pdf/.

[6] Comisi?n Nacional de ?reas Naturales Protegidas. Programa Nacional de ?reas Naturales Protegidas 2020-2024. Available at: https://www.conanp.gob.mx/datos_abiertos/DES/PNANP2020-2024.pdf/.

[7] Diario Oficial de la Federaci?n, 2020. Programa Sectorial de Agricultura y Desarrollo Rural 2019-2024. Available at: https://dof.gob.mx/nota_detalle.php?codigo=5595549&fecha=25/06/2020/.

[8] Diario Oficial de la Federaci?n, 2020. Programa Sectorial de Energ?a 2020-2024. Available at: https://www.dof.gob.mx/?nota_detalle.php?codigo=5596374&fecha=08/07/2020/.

[9] Secretar?a de Bienestar. 2019. Programa Sembrando Vida. Available at: <https://www.gob.mx/bienestar/acciones-y-programas/programa-sembrando-vida>

[10] Secretar?a del Trabajo y Previsi?n Social. 2019. Programa J?venes Construyendo el Futuro. Available at: <https://jovenesconstruyendoelfuturo.stps.gob.mx/>

[11] Secretar?a de Agricultura y Desarrollo Rural. 2019. Programa Producci?n para el Bienestar. Available at: <https://www.gob.mx/?agricultura%7Cyucatan/articulos/ventanillas-para-el-programa-produccion-para-el-bienestar-2019>

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

SGP has an essential role as a laboratory for new concepts, methodologies, and technologies besides bringing global environmental and local sustainable development benefits and enhancing community-based organizations and their partners' organizational capacities. Therefore, knowledge management is an integral part of SGP and will be based principally on the innovation experience's ongoing evaluation.

Since its inception, the Mexico SGP Country Programme has consistently analyzed and documented its experience and lessons through articles and longer publications for local, national, and international dissemination. Many of these publications and manuals are available in local languages in addition to Spanish. To celebrate its 25th anniversary, SGP Mexico developed several communication materials^[1], such as publications and videos, to share and disseminate successful projects from the communities' perspective. To continue documenting its experience, SGP Mexico has developed a communication strategy emphasizing community inclusion, storytelling, and sharing lessons among local stakeholders in user-friendly language and format. In compliance with its Gender Action Plan, a gender perspective is considered: communication and didactic materials will be developed to make women's roles more visible at the household and community levels and encourage women's empowerment.

The entire process during OP7 will be iterative and will promote both the generation of knowledge and its incorporation into other activities. Each SGP grant project is designed to produce three things: global environmental and local sustainable development benefits (impacts); organizational capacities (technical,

analytical, administrative, financial, etc.) from learning by doing; and knowledge from evaluation of the innovation experience. Developing proposals, articulating landscape strategies, and sharing lessons learned among community groups will all be done with a strategic plan to build capacities and increase knowledge. SGP Mexico will create a knowledge management platform to facilitate links among communities, promote information sharing, and provide access to knowledge resources relevant to their projects. The knowledge obtained from project experiences will be socialized through SGP's well-established national network of stakeholders and SGP's global platform. It will also be used in upscaling successful initiatives.

The Mexico SGP Country Programme believes that science should be at the service of communities, so during OP7, it will promote community and citizen science initiatives and new technologies to help collect and analyze data and improve landscape monitoring using dedicated SGP mobile apps (i.e., the SGP territorial monitoring cell phone app) and other apps such as Naturalista, the most widely used Mexican citizen science platform for recording biodiversity information.

Furthermore, during OP7, there will be numerous knowledge development prospects and cross-landscape peer learning opportunities. The Project will facilitate capacity building, sharing technical expertise, and networking and knowledge-sharing opportunities, including women and marginalized groups. The Project will also foster learning communities or communities of practice on gender leadership, renewable energy, agroecology, sustainable forestry, and fisheries to exchange knowledge and experiences on specific topics.

Information and experience sharing are essential to achieve integrated landscape/seascape management goals. As much as possible, SGP Mexico will continue linking with other initiatives to disseminate and receive feedback on SGP's experience and lessons. It will link up with the South-South Community Innovation Exchange Platform launched by SGP Global during its Sixth Operational Phase (OP6). During OP7, this tool will be used to share information and replicate the knowledge and innovation created, promoted, and/or tested by civil society and communities on the ground to fill critical gaps in national action plans and produce timely and significant results. This phase will also actively involve women in peer-to-peer exchanges, especially in replicating innovations (technological and otherwise).

To present replication opportunities in other countries, the Project will systematize best practices and facilitate dissemination through ongoing global South-South cooperation platforms, such as the UN South-South Galaxy knowledge-sharing platform (<https://www.unsouthsouth.org/south-south-galaxy/>) and PANORAMA (<https://panorama.solutions/>). It will also explore opportunities for meaningful participation in specific events where UNDP could support engagement with the global development discourse on socio-ecological resilience at the landscape level. in events.

Also, SGP Mexico will continue facilitating CBO representatives' participation in global and regional forums organized by third parties to share their community knowledge and gain more current information. Female grantees are also encouraged to participate in relevant fora; for example, recently, a group of community entrepreneurs participated in the "Cumbre de Mujeres Líderes Latinoamericanas," an international women entrepreneurs' summit held in Merida, Yucatan.

The increased capacity of community-level stakeholders to generate, access, and use information and knowledge is expected to increase the sustainability of project activities beyond the life of the grant

funding. Knowledge sharing and replication will help ensure that the Project's impacts are sustained and expanded, generating additional environmental benefits over the longer term.

[1] Programa de Pequeñas Donaciones México. 2019. Publicaciones. Available at: <https://issuu.com/ppdmexico>

9. Monitoring and Evaluation

Describe the budgeted M and E plan

As outlined in the UNDP POPP and UNDP Evaluation Policy, project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements. The UNDP Country Office is responsible for ensuring full compliance with all UNDP project monitoring, quality assurance, risk management, and evaluation requirements.

Additional mandatory GEF-specific M&E requirements will be undertaken following the GEF Monitoring Policy and the GEF Evaluation Policy, and other relevant GEF policies. The costed M&E plan included below, and the Monitoring Plan in Annex 3 of the Project Document, will guide the GEF-specific M&E activities to be undertaken by this project.

In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed upon during the Project Inception Workshop and will be detailed in the Inception Report.

Please refer to Section VI: Monitoring and Evaluation (M&E) Plan in the Project Document for further details.

Monitoring and Evaluation Plan and Budget:		
This M&E plan and budget provides a breakdown of costs for M&E activities to be led by the Project Management Unit during project implementation. These costs are included in Component 4 of the Results Framework and TBWP.		
GEF M&E requirements	Indicative costs (US\$)	Time frame
Inception Workshop	29,362	Within 60 days of CEO endorsement of this project
Inception Report	None	Within 90 days of CEO endorsement of this project
M&E of GEF core indicators and project results framework	19,080	Annually and at mid-point and closure.
NSC Meetings	27,560	Annually

Monitoring and Evaluation Plan and Budget:		
This M&E plan and budget provides a breakdown of costs for M&E activities to be led by the Project Management Unit during project implementation. These costs are included in Component 4 of the Results Framework and TBWP.		
GEF M&E requirements	Indicative costs (US\$)	Time frame
GEF Project Implementation Report (PIR)	None	Annually, typically between June-August.
Monitoring all risks (UNDP Risk Register)	None	On-going
Supervision missions	None	Annually
Independent Mid-term Review (MTR)	31,800	December 2023
Independent Terminal Evaluation (TE)	31,800	May 2026
TOTAL indicative COST	139,602	

10. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCE/SCCF)?

SGP Mexico Country Programme support to communities intends to produce specific benefits in the seven target (7) landscapes and seascapes (1) Agroforestry Landscape of Chiapas and Tabasco, (2) Coastal Seascape of the Yucatan Peninsula, (3) Grijalva-Usumacinta Lower Basin Landscape, (4) Sustainable Forestry Landscape of Campeche, Quintana Roo, and Yucatan, (5) Forest and Milpa Landscape of Campeche, Quintana Roo, and Yucatan, (6) Oaxaca Mountains Landscape, (7) Mixteca Arid Landscape. These benefits will also be upscaled through policy tools, replication, and strategic projects that are carried out beyond the landscapes.

It is expected that communities involved will be working towards common landscape/seascape objectives, coordinating and collaborating on activities related to biodiversity conservation, climate change resilience, and combating land degradation, while improving the gender equality and sustainability of production systems and strengthening the linkage to sustainable value chains and markets. Up-scaling is enhanced through improved governance agreements, exchanges, knowledge-sharing and by influencing public policy.

The key benefits foreseen in this project include:

- **Improved biodiversity values.** Through biodiversity-friendly agriculture, conservation practices, habitat restoration and improved use of biological resources, there is the expectation that biodiversity values will improve.

- **Improved socio-economic circumstances/strengthened livelihoods.** Many small community groups do not often have the luxury of startup capital to put some of their sustainable enterprises into operation. The SGP approach will allow some of these groups to enhance their production or distribution and improve their socio-economic conditions. SGP funds will also strengthen civil society organizations working to enhance social conditions for the most poverty-stricken. The Project will also test and pilot innovative technologies that could decrease labor, support more efficient production and improve people's quality of life.
- **Resilient agriculture and food security.** The focus on agroecology is to have food production that makes the best use of natural resources without destroying said resources, so there can be a long-term supply and sustainable use. The idea is also to lower the cost of inputs and create agro-ecosystems that are more resilient to climate change and variability. Additional project interventions that improve the collection and use of water resources will also ensure successful production and decrease food insecurity.
- **Developing capacities** for appropriate landscape management and adoption of innovative and sustainable practices and technologies, such as renewable and efficient energy sources, agroecology, sustainable tourism, forestry and fisheries, the Project will enable local communities to reduce vulnerabilities and increase ecosystem resilience.
- **Strengthening landscape-level governance.** The Project's landscape approach seeks to aggregate the actions of individual groups and communities, with the common objective of having a beneficial impact on the landscape as a whole. This will involve engagement, participation, and the collaboration of many, and it is anticipated "due to evidence from previous SGP Mexico experience" to enhance civic culture. Groups that have not worked together yet will have the opportunity to work together; people will learn about successful initiatives. It is also expected that the civil society community and its collaborations with government, academia, and the private sector will be improved.
- **Upscaling women's achievements and creating opportunities for youth and other vulnerable groups.** This SGP Project was designed to help women overcome the barriers they face and provide them with leadership opportunities. The Project will also seek to increase participation and ownership of other vulnerable groups, such as youth, people with disabilities, and migrants, in sustainability measures to ensure that there are inclusive opportunities to establish viable futures.
- **Benefits for indigenous communities.** The Project seeks to support indigenous communities that use a communal way of governing natural resources. Lessons learned from these communities will be upscaled; innovations that they wish to test will be supported. The Project will also support advocacy and communication interventions to maintain the protection of these lands.
- **Learning from failures and successes.** Many groups and communities do not have the finances available to test initiatives and learn from their failures "failures can lead to financial bankruptcy. SGP provides a unique opportunity to test initiatives and learn if some of them do not perform as well as anticipated, and then share that learning with others.
- **Improved access to fair financing.** The Project will include capacity-building activities and training for organizations and alliances to understand and access fair and sustainable financing mechanisms and

channels, strengthen capacities for business plan development, and facilitate contact with financial sources to improve community organizations' financial resilience.

- **Accompaniment.** Many civil society groups and organizations have specialized talents and expertise but may not have the organizational or administrative capacities. SGP Mexico will support these entities to strengthen their organizational capacities to be more financially resilient, more adept administratively, and leverage funds from other donors in the future.

11. 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/Approval	MTR	TE
Medium/Moderate			

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

<i>Risk Description</i>	<i>Impact and Probability (1-5)</i>	<i>Significance (Low, Moderate, High)</i>	<i>Comments</i>	<i>Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.</i>

<p>Risk 1: Project may potentially reproduce discriminations against women based on gender.</p>	<p>P=3 I=3</p>	<p>Moderate</p>	<p>SGP Mexico is encouraging more active women's participation. Actions to reduce the gender gap are established in the Gender Action Plan.</p> <p>During the dissemination of calls for proposals, women may experience limited access and barriers when applying due to non-inclusive and not accessible language (mainly in projects related to energy).</p> <p>Projects may potentially reproduce gender stereotypes/roles.</p> <p>All-women and women-led projects might experience isolation and exclusion from their communities because of breaking their traditional gender roles.</p>	<p>SGP Mexico's Gender Action Plan for OP7 was developed to ensure the full participation of women in projects. This plan has established tools and incentives to improve female empowerment and participation at every stage of project development and implementation including:</p> <ul style="list-style-type: none"> - Communication activities and calls for proposals will use inclusive language. Moreover, the call for proposals for adopting renewable energy and energy efficiency technologies will include examples of women-led initiatives. - The Stakeholder Engagement Plan has identified organizations that may support the dissemination of calls for proposals among groups dedicated to promoting women's empowerment, gender equality, and human rights. - Proponents will receive training in gender inclusion during the project design stage; they will have access to the Recommendations for the Inclusion of the Gender Approach, and the project's design template will include a section on gender-sensitive indicators which will be monitored and reported by the SGP M&E system. - More inclusive methodologies for training participants in all-women and mixed projects will be promoted.
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<p>Risk 2: Vulnerable groups such as youth, migrants, indigenous groups, and people with disabilities may have limited or no access to calls for proposals.</p>	<p>P=3 I=3</p>	<p>Moderate</p>	<p>Dissemination of calls for proposals usually happens in adult men dominated platforms with limited access for vulnerable groups.</p>	<p>The Stakeholder Engagement Plan has identified organizations and activities that may support the dissemination of calls for proposals among vulnerable groups in the regions where the SGP is implemented, such as local universities, organizations, and government institutions dedicated to youth, migrants, people with disabilities.</p>
<p>Risk 3: Poor site selection within or adjacent to critical habitats and/or environmentally sensitive areas, such as public protected areas and private reserves, may enable the harvesting of natural resources and forests, plantation development, or reforestation.</p>	<p>P=1 I=4</p>	<p>Moderate</p>	<p>Since the target landscapes include areas of importance to biodiversity, some projects are likely to occur within or adjacent to critical habitats or sensitive areas such as parks, wetlands, and other key biodiversity areas.</p>	<p>The Mexico SGP Country Programme will ensure consistency with the national sectoral strategy on protected areas, published in 2020. The existing coordination with the National Commission for Protected Areas will be reinforced through co-financing and permanent monitoring of any potential risk.</p> <p>To confirm project sites and outline strategies for socio-ecological production landscapes, site inventory and analysis of biodiversity, land use, local livelihoods, and climate conditions and impacts from climate change, and needs? assessments of selected communities have been conducted.</p> <p>The projects proposed under this programme are designed to mitigate and reverse the impacts of environmental degradation.</p> <p>Part of the selection process for small grants involves screening out projects that may have negative environmental impacts. The NSC will continue supporting project selection based on initial risk assessments to prevent socio-ecological negative impacts.</p>

<p>Risk 4: Clean energy technologies may produce waste that require special management for final disposition.</p>	<p>P = 3 I = 2</p>	<p>Moderate</p>	<p>Clean energy technologies, such as biodigesters, may produce waste requiring special treatment and physicochemical analyses to be used for other purposes.</p>	<p>The scale of GEF SGP energy projects will be small. However, further assessment of the risks will be done for each proposed technology, including factors such as compliance with governmental policies and regulations, technical and socio-economic feasibility, hydrology, physicochemical and biological analyses of water quality, operations, and maintenance, among others.</p> <p>Calls for proposals will contain a technical annex with guidelines for best practices for renewable energy and energy efficiency projects. A technical advisory group specialized in clean energies and energy efficiency might be integrated to support the NSC in the project selection process.</p> <p>Technology suppliers will be required to provide technical assistance, supply services for waste management, and training to future users. Moreover, partnerships with local universities and colleges will be established to provide technical assistance and research as needed.</p>
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<p>Risk 5: Climatic unpredictability and extreme scenarios may undermine efforts to arrest biodiversity loss, reverse land degradation, and promote better livelihoods.</p>	<p>P=4 I=3</p>	<p>Moderate</p>	<p>Climatic unpredictability, periodic droughts, floods, changes in rainfall distribution, altered frequency of extreme meteorological events, rising temperatures in coastal waters may affect agroecology, beekeeping, sustainable tourism, forestry and fisheries, and community-based conservation initiatives.</p>	<p>Climate vulnerability is considered across all components of the SGP Country Programme, working in partnership with UNDP's Disaster Risk Management Programme in Mexico on applying an ecosystem-based adaptation methodology at the design phase of every project.</p> <p>Communities invest between 3 to 5% of the total of every grant in adaptation and mitigation measures for every project. Adaptation measures include establishing community committees dedicated to risk prevention and management.</p> <p>By developing capacities for appropriate landscape management and adopting innovative and sustainable practices and technologies, such as renewable and efficient energy sources, agroecology, sustainable tourism, forestry and fisheries, the Project will enable local communities to reduce vulnerabilities, and increase ecosystem resilience.</p>
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<p>Risk 6: Indigenous peoples (IPs) may not be properly and sufficiently informed, consulted on or involved in activities that impact their lands, territories, and/or culture, and the project includes the utilization, and/or commercialization of natural resources on lands and territories claimed by indigenous peoples.</p>	<p>P=3 I=3</p>	<p>Moderate</p>	<p>The National Steering Committee has demonstrated over the past two decades of SGP work in Mexico that indigenous peoples' rights, livelihood, culture, and resources are fundamental concerns when assessing grant project proposals for financing approval. This will continue to remain one of the guiding principles of the NSC.</p>	<p>A comprehensive Stakeholder Engagement Plan was prepared, meeting Standard 6 on Indigenous Peoples, and validated by the NSC's IP focal point; also, in-depth consultations with IPs were carried out in the PPG phase.</p> <p>Potential social impacts of small grants are assessed by the National Coordinator and the NSC, and actions to mitigate risk are incorporated into each proposal before approval. No proposals are accepted or approved without consultations and participation of the communities.</p> <p>Recording or otherwise documenting traditional knowledge held by indigenous communities will only be made upon free, prior, and informed consent (FPIC).</p> <p>SGP Mexico will provide a grievance and conflict resolution mechanism to address IP's or any other person's concerns about the Project.</p> <p>SGP Mexico will promote the bilingual IP representatives' participation in project design, implementation, and evaluation processes, considering potential language barriers. If necessary, the SGP team will provide translators.</p> <p>The SGP Mexico team will also disseminate calls for proposals widely through local NGOs and government institutions that work directly with indigenous peoples; for instance, the Instituto Nacional de Pueblos Indígenas (INPI: National Institute for Indigenous Peoples) may support the dissemination using local radio in indigenous languages.</p> <p>Moreover, the Mexico Country Programme will support indigenous conservation through the Indigenous and Community Conserved Areas Initiative (ICCA).</p>
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<p>Risk 7: COVID-19 may delay project's implementation, affect health of beneficiaries, limit areas in which the project can be implemented, limit face-to-face consultations among stakeholders, and further marginalize the disenfranchised that have limited access to resources and technology.</p>	<p>P=4 I=3</p>	<p>Moderate</p>	<p>Due to the pandemic, risk mitigation procedures will be developed to address possible operational delays or pauses on an ongoing basis, to follow the latest guidance and advisories.</p>	<p>SGP Mexico has developed an internal protocol to provide safety measures for essential face-to-face meetings and monitoring visits during the COVID-19 pandemic, approved in September 2020 by the UNDP Country Office. This protocol contains planning and recovery measures, as well as the required equipment for every field trip. The SGP Mexico will provide face masks, physical barriers, and sanitizer for any face-to-face interaction. Travel and presential activities will be postponed should COVID-19 risk levels become higher in project areas.</p> <p>During pandemic conditions, remote meetings and consultations will be held to reduce the risk of exposure. If conditions allow it and abiding by the COVID-19 Field Protocol safety measures, presential workshops or interviews will be held, restricting the number of participants, preferentially selecting open spaces, and social distancing.</p> <p>The SGP Mexico UCP implements an internal register of COVID-19 cases in local projects to manage the risk of exposure and infection.</p> <p>Considering COVID-19 restrictions, calls for proposals will be open longer than the ones during the Sixth Operational Phase that were only open for 1 month. Calls for proposals will be disseminated using virtual platforms.</p> <p>To ensure the Project's effective implementation, increased remote communication will be considered, and site-specific protocols will be followed. WhatsApp, Signal, mobile phones, or remote platforms will be used to communicate and exchange of information. The UNDP Security Team will provide basic training on cyber-security.</p>
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Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
6540 SGP Mexico OP7 Annex 5	CEO Endorsement ESS	

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

The Project Results Framework is included in Project Document Section V.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comment	Response	Project Doc. Reference
GEF Compilation of Comments Submitted by GEF Council Members at PIF stage		
UK Government		

Comment	Response	Project Doc. Reference
<p>1. It would be useful if you can confirm there is government buy-in for the plans for renewable generation under this GEF project. Have the Energy Ministry SENER and the National Electricity Commission (CFE) been involved, are they agreeing/supporting the programme? Or would the generation be of smaller scale and/or disconnected from the national grid? What about the Environment Ministry SEMARNAT or the Agenda 2030 team in the President's Office?</p> <p>2. The Work Programme for GEF Trust Fund document refers to private sector involvement (p. 7, 22). In light of the changes in policy in the energy sector, we would like to know whether there is support for this from the current federal level government.</p>	<p>1. The project team appreciates this comment. The Government of Mexico, through the Political and Operational Focal Points ?SHCP (Ministry of Finance and Public Credit) and SEMARNAT (Ministry of Environment and Natural Resources), as the leader of the environmental sector? maintain constant communication and have an active role in designing the Seventh Operational Phase (OP7) of Small Grants Programme in Mexico (SGP Mexico).</p> <p>Both the Special National Climate Change Programme (?Programa Especial de Cambio Clim?tico?) and SEMARNAT?s Sectorial Plan (?PROMARNAT 2019-2024?) include strategies and goals targeted to promote renewable energy and energy access for rural and vulnerable communities.</p> <p>The national government is showing continued support to the reduction of GHG emissions, in line with its NDC commitments and by supporting local and decentralized use of renewable energy technologies. Moreover, the above-mentioned topics are considered in national policies and priorities.</p> <p>During the PPG Phase, both the Federal Electricity Commission (CFE), the National Institute on Electricity and Clean Energies (INEEL) and the Mexican Institute on Water Technology (IMTA) were consulted to guarantee adequate alignment with national policies.</p> <p>UNDP and SGP Mexico will also promote linkages with the Federal Fund for Energy (FOTEASE) and CONACYT?s Energy Transition Programme. Energy generation will focus on small scale innovations such as sustainable transportation or off grid projects, which will also be discussed with the Agriculture (SADER) and Tourism (SECTUR) Ministries.</p> <p>2. The PIF for the UNDP/GEF project Small Grants Programme in Mexico mentions that ?The private sector will be involved as appropriate, participating in multi-stakeholder partnerships in the landscapes, but particularly through development of links with other value-chain stakeholders to improve value chains?.</p> <p>Therefore, involvement and investment from the private sector will be considered during project implementation, as appropriate, for creating or strengthening value chains for</p>	<p>See Project Document pp. 27, 43-44.</p> <p>See Project Document pp. 16-19.</p> <p>See the full Climate Mitigation Report in Annex 13 of the Project Document.</p> <p>See the Stakeholder Engagement Plan in Annex 8 of the Project Document.</p>

**ANNEX C: Status of Utilization of Project Preparation Grant (PPG).
(Provide detailed funding amount of the PPG activities financing status
in the table below:**

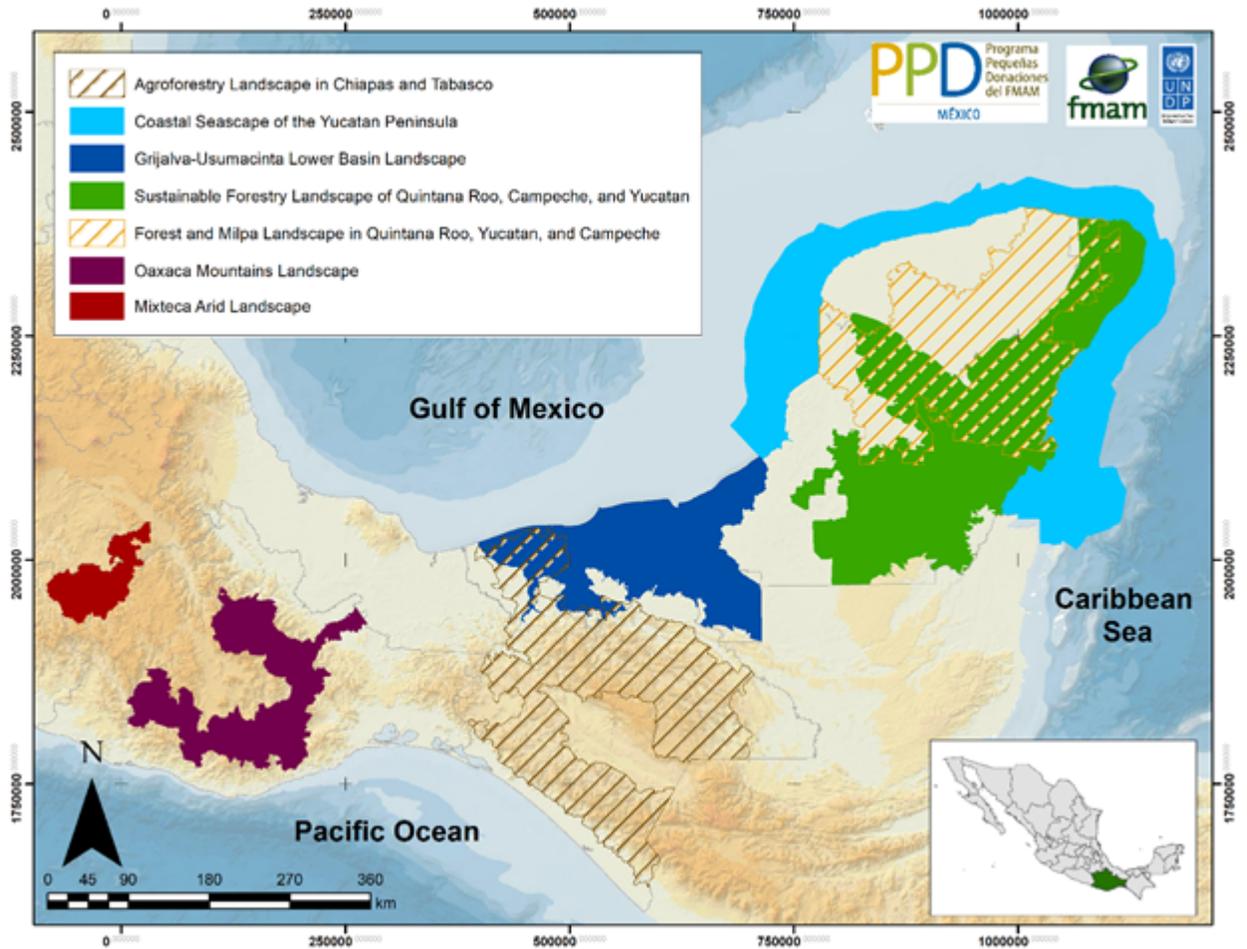
Detailed funding amount of the PPG activities financing status is included in the table below.

PPG Grant Approved at PIF: USD 85,000			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Component A: Preparatory Technical Studies & Reviews.	24,126	10,362.03	25,865.57
Component B: Formulation of the UNDP-GEF Project Document, CEO Endorsement Request, and Mandatory and Project Specific Annexes.	48,874	48,773.40	?
Component C: Validation Workshop and Report	12,000	?	?
Total	85,000	59,135.43	25,865.57

If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake exclusively preparation activities up to one year of CEO Endorsement/approval date. No later than one year from CEO endorsement/approval date. Agencies should report closing of PPG to Trustee in its Quarterly Report.

ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.



	Lat	Long
1. Agroforestry Landscape in Chiapas and Tabasco	16.726338	-92.660084
2. Coastal Seascape of the Yucatan Peninsula	20.223197	-88.703243
3. Grijalva-Usumacinta Lower Basin Landscape	18.148864	-92.182865
4. Sustainable Forestry Landscape of Campeche, Quintana Roo, and Yucatan	19.413551	-88.842832
5. Forest and Milpa Landscape of Campeche, Quintana Roo, and Yucatan	20.204795	-88.730069
6. Oaxaca Mountains Landscape	16.457121	-96.369931
7. Mixteca Arid Landscape	17.821262	-97.943751

ANNEX E: Project Budget Table

Please attach a project budget table.

Expenditure Category	Detailed Description	Component (USDeq.)								Total (USDeq.)	Responsible entity (Executing Entity receiving funds from the GEF Agency)	
		Component 1			Component 2			Sub-Total	M&E			PMC
		Outcome 1.1	Outcome 1.2	Outcome 1.3	Outcome 2.1	Outcome 2.2						
Grants/ Sub-grants	Small grants (max. US\$50k)	477,000	699,600	535,300		731,400	2,443,300			2,443,300	UNOPS	
	Strategic grants (max. US\$150k)	116,600		244,648	475,834		837,082			837,082	UNOPS	
Contractual Services ? Individual	National Coordinator	31,482	59,466	17,490	20,988	26,235	155,661		47,223	202,884	UNOPS	
	Programme Assistant	13,727	11,766	11,766	17,649	17,649	72,557	0	41,811	113,738	UNOPS	
	Technical Assistant	9,805	33,337	9,805	1,961	13,727	68,635		45,103	113,738	UNOPS	
	Interns				10,176		10,176			10,176	UNOPS	
International Consultants	Midterm Reviewer, international/lead						0	25,440		25,440	UNOPS	
	Terminal Evaluator, international/lead						0	25,440		25,440	UNOPS	
Local Consultants	Land mapping Consultant (update geographic mapping tools and train community users)	12,720					12,720			12,720	UNOPS	
	Fiscal and administration specialist					16,960	16,960			16,960	UNOPS	
	M&E of GEF Core Indicators and Project Results Framework	0					0	19,080		19,080	UNOPS	

	Landscape Strategy Specialist				47,700		47,700			47,700	UNOPS
	Business Development Specialist					55,650	55,650			55,650	UNOPS
Trainings, Workshops, Meetings	Trainings, trade fairs, seminars	46,640	111,300	53,000	16,907	10,600	238,447			238,447	UNOPS
	SGP UCP workshop					3,710	3,710			3,710	UNOPS
	South-south cooperation exchange					3,710	3,710			3,710	UNOPS
	Inception Workshop						0	15,582		15,582	UNOPS
	NSC meetings						0	27,560		27,560	UNOPS
Travel	Travel costs, technical components	13,250	26,500		21,730	5,300	66,780			66,780	UNOPS
	SGP UCP workshop					5,029	5,029			5,029	UNOPS
	South-south cooperation exchange					48,760	48,760			48,760	UNOPS
	Travel costs for inception workshop						0	13,780		13,780	UNOPS
	Travel costs M&E visits			26,500			26,500			26,500	UNOPS
	Travel costs for MTR						0	6,360		6,360	UNOPS
	Travel costs for TE						0	6,360		6,360	UNOPS
Office Supplies	Office Supplies and Utilities						0		5,684	5,684	UNOPS
	Audiovisual and printing production costs				14,840		14,840			14,840	UNOPS
Other Operating Costs	Equipment, operations & maintenance						0		16,960	16,960	UNOPS
	Rental-maintenance						0		25,440	25,440	UNOPS
	Financial audit(s)						0		26,500	26,500	UNOPS
	Miscellaneous expenses						0		5,300	5,300	UNOPS
Grand Total		721,224	941,969	898,509	627,785	938,730	4,128,218	139,602	213,391	4,481,210	UNOPS

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

N/A

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agency is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

N/A

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies' capacity and eligibility to administer NGI resources as established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).

N/A