# Restoration of biodiversity and ecosystem services at the landscape scale on productive agroforestry areas and their natural environment

## Part I: Project Information

**GEF ID**
**10718**

**Project Type**
FSP

**Type of Trust Fund**
GET

**CBIT/NGI**
- ☐ CBIT
- ☐ NGI

**Project Title**
Restoration of biodiversity and ecosystem services at the landscape scale on productive agroforestry areas and their natural environment

**Countries**
Chile

**Agency(ies)**
FAO

**Other Executing Partner(s)**
Ministerio Medio Ambiente (MMA) and Corporación Nacional Forestal (CONAF)

**Executing Partner Type**
Government

**GEF Focal Area**
Multi Focal Area

**Taxonomy**
Biodiversity, Focal Areas, Forestry - Including HCVF and REDD+, Mainstreaming, Agriculture and agrobiodiversity, Payment for Ecosystem Services, Financial and Accounting, Protected Areas and Landscapes, Productive Landscapes, Community Based Natural Resource Mngt, Nationally Determined Contribution, United Nations Framework Convention on Climate Change, Climate Change, REDD - REDD+, Forest and Landscape Restoration, Forest, Land Degradation Neutrality, Land Degradation, Sustainable Land Management, Improved Soil and Water Management Techniques, Sustainable Agriculture, Sustainable Pasture Management, Restoration and Rehabilitation of Degraded Lands, Landscape Restoration, Food Systems, Land Use and Restoration, Integrated Programs, Integrated Landscapes, Influencing models, Strengthen institutional capacity and decision-making, Stakeholders, Civil Society, Community Based Organization, Non-Governmental Organization, Academia, Communications, Behavior change, Local Communities, Indigenous Peoples, Beneficiaries, Type of Engagement, Partnership, Participation, Information Dissemination, Consultation, Private Sector, Financial intermediaries and market facilitators, Gender Equality, Gender results areas, Knowledge Generation and Exchange, Access to benefits and services, Gender Mainstreaming, Women groups, Sex-disaggregated indicators, Capacity, Knowledge and Research, Capacity Development

**Rio Markers**

**Climate Change Mitigation**
Climate Change Mitigation 1

**Climate Change Adaptation**
Climate Change Adaptation 1

**Duration**
60 In Months

**Agency Fee($)**
539,033.00

**Submission Date**

9/28/2020

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

| Programming Directions | Trust Fund | GEF Amount($) | Co-Fin Amount($) |
|---|---|---|---|
| BD-1-1 | GET | 2,902,754.00 | 12,000,000.00 |
| LD-1-3 | GET | 2,771,278.00 | 20,000,000.00 |
| | **Total Project Cost ($)** | **5,674,032.00** | **32,000,000.00** |

**B. Indicative Project description summary**

**Project Objective**

Restored productive and conserved landscapes in the Central zone of Chile

| Project Component | Financing Type | Project Outcomes | Project Outputs | Trust Fund | GEF Amount($) | Co-Fin Amount($) |
|---|---|---|---|---|---|---|

| Project Component | Financing Type | Project Outcomes | Project Outputs | Trust Fund | GEF Amount($) | Co-Fin Amount($) |
|---|---|---|---|---|---|---|
| 1. Governance and institutional management and planning for sustainable landscape restoration. | Technical Assistance | 1.1 Institutional arrangements, policy objectives and restoration plans are aligned and articulated for efficient restoration of degraded landscapes.<br><br>Indicator: Number of committees implemented and operating at a national, regional and national level.<br><br>Number of institutions involved in restoration initiatives<br><br>Percentage of women participating in the committees<br><br>Percentage of indigenous representatives participating in the committees<br><br>1.2 A monitoring system for landscape restoration has been designed and implemented. | 1.1.1 Local, regional and national committees have been implemented and strengthened in terms of governance and planning to align landscape priority tools with policy objectives to include them and make them operational and ensure project sustainability, replicability and up-scaling.<br><br>1.1.2. Landscape priority tools have been aligned with policy objectives in order to include them into national, regional and local policy instruments to ensure project sustainability, replicability and up-scaling.<br><br>1.1.3. Standards for land restoration plans in the five target regions developed<br><br>1.2.1 Indicators criteria and methodology for establishing a landscape restoration monitoring system based on existing information platforms (LEMU, SIMEF and SIMBIO, or others) developed.<br><br>1.2.2. Landscape restoration tools, such as | GET | 1,100,000.00 | 3,250,000.00 |

| Project Component | Financing Type | Project Outcomes | Project Outputs | Trust Fund | GEF Amount($) | Co-Fin Amount($) |
|---|---|---|---|---|---|---|
| 2. Scaling up public and private investment for restoration and sustainable nature-based management in agroforestry landscapes and natural environments. | Investment | 2.1 Sustainable restoration practice and business models implemented in the agroforestry sector.<br><br>Indicator: Number of new sustainable restoration business models designed and implemented<br><br>Number of hectares managed under new sustainable restoration business models<br><br>Number of indigenous organizations involved in new restoration business models<br><br>Number of rural women organizations involved in new restoration business models<br><br>2.2 Benefits of agroforestry production demonstrated.<br><br>Indicator: Number | 2.1.1 A programme to encourage partnership between small-scale forest owners and farmers and local communities has been planned and implemented at local level.<br><br>2.1.2 Landscape restoration plans are designed and implemented through the tools tried in other GEF projects and other experiences, such as: Good Agricultural Practices (GAP), biodiversity compensation mechanisms and/or payment for ecosystem services, In Rem Right of Conservation, among other tools.<br><br>2.2.1 Agroforestry Business and investment plans developed with producer organizations for each target landscape within the project.<br><br>2.2.2 Technical assistance programmes for supply chain and market actors, as well as for regional governments (to further support producers), implemented.<br><br>2.2.3. Diversified portfolio of restoration projects in each target landscape and promotion of value chains | GET | 3,475,840.00 | 25,250,000.00 |

| Project Component | Financing Type | Project Outcomes | Project Outputs | Trust Fund | GEF Amount($) | Co-Fin Amount($) |
|---|---|---|---|---|---|---|
| 3 Knowledge Management and Monitoring & Evaluation (M&E) | Technical Assistance | 3.1 Knowledge and learning mainstreamed by beneficiaries, other actors and public institutions.<br><br>3.2 Project implementation is supported by a Monitoring & Evaluation strategy based on measurable and verifiable results. | 3.1.1 Lessons learnt and best practices systematized.<br><br>3.1.2 Development and dissemination of communication products and exchange of successful experiences.<br><br>3.1.3 Knowledge and learning exchange mechanism implemented.<br><br>3.2.1 Monitoring & Evaluation strategy developed with expected results, time frames for completion with indicators and means of verification.<br><br>3.2.2 Mid-term review and final evaluation carried out. | GET | 828,000.00 | 1,000,000.00 |
| | | | **Sub Total ($)** | | **5,403,840.00** | **29,500,000.00** |
| **Project Management Cost (PMC)** | | | | | | |
| | | | | GET | 270,192.00 | 2,500,000.00 |
| | | | **Sub Total($)** | | **270,192.00** | **2,500,000.00** |

| | | | |
|---|---|---|---|
| **Project Management Cost (PMC)** | | | |
| | **Total Project Cost($)** | **5,674,032.00** | **32,000,000.00** |

**C. Indicative 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($) |
|---|---|---|---|---|
| Recipient Country Government | Ministry of Environment MMA | In-kind | Recurrent expenditures | 1,880,000.00 |
| Recipient Country Government | Ministry of Environment MMA | Grant | Investment mobilized | 10,800,000.00 |
| Recipient Country Government | National Forest Corporation CONAF | In-kind | Recurrent expenditures | 5,000,000.00 |
| Recipient Country Government | National Forest Corporation CONAF | Grant | Investment mobilized | 11,000,000.00 |
| Recipient Country Government | Other Public services (Other ministries, GORE, Municipalities) | In-kind | Recurrent expenditures | 500,000.00 |
| Civil Society Organization | NGOs | In-kind | Recurrent expenditures | 1,000,000.00 |
| Others | Universities, Research Centres and Private Sector | In-kind | Recurrent expenditures | 1,500,000.00 |
| GEF Agency | FAO | In-kind | Recurrent expenditures | 320,000.00 |
| | | | **Total Project Cost($)** | **32,000,000.00** |

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

The "investment mobilized" was identified with project stakeholders and estimates made on the basis of relevant market costs for Chile. As regards the Ministry of the Environment, the investment mobilized relates to allocated financial resources: (i) EPF Restoration Projects in the Mediterranean Region; (ii) Restoration plan studies and restoration studies for

biodiversity offsets; (iii) National Register of Restoration Initiatives and information platforms for Biodiversity offsets and SIMBIO; (iv) NFRD Cerro Cayumanque Biobío Restoration Project; and, (v) NFRD PRELA Biobío Region Project. As regards to CONAF, the investment mobilized corresponds to resources from programmes related to reforestation and forest recovery: Afforestation Programme for Small and Medium Landowners; ‘One Chilean, One Tree’ Programme; Law No. 20,283 on Native Forest Recovery and Forest Development: Conservation Fund and Research Fund; Training, Education and Employment Programme, PROFOCAP; and Forest Extension Programme.

**D. Indicative 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($) | Fee($) | Total($) |
|---|---|---|---|---|---|---|---|
| FAO | GET | Chile | Biodiversity | BD STAR Allocation | 2,902,754 | 275,762 | 3,178,516.00 |
| FAO | GET | Chile | Land Degradation | LD STAR Allocation | 2,771,278 | 263,271 | 3,034,549.00 |
| | | | | **Total GEF Resources($)** | **5,674,032.00** | **539,033.00** | **6,213,065.00** |

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

PPG Required

☐

**PPG Amount ($)**

150,000

**PPG Agency Fee ($)**

14,250

| Agency | Trust Fund | Country | Focal Area | Programming of Funds | Amount($) | Fee($) | Total($) |
|---|---|---|---|---|---|---|---|
| FAO | GET | Chile | Biodiversity | BD STAR Allocation | 76,738 | 7,290 | **84,028.00** |
| FAO | GET | Chile | Land Degradation | LD STAR Allocation | 73,262 | 6,960 | **80,222.00** |
| | | | | **Total Project Costs($)** | **150,000.00** | **14,250.00** | **164,250.00** |

## 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) |
|---|---|---|---|
| 9200.00 | 0.00 | 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) |
|---|---|---|---|
| 2,760.00 | | | |

### 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) |
|---|---|---|---|
| 2,760.00 | | | |

### 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) |
|---|---|---|---|
| 1,840.00 | | | |

### 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) |
|---|---|---|---|
| 1,840.00 | | | |

### 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) |
|---|---|---|---|
| 69000.00 | 0.00 | 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) |
|---|---|---|---|
| 41,400.00 | | | |

**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) |
|---|---|---|---|

**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) |
|---|---|---|---|
| 27,600.00 | | | |

**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 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** | 4,869 | | | |
| **Male** | 5,107 | | | |

| | Number (Expected at PIF) | Number (Expected at CEO Endorsement) | Number (Achieved at MTR) | Number (Achieved at TE) |
|---|---|---|---|---|
| **Total** | 9976 | 0 | 0 | 0 |

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

Five pilot projects of capacity building, technical assistance and restoration activities using endemic species will be implemented at a basin level, considering approximately 2,600 hectares of direct intervention using Project's funds . Additionally, through technical assistance and dissemination activities, the project will lever up and utilize the Ministry of Agriculture's and other public institutions' existing economic instruments for conservation, restoration and innovation, which, being conservative, will allow to reach an estimated total of 9,200 hectares of land under restoration initiatives generated by the project. This calculation is based on the average amount of hectares benefited per annum and basin by three of these instruments (the Native Forest Law subsidy of the Forestry Service and the SIRD-S subsidy of the Agriculture and Livestock Service and the National Institute for Agriculture and Livestock Development), which account for a total of approximately 220 hectares per annum and basin. Hence, considering five territories (basins) and six years of implementation, it implies 6,600 additional hectares of direct intervention. At the same time, it has been proven that direct intervention for restoration and sustainable land management at farm level has several collateral impacts at a larger scale, considering systemic benefits and the application of sustainable practices at a landscape level. Based upon the experience working in the Sustainable Land Management Project (GEF-4) , studies have demonstrated that landscape impacts and benefits of interventions at farm level, are approximately 7,5 times larger than the land directly intervened. This means that the total number of hectares under improved practices would reach approximately 69,000 ha. Since the exact intervention areas and activities have not been defined yet, specific core indicators are based on gross estimations. Specific estimations will be carried out during PPG phase.

## Part II. Project Justification

### 1a. Project Description

) Global environmental and/or adaptation problems, root causes and barriers to be addressed (systems' description)

The central zone of the Country, which mainly comprises the Mediterranean region, concentrates the largest population density, which has put pressure on its resources and, therefore, a higher degree of biodiversity degradation. It is estimated that the prevailing Mediterranean ecosystem will suffer a greatest change in biodiversity by 2100 due to its high sensitivity to land use and climate change. This ecosystem also encompasses one of the five biodiversity hotspots identified by Conservation International (CI) for South America: the 'Chilean winter rainfall-Valdivian forests'.

As for vascular plants, the Chilean hotspot contains a total of 3,893 native species. About 50.3 percent (1,957) of them are endemic to the hotspot per se[1][1]. In particular, central Chile and the Norte Chico, which is the Mediterranean part of the hotspot, together contain a total of 3,539 native vascular plant species, of which 1,769 (50 percent) are endemic to this region of the country. A remarkable aspect of the Chilean hotspot is the high number of endemic plant genera and families, a situation that is repeated in several groups of vertebrates. Although the diversity of vertebrates in the Chilean hotspot is comparatively low, its endemism can be remarkably high, particularly among reptiles and amphibians (Simonetti, 1999). Some 67 percent (29 species) of the 43 amphibian species that inhabit the hotspot are endemic. These endemic species are found primarily in central Chile,

Among reptiles, 27 species (66 percent) of the 41 known for this hotspot are endemic. Lizards of the genus Liolaemus represent 30 of the species in this group, with 19 species endemic to the hotspot, an extraordinary evolutionary radiation.

The Chilean ecosystems associated to parallels 29° and 40°, which correspond to Coquimbo and Araucanía Regions, are highly vulnerable to water scarcity and soil degradation; at the same time, they have been greatly affected by large forest fires that have struck the country in recent years. During the 2016-2017 season, more than 51,000 hectares were burned in conservation areas in Valparaíso, Libertador Bernardo O'Higgins, Maule and Biobío Regions.

Historically, agricultural and livestock expansion have been the main agents of deforestation and forest and biodiversity degradation in Chile. Native forests have suffered a severe reduction in surface area due to overexploitation and unsustainable use. This is due to the high profitability and the low opportunity cost for the owners to replace the original forests, causing their elimination. Relevant causes of deforestation are the unsustainable use of vegetation resources and weak regulations, along with the promotion of agriculture. At present, particularly in the regions of Valparaíso and O'Higgins, the area of native forest loss is due to the expansion of fruit crops.

Another important cause of native forest degradation is the use of firewood for heating. For example, between 8 and 9 million cubic meters of native wood are consumed annually as firewood, which according to national statistics represents about 20% of the country's energy matrix. Much of the extraction of these resources is done informally, without legal authorization from CONAF, through a Management Plan, resulting in forest degradation. On the other hand, management plans with a silvopastoral approach do make livestock practices sustainable. Traditionally, family farmers raise livestock extensively for self-consumption, as their main form of livelihood, and for sale, what becomes more relevant than forest protection or conservation.[2][2]

Added to the difficulties of forest conservation and maintenance from the point of view of agricultural production, the current climate change scenario has caused desertification and drought processes which hinder the restoration of forests and biodiversity and the ecosystem services they provide. The overexploitation of water by productive sectors (mainly medium and large-scale agriculture, agro-industry, industry, and mining) has affected the availability and access to water, particularly by family farming and rural communities. This, together with the drought that has affected the area in the last 10 years (2010 to 2020), has reduced the availability of water resources[3][3], causing a significant impact on surface and ground water flows, facilitating an increase in fires and the degradation of vegetation coverage at the national level.[4][4] Likewise, the effects that drought has on the climate will have important implications on the water cycle, such as the availability and seasonality of rainfall and the volume of flows. In fact, the annual average precipitation in the Mediterranean, has decreased in the last 70 years, with values ranging from 20% in La Serena (Coquimbo Region), to 15% in Concepción (Bío Bío

Region), in addition, it will have a serious impact on the economy, indicated by (a) loss of hydroelectric generation from 10% to 20% with respect to the base scenario; (b) a projected shortage of water supply in the Metropolitan Region due to hydrological changes in Maipo River related to a decrease in snow regulation; (c) a decrease in water availability in all regions where there is mining activity, which in general are the regions where there is water shortage, which could increase the use of desalination for mining, increasing production costs; and (d) a decrease in water availability in the central and southern country macro zones.

Regarding soils, 49.1% of soils in Chile have some degree of erosion (36.8 million ha) of which 38.0% have from moderate to very severe level of erosion, with the Coquimbo Region being the most affected on 84.3% of its surface area, followed by Valparaiso (56.7%) and O'Higgins (52.5%) Regions.

The risk of desertification for Coquimbo Region, in the central-northern zone of the country, affects an area of approximately 2.24 million hectares, inhabited by 438,638 people. At the national level, this Region is in the first place in the category of severe land degradation (2.2 million ha) which represents a 50% of the surfaces in the same condition in Chile.

The following barriers are identified:

- **The institutional sector is lacking in coordination capabilities, knowledge and information management and the ability to lead innovative actions.** In Chile there is a regulatory framework, institutions and instruments for biodiversity and ecosystem services restoration processes, however, it is necessary to strengthen governance, intersectoral coordination, increase funding from various mechanisms and economic instruments, and review and adjust legal and institutional instruments that will support the restoration implementation.

- There is a lack of generation and integration of sectoral instruments and community and civil society participation, duly agreed upon and coordinated, to get a better definition of the type and objectives of the restoration.

•Likewise, there is a deficient planning of the restoration landscape, which results in scattered and atomized initiatives, and the little possibility of scaling them.

•**Low level of public and private funding for restoration.** The restoration of biodiversity and ecosystem services in Chile has a low incidence within public funding for biodiversity, accounting for only 0.9% of total expenditure on biodiversity in 2014, according to a comparison between the current budgets of five selected ministries and the resources for biodiversity protection.[5][5] In addition, there is poor or very scattered private sector engagement in restoration. Public and private institutions have limited ability to understand and apply the potential of the available economic instruments to sustain restoration initiatives and its effect in different economic activities.

•The agricultural, livestock and forestry development programmes do not have a political framework that includes guidelines for the owners regarding their relationship or impact on the degradation of the territories in a direct manner, evincing deficiencies in the coordination of the services provided by local and national development, which results in a lack of effectiveness and complementarity of public policies for the agroforestry sector. In addition, the generation of value chains and restoration-based economies is deficient, due to the lack of supply identification and structure and connection with markets and/or prospective investors.

•**Limited information and knowledge at the national and regional level** to address the restoration of biodiversity, particularly in the regions between Coquimbo and Biobio. The transfer of information, knowledge and lessons learned is still insufficient and makes it difficult to replicate successful experiences to encourage and, strengthen innovative actions.

•Insufficient policies and limited capacities for gender-sensitive approaches to target climate change and environmental challenges.

•Indigenous landownership system limits indigenous people's access to forest management and sustainable land management instruments.

Historically, agricultural and livestock expansion has been the main cause of deforestation and forest and biodiversity degradation in Chile. In this dynamic, the Mediterranean ecosystem will experience the greatest change in biodiversity by 2100 due to its sensitivity to land use and climate change[6][6].

2) Reference scenario and associated reference projects

In the international context, Chile has committed to important restoration goals. The main goal is to combat land degradation by restoring 500,000 ha under the 20x20 Initiative, meaning the recovery of degraded land with the afforestation of 100,000 ha, mainly with native species, in the period 2020-2030, as a contribution to increasing the capture and reduction of GHG and restoring 400,000 ha of degraded land for agriculture and livestock through the Incentive System for the Recovery of Degraded Soils.[7][7] The National Climate Change and Vegetation Resources Strategy (ENCCRV) 2017-2025 sets a target of 30,000 hectares of native forest restoration, which is directly related to the Nationally Determined Contribution (NDC) target of the Land Use, Land Use Change and Forestry Sector (LULUCF).

At the same time, Chile has committed 300,000 ha as target for the Land Degradation Neutrality (NDT) by 2025 to the UNCCD, this goal is set to be accomplished by the implementation of nine action measures that allow avoiding, reducing and reversing land degradation aiming to achieve land degradation neutrality. Likewise, the international conventions, adhered to by Chile, such as the Convention on Climate Change (UNFCCC), Desertification (UNCCD) and Biological Diversity (CBD), are in agreement on the importance of restoring biodiversity and its ecosystem services, as a core strategy to achieve their objectives.[8][8] Likewise, the National Strategy for the Conservation of Biological Diversity also considers it as a relevant area for the attainment of their purposes.

On the other hand, the recently approved NDC commits to the implementation of the National Plan for Landscape Restoration by 2021, considering the incorporation of 1,500,000 hectares of landscapes to the restoration processes by 2030, prioritizing those with the greatest social, economic and environmental vulnerability. The goal of the Forest Stewardship Council of Chile for the forest policy between 2015 and 2035 is the afforestation of 500,000 hectares with plantations of exotic and native species, 500,000 ha of restoration and manage 1,000,000 ha of native forest in a sustainable manner. As regards the NDC, Chile committed to the recovery of 200,000 hectares of native forest[9][9], 200,000 ha of forestation, of which 100,000 ha correspond to permanent vegetative cover (70,000 ha with native species). This recovery and forestation will be carried out on forestry aptitude soils and/or in priority conservation areas, which will represent captures of between 3.0 and 3.4 MtCO2eq annually by 2030. It also considers reducing emissions from the forestry sector due to degradation and afforestation of native forests by 25% by 2030, considering average emissions between the period 2001-2013. In particular, this NDC update includes a new mainstreaming component that considers the role of our oceans, the circular economy, forests, peatlands and ecosystems as elements that contribute to addressing both the causes and the effects and impacts of climate change in a comprehensive manner.

This project supplements and strengthens national commitments, as an effort to advance towards an integrated and synergistic vision in the design and implementation of climate action in Chile by means of contributing to the setting up of Chile's National Restoration Plan.

As aforementioned, the National Restoration Plan, which is currently at a public consultation stage, has set a target of 1,500,000 hectares of strategic landscapes that will be incorporated into restoration processes by the year 2030. In order achieve this goal, the Plan acts as an umbrella for current and future restoration initiatives through an agreement between the Ministry of Agriculture and the Ministry of the Environment, prioritizing areas with the greatest social, economic and environmental vulnerability and promoting the recovery of biodiversity and ecosystem services to strengthen communities and making them economically and environmentally resilient to climate change. Likewise, the Plan includes a key action to determine the private investment baseline in restoration by 2022, planning to promote an increase of 100% by 2030, targeting investments on landscapes of greater socio-ecological and economic vulnerability. Initiatives that provide a favourable environment for project implementation, aligned with GEF priorities (Output 3.1.1) of increasing private contribution to biodiversity.

Prior to this Plan, restoration activities in Chile have been characterized mainly by isolated, individual initiatives, not necessarily connected to policy objectives. However, during the last couple of years, the Ministry of the Environment and the Ministry of Agriculture have been working together in order to reverse this trend, with a focus on larger territories and a cross-cutting view of land use, sustainable land management, and biodiversity recovery of degraded areas. Despite these efforts, restoration activities still rely on different and independent governance mechanisms, that respond to each ministry’s particular objectives and do not contribute to one common policy framework at a national and subnational level. This also means that these initiatives do not receive an adequate level of institutional support and visibility, and cannot access the full range of economic and conservation instruments in order to secure their feasibility and sustainability, implying altogether less effective and efficient policies.

Hence, the construction of the National Restoration Plan aims to identify current and potential restauration initiatives and establish incentives in order to bring them together from a landscape approach. In order to do that, the design process of the Plan has set up an incipient governance framework that comprises the Ministry of the Environment, the Ministry of Agriculture, the National Forestry Service and the Forestry Institute. Nevertheless, this governance must be further outlined and strengthened in terms of the roles, functions, management tools, decision procedures and resources in order to lead the implementation of the Plan and the activities defined within it. As a first step, the National Restoration Plan has identified 129 different initiatives for the restoration of biodiversity and its ecosystem services in five priority regions, that are presented according to the executing entity in (see Table 01): community restoration initiative (indigenous peoples, neighbourhood councils, farmers' committees), government restoration initiative (CONAF, INFOR) and private restoration initiative (Associations, Corporations, Businesses, Foundations, NGOs, Individuals, Universities). This GEF Project is expected to contribute to setting the implementation of the Plan in motion, by establishing local, regional and national governance mechanisms in order to define and implement specific

restauration initiatives aligned with the National Plan; generating the conditions for private stakeholders and civil society organizations to further current initiatives and promote new restauration actions; and, implementing demonstrative pilot projects at a landscape scale that have a triggering effect within the prioritized territories.

Out of the 129 restoration initiatives identified, without considering the National System of State-owned Wildlife Protected Areas (SNASPE) and traditional private conservation initiatives, only few actions are seen at a highly centralized landscape scale, with limited civil society engagement. Most are in Maule and Biobío regions, followed by Valparaíso, Libertador General Bernardo O'Higgins and Coquimbo Regions. Private restoration initiatives stand out mostly in Maule and Biobío regions, while community initiatives are relatively low in all regions. In general terms, private initiatives are executed either by large landowners and international NGOs, or private companies of different sizes. In the first case, restorations activities are mostly driven by altruistic and conservationist motivations. In the second case, it comprises mainly agri-food and forestry companies, which are mainly driven by motivations related CSR or sustainability standards and certifications (such as FSC or Carbon Footprint). However, some companies also promote restoration in order to enhance ecosystem services needed for their own productive activities (such as water supply or politization), as well as to prevent forest fires. Private initiatives have seen an increase since the In-Rem Right of Conservation law was promulgated in the year 2016, allowing the voluntary establishment of conservation easements as property rights. On the other hand, community initiatives are carried out by local NGOs or other community-based organizations (such as small farmers organizations or rural women organizations), which summon up different land owners and build organizational and technical capacities in order to implement restoration activities. Universities and research centres, on the other hand, have also played a very significant role providing technical assistance, transferring technologies and contributing to scaling up and disseminating pilot initiatives.

Table 01. Restoration initiatives classified by executing agency and region

| Type of initiative | Coquimbo Region | Valparaiso Region | Libertador General Bernardo O'Higgins Region | Maule Region | Biobío Region | Total |
|---|---|---|---|---|---|---|
| Community restoration initiative | | 3 | | 1 | 2 | 6 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Government restoration initiative | 10 | 5 | 7 | 7 | 8 | 36 |
| Private restoration initiative | | 11 | 8 | 41 | 26 | 86 |
| **Grand total** | **10** | **19** | **15** | **49** | **36** | **129** |

The estimated area currently under restoration is 64,403.67 hectares, distributed among 88 of the 129 aforementioned initiatives for four of the five priority regions. There is a lack of data of the Coquimbo region which to date has not been registered by the relevant entities and some of the remaining initiatives have not included the area, since their purpose is not to define an area, but rather to develop or transfer restoration methodologies or models or to restore some flora or fauna species. Even so, there is a set of restoration initiatives through the application of different laws with the objective of recovering renewable natural resources in the Project's intervention area.

Table 02. National restoration initiatives at various development stage

| Project | Objective | Development phase |
|---|---|---|
| Environmental Services Recovery Programme of Lake Ecosystems in Arauco Province (NFRD National Fund for Regional Development, Biobío Region PRELA) | Recovering, conserving, and protecting the lakes basin ecosystems of Arauco Province | Under implementation |
| Cayumanque Ecosystem Restoration (National Fund for Regional Development NFRD, Biobío Region) | Restoring the Cayumanque ecosystem through public-private collaboration | Under implementation |

| | | |
|---|---|---|
| Special 2017 Bidding for the Restoration of the Environmental Protection Fund of the Ministry of the Environment | Fostering local restoration projects, with significant engagement of local stakeholders | Initiatives under advanced implementation or closed |
| Landscape Restoration Plans for the territories 1) Putú-Huenchullamí, Maule Region. 2) Biological Corridor Casablanca-Quilpué-Peñuelas Forests, Valparaíso Region | Carry out two pilot studies of restoration plans in priority areas of two regions of the Mediterranean Ecoregion in Chile | Initial studies completed. Progress should be made towards standardization of plans and implementation. |
| Clean Production Agreement for the Restoration of the Landscapes of the Biological Corridor Casablanca-Quilpué-Peñuelas Forests, in Valparaíso Region | Reach agreements with private and local stakeholders to begin the implementation of actions to restore the landscape of the Casablanca Quilpué Peñuelas Corridor | At the initial stage |
| Regional Ecological Planning and identification of restoration priorities in Valparaíso, Metropolitan, O'Higgins, Maule, Ñuble Biobío and Araucanía Regions | Identification of regional restoration priorities in various regions of the Mediterranean Ecoregion | Initial studies performed |
| Biodiversity Monitoring and Information System, including a register of Restoration initiatives | Develop an interoperable system of the Ministry of the Environment's biodiversity information and surveillance platforms, including a version 1 registry of restoration initiatives | Under development |

In terms of hectares under restoration we can see that in all regions there are public and private experiences, as shown in the following table.

Table 03. Number of hectares under restoration, by group and region

| **Type of initiative** | **Coquimbo Region** | | **Valparaiso Region** | | **Libertador General Bernardo O'Higgins Region** | | **Maule Region** | | **Biobío Region** | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **ha** | **Ini** | **ha** | **Ini** | **ha** | **Ini** | **ha** | **Ini** | **ha** | **Ini** |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Community restoration initiative | | | 42.00 | 3 | | | 228.00 | 1 | 18.50 | 2 |
| Government restoration initiative | 45.00 | 10 | 745.00 | 5 | 40,077.00 | 7 | 2,610.00 | 7 | 13,928.10 | 8 |
| Private restoration initiative | | | 268.00 | 11 | 95.00 | 8 | 1,905.48 | 41 | 3,482.99 | 26 |
| **Grand total** | **45.00** | **10** | **1,055.00** | **19** | **40,150.00** | **15** | **4,743.48** | **49** | **17,415.59** | **36** |

There are some biodiversity protection initiatives that can indirectly imply restoration actions and contribute to the achievement of this objective, such as the Private Conservation Initiatives (PCI), which can be defined as management models for private farms where, in most cases, the owners carry out the protection of farms, coexist with education activities, sustainable productive practices or research, with few resources and without formal intervention from the State.[10][10]

Finally, there are also other initiatives financed by the Global Environment Facility (GEF), as well as by other international donors, whose objectives include aspects related to the restoration of biodiversity in one or more regions of the ones prioritized within the National Plan[11][11]. Two key GEF projects that are currently under implementation or at a finalization stage are the Sustainable Land Management Project (World Bank) and the Forest Ecosystem Monitoring System (FAO), which have both contributed with several lessons learned for sustainable land management and institutional and technical conditions for future restoration initiatives. In the first case, the project aimed to develop a national framework for sustainable land management to combat land degradation, conserve biodiversity and mitigate climate change through forest carbon sequestration. In the second case, the project developed an integrated forest ecosystem monitoring and evaluation system (SIMEF) in support of policy, regulation, and management practices, incorporating REDD+ and biodiversity conservation in forest ecosystems, which provides very relevant inputs for outcome 1.2. Another very relevant GEF project for the current proposal is the project “Economic instruments and tools to support biodiversity conservation, payment for ecosystem services and sustainable development” (UNDP), which will contribute with economic instruments design and identification that can be applicable for landscape restoration activities (for the full portfolio of GEF projects related to the current proposal and a description of the coordination areas between those initiatives and present project, please see Section 6 - Table 07). At the same time, Chile has been awarded one of the first Result Based Payment projects by the Green Climate Fund, which is currently at a planning stage and aims to intervene 25,000 hectares of land between the Maule and Los Lagos regions in the next six years, with activities of afforestation and revegetation; ecological restoration and restoration after forest fires; preventive forestry with emphasis on rural

urban interface; sustainable forest management; arrangement and comprehensive management of the native forest in buildings or groups of buildings that incorporate multiple forestry activities; and strengthening the wood energy program.

3) Proposed alternative scenario with a brief description of the expected outcomes and components of the project

The objective of the project is to trigger strategic restoration processes for priority environmentally vulnerable landscapes, in order to enhance biodiversity conservation and increase the provision of ecosystem services by forests and other existing ecosystems, through the improvement of the agricultural and forestry production systems and natural environments, in the Mediterranean ecoregion of Chile, a zone defined between the parallels 29°20' and 40°33' South latitude.

The project is key a element in order to the get the implementation of the National Plan for Landscape Restoration underway, a process that will be led by the main national public policy institutions on restoration, namely the Ministry of the Environment and the Ministry of Agriculture. Understood as the ‘continuous process of improving human well-being and recovering the ecological functionality of landscapes of great extension and diversity of uses, actors and ecosystems, both terrestrial and inland water and coastal marine’, landscape restoration is a long-term process, with the final objective of restoring the ecological functionality and quality of life of the communities. Hence, it is important to emphasize that an essential element considered in the Plan is that designing and setting in motion restoration processes must lead to greater sustainability and resilience of the territory against climate change, recovering biodiversity and increasing the provision of ecosystem goods and services.

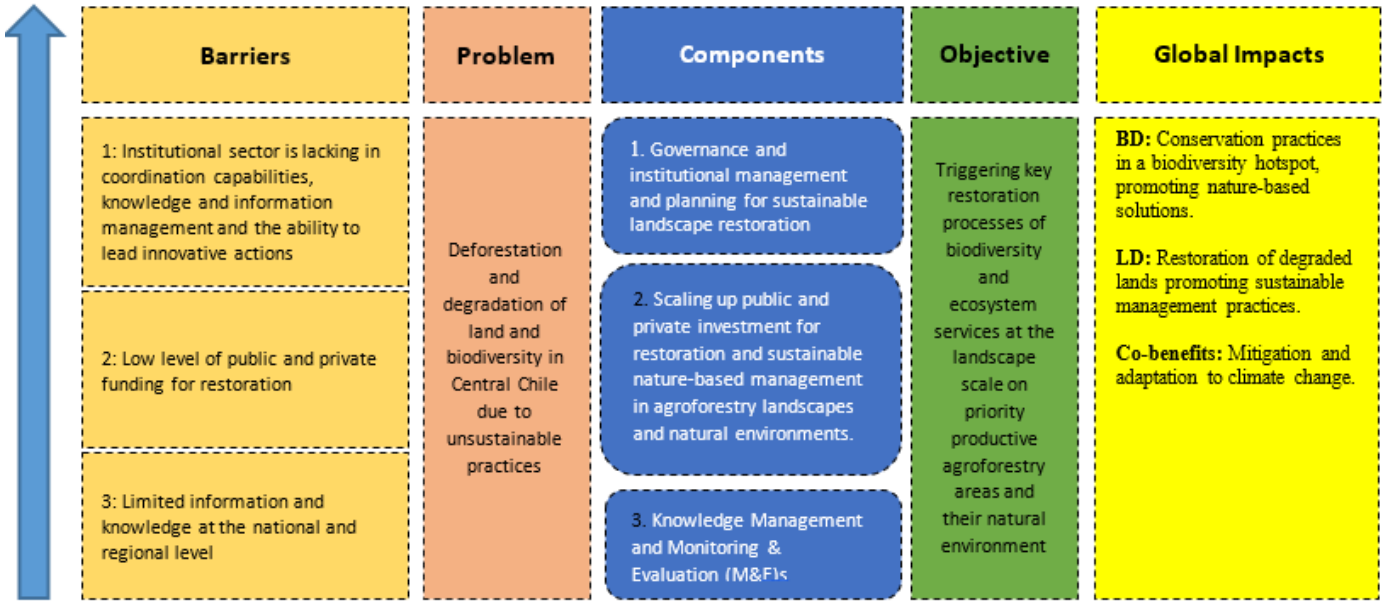
The approach of the National Plan, framed in the ambitions of Chile to face climate change, allows the implementation of different restoration strategies that, as a whole, aim to achieve economic, environmental, and social sustainability in the long term through mitigation and adaptation actions, all within the framework of adequate governance. In this context, the objectives of landscape restoration in Chile will focus on reconciling, in a sustainable manner, the recovery of productivity of agricultural and forest soils, conservation, sustainable management and restoration of forests and different types of ecosystems, while recovering biodiversity and ecosystem services for the welfare of communities and individuals.

Therefore, the present project will contribute to Chile's National Plan for Landscape Restoration by developing key actions in order to establish the initial conditions in order to trigger restoration process in priority landscapes. This implies, on the one hand, strengthening regional and local governance mechanisms and, on the other, working with the private sector in order to foster the recovery of agroforestry systems' productivity and natural environments in degraded areas. In this context, the use of economic, market, planning, innovation, and transfer instruments will be promoted for the application of productive sustainable management practices in synergy with restoration. In addition, the project will build sustainable business and investment models for the restoration of agroforestry landscapes and their natural environments. The project will use a comprehensive and sustainable land use approach that links and makes compatible the restoration of biodiversity and productive activities in the agricultural landscapes and their natural environments in a synergic way. At the same time, the Project will plan, together with local actors, and implement landscape restoration pilots in key territories that are expected to have a triggering effect for restoration processes and act as models for new territories. Hence, the project will promote the implementation of sustainable practices and business models in the forestry and agricultural sectors, through the assessment and proposition of technology packages, partnership promotion programmes between producers and local communities, good practices certification models, and market articulation. All of the above, based on and oriented to landscape restoration, with gender-sensitive and indigenous approaches, seeking to encourage investment in landscape restoration and nature-based solutions where public and private funding converge for the sustainable management of native forests for dryland ecosystems.

This will contribute to the recovery of biodiversity and ecosystem services, while improving soil organic matter content, increasing tree cover, and contributing to the achievement of LDN (Land Degradation Neutrality) target set by Chile of 140,000 ha of afforestation and revegetation, 20,000 ha of ecological restoration program, 10,000 of restoration of ecosystems affected by forest fires, creating Buffer zones for livestock production to minimize the impact of livestock on land that is valuable for conservation and to design forest management program focused on public and private lands. All of this, would also mean a significant contribution the country's green recovery initiatives under the post Covid19 pandemic scenario, through the creation and lever up of innovative business models and investment plans in the four target regions, together with the promotion of partnerships between small-scale forest owners and farmers and local communities at a local level, injecting resources into some of the most vulnerable groups in order to foster more sustainable and resilient livelihoods. This also means a direct contribution to Sustainable Development Goal 15 of the 2030 Agenda.

In order to do this, the project considers three component that altogether will contribute to the final objective of "triggering key restoration processes of biodiversity and ecosystem services at the landscape scale on priority productive agroforestry areas and their natural environment", while addressing the most relevant barriers and the problem identified through an initial Theory of Change analysis[12][12] (see Diagram 01).

Diagram 01. Theory of Change




The first component is focused on territorial governance and planning, aiming to align policies for an efficient and articulated institutional framework at a national, regional and local level. This includes capacity building for the development of restoration initiatives with gender and cultural approach by different types of stakeholders and the strengthening regional and local committees in order to work on the design of standardized landscape restoration plans. At the same time, since current initiatives are not properly connected to the local, regional, and national administrative platforms, this component will promote the articulation of landscape priority tools with policy objectives in order to include them into national, regional and local policy instruments to ensure replicability and up-scaling of current and future actions. Finally, and in order to evaluate this process, the component considers the consolidation of a monitoring system in landscape restoration designed and implemented through the coordination of existing information platforms (LEMU, SIMEF and SIMBIO, or others).

The second component, the core of the project, is about sustainable land management based on nature and restoration. This component considers a series of activities promoting restoration and conservation objectives, as well as nature-based solutions and practices for sustainable agriculture, livestock and forestry management, considering the improvement of current production practices in target territories in order to make them more efficient, based on ecosystems services and biodiversity conservation, use and recovery criteria. Examples of nature base solutions, sustainable agriculture and forestry practices to be considered during the project formulation for the promotion of ecosystems and biodiversity practices within the project geographic coverage could include: i) ecosystem-based approaches and practices that promote resilient agricultural production systems and integrated - crops, livestock, forestry - farming systems (sustainable land and watershed management, conservation agriculture, agroecology and organic agriculture, agroforestry, soil and water conservation, integrated plant nutrient management, bioremediation); ii) improved livestock and rangeland management (rangeland and pastureland productivity, protect transhumance corridors, protect waterbodies vegetation from livestock, rehabilitate degraded land, and improve water and soil management); iii) sustainable forest management, clean production agreements with private land owners (APLs, for its acronym in Spanish), and/or good manufacturing practices; iv) ecological corridors at farm and landscape level, as well as reforestation and restauration with native species to improve water availability for plants, animals and humans, soil erosion and contamination, and/or prevent floods). The second component also considers the design of sustainable business models and resource mobilization activities for restoration in the forestry, livestock and agricultural sector, including the development of business plans, technical assistance, investment plans and a diversified portfolio of fundable projects. In addition, this component will lever up on proven financing alternatives that allow for rapid up-scaling, such as biodiversity compensation mechanisms and/or payment for ecosystem services, In Rem Right of Conservation, or other instruments from the Project GEF Economic Instruments[13][13], which aims to facilitate access to sustainable investments, in order to restore economies that favour sustainability. This last element is of particular importance for indigenous territories, since by identifying economic instruments that can be applicable under the indigenous landownership legal framework, together with building capacities within the communities for accessing such instruments, the Project will promote community-based restoration initiatives in areas with indigenous peoples and for indigenous people.

Complementarily, the second component will apply proven economic instruments for conservation, restoration and innovation for productive improvement in synergy with landscape restoration activities in forestry and agricultural areas. In this way, it aims to prove that scaling up public and private investment for sustainable management practices based on nature, can have significant positive restoration effects at a landscape level for degraded areas. In order to achieve this, five pilot projects of capacity building, technical assistance and restoration activities using endemic species will be implemented at a basin level, considering approximately 2,600 hectares of direct intervention using Project's funds[14][14]. However, through the technical assistance and dissemination activities, the project will lever up and utilize the Ministry of Agriculture's and other public institutions' existing economic instruments for conservation, restoration and innovation, which, being conservative, will allow to reach an estimated total of 9,200 hectares of land under restoration initiatives generated by the project. This calculation is based on the average amount of hectares benefited per annum and basin by three of these instruments (the Native

Forest Law subsidy of the Forestry Service and the SIRD-S[15][15] subsidy of the Agriculture and Livestock Service and the National Institute for Agriculture and Livestock Development), which account for a total of approximately 220 hectares per annum and basin. Hence, considering five territories (basins) and six years of implementation, it implies 6,600 additional hectares of direct intervention. At the same time, it has been proven that direct intervention for restoration and sustainable land management at farm level has several collateral impacts at a larger scale, considering systemic benefits and the application of sustainable practices at a landscape level. Based upon the experience working in the Sustainable Land Management Project (GEF-4)[16][16], studies have demonstrated that landscape impacts and benefits of interventions at farm level, are approximately 7,5 times larger than the land directly intervened. This means that the total number of hectares under improved practices would reach approximately 69,000 ha.

Landscape restoration initiatives implemented and promoted by the project will positively impact ecosystem services and biodiversity. As a long-term process of regaining ecological functions and enhancing human well-being in deforested and degraded lands, landscape restoration is founded upon several guiding principles linked to ecosystems services and biodiversity conservation: i) restore functionality of a landscape, by making it better able to provide a rich habitat, prevent erosion and flooding, and withstand the impacts of climate change and other disturbances, like fires and droughts; ii) balance a mosaic of inter-dependent land uses, as agriculture, protected areas, agroforestry systems, well managed planted forests, ecological corridors, riparian plantings and areas set aside for natural regeneration; iii) allow for multiple benefits, diversification, and leverage a suite of strategies, by generating ecosystem goods and services and considering multiple eligible technical production, restoration and conservation practices and techniques (introducing trees and other woody native plants within the landscape, planting trees on agricultural land to enhance food production, reduce erosion, provide shade and produce firewood, create a closed-canopy forest that sequesters large amounts of carbon, protects downstream water supplies and provides rich wildlife habitat, among others); iv) tailor strategies and initiatives to local conditions, by adapting restoration strategies to local social, economic and ecological contexts, and actively engaging local stakeholders and valuing their knowledge; v) avoid further reduction of natural forest cover or other natural ecosystems, by addressing ongoing loss and preventing further conversion of primary and secondary natural forest and other ecosystems.

Finally, the third and last component is knowledge management through innovative learning and dissemination, in order to achieve replicability and scalability of the restoration initiatives. The outputs add value to the outcomes, including the systematization of best practices, lessons learned and case studies that will be transformed into communicational outputs and accompanied by the exchange of high-impact virtuous experiences, with particular focus on vulnerable groups, particularly, indigenous peoples and women. These actions will be supported by a Monitoring & Evaluation Strategy of the expected outcomes with their respective and specific indicators and means of verification.

As already anticipated, the entire process of Project design and implementation will focus on the interests, needs and equal inclusion of women and indigenous peoples (IPs). During the process of elaboration of the ProDoc, it will be ensured that the benefits derived from project implementation are appropriately distributed between men and women, and among the Indigenous Peoples. Additionally, the project's gender/IP mainstreaming strategy integrates a methodological perspective based on the principles of interculturality proposed by the UN 'Guide for the evaluation of programmes and projects with a gender, human rights and interculturality perspective', which contains guidelines for evaluating this process at the different project phases; the FAO Policy on Gender Equality; and FAO's different guidelines on gender and climate change. Within the stakeholders' engagement strategy, special attention will be given to identifying an appropriate number of representatives from these two groups at a subnational level, as well as designing and implementing adequate and group-specific approaches and actions in order to ensure the participation, involvement and benefit of women and indigenous peoples. For example, logistical measures, such as facilitating attendance of women with children, considering cultural timing and calendars, and having facilitators and intercultural interpreters, will be taken.

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

The project is aligned with two GEF strategies:

BD-1-1 Mainstream biodiversity across sectors as well as landscapes through in priority sectors. Restoration pilots are being implemented in degraded areas through agroforestry practices and nature-based solutions. Likewise, the project will be linked to available economic instruments, optimizing the processes of use and outcomes Incentive payment mechanisms for ecosystem services/ecotechnology-based financing will also be developed for farmers.

LD-1-3 Maintain or enhance the flows of ecosystem services, including the livelihoods of forest-dependent people through Forest Landscape Restoration (FLR). The Project expects that improvements in conservation will help productive processes, which will contribute to the betterment of livelihoods of users engaged in restoration plans. In addition, it creates a programme to promote partnership between small forest and agricultural owners and local communities for the implementation of field mitigation and adaptation practices promoted in the agroforestry sector.

5) Rationale for baseline incremental/additional costs and expected contribution, FMFTF, LDCF, SCCF and co-financing.

The Project's objective is to develop and strengthen institutional and technical capacities to comply with the environmental agenda, in the area of restoration. In this sense, plans and strategies for adaptation and mitigation, biodiversity and sustainable land management will be complemented in terms of landscape restoration with a focus on poverty reduction, indigenous communities and gender approach, which they currently lack of. Therefore, the project will have implications on a series of policies, contributing, for example, to the strengthening of the National Biodiversity Strategy, which has restoration as one of its central objectives, in line with the global targets on this subject of the Strategic Plan for Biodiversity of the Convention on Biological Diversity (AICHIHS Biodiversity Targets). Also, the Adaptation Plan for the Forestry and Livestock Sector will also benefit from the lessons learned and synergies of this Project. The same will happen with the National Rural Development Policy and the Action Plan against Desertification and Drought, instruments with which there are several synergies.

However, the most relevant point has to do with the fact that the National Restoration Plan is still at a public consultation phase and its implementation is planned to be fuelled by the current Project. Hence, the current project will not only contribute to and strengthen current plans and strategies related to sustainable land management and climate change mitigation and adaptation, but it will allow setting in motion a new bi-ministerial policy at a national scale specifically aimed to address existing gaps for landscape restoration. By generating conditions at a national and subnational level in order to define restoration priorities and land use planning, as well as by building governance and capacities, the project is key element for getting the implementation of the National Restoration Plan underway. However, at the same time the project will also allow setting in motion a series of restoration processes in five critical and, at the same time, key territories. This is expected to have a synergetic effect in the areas intervened but also a triggering effect for other territories to be included in landscape restoration processes in order to achieve the 1.5 million hectares target by the year 2030.

Finally, the Project will generate lessons for the scaling up of restoration actions, contributing directly to the regional 20x20 Initiative. In turn, the 20x20 Initiative contributes to the Bonn challenges[17][17]. All these actions will be very much in line with the objectives of the United Nations Decade of Restoration.

6) Global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF)

The integrated approach of the project will lead to multiple global environmental benefits. The promotion of agro-ecological systems and conservation aligned with land management, markets and financial incentives will increase carbon sequestration and reduce GHG emissions (the reduction in metric tons of $CO_2$ will be calculated during the PPG). In addition, this will strengthen ecological corridors to safeguard high-value biodiversity, including 5 biodiversity hotspots. Restoration of degraded land and climate change mitigation and adaptation actions will also improve the provision of ecosystem services for the rural population between Coquimbo and Biobío regions, for approximately 997,598 people.[18][18]

The project complies with:

a. Reducing livestock pressure that leads to forest degradation driven by agricultural and livestock practices.

b. Enhancing an integrated land use approach that links production, BD conservation and restoration.

c. Scaling up proven funding sources that strengthen the landscape restoration option.

d. Mitigation and adaptation to climate change affecting Chile's Mediterranean area under NDC's climate commitments including Landscape Restoration.

7) Innovation, sustainability and potential for expansion.

The project will introduce innovations through the use of technology, policy development, governance reform and financing, including:

- Governance model with a result-based approach to restoration.
- Innovation, sustainability, potential for scaling up through the implementation of a system or platform that gathers project's good practices for dissemination.
- Use of open source software such as Collect Earth to monitor landscape restoration from satellite images.
- Public-private financial leverage, working with the economic instruments of other projects, along with business plans with the private sector. This includes coordination of public instruments for greater impact of public investment, together with the mobilization of the private sector.
- Recently developed tools at national level such as: SIMEF, LEMU, SIMBIO.

Local best practices can be scaled up to a larger number of initiatives because the project will generate an articulation platform.

Sustainability

The project is in line with national development objectives on issues related to biodiversity protection. Chile has developed a strong base of programmes and policies to support biodiversity protection, but further progress is needed in ecosystem restoration and sustainable practices. The project will generate a series of actions that ensure sustainability by establishing: capacities to fill gaps and generate an institutional and governance environment conducive to landscape restoration; territorial public-private platforms for sustainable production free of deforestation and articulated with national platforms; restoration toolbox for management purposes for the forestry sector and climate change risk management; and strategies and monitoring system for governance and landscape restoration initiatives.

The project will place strong emphasis on identifying and making available current and future economic and conservation instruments, as well as on building local capacity to create an enabling environment for private-sector and community-based initiatives to access such funds and sustain their restoration efforts over time. As aforementioned and in order to do that, the Project will not only draw upon existing instruments to strengthen ecosystem management and conservation efforts, but it will work on new business models and will align its execution with results from GEF Project "Economic instruments and tools to support biodiversity conservation, payment for ecosystem services and sustainable development". At the same time, pilot projects across the intervention area will allow to test such instruments and provide substantive and actual incentives to local stakeholders and communities, providing real-life cases for dissemination, replication and scaling up. This will be complemented through a series of participatory mechanisms that are expected to ensure that the main stakeholders become the true owners of the project. Finally, information dissemination activities will help to raise awareness of the ecosystems value.

Hence, the project will be sustainable in the long term by providing local organizations, private landowners and municipalities concrete economic incentives for their restoration efforts and securing that they take true ownership of the project.

Replicability.

The complementarity between the project and Chile's national/provincial policies and plans will ensure a high potential for replicability. In addition, the project will establish sustainable practices and business models implemented in the forestry and agricultural sector and promote sustainable value chains which can be adopted by new users in other communities. This is supplemented by the innovative learning and exchange of lessons learned that the project would leave behind, and which can also be replicated in other municipalities not covered by the project.

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Lohengri n Cavieres, Francisco Squeo, Ricardo Rozzi y Francisca Massardo. 2006. EL Hotspot chileno. Prioridad munida para la conservación. Capítulo de libro Biodiversidad de Chile, Patrimonio y desafíos.CONAMA 2006.

[2] OTERRA. 2016. Final Consultancy Report: 'Support to the generation and root cause analysis of deforestation, forest degradation and lack of forest carbon stocks, identifying strategic options to address them under the Chile´s National Climate Change and Vegetation Resources Strategy ENCCRV.'

[2] Decrees of declaration of shortage zone.

https://dga.mop.gob.cl/administracionrecursoshidricos/decretosZonasEscasez/Paginas/default.aspx

[3] Decrees of declaration of shortage zone. https://dga.mop.gob.cl/administracionrecursoshidricos/decretosZonasEscasez/Paginas/default.aspx

[4] OTERRA. 2016. Final Consultancy Report: 'Support to the generation and root cause analysis of deforestation, forest degradation and lack of forest carbon stocks, identifying strategic options to address them under the Chile´s National Climate Change and Vegetation Resources Strategy ENCCRV'.

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[9] https://mma.gob.cl/primer-proceso-de-actualizacion-de-la-contribucion-determinada-a-nivel-nacional-ndc/

[10] Ministry of Agriculture, MINAGRI. 2016. National Climate Change and Vegetation Resources Strategy ENCCRV CHILE.

[11] OTERRA. 2016. Final Consultancy Report: 'Support to the generation and root cause analysis of deforestation, forest degradation and lack of forest carbon stocks, identifying strategic options to address them under the Chile´s National Climate Change and Vegetation Resources Strategy ENCCRV'.

[12] A more detailed Theory of Change analysis will be carried out at the PPG phase.

[13] Referring to the PIF "Economic instruments and tools to support the conservation of biodiversity, the payment of ecosystem services and sustainable development", https://www.thegef.org/project/economic-instruments-and-tools-support-conservation-biodiversity-payment-ecosystem-services

[14] Considering a total budget of 3,475,841 USD for this component and an estimated average cost of restauration of 1,325 USD per hectare.

[15] Incentive System for Agro-environmental Sustainability of Agricultural Soils

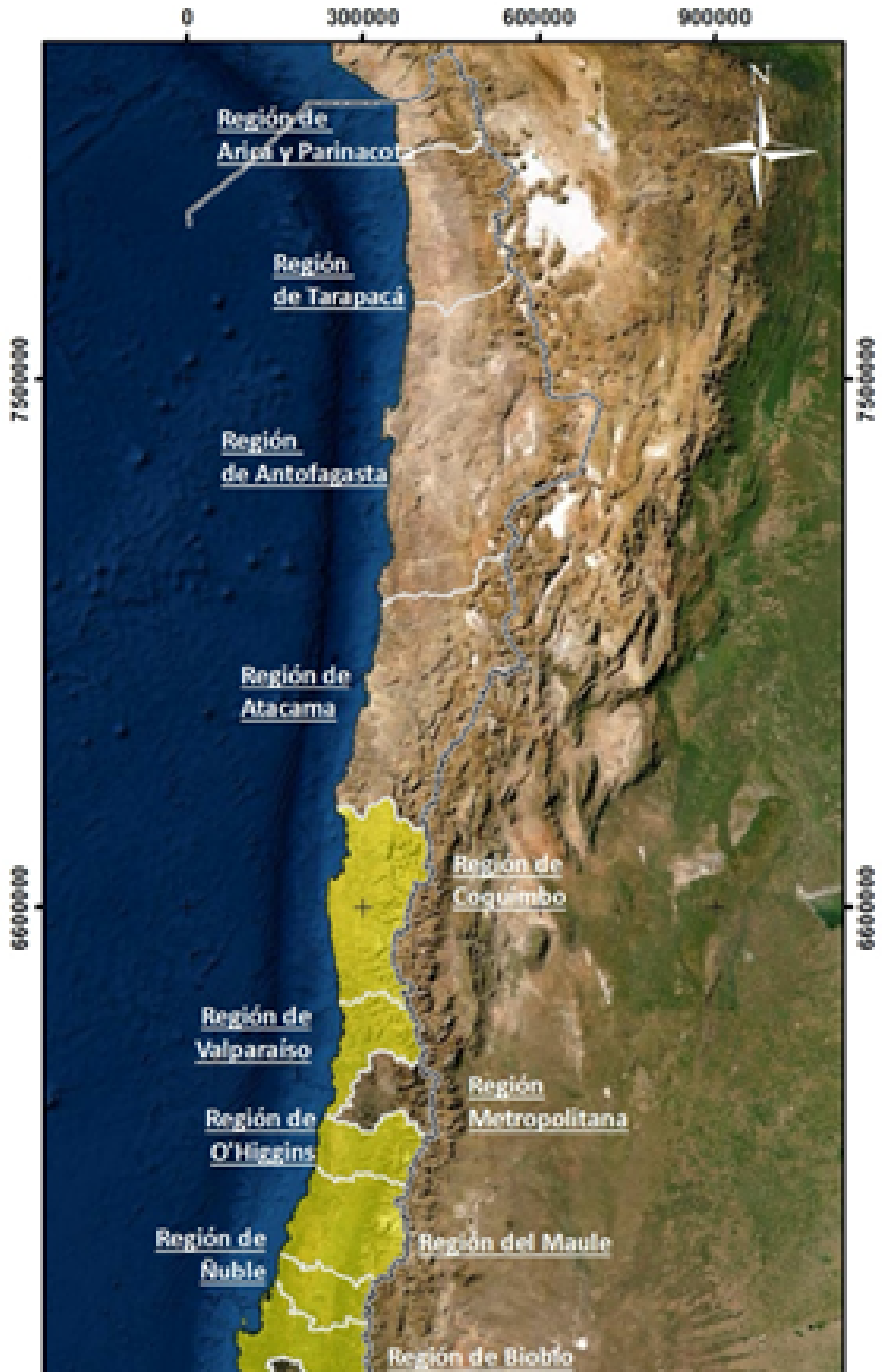
[16] https://www.thegef.org/project/sustainable-land-management-0

[17] https://www.iucn.org/es/tema/bosques/el-desafio-de-bonn

[18] INE. 2018. Chile's Population Census 2017

**1b. Project Map and Coordinates**

**Please provide geo-referenced information and map where the project interventions will take place.**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Región de
Arica y Parinacota
Región
de Tarapacá
Región
de Antofagasta
Región de
Atacama
Región de
Coquimbo
Región de
Valparaíso
Región
Metropolitana
Región de
O'Higgins
Región del Maule
Región de
Ñuble
Región de Biobío

Source: CONAF, 2019 (WGS 84, UTM time zone 19 south)

**2. Stakeholders**

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

**Indigenous Peoples and Local Communities** Yes

**Civil Society Organizations** Yes

**Private Sector Entities** Yes

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

N/A

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

Within the framework of the "National Landscape Restoration Plan 2020-2030" 16 regional workshops were held, led by professionals from the Ministry of Agriculture and the Ministry of the Environment, during the months of May and June 2019. The results of these workshops, as well as the participants were identified and categorized[1] for the target regions.

The results show that the most relevant sectors by number of institutions identified to support the restoration processes are the Government, in the Biobío and Valparaiso regions; the Private Sector, for the Valparaíso, Biobío and O'Higgins regions; the Civil Society Organizations for Biobío; the Non-Governmental Organizations and International Funders in the Biobío and Coquimbo regions; the Indigenous and Local Communities in Coquimbo; and the Knowledge and Learning Institutions, are relevant in the vast majority of the regions.

Table 04. Number of stakeholders involved in support of restoration by sector and region

| Sector | Biobío | Coquimbo | Maule | O´Higgins | Valparaíso |
|---|---|---|---|---|---|
| Government | 43 | 23 | 22 | 27 | 34 |
| Private sector | 33 | 19 | 14 | 28 | 46 |
| NGOs | 43 | 15 | 6 | 7 | 25 |
| International Funders | 14 | 12 | 1 | 3 | 7 |
| Local and indigenous communities | 8 | 11 | 1 | 1 | 13 |
| Academic institutions | 7 | 6 | 4 | 2 | 7 |

In Chile, stakeholders engaged in biodiversity restoration and ecosystem service activities include government institutions[2], local and indigenous communities, civil society organizations (such as rural women organizations)[3], the private sector[4], knowledge and learning institutions[5], and international non-governmental organizations and financiers.

The working team for the elaboration of the restoration PIF defined the following key actors:

Table 05. Key actors in the restoration process

| Name | Role | How |
|---|---|---|

| Name | Role | How |
|---|---|---|
| Ministry of the Environment (MMA) | It promotes the process of ecological restoration of the affected areas, with emphasis on those of greatest ecological value, facing the environmental effects. Through the National Committee on Ecological Restoration, it defines actions and criteria for the ecological restoration of native biodiversity areas; it suggests initiatives or supports early actions that contribute to ecological restoration and contributes to the definition and implementation of a short, medium, and long-term framework for restoration efforts. It also has the Ecological Restoration Unit of the Division of Natural Resources and Biodiversity, which promotes actions at the public policy level and field interventions; it promotes public-private coordination, taking into account the baselines defined by the aforementioned committee. | Executing agency |
| National Forestry Corporation (CONAF) | It contributes to the development of the country through the sustainable forest ecosystems management and the related nature components by promoting, establishing, restoring and managing forests and xerophytic formations; increasing urban woodland; mitigating and adapting the effects of climate change; monitoring forest and environmental legislation; protecting vegetation resources; and managing the State's Protected Wildlife Areas. National Focal Point for the UNCCD and National Focal Point for REDD+ of the UNFCCC. It administers the Law No. 20.283 on the Recovery of Native Forests and Forestry Development, as well as current forestry regulations. | Co-Executing agency |
| Livestock and Agricultural Service (SAG) | It coordinates the Soil Recovery Programme which aims to recover the productive potential of degraded agricultural soils and maintain the levels of improvement achieved. In addition to its supervisory role of protecting and controlling the health of the country's agroforestry resources and the regulation of hunting. | Partner |
| Institute of Agriculture Development (INDAP) | It fosters restoration initiatives through promoting and financing sustainable productive development of small and medium agricultural entrepreneurs who do not have access to private banking. | Partner |
| Forestry Institute (INFOR) | It creates and transfers scientific and technological knowledge of excellence for the sustainable use of native forest resources and ecosystems, including product development, restoration of vegetation formations and services. | Partner |
| Sustainability and Climate Change Agency (ASCC) | Committee of the Production Development Corporation (CORFO) whose mission is to promote the inclusion of the climate change and sustainable development dimension in the private sector and in the territories. This is done through voluntary agreements, coordination with other public institutions, promotion initiatives and the implementation of programmes and projects that contribute to the construction of a sustainable, resilient, and low-carbon economy. | Partner |
| National Institute of Agricultural Research (INIA) | It deals with innovation looking for soil recovery alternatives, silvopastoral systems and soil conservation practices, devoted to research and transfer of technologies and knowledge from the agricultural sector. | Potential partner |

| Name | Role | How |
|---|---|---|
| Association of Private Forest Companies (CORMA) | Chilean trade association that brings together 191 actors from the private forestry sector. It is committed to sustainable development and promotes various actions to foster a modern and innovative productive activity in harmony with the environment, care for the environment and good practices with the community and its workers. | Potential partner |
| Forestal ARAUCO | The company has a restoration and non-native forest substitution programme to allow a future increase of this area, favouring, among other things, the endangered species, key sectors for biodiversity or highly relevant for the communities or stakeholders. It also participates in the Forestry Dialogue that brings together forest companies, NGOs, universities and other stakeholders with the aim of promoting effective actions related to forest production, expanding the scale of efforts in conservation and restoration of the environment, providing benefits for the participants in the Dialogue and the society as a whole. | Potential partner |
| World Wildlife Fund (WWF) | It is a member of the national ecological restoration committee. It works for the effective impact of FSC certification of plantations, including 10 thousand ha of forests in the process of ecologic restoration of priority landscapes and the protection of 100 thousand ha of native forests in High Conservation Value Areas. | Potential partner |
| International Union for Conservation of Nature (IUCN) | It implements projects with a restoration approach such as the Ecosystems Protecting Infrastructure and Communities (EPIC) initiative that promotes the recognition and conservation of native forest ecosystem services as part of an integrated approach to disaster risk reduction (DRR) and climate change adaptation (CCA). As well as conducting seminars and training focused on restoration and territorial planning. | Potential partner |
| World Resources Institute (WRI) | It is part of the Road Map towards a National Restoration Plan in Chile; provides advice and ideas to protect the land and improve the way of life for current and future generations; it is the agency responsible for promoting the global 20x20 initiative that aims to restore 20 million degraded lands by 2020. | Potential partner |
| Joint Nature Conservation Committee of the UK (JNCC) | UK partner and technical assistant to sustainable biodiversity management approach. | Potential partner |

The State has the institutions and explicit responsibility entrusted by national regulations, for implementing restoration actions in the country. The private sector and civil society organizations also take part in the process. The engagement of indigenous and local communities is essential, due to their presence and regional distribution. During the PPG phase, indigenous and local communities will be consulted and integrated and other actors such as national NGOs and other public and private sector institutions will be included.

In addition, during the Restoration Plan design phase, workshops were held in each region, with different actors, along with an online public consultation for the National Restoration Plan draft, and more than 200 observations were received.

The support of the academia, such as Universidad de Concepción and Universidad de Chile, is relevant, taking advantage of the experience and recognition they have in the six regions, as well as the experience and interest of the Non-Governmental Organizations. As identified in many regions, international, national and the private sector funds are important to finance restoration activities.

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[1] http://www.restauremoschile.cl/consulta-publica-plan-nacional-de-restauracion-2019/

[2] National Forestry Corporation, CONAF. 2018. Report of the Workshop 'Opportunities and Challenges for Landscape Restoration'. From policy to implementation. Systematization of the proceedings and results of the participatory workshop held on 29 August 2018 in Santiago, Chile

[3] National Forestry Corporation, CONAF. 2018a. Report on Land Degradation Neutrality LDN to the United Nations Convention to Combat Desertification UNCCD. National Strategy on Climate Change and Vegetation Resources 2017-2025 of Chile. This document was prepared by the Climate Change and Environmental Services Unit UCCSA, Forest Development and Promotion Management GEDEFF, National Forestry Corporation CONAF.

[4] Fernández, M. P. 2013. Agro-Environmental Policies in Chile . Project Report GCP/RLA/195/BRA. "Strengthening agro-environmental policies in countries of Latin America and the Caribbean through dialogue and exchange of national experiences". Brazil-FAO Programme for International Cooperation.

[5] Forestal Arauco. 2011. High Conservation Value Zone. Forestal Arauco S.A. Central Zone

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

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

Differentiated use of resources makes women vulnerable to economic, social, and external environmental influences, especially in rural areas. Such vulnerability affects their economic empowerment, livelihoods, social spaces, and ultimately their participation in public initiatives. Likewise, vulnerability to climate change has to do with people's current capabilities to cope with or adapt to environmental

changes caused by global warming. It is assumed that if, due to existing gender inequality, some women have less possibilities to access and control the means of production such as land, financing, training, or information, they will be more vulnerable to the effects of climate change compared to men.[1] In short, women are affected differently and much more severely by climate change and natural disasters because of their social role, discrimination, and the poverty in which they live.

The project design will take into account the different roles that men and women have, and how their unique and individual contributions can be maximized within the context of the project's strategy and implementation. The design phase will include the identification and active participation of women and their organizations (through consultative workshops and during the selection of intervention areas and communities) and will ensure a balanced participation of women in planning and design activities. Likewise, a participatory gender analysis will be carried out that will identify the baseline in terms of gender equity as well as opportunities for action, including the review of the background on the situation of people in the areas of intervention (access to resources, services, organizations, characteristics, gaps, achievements), the gender approach that already exists at the level of the government and other institutions and other relevant data, as well as the gaps on which the project can act to contribute to gender equality .. Based on this analysis, a gender action plan will be prepared that will be part of the project design, and that will include practical activities to ensure equal access of men and women to all aspects of project development and implementation.

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[1] Gender and Adaptation to Climate Change: Experience sharing and systematization on gender mainstreaming in adaptation to climate change in rural areas in Nicaragua (Gonda, 2014), available at https://www.undp.org/content/dam/nicaragua/docs/MedioAmbienteyGestiondeRiesgo/NIC_Genero%20camb io%20climatico%20Nicaragua_web.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;**

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

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

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

Yes

**4. Private sector engagement**

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

Yes

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

Ecological restoration in Chile by private stakeholders is dealt with comprehensively because project management and development require the involvement of civil society, private sector and the academia. The private sector is the main entity interested in using natural resources and maintaining them.

The private sector and civil society organizations play an important role within the process, due to the high number of identified actors interested or engaged, and also because of the substantial development of restoration initiatives and experiences implemented or under implementation.

As previously explained, private restoration initiatives co-finance in situ restoration, and provide technical support, as specialized organizations such as forest companies. In general terms, private initiatives are carried out mainly by large landowners, international NGOs, and agri-food and forestry companies. Private initiatives have seen an increase since the In-Rem Right of Conservation law was promulgated in the year 2016, allowing the voluntary establishment of conservation easements as property rights. Community initiatives depend on local NGOs and other community-based organizations (such as small farmers organizations or rural women organizations), which summon up different land owners and build organizational and technical capacities in order to implement restoration activities. Universities and research centres, on the other hand, play a very significant role for the project, since are key actors for providing technical assistance, transferring technologies and contributing to scaling up and disseminating pilot initiatives.

There are outputs in the project whose success depends largely on the appropriate engagement of the private sector in terms of financing and implementation. For example, territorial public-private platforms for sustainable production and articulated with national platforms (SIMEF, LEMU and SIMBIO platforms) require an active participation of the private sector. At the same time, the development and implementation of new business models in order to contribute to restoration initiatives through investments (public-private synergy component for investment in landscape restoration), relies heavily on private sector involvement and appropriation. Hence, private stakeholders and companies are expected to take part of local committees and roundtables, supporting the design process and execution of business and investment plans, as well as restoration plans considering agroforestry practices and nature-based solutions, among others. In addition, private sector must be engaged and committed in promoting value chains and establishing an economy with a restoration approach in the long term, being a key partner for the Project's sustainability.

**5. Risks to Achieving Project Objectives**

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

The risks that could prevent the achievement of the project's objectives are presented below and measures are proposed to reduce these risks, which should be developed during the design phase of the project.

Table 06. Risks matrix and emerging measures to achieve the Restoration project objectives

| Risk | Likelihood | Mitigation measures |
|---|---|---|
| Local and high-level political support and acceptance of a sustainable development approach can change or fail. | Medium - Low | The Project seeks to involve national, regional, and local authorities in the process from the outset. The National Government is currently committed to restoration issues through the construction of the National Restoration Plan and furthermore that the existing political and legal structure provides a solid initial platform for improvement and political support at all legal and administrative levels. |

| Risk | Likelihood | Mitigation measures |
|---|---|---|
| Local communities or specific groups from the target territories do not support the restoration processes. | Medium – Low | The project maintains regular communication, consultation, and participation with the local communities focused on each of the processes addressed by the project. For example, through a communication programme on the need to restore areas of productive importance, high biodiversity value and important supply of ecosystem services, as well as strong outreach, dissemination, and capacity building programs.<br><br>The participation process considers group-specific approaches, with particular focus on women and indigenous peoples.<br><br>Different actors have declared their interest in supporting restoration management, so the process should consider their participation and forms of engagement at different stages. |
| Prevalence and eventual increase of COVID 19 pandemic in the country affecting project planning and execution. | Medium – Low | Lessons learnt from other GEF and GCF projects implemented in the country by the project's executors and implementation agency under COVID 19 restrictions contribute to better planning, as well as to the identification and implementation of appropriate risk-mitigation measures and remote tools and methodologies in order to carry out face-to-face activities. PPG will consider additional risk analysis in order to define mitigation measures for: i) Impacts on availability of technical expertise and capacities; ii) Additional complexities for stakeholder engagement processes; and, iii) Higher complexities for implementation of restoration activities. |
| Prevalence and eventual increase of COVID 19 pandemic in the country affecting government's co-financing and human resources availability. | Low | Chilean Government has set the Forestry Service as a key executing agency for post COVID 19 economic recovery activities, considering reforestation, afforestation and sustainable forest management activities. This implies an initial endowment of approximately USD 27,000,000[1] to be executed during 2021. Hence, economic recovery efforts are closely linked to Project's executing organizations and activities, reducing the risk of financing and/or resources dilution or redirection. |

| Risk | Likelihood | Mitigation measures |
|---|---|---|
| Climate Change Risk.<br><br>Risks to vulnerable ecosystems, such as 'hotspots', subject to the likelihood of the observed pattern of reduced rainfall and the presence of long periods of drought and, on the other hand, episodes of intense rainfall, can increase the probability of fires, floods and landslides and the stress on biodiversity. | Medium-Low | The project will focus on landscape restoration actions to enhance the ecosystem services of the selected territories and promote sustainable land use and forest management practices that will reduce land degradation and contribute to the mitigation and resilience of the territories to the adverse impacts of climate change, adapting and mitigating the effects of drought. |
| Local and regional authorities do not assume their role in ensuring participatory management of restoration processes in terms of resource allocation and regulatory support. | Low | Structures and mechanisms will be established or strengthened to ensure the active engagement and feedback of the various stakeholders, based on the premise of multi-stakeholder interest and commitment in the design, development, and implementation of the project. |

**Possible impacts and mitigation actions during project design**

During project preparation the on-going COVID-19 pandemic is likely to affect travel, meetings and consultations. Appropriate risk-mitigation measures include the identification of remote tools and methodologies to develop meetings and consultations. Travel will be limited to the minimum essential and virtual meetings will be held whenever possible. Only when necessary, face-to-face meetings will be held following strictly national guidance to prevent transmission of the virus. During the entire duration of project preparation, the evolution of the pandemic will be monitored to include mitigation measures in the design of the project.

**Risk analysis and mitigation strategies in the project**

The project will start implementation in 2022, when the COVID-19 is expected to be under control. Nevertheless, the project preparation will consider an analysis to identify mitigation measures for risks related to the availability of technical experts and capacities, stakeholder engagement process and the complexities associated with restoration activities. The work plan of the project will consider these measures in the activities of the project.

The business models, partnerships and market articulation mechanisms considered by the project could potentially be affected by the evolution of the COVID-19 pandemic or the emergence of other future diseases of zoonotic origin by the closure of roads, markets and quarantine measures that can hinder economic activity. The project will take the lessons

learned from the on-going COVID-19 pandemic to include them in the design of the business models. Measures could include, for example, the support with digital transformation processes or the provision financial support to increase liquidity among smallholders.

**Opportunities to mitigate impacts, deliver GEBs and contribution to green recovery and building back better**

This project will build on the efforts from the Chilean Government to build back better considering that the Forestry Service has been designed as a key executing agency for post COVID-19 economic recovery activities with the implementation of reforestation, afforestation and sustainable management activities to be developed during 2021. This project will take the lessons learned from that experience and build on them to promote sustainable practices and business models for the forestry and agriculture sectors. The project will partner with the private sector, local communities and stakeholders to implement good practices, technology packages, partnerships and market articulation. These activities will be a part of a landscape restoration strategy that will contribute to the conservation of biodiversity and ecosystem services and achieve Chile's LDN targets of 140,000 ha of afforestation and re-vegetation, 20,000 ha of ecological restoration program, 10,000 of restoration of ecosystems affected by forest fires, creating Buffer zones for livestock production to minimize the impact of livestock on land that is valuable for conservation and to design forest management program focused on public and private lands.

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[1] CONAF has been awarded CLP 21 billion for economic recovery activities for the year 2021.

**6. Coordination**

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

A **Project Steering Committee (PSC)** is being proposed, responsible for the overall supervision of the project. The Committee will consist of the Ministry of the Environment (MMA), leading the project as executing agency and political coordinator, the National Forestry Corporation (CONAF) as co-executing agency, FAO as implementing agency and the GEF Operational Focal Point. These actors are the ones who have formulated this proposal and are responsible for the implementation of the project.

The main duties of the PSC will be to: ensure compliance with the Project's objectives, provide political support for the implementation of new or modified policies, offer strategic guidance, collaborate in inter-institutional coordination, and ensure the active participation of the institutions' representatives and the completion of the commitments made, together with the approval of the annual work plans and budget. It will define and support strategic decision-making for the efficient implementation of the programme. This Committee will meet at least twice a year, and will be convened by the project's Executive Secretariat. The SC may be convened on an extraordinary basis if required.

The partner organisations may participate in the Steering Committee meeting upon invitation and will provide technical advice based on their work experience and participation in the project activities. In addition, the SC may invite other institutions to participate in the project. The terms of reference, the working modality and the operating agreements of the Steering Committee will be prepared during the ProDoc design phase.

The **Technical Committee (TC)** will be made up of the MMA, CONAF, FAO, the GEF´s OFP. In addition, it will be integrated by other institutions such as: INDAP, SAG, WRI, IUCN and other NGOs and public and private sector institutions that will be ratified during the elaboration of the ProDoc It will provide technical support to the Project Implementation Unit in the implementation of its activities, being its main role to advise on technical matters. It will meet at least three times a year.

The decision to include Regional Technical Committees will be made at the ProDoc phase.

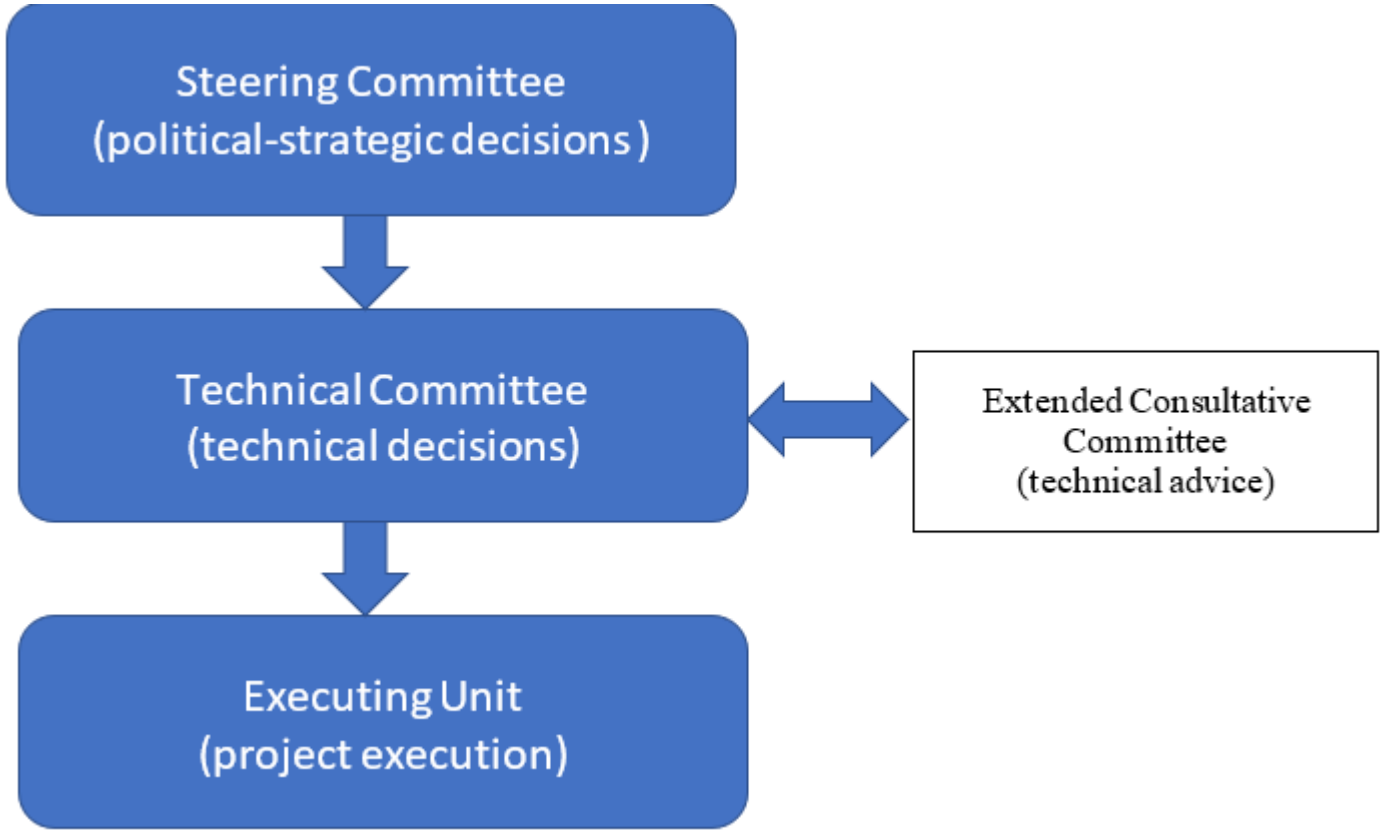
The **Extended Consultative Committee** will support the TC by providing information and technical criteria upon TC requirement. It will be made up of academic and other specialized organizations which will be invited to participate in the PRODOC elaboration phase. Its definition and operation will be determined in the PRODOC phase.

The **Executing Unit (EU)** will be integrated by the project director, project coordinator and technical-administrative team and representative of the implementing agency. This team will be responsible for the coordination and implementation of the project activities and daily tasks, the operational planning, budget management according to the ProDoc, as well as the drafting of the terms of reference and the selection of the required consultancies and consultants.

The Project management and the EU will be based at premises of the Ministry of the Environment (MMA). The MMA will appoint a professional from the Natural Resources and Biodiversity Division as Project Director. The head of the Climate Change and Environmental Services Unit of CONAF or whoever he (or she) designates will act as the focal point and counterpart of the project management in CONAF.

A professional will be hired, with project funds, for the MMA and another for CONAF who will be in charge of project implementation.

The project will be implemented under the responsibility of the Ministry of the Environment (MMA), through the Natural Resources and Biodiversity Division. The Ministry of the Environment will be in charge of ensuring the proper execution of the Project, the coordination, monitoring and evaluation of the objectives with the collaboration, of the National Forestry Corporation as the co-executing agency. Figure 1 offers the coordination scheme.




With regard to other projects, table 3 provides a description of projects financed by the GEF.

**7. Consistency with National Priorities**

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

Yes

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

The project is coordinated with other initiatives finance by the Global Environment Facility (GEF) in Chile, particularly the ones implemented in the Mediterranean area, particularly in the areas of lessons learned, economic instruments and methodologies for community and local work:

Table 07. GEF-financed projects. Adapted from the Ministry of the Environment 2018.

| Project | Objective | Development phase | Coordination |
|---|---|---|---|
| GEF/MMA/UNEP Project: Biological Mountain Corridors | Consolidate public and private initiatives to conserve biodiversity and multiple ecosystem services in mountain areas of the Mediterranean ecosystem in the Metropolitan and Valparaíso regions. | Under implementation | Lessons learned for biodiversity conservation and management |
| GEF/MMA/UNDP Project: Sustainable Mediterranean Communities | Develop, demonstrate, and integrate the delivery of significant global environmental benefits by community organizations in the landscape-scale management of severely endangered territories within the Chilean Mediterranean Ecoregion. | Under implementation | Local communities participation strategies |
| GEF/MINAGRI (CONAF)/World Bank Project: Sustainable Land Management | Develop a national framework for sustainable land management to combat land degradation, conserve biodiversity and mitigate climate change (forest carbon sequestration). | Under implementation | Lessons learned for land management |
| GEF/MINAGRI (INFOR, ODEPA)/ FAO Project: Forest Ecosystem Monitoring | Develop an integrated forest ecosystem monitoring and evaluation system (SIMEF) in support of policy, regulation, and management practices, incorporating REDD+ and biodiversity conservation in forest ecosystems. | Under implementation | Information for decision making |
| GEF/MMA/UNEP Project: Conservation of coastal wetlands in the central-southern zone of Chile, through adaptive coastal ecosystems management | Establish regulatory conditions, incentives, and demonstration sites for integrated management of coastal wetlands in south-central Chile. | Under implementation | Lessons learned for land management |

| Project | Objective | Development phase | Coordination |
|---|---|---|---|
| GEF/MMA/FAO Project: Mainstreaming the conservation and valuation of critically endangered species and ecosystems at the frontier of development of production landscapes in Arica y Parinacota and Biobío regions | Mainstreaming conservation criteria for four endangered species (Darwin's fox, huemul, keule and Chilean woodstar) in the management of productive development territories in Arica y Parinacota and Biobío regions. | Under implementation | Private stakeholders for pilots |
| GEF/MMA/FAO Project: Establishment of a Network of Nationally Important Agricultural Heritage Sites (NIAHS - SIPAN) | Conserve agrobiodiversity in Chile through the establishment of Nationally Important Agricultural Heritage Systems (NIAHS) in Alto Andino and Cordillera Pehuenche macro zones, by applying the GIAHS approach in a manner consistent with national and local development plans and providing local, national, and global environmental benefits. | Under implementation | Local communities participation strategies |
| GEF/MMA/UNDP Project: Economic instruments and tools to support biodiversity conservation, payment for ecosystem services and sustainable development | Improve national financing for biodiversity through the design, implementation and optimization of market-based economic instruments that strengthen public finances and facilitate the economic contribution of the private sector to the maintenance of the country's natural capital. | Concept approved | Economic instruments for biodiversity |

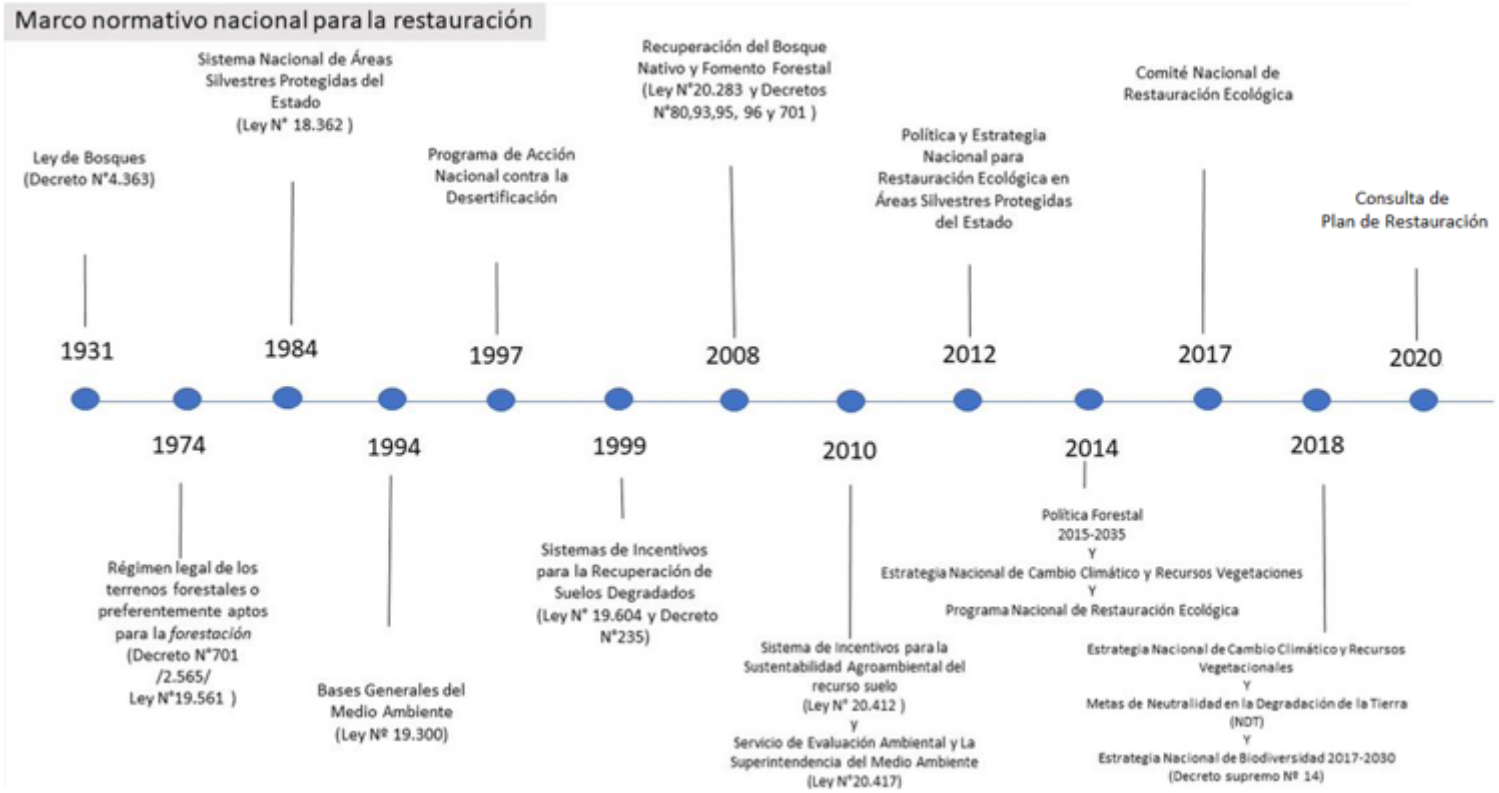
In summary, the Project is consistent with:

- National Plan for Landscape Restoration (2020-2030) (under development)
- Biodiversity Strategy 2017-2030 and its Action Plan
- UNFCCC National Climate Change and Vegetation Resources Strategy (ENCCRV)

- UNCCD National Action Programme to Combat Desertification (NAPCD)
- UNCCD Land Degradation Neutrality LDN
- Update of the National Adaptation Plan for the biodiversity sector and -Update of the National Adaptation Plan for the Agroforestry sector
- Nationally Determined Contribution (NDC)
- UNFCCC National Communications (NC)
- UNFCCC Technology Needs Assessment
- National Climate Change Action Plan (NCCAP)
- Minamata Initial Assessment (MIA)
- Stockholm National Implementation Plan (NIP)
- Stockholm National Implementation Plan Update

Chile has a trans-sectoral regulatory framework that tacitly or explicitly incorporates and favours the approach and implementation of biodiversity and ecosystem services restoration in forest lands, degraded soils, dry areas, native forests, agricultural soils and even ecosystems that constitute synergistic areas of greenhouse gas (GHG) emissions reduction and sequestration and biodiversity conservation.

Figure 02. Timeline of Chile's national regulatory framework for the restoration of biodiversity and ecosystem services




This national regulatory timeline shows the progress made in terms of restoration, starting with forest protection and recovery until the bill for the creation of the Service for Biodiversity and Protected Areas - currently going through the legislative process – which includes the development of Ecosystem Restoration Plans and the current formulation of the National Plan for Landscape Restoration, which aims to recover strategic ecosystems, rehabilitate areas affected by forest fires, and recover degraded agricultural and forest land. It will provide a common ground for restoration programs to be implemented in the country, including the basic concepts, criteria, standards, required actions and regulations to implement, evaluate and monitor ecological restoration processes.

Notwithstanding the above, Chile has entered into the following international agreements and committed to international institutions in the restoration arena:

Table 08. International agreements and commitments entered into by Chile.

| Agreement/Institution | Year of Approval/Ratification | Commitment |
|---|---|---|
| Ramsar Convention | 1981 - Decree N° 771 | Development of management plans for wetlands considered as a priority ...detailing conservation actions and ***restoration*** needs. (National Strategy for the Conservation and Wise Use of Wetlands, 2005) |
| Convention on Biological Diversity, Aichi Targets, Target 15. | 1994 - Decree N°1.963 | Rehabilitate and ***restore*** degraded ecosystems and promote the recovery of threatened species, (Letter f, Article 8). Restoration of at least 15 per cent of degraded ecosystems. |
| United Nations Framework Convention on Climate Change (UNFCCC) | 1995 - Decree N° 123/ | Promulgates the United Nations Framework Convention on Climate Change. |
| United Nations Convention to Combat Desertification (UNCCD) | 1998 - Decree N°2.065 | Combat desertification, ***restore*** degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation-neutral world. (Decision 3/COP.12) |
| Reducing Emissions from Deforestation and Forest Degradation, and the Enhancement of Forest Carbon Stocks, REDD+ | 2013 | Forest restoration, as mitigation actions under the UNFCCC. The Sustainable Management mechanisms include those focused on Forest Restoration |
| Bonn Challenge | 2011 | Is a global effort to bring 150 million hectares of degraded and deforested land into ***restoration*** by 2020. |

| Agreement/Institution | Year of Approval/Ratification | Commitment |
|---|---|---|
| United Nations Conference on Sustainable Development, Río+20 | 2012 | We reaffirm our resolve, in accordance with the United Nations Convention to Combat Desertification, to take coordinated action nationally, regionally and internationally, to monitor, globally, land degradation and ***restore*** degraded lands in arid, semi-arid and dry sub-humid areas" (A/RES/66/288, para. 207) |
| | | |
| Initiative 20x20 | 2014 | At the Climate Change Conference in Lima (COP 20), Chile proposed to restore 0,1 million hectares of degraded land by 2020. Recovery of 400,000 hectares of degraded agricultural land and the restoration of 100,000 hectares of degraded land by planting native species. |
| New York Declaration on Forests | 2014 - | To reduce deforestation or to ***restore*** degraded lands. |
| Sustainable Development Goals (SDG) | 2015 - | "Protect, ***restore*** and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss". Specifically, the targets of SDG 15.1 to ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements; and of SDG 15.2 to promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally. (Goal 15) |
| Nationally Determined Contribution (NDC) | 2015 | Reducing emissions associated with the Land Use, Land-Use Change and Forestry (LULUCF) sector. It considers sustainable forest management actions in 200 thousand new hectares of native forest and the forestation of 100,000 hectares mainly with native species. These targets should be achieved by 2030. |

| Agreement/Institution | Year of Approval/Ratification | Commitment |
|---|---|---|
| Decade on Ecosystem Restoration | March 2019 (Resolution 73/284) | Collaborate with the objectives of the United Nations Decade on Ecosystem Restoration Strategy, through the National Plan for Landscape Restoration with the main goal of preventing, halting, and reversing the degradation of ecosystems worldwide. The conservation of biodiversity and the sustainable use of natural resources are essential to achieve this goal. |

**8. Knowledge Management**

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

The knowledge built on from this and other national projects will be managed and exchanged through component 3, which will permanently gather best practices at the national level and knowledge from renowned international experts, institutions and field professionals; implement a platform for knowledge sharing and capacity building; organize workshops and field visits; develop a knowledge repository and a community of practice; and strengthen coordination, follow-up and communication among the programme's subprojects.

Effective knowledge management will be essential to ensure the continual relevance and impacts of the project, and to facilitate the scaling up of its results to other areas requiring restoration in Chile, thus maximizing the impact and addressing the risk of leakage in the form of a probable movement of the impacts addressed by the project in its area of intervention to other areas.

The systematization of best practices, lessons learned and case studies will include evidence of the special contribution of women and indigenous peoples to the landscapes' sustainability.

In this context, the proposal is to establish an articulation pilot to replicate the experience and scale it up to implement restoration nationwide. Likewise, the process offers a series of lessons learned.

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

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

**Overall Project/Program Risk Classification***

| PIF | CEO Endorsement/Approval | MTR | TE |
|---|---|---|---|
| Medium/Moderate | | | |

**Measures to address identified risks and impacts**

Provide preliminary information on the types and levels of risk classifications/ratings of any identified environmental and social risks and potential impacts associated with the project (considering the GEF ESS Minimum Standards) and describe measures to address these risks during the project design.

| Safeguard Triggered | Risk Identified | Answer | Risk Classification | Reference Guidance | Additional Description (if any) |
|---|---|---|---|---|---|
| 2 | 2.1 - Would this project be implemented within a legally designated protected area or its buffer zone? | Yes | **High** | A full environmental and social impact assessment is required.<br>Please contact the ESM unit for further guidance. | The project will work around protected areas at national level to to restore and increase landscape connectivity |

| | | | | | |
|---|---|---|---|---|---|
| 2 | 2.5 - Would this project involve access to genetic resources for their utilization and/or access to traditional knowledge associated with genetic resources that is held by indigenous, local communities and/or farmers? | Yes | **Moderate** | Ensure that the following issues are considered and appropriate action is taken. The issues identified and the action taken to address them must be included in the project document and reported on in progress reports.<br>For **plant genetic resources for food and agriculture (PGRFA) falling under the Multilateral System of Access and Benefit-sharing** (MLS) of the International Treaty on Plant Genetic Resources for Food and Agriculture (Treaty), ensure that Standard Material Transfer Agreement (SMTA) has been signed and comply with SMTA provisions.<br>For **genetic resources, other than PGRFA falling under the MLS of the Treaty:**<br>1. Ensure that, subject to domestic access and benefit-sharing legislation or other regulatory requirements, prior informed consent has been granted by the country providing the genetic resources that is the country of origin of the resources or that has acquired the resources in accordance with the Convention on Biological Diversity, unless otherwise determined by that country; and<br>2. Ensure that benefits arising from the utilization of the genetic resources as well as subsequent applications and commercialization are shared in a fair and equitable way with the country providing the genetic resources that is the country of origin of the resources or that has acquired the resources in accordance with the Convention on Biological Diversity; and<br>3. Ensure that, in accordance with domestic law, prior informed consent or approval and involvements of indigenous and local communities is obtained for access to genetic resources where the indigenous and local communities have the established right to grant such resources; and<br>4. Ensure that, in accordance with | The project will harness the opportunity of using traditional knowledge on native species in the agroforestry and reforestation activities. |

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| 7 | 7.2 - Would this project operate in sectors or value chains that are dominated by subsistence producers and other vulnerable informal agricultural workers, and more generally characterized by high levels "working poverty"? | Yes | **Moderate** | Take action to anticipate the likely risk of perpetuating poverty and inequality in socially unsustainable agriculture and food systems. Decent work and productive employment should appear among the priorities of the project or, alternatively, the project should establish synergies with specific employment and social protection programmes e.g. favouring access to some social protection scheme or form of social insurance. Specific measures and mechanisms should be introduced to empower in particular the most vulnerable /disadvantaged categories of rural workers such as small-scale producers, contributing family workers, subsistence farmers, agricultural informal wage workers, with a special attention to women and youth who are predominantly found in these employment statuses. An age- and gender-sensitive social value chain analysis or livelihoods/employment assessment is needed for large-scale projects. | Some mitigation actions are planned. The project will have a gender action plan to ensure all categories are benefiting from the interventions |

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| 7 | 7.3 - Would this project operate in situations where youth work mostly as unpaid contributing family workers, lack access to decent jobs and are increasingly abandoning agriculture and rural areas? | Yes | **Moderate** | Take action to anticipate likely risk of unsustainably ageing agriculture and food systems by integrating specific measures to support youth empowerment and employment in agriculture. A youth livelihoods/employment assessment is needed.Complementary measures should be included aiming at training youth, engaging them and their associations in the value chain, facilitating their access to productive resources, credit and markets, and stimulating youth- friendly business development services. | The project will tailor some interventions and set up business plan to ensure its actions are rewarding and for youth |
| 7 | 7.4 - Would this project operate in situations where major gender inequality in the labour market prevails? (e.g. where women tend to work predominantly as unpaid contributing family members or subsistence farmers, have lower skills and qualifications, lower productivity and wages, less representation and voice in producers' and workers' organizations, more precarious contracts and higher informality rates, etc.) | Yes | **Moderate** | Take action to anticipate likely risk of socially unsustainable agriculture and food systems by integrating specific measures to reduce gender inequalities and promote rural women's social and economic empowerment. A specific social value chain analysis or livelihoods/employment assessment is needed for large-scale projects.Facilitation should be provided for women of all ages to access productive resources (including land), credit, markets and marketing channels, education and TVET, technology, collective action or mentorship. Provisions for maternity protection, including child care facilities, should be foreseen to favour women participation and anticipate potential negative effects on child labour, increased workloads for women, and health related risks for pregnant and breastfeeding women. | The project will implement gender tailored action to ensure access to productive resources by all. |

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| 9 | 9.1 - Are there *indigenous peoples** living *outside the project area*** where activities will take place?<br><br>*FAO considers the following criteria to identify indigenous peoples: priority in time with respect to occupation and use of a specific territory; the voluntary perpetuation of cultural distinctiveness (e.g. languages, laws and institutions); self-identification; an experience of subjugation, marginalization, dispossession, exclusion or discrimination (whether or not these conditions persist).<br><br>**The phrase "Outside the project area" should be read taking into consideration the likelihood of project activities to influence the livelihoods, land access and/or rights of Indigenous Peoples' irrespective of *physical distance*. In example: If an indigenous community is living 100 km away from a project area where fishing activities will affect the river yield which is also accessed by this community, then the user should answer "YES" to the question. | Yes | A Free, Prior Informed Consent will be conducted. |

**Supporting Documents**

Upload available ESS supporting documents.

| Title | Submitted |
|---|---|
| **PIF Chile 683061 - ESS certification** | |
| **PIF Chile 683061 - Climate Risk Screening Summary** | |

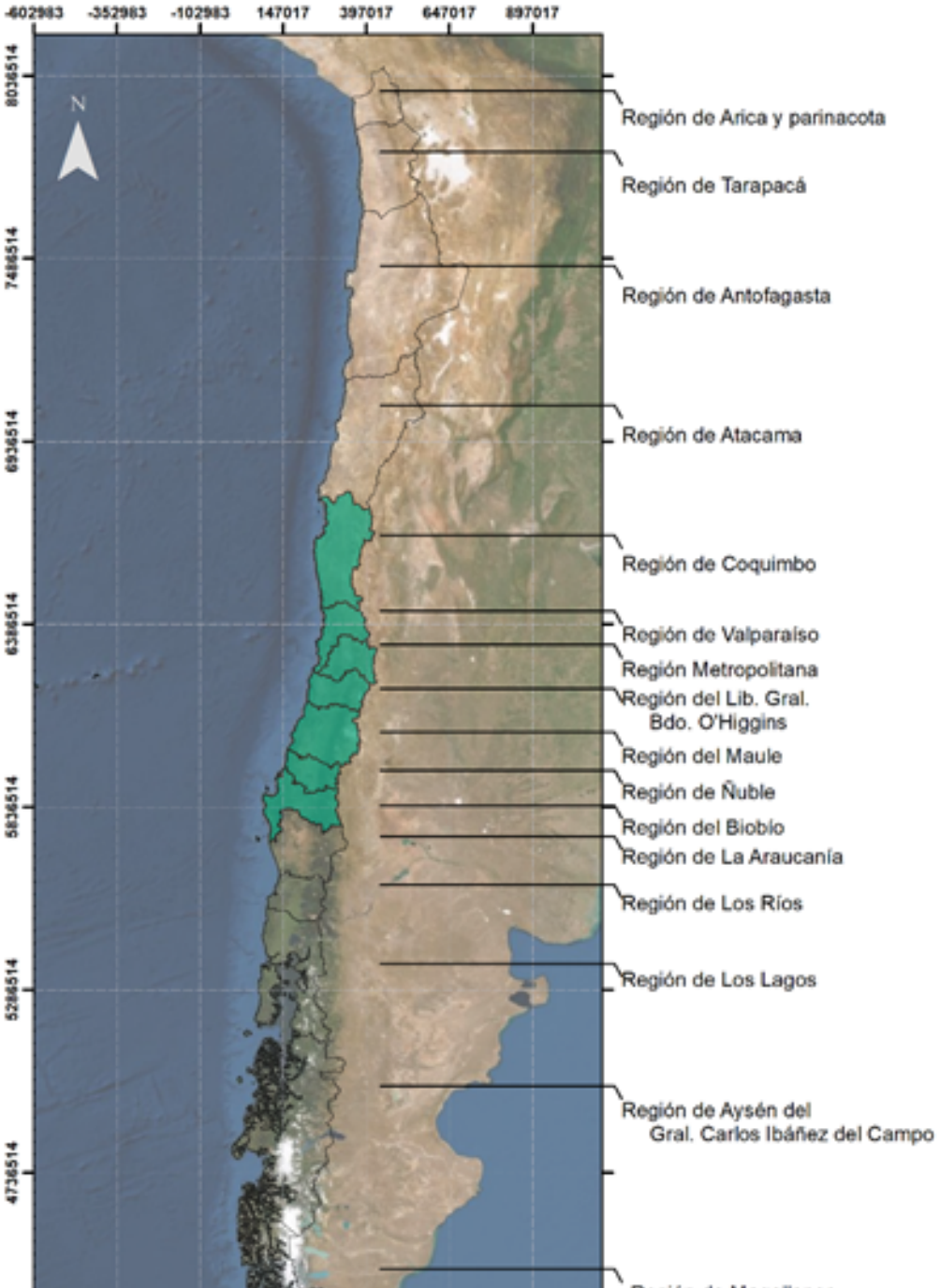
## Part III: Approval/Endorsement By GEF Operational Focal Point(S) And Gef Agency(ies)

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

| Name | Position | Ministry | Date |
|---|---|---|---|
| Miguel Stutzin | GEF Operational Focal Point | Environment | |

**ANNEX A: Project Map and Geographic Coordinates**

Please provide geo-referenced information and map where the project intervention takes place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Región de Arica y parinacota
Región de Tarapacá
Región de Antofagasta
Región de Atacama
Región de Coquimbo
Región de Valparaíso
Región Metropolitana
Región del Lib. Gral.
Bdo. O'Higgins
Región del Maule
Región de Ñuble
Región del Biobío
Región de La Araucanía
Región de Los Ríos
Región de Los Lagos
Región de Aysén del
Gral. Carlos Ibáñez del Campo