

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

Review PIF and Make a recommendation

Basic project information

GEF ID

10718

Countries

Chile

Project Name

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

Agencies

FAO

Date received by PM

9/28/2020

Review completed by PM

Program Manager

Pascal Martinez

Focal Area

Multi Focal Area

Project Type

FSP

PIF

Part I – Project Information

Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Yes, cleared.

Agency Response

Oct. 20, 2020

No response required

Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

For Component 2, the "Financing Type" is not informed in Table B. Please complete.

October 23, 2020:

Financing type for all the 3 components is referred as "Technical assistance". Nevertheless, it is important to obtain concrete achievements on the ground and component 2 does include important works and investments on the ground including the implementation of landscape restoration plans. Please consider the possibility of identifying this component as "investment", or at least, clarify in the project design, including in table B, the amount of actual "investment", especially related to the inputs of component 2.

October 28, 2020:

Thank you for the amendment. Cleared.

Agency Response

Oct. 27, 2020

Component 2 is classified as Investment

Oct. 20, 2020

Corrected in the portal.

Co-financing

3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Yes, cleared.

Agency Response

Oct. 20, 2020

No response required

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

No, with this project the total amount requested in GEF-7 by Chile is \$18,405,316.00 while the total amount allocated is \$18,405,315.63. Please adjust the financial tables in the Portal to ensure the budget requested for this project doesn't exceed the remaining available resources of the country. Doing so, please ensure the consistency with the country's Letter of Endorsement.

October 23, 2020:

Thank you for the adjustment. Cleared.

Agency Response

Oct. 20, 2020

Typing error corrected

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

No, for the reason mentioned above. Please adjust the financial tables accordingly.

October 23, 2020:

Thank you for the adjustment. Cleared.

Agency Response

Oct. 27, 2020

No response required

Oct. 20, 2020

Corrected

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The country is requesting more resources from the Land Degradation focal area than the one allocated in STAR. Nevertheless, the country can make use of its remaining marginal adjustment flexibility moving \$985967.24 from the BD focal area to the Land Degradation focal area. Cleared.

Agency Response

Oct. 20, 2020

No response required

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

Oct. 20, 2020

No response required

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

Oct. 20, 2020

No response required

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

Oct. 20, 2020

No response required

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

Oct. 20, 2020

No response required

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Yes, the PPG requested in Table E is within the allowable cap. Cleared.

Agency Response

Oct. 20, 2020

No response required

Core indicators

6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The core indicators targets, especially the target for restoration and biodiversity are relatively low in view of the GEF investment and co-financing. In addition, we don't understand why the same exact number of hectares are repeated twice in different core indicators. Please explain the assumptions and the methodology used to assess the different targets.

October 23, 2020:

Thank you for increasing the targets and the explanation provided. While we understand the rationale behind the assessment, the expected results remain relatively low as compared to other projects, in particular the 2,600 hectares of direct intervention using Project's funds (component 2 has nearly \$29 million). Please clarify how this 2,600 hectares are estimated (including the cost per hectare) and further consider the possibility of increasing the expected results of restoration and land with improved management.

October 28, 2020:

Thank you for the explanation. Cleared. The expected results remain relatively low, particularly regarding the biodiversity benefits. We request the agency to explore ways to improve them during PPG phase.

Agency Response

27 Oct 2020

In the PIF, the government of Chile (National Forest Corporation, CONAF in Spanish) used a cost for land restored equal to 1,325 USD per ha. This cost per hectare is an average calculated by CONAF taking into account different types of activities and taking into consideration that the intervention sites have not been defined. Given that Component 2 will invest 3.5m on restoration activities, the government wishes to commit to restoring 2,600 hectares at this point in time. A similar approach was followed for co-financing---based on the amount that the government feels reasonably comfortable in mobilizing during project preparation, and a restoration cost of 1,325 USD per ha, CONAF estimates they can restore an additional 6,600 ha for a "grand" total of 9,200 hectares using GEF and co-fin resources. (Core Indicator 3). These numbers will be revised during project preparation once specific project activities are defined.

Oct. 20, 2020

Core indicators were revisited and adjusted based on new information provided by Chile's Forestry Service and new economic instruments available. Since the exact intervention areas and activities have not been defined yet, specific core indicators are based on gross estimations.

Project/Program taxonomy

7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The Annex C "Project Taxonomy Worksheet" is missing. Please add this Annex to the proposal.

October 23, 2020:

Thank you for the inclusion. Cleared.

Agency Response

Oct. 20/2020

Information uploading error. Annex C is now included.

Part II – Project Justification

1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Yes, cleared.

Agency Response

Oct. 20/2020

No response required

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

1- The description focusses on National Plan for Landscape Restoration and the existing restoration initiatives. Nevertheless, the institutional context for the implementation of these activities remain unclear (for instance, how the National Plan is implemented concretely?). Please elaborate further on the existing institutional and regulatory framework the project will build on to meet its objectives (at national and local level, also including land access and rights).

2- The private sector appears to be very important for the restoration activities. Please explain who the private stakeholders are, what kind of restoration they are respectively carrying out and what are their motivation for such activities.

3- There is very limited information on the exiting or past projects from international support that could be useful for the proposal. Please information on such relevant initiatives such as those from the GEF when relevant.

4- Please also explain what is the role of the CSOs and universities and research centers in the restoration activities as they are co-financiers of the proposal.

October 23, 2020:

1, 2, 3 and 4. Thank you for the additional information and clarification. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct.20,2020

1. Section is modified, clarifying the baseline scenario and specifying the existing institutional and regulatory framework at national and local level.
2. Section is modified, identifying main private stakeholders and motivations.
3. Section is modified, presenting main international projects related to current proposal. However, in section 6, table 07, there is an extensive description of relevant GEF projects related to current initiative.
4. Section is modified, explaining the role of CSO and universities and research centers.

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

1. In general, the description of the components is unclear. Please provide the Theory of Change of the proposal and use the structure of the Outputs in Table B to explain what is expected to be achieved and how under each of these outputs.
2. The description includes the following paragraph: "2.3.2. Target landscapes improved as a result of Restoration Pilots and other project activities". It is unclear what this paragraph means and whether a map or further explanation is missing here. Please explain the rationale of this paragraph and eventually complete as needed.
3. The component 2 mentions "sustainable productive forestry". Please explain further what this activity concretely is and whether it is expected to be supported by GEF resources.
4. The project includes forest restoration activities. Considering GEF resources can't support the plantation of exotic species, please explain further what kind of land and forest restoration are considered for these activities.
5. The main and concrete investment described in Component 2 is the restoration of four pilots for sustainable agroforestry production practices over 2,624 hectares. It is unclear how such investment will "enhance biodiversity conservation and increase the provision of ecosystem services by forests and other existing ecosystems" which constitutes the overarching goal of the project according to the first sentence under the alternative scenario section. Please clarify this point

explaining how the restoration of agroforestry production practices will achieve the expected biodiversity conservation and the provision of ecosystem services by forests.

6. The description mentions nature-based solutions without provided more details. Please clarify what nature-based solutions will be considered and supported by this project.

7. One of the identified barriers is the indigenous landownership system limiting access to forest management and sustainable land management instruments. The proposed outputs do include indigenous people but how they will access to lands remain unclear. Please explain how the project will address the indigenous landownership barrier.

October 23, 2020:

Thank you for providing the ToC and for the clarification provided on the different comments. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct. 20, 2020

1. Section modified. Description of components was specified and ToC included.
2. Typing error. Sentence was deleted and section coherence verified.
3. Section modified and concept specified. The component will promote the implementation of practices for sustainable agriculture and forestry management (such as Sustainable Forest Management, Clean Production Agreements (APL), or Good Manufacturing Practices), through dissemination and technical assistance activities.
4. Clarified. All actions will be done using endemic species.
5. Section modified. A description of restoration activities on biodiversity and provision of ecosystem services is included.
6. Section modified. A description of nature-based solutions potentially considered during project implementation is included.

7. Section modified. Although the target territories include very little indigenous land, the project addresses the indigenous landownership barrier by means of identifying economic instruments that can be applicable under the indigenous landownership legal framework, together with building capacities within the communities for accessing such instruments.

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The proposal is vague as regard to the impact of the restoration activities on biodiversity conservation. Please clarify how the project will provide Biodiversity benefits.

October 23, 2020:

Thank you for the clarification. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct. 20, 2020

Section modified. A description of project's activities on biodiversity and provision of ecosystem services is included.

5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The description explains this project will contribute to existing national initiative but remains vague on how it complements them. Please complete informing what this proposal brings that is not already existing, adding to the identified baseline.

October 23, 2020:

Thank you for the clarification. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct. 20, 2020

Section modified. A better description of Project's additionality is included.

6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

1. The Annex B "GEF 7 Core Indicator Worksheet" is missing. Please add this Annex to the PIF.
2. As indicated above, the core indicators targets are relatively low in view of the GEF investment and co-financing. Please consider the possibility of increasing them.

October 23, 2020:

1. Thank you for including the Annex B. Cleared. Considering the potentially significant climate benefits of this project, please consider adding the GHG emission mitigation results during PPG phase.
2. Thank you for increasing the expected results. Nevertheless, please consider the comment made above on the core indicator targets.

October 28, 2020:

Thank you for the explanation. Cleared.

Agency Response

Oct. 27/2020

1. No response required. We will add climate benefits to at the CEO endorsement stage
2. Please refer to question above--Government of Chile feels that the estimate of \$1,325 per ha restored is an adequate estimate for the project at this point during the identification process.

Oct. 20, 2020

1. Information uploading error. Annex B is now included.
2. Indicators were revisited and modified by including one extra pilot project and additional economic instruments to be levered up.

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The sustainability relies on building capacities, governance, territorial public-private platforms, restoration toolbox and strategies and monitoring system. An important element for the sustainability of the project is the incentive for the involved stakeholders to adopt sustainable practices. Please clarify how the project will contribute to develop the necessary incentives even after the end of the project.

October 23, 2020:

Thank you for the clarification. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct. 20, 2020

Section modified. A better description of Project's sustainability is included, identifying specific incentives for the involved stakeholders.

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project's/program's intended location?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The provided map doesn't have any legend but we guess that the project intended location is composed of the 7 regions with a green color. Nevertheless, in the baseline scenario and in the stakeholders section, only 5 regions are considered. Please explain this difference and confirm the project intended location.

October 23, 2020:

Thank you for the amendment and clarification. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct.20, 2020

Coloring error. The map was modified accordingly. However, it still comprises six regions instead of five. That is due to the fact that between project design and PIF submission, Biobío Region was divided in two, which meant the creation of a new administrative territory, namely the Nuble Region. This is clarified in section 1b.

Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

It appears that the indigenous and local communities, that are said to be essential, were not consulted (the category "Indigenous Peoples and Local Communities" isn't informed with a "Yes") and are not included in the key actors table of the project, despite the organization of 16 regional workshops. Please explain why.

October 23, 2020:

Thank you for the correction. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct. 20, 2020

Typing error. Indigenous and local communities were indeed included in the information activities covered by the 16 regional workshops. In fact, detailed number of organizations that took part of such workshops is presented in Table 04.

Gender Equality and Women's Empowerment

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The category "closing gender gaps in access to and control over natural resources" isn't informed with a "Yes". Please explain why.

October 23, 2020:

Thank you for the clarification. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct. 20. 2020

Even though the Project considers addressing a series of gaps and barriers in order to secure women participation in the project itself and in restoration initiatives (which implies improving women's participation and decision-making; and generating socio-economic benefits or services for women), it does not consider any specific activities in order to close structural or specific gender gaps in access to and control over natural resources.

Private Sector Engagement

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The description of the private sector is vague. Please briefly indicate the different kind of private stakeholders who intervene in the project area and who are related to the project activities.

October 23, 2020:

Thank you for the additional information. Cleared.

Agency Response

Oct. 27/2020

No response required

Oct. 20, 2020

Section modified. A better description of private stakeholders and their relation to project activities is included.

Risks to Achieving Project Objectives

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The risks analysis related to the COVID-19 pandemic is very succinct. Some risk and opportunity analysis needs to be undertaken at this stage. In particular, relatively important public co-financing is provided, notably as investment mobilized. Can this co-financing be affected by the current pandemic? Please complete accordingly (it can be a specific separate note after the risk table). For further clarification, we advise to refer to the note "Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics" shared by GEF Secretariat with the GEF Agencies on September 14.

October 23, 2020:

Thank you for the additional consideration of this risk. Nevertheless, it doesn't fully address the comment (especially on impacts and mitigation strategies). Please make sure the following information can be found in the project description: 1- likely impacts and risks from COVID-19, and how they will be dealt during project design; 2- how risks from COVID-19 have been analyzed and mitigation strategies incorporated into the project design; and 3- Which potential opportunities have been identified to mitigate eventual impacts created by COVID-19 to deliver GEBs and/or climate adaptation and resilience benefits, and contribute toward green recovery and building back better. Relevant information (particularly on point 3) is already present in the project description. For easy reference and clarity purpose, the Agency could structure the analysis and provide the information under the 3 points mentioned above.

October 28, 2020:

Thank you for the additional information. Cleared.

Agency Response

Oct. 27/2020

The following text was added to section 5 (Risks):

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.

Oct. 20, 2020

Section modified. A better analysis of COVID 19 pandemic is included, considering note recommended and potential co-financing redirection risks.

Coordination

Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Yes, cleared.

Agency Response

Oct. 20, 2020

No response required

Consistency with National Priorities

Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Yes, cleared.

Agency Response

Oct. 20, 2020

No response required

Knowledge Management

Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The Knowledge Management is included is Component 3, not 4. Please correct.

October 23, 2020:

Thank you for the correction. Cleared.

Agency Response

Oct. 20, 2020

Corrected

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Yes, the overall risk is classified as Moderate and a risk screening note is uploaded in the Portal. Cleared.

Agency Response

Oct. 20, 2020

No response required

Part III – Country Endorsements

Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

The project has been endorsed by the current OFP from Chile Mr. Miguel STUTZIN. Nevertheless, the total amount requested in the Portal exceeds by \$1 the total amount approved by the OFP. Please correct the financial tables in the Portal so that the total budget of the proposal including fees and PPG doesn't exceed the total amount endorsed by the OFP. Doing so will also address the comment made above under the "Gef resource availability" section.

October 23, 2020:

Thank you for the correction. Cleared.

Agency Response

Oct. 20, 2020

Typing error corrected

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

N/A

GEFSEC DECISION

RECOMMENDATION

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

October 2, 2020:

Not yet. Please address the comments above.

October 23, 2020:

Thank you for the improvements. Please address the remaining comments above.

October 28, 2020:

Thank you for addressing the comments. The project is now recommended for technical clearance.

ADDITIONAL COMMENTS

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

- The expected results are relatively low, particularly regarding the biodiversity benefits. We take note of the explanation provided and request the agency to explore ways to improve them during PPG phase.

- Considering the potentially significant climate benefits of this project, please consider adding the GHG emission mitigation results during PPG phase.

Review Dates

	PIF Review	Agency Response
First Review	10/2/2020	10/1/2020
Additional Review (as necessary)	10/23/2020	
Additional Review (as necessary)	10/28/2020	
Additional Review (as necessary)		
Additional Review (as necessary)		

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval

Context:

The central zone of the Chile, which mainly comprises the Mediterranean region, has a rich biodiversity. It also concentrates the largest population density, which has put pressure on its resources and, therefore, a higher degree of biodiversity degradation. The Chilean ecosystems in this area, which correspond to the project area, are highly vulnerable to water scarcity and soil 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. The causes of deforestation and forest and biodiversity degradation are the unsustainable use of vegetation resources, including firewood weak regulations, and agricultural and livestock expansion.

The main identified barriers preventing the country from addressing this issue include the lack of coordination and integration capabilities and ability to lead innovative actions in the institutional sector, a deficient planning of the restoration landscape, the low level of public and private funding for restoration, and the limited information and knowledge at the national and regional level to address the restoration of biodiversity, particularly in the regions of the project.

Project:

To address these problems, the project will initiate restoration processes of environmentally vulnerable landscapes in six regions of the Mediterranean ecoregion of Chile. The objective is to enhance biodiversity conservation and increase the provision of ecosystem services by forests and other ecosystems, through the improvement of the agroforestry production systems and natural environments.

The project is structured with three components: 1- Governance and institutional management and planning for sustainable landscape restoration; 2- Scaling up public and private investment for restoration and sustainable nature-based management in agroforestry landscapes and natural environments; and 3- Knowledge Management and Monitoring & Evaluation.

The project represents a relevant initiative to trigger the implementation of Chile's National Plan for Landscape Restoration, by developing key actions for the restoration of pilot landscapes and favoring the recovery of the productivity of the agroforestry systems and their natural environments in degraded territories. 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 objective.

Innovation, sustainability and potential for scaling up

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, the implementation of a system or platform that gathers project's good practices for dissemination. The project is expected to 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. The complementarity between the project and Chile's national/provincial policies and plans, such as the development of business models and sustainable value chains will ensure a high potential for replicability.

Global Environment Benefits:

GEF incremental funding will contribute to biodiversity conservation through the improvement of the management of 41,100 hectares to benefit biodiversity. It is also expected to restore 9,200 hectares of lands (including forests, agriculture lands, natural grass and shrublands, and wetlands) and improve the sustainable management of 27,600 hectares of landscapes in production systems. In addition, the project will benefit to 9,976 stakeholders.

Co-financing:

The expected co-financing amount of \$32 million is essentially provided by national institutions, including \$11 million as grant from the National Forest Corporation.