

Strengthening management and governance for the conservation and sustainable use of globally significant biodiversity in coastal marine ecosystems in Chile

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10075

Countries

Chile

Project Name

Strengthening management and governance for the conservation and sustainable use of globally significant biodiversity in coastal marine ecosystems in Chile

Agencies

FAO

Date received by PM

3/3/2020

Review completed by PM

9/10/2020

Program Manager

Mark Zimsky

Focal Area

Biodiversity

Project Type

FSP

PIF ☐

CEO Endorsement ☐

Part I – Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required to question 1

Nov 2020

Since there is no space to respond to comments under the "GEFSEC DECISION/RECOMMENDATION" section below, these are addressed here:

GEFSEC Comments

No. Please address all issues below, revise project documents accordingly, and resubmit a revised version. Please note that since this submission is the first time that budget documents were included, we have comments on the budget that we were unable to make until now.

Response: The project budget was originally submitted on January 28 as an excel sheet within the project document (double-click to access it). It was later uploaded into the portal as a stand-alone excel workbook on May 27 (as a Project Supporting Document). A second update was uploaded in September 3 again as a stand-alone excel workbook. The revised budget has been uploaded as a stand-alone excel workbook in the portal.

1- On project duration: please put the project duration in months. Currently the number in the portal is "4 months".

Response: Corrected in the portal. Total duration is 54 months.

2- On budget: as this is the first time the budget is available, please see comments below:

(a) There has been an arrangement between the Government of Chile and FAO for the later to perform some executing functions (see budget allocation). While it was possible to find out the letter of support signed by the OFP, the letter of support only mentions the function for the administration of funds (see letter) – however, FAO is charging to the GEF Funds the Project Coordinator, the knowledge management and the project technical specialist (see column “FAO Support Services” in budget table). Please remove these charges and re-allocate them to the project.

Response: Charges have been reallocated to the project.

(b) The project staff is mainly charged to the project components (including M&E) and to the GEF portion of the PMC instead of being fully charged to both portions of the PMC - the GEF portion which is USD\$166,808 and the co-financing portion which is USD\$1,091,410 (note that nearly 70% of the 21 million of cofinancing is represented in grants).

As per Guidelines, PMC has to be covered by both portions. Please note that while they are included in the budget line “Consultants”, they are clearly part of the Project Staff.

Response: The cofinancing portion of the PMC corresponds to an estimation of the costs associated with the working hours and the day-to-day participation of (i) the National Project Director, (ii) Technical Experts, (ii) Directors of Divisions at National and Regional Levels, and (iii) High Level authorities, especially from the Ministry of Environment and the National Fisheries and Aquaculture Service, that will ensure that the activities co-financed are coordinated and help upscale the results of the proposed project. The efforts of these government staff will also ensure that project execution will be aligned with the country priorities and that the results will be adequately institutionalized. Co-financing also includes costs associated to the required working space, inputs and materials (office, electricity, internet, etc) for the project team that will be base at the ministry facilities for the duration of the project both at the national and regional levels.

It must be noted that the grants are being committed by the partners to ensure the execution of co-financed activities in the field, studies, and implementation of programs and committees, as mentioned in the cofinancing letters. These funds are not expected to co-finance the project team (including technical experts) that will be executing GEF-funded activities.

In addition, following GEF Guidance on Project Cycle Policy (July 2020 update, Table 3, pg18), we have estimated the amount of time project staff will dedicate to M&E activities (in terms of hours per year) and have included this value in the M&E column of the budget (see also question (d) below).

(c) The budget table does include one column for M&E – however, the way it is presented does not allow to contrast / understand the charges presented in the M&E Plan (see above). Besides, the total M&E in the table budget (\$306,134) doesn't match the total M&E plan in Portal (\$321,634). Please make the categories compatible and the final figures matching.

Response: The estimated budget for M&E is \$306,134. The Table in the M&E Plan in the Portal has been updated to match the budget in the excel sheet.

(d) Regarding the M&E Plan (above), please note that the total cost of it (\$321,634) is 9.6% of the sub-total Project financing. Please note that the M&E plan for this project is way above the average cost for a M&E Plan which is between 2% and 4%. Can you please explain why the M&E plan is so expensive?

Response: Following GEF Guidance (July 2020 update, pg 18, Table 3), the M&E Plan was calculated as follows (kindly refer to columns AG to AL in the budget to see the allocation by consultant, or lines 146 to 193 to see the subtotal by activity). Kindly let us know if further detail is needed.

| <u>Detailed M&E costs</u> | Total M&E Cost |
|---|---------------------------|
| - | |
| <i>Inception workshops</i> | <i>40,000</i> |
| - National workshop | 10,000 |
| - 3 regional workshops (\$10000 each) | 30,000 |
| <i>On Field Impact Monitoring</i> | <i>41,275</i> |
| - National Project Coordinator (NPC, 60 hrs/yr) | 8,255 |
| - Regional coordinators (90hrs/yr each) | 16,510 |
| - Regional Professionals (130 hrs/yr each) | 16,510 |
| <i>Progress reviews/workshops</i> | <i>9,934</i> |
| <i>Oversight visits</i> | <i>4,000</i> |
| - NPC (5 hrs/yr) | 800 |
| - Regional coordinators (8 hrs/yr) | 1,600 |
| -Regional Professionals (15 hrs/yr) | 1,600 |
| <i>Project progress report</i> | <i>2,500</i> |
| - NPC (3 hrs/yr) | 500 |
| - Regional coordinators (10 hrs/yr) | 1,000 |
| -Regional Professionals (16 hrs/yr) | 1,000 |
| <i>PIRs</i> | <i>2,500</i> |

| | |
|---|---------------|
| - NPC (3 hrs/yr) | 500 |
| - Regional coordinators (10 hrs/yr) | 1,000 |
| -Regional Professionals (16 hrs/yr) | 1,000 |
| <i>National Steering Committee</i> | <i>10,000</i> |
| -Annual cost | 2,000 |
| <i>Co-financing reports</i> | <i>2,000</i> |
| - NPC (3 hrs/yr) | 400 |
| - Regional coordinators (8 hrs/yr) | 800 |
| -Regional Professionals (12 hrs/yr) | 800 |
| <i>Mid Term Review</i> | <i>50,537</i> |
| -Consultants | 30,000 |
| Staff time to review report and prepare management response | |
| - NPC (20 hrs) | 3,000 |
| - Regional coordinators (30 hrs) | 6,000 |
| -Regional Professionals (50 hrs) | 6,000 |
| -Travel | 5,537 |
| <i>Final Evaluation</i> | <i>65,538</i> |
| -Consultants | 45,000 |
| Staff time to review report and prepare management response | |
| - NPC (20 hrs) | 3,000 |
| - Regional coordinators (30 hrs) | 6,000 |
| -Regional Professionals (50 hrs) | 6,000 |
| -Travel | 5,538 |
| <i>Final Report</i> | <i>6,550</i> |
| <i>Publications</i> | <i>71,300</i> |
| -Annual reports @4,000/yr | 20,000 |
| PMU staff time dedicated to KM | |
| - KM Consultant (part time) | 35,000 |
| - NPC (20 hrs/yr) | 3,260 |

| | |
|---------------------------------------|----------------|
| - Regional coordinators (64 hrs/yr) | 6,520 |
| - Regional Professionals (108 hrs/yr) | 6,520 |
| Total | 306,134 |

Aug 2020

Since there is no space to respond to comments under the "GEFSEC DECISION/RECOMMENDATION" section below, these are addressed here:

1- Project duration is not correct (it should 48 months)

R/ Given the current situation with COVID-19 and social issues/civil unrest in the country, the government of Chile expects the project implementation to be delayed by 6 months. In this regard, the government requests that the project duration be extended to 54 months. The project budget (uploaded in the portal) has been updated to reflect this request.

2- On co-financing:

(i) the Grant and In-kind co-financing from MMA seem to have been mixed up. The letter says \$477,666 as grant and \$3,997,334 as in-kind. The entries in Portal therefore is wrong.

R/ Point taken. Has been updated.

(ii) On SERNAPESCA's and SUBPESCA's co-financing: the Co-financing letters from SERNAPESCA and SUBPESCA need English Translation.

R/ Point taken. Letters have been translated.

(iii) In the case of SENARPESCA, based on the explanation in the current letter, the entries in the Portal should be categorized as Recurrent Expenditures.

R/ Point taken. Has been updated.

3- On Core Indicators, please provide disaggregated estimate for core indicator 11, as per the outcome 2.1 of the project “Targets: a) 3,352 people (2,143 men and 1,209 women) living in the pilot communities are direct beneficiaries of the project interventions (GEF Core Indicator #11).

R/ Point taken. Has been updated.

4- We were unable to read the excel file for budget (page 113 of the Project Document) – hence, we were unable to analyze it. There wasn’t a budget file uploaded in the Documents section. For that reason, we cannot provide any meaningful comment on it until we gain access to the details.

R/ Point taken. The excel sheet has been uploaded into the portal. The budget has been aligned to GEFSEC's July 2020 guidance. As mentioned above, the budget has been prepared for a total of 54 months.

Finally, please respond to the STAP comments provided at PIF stage.

R/ Point taken. A response to STAP comments is provided.

Project description summary

2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

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

Secretariat Comment at CEO Endorsement Request

3/10/2020

NA.

Agency Response

April 2020

No response required

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Core indicators

7. Are there changes/ adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Part II – Project Justification

1. Is there a sufficient elaboration on how the global environmental/ adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

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

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

3/10/2020

NA.

Agency Response

April 2020

No response required

Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Gender Equality and Women's Empowerment

**Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities?
If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?**

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

April 2020

No response required

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Please clarify the discrepancy between the GEF OFP letter which requests FAO support for financial management: "To ensure efficient project management, the Ministry of Environment requests that FAO, alongside its role as implementing agency, be responsible for the administration of funds provided by GEF for this project. As executing agency, all corresponding functions associated to this role in the project will remain with the Ministry of Environment." and Annex L which describes a much more expanded role for FAO in project execution of activities that goes well beyond financial management, for example: "FAO may, in consultation with the Government, implement Project components through partners identified in accordance with FAO procedures. "

Please revise the OFP letter to provide more robust justification and rationale for the request being made for an exception to GEF policy.

November 30, 2020

Cleared.

Agency Response

August 2020

Noted.

Institutional arrangements for project implementation have been adjusted (section 6.a) as well as annexes K and L in the agency project document.

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

Knowledge Management

Is the proposed “Knowledge Management Approach” for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

Environmental and Social Safeguard (ESS)

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

Secretariat Comment at CEO Endorsement Request

9/1/2020

Yes. Cleared.

Agency Response

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

Project Results Framework

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request

5/19/2020

Please include a matrix that responds to these STAP comments:<https://www.thegef.org/sites/default/files/work-program-documents/GEF%20ID%2010075%20narrative.pdf>

STAP Response: GEF ID 10075 Project Title Country GEF Agency Strengthening the management and governance for the conservation and sustainable use of globally significant biodiversity in coastal marine ecosystems in Chile. Chile FAO STAP Overall Assessment Minor issues to be considered during project design STAP regards this project proposing the mainstreaming of Chilean inshore fisheries as brave and insightful. The introduction to, and justification of, this project are strong and well-argued. The intention is also sensible in terms of the empowerment of local actors, and the coordinating role of the municipalities. However, the proposed alternative scenario and description of components shifts the proposal into natural resource governance. STAP recommends that during PPG phase a concerted effort is made to clarify terms of governance objectives and plans. And STAP suggests that additional consideration is given to the configuration of new governance regimes, and which might combine the following: 1. Devolution of exclusive use rights to individual communities on a territorial basis. This, essentially, is community-based natural resource management (CBNRM); 2. Collective self-regulation between groups of communities (i.e. so that they have the rights and capacities to oversee each other); 3. Delegating zoning and oversight functions to municipalities, and zoning and enforcement through participatory multi-stakeholder forums. The implementation section would benefit from greater expertise on devolved and decentralized governance, perhaps at the PPG stage - provided it is flagged in the PIF. This project is an important experiment, and needs more academic input to define, advise on, and measure governance and its effects. Please see Addendum below for more information: Addendum There are two forms of mainstreaming. • Administrative mainstreaming through regulation and planning, often at sub-national levels of government (i.e. deconcentration). • Economic mainstreaming through property rights and producer associations (i.e. devolution), which includes community based natural resource management. Administrative deconcentration and economic devolution are often confused. Clear articulation of communities as production units, groups of communities or associations as self-governing production associations, and municipalities as administrative regulation/zoning (even enforcement) agencies is sensible. For a good reference to the different types of decentralization, see Rondinelli et al., 1989. For a wonderfully elegant discussion of how to scale the control of resources, see Murphree, 2000 who proposes that the best way to scale is to devolve rights to the bottom, and then allow some functions to be delegated upwards (where their effects cannot be fully internalized at the lower scale). For proof of concept of the wisdom of devolving rights to land units, and then devolving regulatory responsibility to neighborhoods of landholders, see the Zimbabwean terrestrial example (Child and Child, 2015). There are good arguments for devolving exclusive fishing rights to clearly defined communities. However, it should not be forgotten that the internal governance of communities is also critical. Here, Elinor Ostrom's principle that "all people affected by rules/decisions should be involved in making these rules/decisions" has stood the test of time (Ostrom, 1990). Finally, this project is at the forefront of global experiments in devolved governance and regulation. An academic partner to assist in defining approaches, and then measuring them would be helpful. Child, G. and Child, B. 2015. The conservation movement in Zimbabwe: An early experiment in devolved community based regulation. Southern African Journal of Wildlife Research. Murphree, M. 2000. Constituting the Commons: Crafting Sustainable Commons in the New Millennium. Multiple Boundaries, Borders and Scale at the Eighth Biennial Conference of

the International Association for the Study of Common Property (IASCP). Bloomington, Indiana, U.S.A. Ostrom, E. 1990. Governing the Commons: The Evolution of Institutions for Collective Action, Cambridge University Press. Rondinelli, D.A., McCullough, J.S. and Johnson, R.W. 1989. Analysing Decentralization Policies in Developing Countries: a Political Economy Framework. Development and Change 20.

November 30, 2020

Cleared.

Agency Response

August 2020

The following text has been added (Response to STAP Comments):

| | |
|---|---|
| GEF ID 10075 | |
| Project Title | Strengthening the management and governance for the conservation and sustainable use of globally significant biodiversity in coastal marine ecosystems in Chile. |
| Country | Chile |
| GEF Agency | FAO |
| STAP Overall Assessment Minor issues to be considered during project design | |
| <i>STAP recommends that during PPG phase a concerted effort is made to clarify terms of governance objectives and plans. And STAP suggests that additional consideration is given to the configuration of new governance regimes, and which might combine the following</i> | During the PPG, the consultants based themselves on several of the proposals that are reflected in the Prodoc, using the Eleonor Ostrom documents. Because of its design, the center of action is the local level aligned with national policy guidelines. The construction of the project was a collective exercise with the participation of members of the Subnational and Local Governments, with the members of the communities as protagonists. Another important element was the participation of academics and researchers from the regional research centers in all meetings for the collection of baseline information and the design of the results framework. Also, see Figure 2 - Theory of Change. |
| | |

| | |
|--|--|
| 1. Devolution of exclusive use rights to individual communities on a territorial basis. This, essentially, is community-based natural resource management (CBNRM); | In the PPG phase, the figures that are administered by the communities were incorporated. The Benthic Resources Management and Exploitation Areas (BREMAs) are where natural resources are exploited according to management plans. The project plans to work with the fishermen who have the exclusive rights, strengthening management plans with an ecosystem approach. The project will train and support the community that formed a Foundation that owns the resource rights of the Multipurpose Coastal Marine Protected Area (MCPMA) Petipalena-Añihue, in the southern area, to review its management plan and implement it. See Paragraph 113, 122, 131. |
| 2. Collective self-regulation between groups of communities (i.e. so that they have the rights and capacities to oversee each other); | The project creates a local management group where all the actors established in the territory and the municipal authority participate, in order to carry out a consensual and collective management, so that no group is favored over other members of the community. |
| 3. Delegating zoning and oversight functions to municipalities, and zoning and enforcement through participatory multi-stakeholder forums. | The project proposes a system of local Governance that articulates municipal authorities, fishermen, tour operators and the community in general to administer Las Caletas and the marine ecosystems of the areas through the Community Development Plans and the marine land Planning. |

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

3/10/2020

NA.

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request
3/10/2020

NA.

Agency Response
CSOs comments

Secretariat Comment at CEO Endorsement Request
3/10/2020

NA.

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request
3/10/2020

Update is provided. Cleared.

Agency Response

Calendar of expected reflows (if NGI is used)

Secretariat Comment at CEO Endorsement Request

3/10/2020

NA.

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

3/10/2020

Yes. Cleared.

Agency Response

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 CEO Endorsement Request
3/10/2020

NA.

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request
3/10/2020

No, please address issue above related to the project execution role of FAO and revise the OFP letter to provide more robust justification and rationale for the request being made for an exception to GEF policy.

May 19, 2020

The GEF agency has clarified text in the document to clarify role of FAO and Ministry of Environment such that a new focal point endorsement letter was not necessary.

We noted some other issues though in the submission that must be corrected:

1- Project duration is not correct (it should be 48 months)

2- On co-financing:

(i) the Grant and In-kind co-financing from MMA seem to have been mixed up. The letter says \$477,666 as grant and \$3,997,334 as in-kind. The entries in Portal therefore is wrong.

(ii) On SERNAPESCA's and SUBPESCA's co-financing: the Co-financing letters from SERNAPESCA and SUBPESCA need English Translation.

(iii) In the case of SENARPESCA, based on the explanation in the current letter, the entries in the Portal should be categorized as Recurrent Expenditures.

3- On Core Indicators, please provide disaggregated estimate for core indicator 11, as per the outcome 2.1 of the project "Targets: a) 3,352 people (2,143 men and 1,209 women) living in the pilot communities are direct beneficiaries of the project interventions (GEF Core Indicator #11).

4- We were unable to read the excel file for budget (page 113 of the Project Document) – hence, we were unable to analyze it. There wasn't a budget file uploaded in the Documents section. For that reason, we cannot provide any meaningful comment on it until we gain access to the details.

Finally, please respond to the STAP comments provided at PIF stage.

9/17/2020

No. Please address all issues below, revise project documents accordingly, and resubmit a revised version. Please note that since this submission is the first time that budget documents were included, we have comments on the budget that we were unable to make until now.

1- On project duration: please put the project duration in months. Currently the number in the portal is "4 months".

2- On budget: as this is the first time the budget is available, please see comments below:

(a) There has been an arrangement between the Government of Chile and FAO for the later to perform some executing functions (see budget allocation). While it was possible to find out the letter of support signed by the OFP, the letter of support only mentions the function for the administration of funds (see letter) – however, FAO is charging to the GEF Funds the Project Coordinator, the knowledge management and the project technical specialist (see column “FAO Support Services” in budget table). Please remove these charges and re-allocate them to the project.

(b) The project staff is mainly charged to the project components (including M&E) and to the GEF portion of the PMC instead of being fully charged to both portions of the PMC - the GEF portion which is USD\$166,808 and the co-financing portion which is USD\$1,091,410 (note that nearly 70% of the 21 million of cofinancing is represented in grants).

As per Guidelines, PMC has to be covered by both portions. Please note that while they are included in the budget line “Consultants”, they are clearly part of the Project Staff.

(c) The budget table does include one column for M&E – however, the way it is presented does not allow to contrast / understand the charges presented in the M&E Plan (see above). Besides, the total M&E in the table budget (\$306,134) doesn’t match the total M&E plan in Portal (\$321,634). Please make the categories compatible and the final figures matching.

(d) Regarding the M&E Plan (above), please note that the total cost of it (\$321,634) is 9.6% of the sub-total Project financing. Please note that the M&E plan for this project is way above the average cost for a M&E Plan which is between 2% and 4%. Can you please explain why the M&E plan is so expensive?

November 30, 2020

An elaborate, comprehensive and fully adequate justification and answer is provided addressing all budgetary and other issues, therefore, CEO endorsement is recommended.

Review Dates

| | Secretariat Comment at CEO Endorsement | Response to Secretariat comments |
|---|---|---|
| First Review | 3/10/2020 | |
| Additional Review (as necessary) | 5/19/2020 | |
| Additional Review (as necessary) | 9/17/2020 | |
| Additional Review (as necessary) | 11/30/2020 | |
| Additional Review (as necessary) | | |

CEO Recommendation**Brief reasoning for CEO Recommendations**

Chile's coastal marine ecosystems have a globally-significant biodiversity. This biodiversity makes a worthwhile contribution to the economic development of Chile, whose economy is highly dependent on primary sectors and natural resources, including fisheries and aquaculture. The proposed project will create an enabling environment to help conserve and sustainably use coastal marine ecosystems and to maintain their biological integrity, diversity and ecosystem services for present and future generations. The objective is to develop and implement a governance system that mainstreams, coordinates and articulates public, private and civil society institutions for the conservation and sustainable use of coastal marine ecosystems. To that end, the project has been organized into three components: 1) Governance system for the conservation and sustainable use of coastal marine ecosystems; 2) Biodiversity conservation objectives and methods mainstreamed into Chile's municipal coastal planning and artisanal fishery policy and practice; and 3) Monitoring and Evaluation.

The project will provide global environmental benefits, in addition to socio-economic benefits: 1) 1,313,732 hectares of coastal marine ecosystems with strengthened management and governance systems for their conservation and sustainable use; 2) mainstreaming conservation and sustainable use of coastal marine biodiversity into relevant instruments for the conservation and sustainable use of coastal-marine ecosystems; 3) enhanced capacities of 382 men and 13 women engaged in fishing activities in pilot communities aimed for the implementation of BD-friendly practices and technologies and whose income has increased by 10% (with a 10% reduction in the gap between women and men) from the sustainable use of marine resources and ecosystems; 4) 3,352 people (2,143 men and 1,209 women) directly benefited from the project's actions; 5) 30,336 hectares of better managed Marine Protected Areas, measured by the increase in their management effectiveness scores with respect to the baseline: a) Chañaral Island Marine Reserve: from 38 to 44; b) Choros y Damas Islands Marine Reserve: from 47 to 54; and c) Pitipaleña-Añihué Multipurpose Coastal Marine Protected Area: 47 to 54.