



## **Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change**

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

#### **Name of Parent Program**

**Amazon Sustainable Landscapes Program - Phase II**

#### **GEF ID**

**10248**

#### **Project Type**

FSP

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

GET

#### **CBIT/NGI**

☐ CBIT

☐ NGI

#### **Project Title**

Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change

#### **Countries**

Peru

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

FAO, UNIDO, IFAD

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

Ministry of Environment

#### **Executing Partner Type**

Government

#### **GEF Focal Area**

Multi Focal Area

**Taxonomy**

Deploy innovative financial instruments, Convene multi-stakeholder alliances, Influencing models, Strengthen institutional capacity and decision-making, Indigenous Peoples, Stakeholders, Local Communities, Public Campaigns, Communications, Behavior change, Education, Awareness Raising, Non-Governmental Organization, Civil Society, Academia, Community Based Organization, Individuals/Entrepreneurs, Private Sector, Financial intermediaries and market facilitators, Information Dissemination, Type of Engagement, Consultation, Partnership, Participation, Beneficiaries, Enabling Activities, Capacity, Knowledge and Research, Adaptive management, Learning, Theory of change, Indicators to measure change, Capacity Development, Innovation, Knowledge Generation and Exchange, Gender results areas, Gender Equality, Access and control over natural resources, Participation and leadership, Access to benefits and services, Sex-disaggregated indicators, Gender Mainstreaming, Gender-sensitive indicators, Women groups, Sustainable Commodities Production, Commodity Supply Chains, Integrated Programs, High Carbon Stocks Forests, Deforestation-free Sourcing, High Conservation Value Forests, Nationally Determined Contribution, United Nations Framework Convention on Climate Change, Climate Change, Focal Areas, Financing, Climate Change Mitigation, Agriculture, Forestry, and Other Land Use, Ecosystem-based Adaptation, Climate Change Adaptation, Climate resilience, Forest and Landscape Restoration, Forest, REDD - REDD+, Amazon, Food Security, Land Degradation, Restoration and Rehabilitation of Degraded Lands, Sustainable Land Management, Tourism, Mainstreaming, Biodiversity, Forestry - Including HCVF and REDD+, Tropical Rain Forests, Biomes, Rivers, Wetlands, Community Based Natural Resource Mngt, Protected Areas and Landscapes, Terrestrial Protected Areas, Productive Landscapes, Transform policy and regulatory environments

**Rio Markers**

**Climate Change Mitigation**

Climate Change Mitigation 2

**Climate Change Adaptation**

Climate Change Adaptation 2

**Submission Date**

12/13/2020

**Expected Implementation Start**

7/31/2021

**Expected Completion Date**

7/31/2026

**Duration**

60In Months

**Agency Fee(\$)**

1,403,917.00

**A. FOCAL/NON-FOCAL AREA ELEMENTS**

<b>Objectives/Programs</b>	<b>Focal Area Outcomes</b>	<b>Trust Fund</b>	<b>GEF Amount(\$)</b>	<b>Co-Fin Amount(\$)</b>
IP SFM Amazon	Integrated conservation and sustainable development of the Peruvian Amazon.	GET	15,599,083.00	124,561,476.46
<b>Total Project Cost(\$)</b>			<b>15,599,083.00</b>	<b>124,561,476.46</b>

## B. Project description summary

### Project Objective

To advance the conservation of healthy and functional forests and wetlands resilient to climate change, maintaining carbon stocks, preventing GHG emissions, and generating sustainable and resilient local livelihoods[1]. [1] The Project will deploy field interventions in and around protected areas (PA) and indigenous territories (IT); supported by regional, national and international actions. All interventions will adopt adaptive, gender, and intercultural approaches, and respond to Peru's NDC for climate change mitigation and adaptation.

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
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Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
1.- Collaborative, coherent and synergistic governance among State sectors and levels for the sustainable development of the Amazon.	Technical Assistance	<p>1.1. Enabling conditions (plans, guidelines and instruments), and strengthened capacities for sustainable soil and water management by different sectors through land use planning and integrated management, emphasizing the local level.</p> <p>1.2. Opportunities and administrative incentives designed and strengthened for collaborative decision-making on Amazonian sustainability.</p>	<p>1.1.1. Land use planning instruments developed, articulated and strengthened in the Project intervention landscapes.</p> <p>1.1.2. Instruments developed for the sustainable management of Amazon ecosystems (permits, concessions, etc.)</p> <p>1.1.3. Financial and economic mechanisms and incentives for sustainable management.</p> <p>1.2.1. Strengthened institutional capacities of national, regional, and local governments in land use planning and natural resource integrated management with different sectors in a context of climate change.</p> <p>1.2.2. Strengthened capacities of local</p>	GET	1,351,158.00	13,227,903.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
2. Strengthening of Amazonian connectivity through landscape managed as mosaics of conservation and sustainable use, in the areas of influence of protected areas (PAs)	Investment	2.1. Integrated management of the territory strengthened on the basis of PAs, according to life plans and community development plans.	2.1.1. Strengthened capacities of national, regional and local stakeholders for the integrated management of the territory based on the PAs.  2.1.2. PA management plans, life plans, and development plans coordinated in order to ensure integrated management of the territory based on the PAs and local expectations.  2.1.3. PAs and OECMs improve their management capacities for landscape connectivity, within a comprehensive territorial management approach.	GET	4,550,000.00	38,936,319.00
		2.2. PA financial sustainability models developed and implemented	2.2.1 Financial sustainability model for prioritised landscapes and fundraising strategy have been developed.			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
3.- Sustainable production practices for enhancing the value of biodiversity under sustainable protocols.	Investment	3.1. Products and services derived from the sustainable use of forests have added value, are integrated into value chains, have access to the market with quality and sustainability criteria and generate socioeconomic and environmental benefits for local populations.	3.1.1 An innovative economic model developed, applied and promoted for sustainable products from ecosystems, taking into account the unique ecological, economic, and cultural features of the landscapes of origin.  3.1.2. Products and services derived from biodiversity have added value, with duly strengthened value chains and increased processing capacity, and have access to the market under quality and sustainability criteria within the new economic model.  3.1.3. Sustainable biodiversity and environment-friendly	GET	7,879,615.00	54,527,683.00



Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
4. Knowledge management and programme and project M&E.	Technical Assistance	4.1. Knowledge Management and Communications.	4.1.1. Communication and awareness strategies on the value of Amazon biodiversity and the impact of the sectors driving deforestation (transport, agriculture, mining, etc.).	GET	1,075,497.00	11,938,073.00
			4.1.2. Systematization and dissemination of experiences and lessons learned from the Project strategy.			
			4.1.3. Participation in alliances and cooperation agreements to exchange ASL2 programme experiences.			
		4.2. Project follow-up and monitoring, and coordination and management.	4.2.1. Project Monitoring Reports.  4.2.2 Mid-term Review			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Sub Total (\$)					14,856,270.00	118,629,978.00
Project Management Cost (PMC)						
GET			742,813.00		5,931,498.46	
Sub Total(\$)			742,813.00		5,931,498.46	
Total Project Cost(\$)			15,599,083.00		124,561,476.46	

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

<b>Sources of Co-financing</b>	<b>Name of Co-financier</b>	<b>Type of Co-financing</b>	<b>Investment Mobilized</b>	<b>Amount(\$)</b>
Recipient Country Government	Ministry of the Environment ? Research Institute of the Peruvian Amazon (IIAP)	Public Investment	Investment mobilized	5,172,565.00
Recipient Country Government	Ministry of the Environment ? National Service of Natural Areas Protected by the State (SERNANP)	Public Investment	Investment mobilized	6,844,937.00
Recipient Country Government	Ministry of the Environment ? Forest Conservation National Program (PNCB)	Public Investment	Investment mobilized	39,709,535.66
Recipient Country Government	Ministry of the Environment ? Environmental Assessment and Control Agency (OEFA)	Public Investment	Investment mobilized	418,789.00
Recipient Country Government	Technological Institute of Production ? Ministry of Production	Public Investment	Investment mobilized	278,632.00
Recipient Country Government	Technological Institute of Production ? Ministry of Production	In-kind	Recurrent expenditures	2,047,103.00
Recipient Country Government	Peru Promotion Commission for Export and Tourism	In-kind	Recurrent expenditures	910,813.00
Recipient Country Government	Regional Government of Ucayali	Public Investment	Investment mobilized	10,610,742.00
Recipient Country Government	Regional Government of Ucayali	In-kind	Recurrent expenditures	5,535,538.00
Recipient Country Government	Regional Government of Jun?n	Public Investment	Investment mobilized	9,608,728.00

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Regional Government of Jun?n	In-kind	Recurrent expenditures	874,243.00
Recipient Country Government	Regional Government of Loreto	Public Investment	Investment mobilized	26,090,745.00
Recipient Country Government	Regional Government of Loreto	In-kind	Recurrent expenditures	6,768,765.00
GEF Agency	FAO	Grant	Investment mobilized	172,171.00
GEF Agency	FAO	In-kind	Recurrent expenditures	702,540.00
GEF Agency	UNIDO	Grant	Investment mobilized	113,000.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	846,000.00
Private Sector	AMARUMAYU ? AJE Group	In-kind	Recurrent expenditures	2,200,000.00
Private Sector	National Society of Industries ? SNI	In-kind	Recurrent expenditures	324,844.00
Private Sector	Association of Exporters ? ADEX	In-kind	Recurrent expenditures	46,148.00
Recipient Country Government	Ministry of Agriculture and Irrigation	Public Investment	Investment mobilized	3,555,829.00
Recipient Country Government	Ministry of Agriculture and Irrigation	In-kind	Recurrent expenditures	288,795.00

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Ministry of Environment MINAM	In-kind	Recurrent expenditures	262,480.80
Recipient Country Government	Ministry of the Environment ? National Service of Natural Areas Protected by the State (SERNANP)	In-kind	Recurrent expenditures	1,178,533.00
Total Co-Financing(\$)				124,561,476.46

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

Government: The Ministry of the Environment will implement a public investment projects that aim to strengthen forest landscape planning and governance, conservation and sustainable use in Atalaya, Ucayali and Loreto landscapes. Regional and local governments are expected to mobilize significant investments in target areas focus on land rights, governance, bio-business promotion and forest monitoring. The Ministry of Agriculture and Irrigation will implement public investments to recover degraded lands. FAO: FAO presents three ongoing projects for the sustainable management of forests and the inclusion of rural women in production programmes. The FAO and European Union (EU) Forest Law Enforcement, Governance, and Trade (FAO-EU FLEGT) Programme seeks to reduce illegal timber and improve forest governance. Likewise, the "Reducing the Vulnerability of Rural Women in the Context of Climate Change" project seeks to strengthen the role of women in Amazon areas in order to promote their bio-businesses as well as to strengthen national and regional public policies in favour of women in the agricultural sector.

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

<b>Agency</b>	<b>Trust Fund</b>	<b>Country</b>	<b>Focal Area</b>	<b>Programming of Funds</b>	<b>Amount(\$)</b>	<b>Fee(\$)</b>
FAO	GET	Peru	Biodiversity	BD STAR Allocation	5,302,797	477,251
IFAD	GET	Peru	Biodiversity	BD STAR Allocation	1,320,684	118,861
UNIDO	GET	Peru	Biodiversity	BD STAR Allocation	2,285,453	205,691
UNIDO	GET	Peru	Climate Change	CC STAR Allocation	900,120	81,011
FAO	GET	Peru	Land Degradation	LD STAR Allocation	900,120	81,011
UNIDO	GET	Peru	Multi Focal Area	IP SFM Amazon Set-Aside	1,979,110	178,120
FAO	GET	Peru	Multi Focal Area	IP SFM Amazon Set-Aside	1,516,551	136,490
IFAD	GET	Peru	Multi Focal Area	IP SFM Amazon Set-Aside	1,394,248	125,482
<b>Total Grant Resources(\$)</b>					<b>15,599,083.00</b>	<b>1,403,917.00</b>

**E. Non Grant Instrument**

NON-GRANT INSTRUMENT at CEO Endorsement

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Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required

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PPG Amount (\$)

300,000

PPG Agency Fee (\$)

27,000

Agency	Trust Fund	Country	Focal Area	Programmin g of Funds	Amount(\$)	Fee(\$)
FAO	GET	Peru	Biodiversity	BD STAR Allocation	140,110	12,610
IFAD	GET	Peru	Biodiversity	BD STAR Allocation	49,268	4,434
UNIDO	GET	Peru	Biodiversity	BD STAR Allocation	76,000	6,840
UNIDO	GET	Peru	Climate Change	CC STAR Allocation	17,311	1,558
FAO	GET	Peru	Land Degradation	LD STAR Allocation	17,311	1,558
Total Project Costs(\$)					300,000.00	27,000.00



## Core Indicators

**Indicator 1 Terrestrial protected areas created or under improved management for conservation and sustainable use**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0.00	7,909,260.00	0.00	0.00

**Indicator 1.1 Terrestrial Protected Areas Newly created**

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

Name of the Protected Area	WDP A ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
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**Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
0.00	7,909,260.00	0.00	0.00

Name of the Protected Area	WDP A ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
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Name of the Protected Area	WDP A ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
<b>Akula National Park</b> Alto Nana y - Pintuyacu Cham bira	<b>125689</b> 555555657	<b>Select</b> Other		954,635.00					<input type="checkbox"/>
<b>Akula National Park</b> Alto Purus	<b>125689</b> 303316	<b>Select</b> National Park		2,510,694.00			75.00		<input type="checkbox"/>
<b>Akula National Park</b> Ashaninka	<b>125689</b> 303318	<b>Select</b> Other		184,468.00			61.00		<input type="checkbox"/>
<b>Akula National Park</b> El Sira	<b>125689</b> 303321	<b>Select</b> Other		616,413.00			66.00		<input type="checkbox"/>
<b>Akula National Park</b> Otishi	<b>125689</b> 303323	<b>Select</b> National Park		305,973.00			60.00		<input type="checkbox"/>

Name of the Protected Area	WDP A ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
<b>Akula National Park</b> Pacaya Samir	<b>125689</b> 249	<b>Select</b> Protected area with sustainable use of natural resources		2,080,000.00			75.00		<input type="checkbox"/>
<b>Akula National Park</b> Pucacuro	<b>125689</b> 98228	<b>Select</b> Protected area with sustainable use of natural resources		637,954.00			72.00		<input type="checkbox"/>
<b>Akula National Park</b> Reserva Indígena Murunahua	<b>125689</b>	<b>Select</b> Others		470,305.00					<input type="checkbox"/>
<b>Akula National Park</b> San Matías San Carlos	<b>125689</b> 20182	<b>Select</b> Others		148,818.00			59.00		<input type="checkbox"/>

**Indicator 3 Area of land restored**

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0.00	7900.00	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)
	4,810.00		

**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)
	2,000.00		

**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)

**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)
	1,090.00		

**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)
0.00	15000.00	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)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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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)
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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)
	15,000.00		

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

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
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**Documents (Please upload document(s) that justifies the HCVF)**

Title	Submitted
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Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO <sub>2</sub> e (direct)	0	10641554	0	0
Expected metric tons of CO <sub>2</sub> e (indirect)	0	0	0	0

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

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO <sub>2</sub> e (direct)		10,641,554		
Expected metric tons of CO <sub>2</sub> e (indirect)				

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Anticipated start year of accounting				
Duration of accounting		20		

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

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO <sub>2</sub> e (direct)				
Expected metric tons of CO <sub>2</sub> e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

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

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

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

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)
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**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		5,280		
Male		5,720		
Total	0	11000	0	0

## Part II. Project Justification

### 1a. Project Description

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

1. There is a global environmental crisis, determined by the ongoing transformation and degradation of wild terrestrial and aquatic ecosystems, to a level that affects the whole biosphere. As a result, biological diversity and fundamental ecosystem services are facing imminent threats, including the regulation of global climate. However, there are still large primary ecosystems in the world which are interconnected and barely altered; they perform as world biological diversity reserve, store high contents of carbon in the biomass and the soil, and contribute to the hydrologic cycle at a regional/global level. The Peruvian Amazon, water source of the Amazon River, is highly valuable at global, regional, and local levels, and is also a source of concern due to ongoing degradation and deforestation.

#### Loss and Degradation of the Amazon Ecosystem in Peru

2. In 2018, Peru had 68,4 million hectares of Amazon forest<sup>[1]</sup>. Between 2001 and 2018, the country lost more than 2 million hectares (3% with respect to 2000), at a yearly rate of 127,000 hectares<sup>[2]</sup>. The loss rate at these forests increased almost sustainably between 2001 and 2014 and has continued at around 154 and 164 thousand hectares per year between 2015 and 2018. In 2018, 154,766 hectares of tropical rainforest were lost, accounting for 0,73% with respect to the previous year (TABLE 01 of **Annex 1** and MAPS 01 of **Appendix E** illustrate the changes described).

3. In terms of policy and administration, Peru is divided into departments, provinces, and districts. At present, Peru has 24 departments, 196 provinces, and 1874 districts, out of which 11 departments, 66 provinces and 399 districts are totally or partially located in the Amazon. Table 1 summarizes all information related to the forest and non-forest surface area in the Peruvian Amazon.

4. At national level, **Loreto** is the department with the largest tropical forest (Amazon) surface area with more than 35 million hectares (ha), followed by Ucayali with more than 9 million ha, while Junin is in the seventh position with 1,8 million ha. Between 2001 and 2018, San Martin, Loreto, and Ucayali were the departments which lost most in terms of tropical forests. In 2018, those who suffered the most deforestation were Loreto (26,203 ha.) and Ucayali (25,991 ha). As far as forest loss in 2018, Loreto ranked first, followed by Ucayali, while Junin ranked seventh.

5. At provincial level, considering the three provinces within the scope of the Project, the province of **Satipo**, in the department of Junin, ranked fourth in terms of accumulated forest loss nationwide between 2001 and 2008, while the province of Atalaya, in Ucayali, ranked eighth with 81,409 ha. and the province of Nauta, in Loreto, came in twenty third with 34,769 deforested ha. In 2018, Atalaya showed losses similar to those of Satipo, coming in sixth and seventh positions respectively, while the province of Nauta, in Loreto, came in twenty sixth.

**6. The Atalaya and Satipo**, provinces which belong to the Upper Ucayali-Inuya Landscape **Paisaje Alto Ucayali-Inuya**, suffer a significant forest deforestation and degradation problem, while the

province of Loreto Nauta, located in the Tigre-Mara?on Landscape, does not show any major evidence of forest loss. Therefore, at the level of the **Tigre-Mara?on and Upper Ucayali-Inuya landscapes**, the greatest forest loss occurs in the Upper Ucayali-Inuya landscape, whose historical forest loss rates widely exceed those of the Tigre-Mara?on area, as shown below:

**Table 1** Forest, Non-Forest, Hydrography and Loss between 2001-2018 within a Landscape (ha)

Ni	Name of Landscape	Forest 2018	Non Forest 2000	Hydrography	Loss of Forest Ha 2001 - 2018
1	Upper Ucayali-Inuya	4,284,595	524,251	150,801	226,115
2	Tigre ? Mara??n	7,175,540	70,491	165,071	32,719

Source: Forest Conservation and Climate Change Mitigation National Program, Data up to 2018 (GEOBOSQUES, MINAM).

7. However, the Tigre-Mara?on landscape has hydromorphic ecosystems with high contents of carbon, which are being degraded and need to be preserved.

8. Worth mentioning is that these landscapes, which comprise 9 Protected Areas (PA) have an outstanding environmental value. Overall, the two landscapes include 7 Natural Protected Areas nationwide (NPA), 1 Regional Conservation Area (RCA), and 1 Territorial Reserve for Indigenous Peoples in Isolation and Initial Contact<sup>[3]</sup>.

9. The **Tigre-Mara?on landscape** includes two national level NPAs (the Pacaya Samiria National Reserve and the Pucacuro National Reserve) and one RCA (Upper Nanay Pintuyacu Chambira). In addition, part of the Pastaza-Mara?on peatlands are located in this area, and store 32% of the carbon stock of the whole of South America, and 3,5% of that contained in all peatlands around the world<sup>[4]</sup>. Estimates indicate that if 1% of this area was affected (35,000 ha), approximately 115 million tons of equivalent CO<sub>2</sub> could be emitted; this figure way exceeds the climate target Peru has committed to before the United Nations, and would have great repercussions worldwide<sup>[5]</sup>.

10. The **Upper Ucayali-Inuya** landscape includes 5 NPAs (El Sira Community Reserve, San Matias San Carlos Protection Forest, Otishi National Park, Ashaninka Community Reserve, Upper Purus National Park) and 1 Territorial Reserve for Indigenous Peoples Isolation and Initial Contact. Details of these PAs are provided in **ANNEX 2**. The area of influence of the El Sira Community Reserve is the most affected by degradation processes, mainly due to illegal logging and change of land use caused by illicit activities carried out in the Pachitea Basin and in the mid-Ucayali districts of Iparia and Masisea; followed by the area close to the Ashaninka Community Reserve and the Otishi National Park in Satipo, and the area of influence of the San Matias San Carlos Protection Forest in Oxapampa<sup>[6]</sup>.

11. These areas also have great socio-cultural importance. Indigenous peoples in isolation and initial contact<sup>[7]</sup> have been sighted north-east of the province of Loreto. Part of the proposed Napo Tigre Indigenous Reserve is found in the area of interest. It partially overlaps with the Pucacuro National Reserve and some native communities. The Indigenous Reserves of Murunahua and Mashco Piro are found in the Upper Ucayali-Inuya landscape; they were established in 2016 as intangible areas for the protection of indigenous peoples in isolation and initial contact in the communities of Mashco Piro, Murunahua, Mastanahua, Amahuaca, Chitonahua and others living



in those areas. Both indigenous reserves are part of the Purus Manu Conservation Corridor; Maschco Piro totally overlaps with the NP Upper Purus, thereby increasing its level of protection. This is why the Project will only focus on enhancing the Murunahua management.

### **Main Causes of Forest Biodiversity Loss**

12. According to the National Strategy on Forests and Climate Change (ENBCC, 2016), the proportional distribution of different activities causing deforestation nationwide is the following: Agriculture: 51,9%, Livestock: 39,9%, Illegal mining: 5,8%, Coca crops: 2,3%, Infrastructure and Extractive Industries: 0,3%. Available information suggests that the causes of deforestation and degradation of ecosystems in the area of intervention are similar, the structure being slightly different<sup>[8]</sup>. Existing evidence shows deeply rooted causes beyond agriculture, mining, infrastructure, illegal logging, and other activities. These causes support the theory of change contained in the Amazon Sustainable Landscapes Program.

**13. a. Inadequate allocation or planning of land use**, in other words allocating productive uses to areas that should otherwise be preserved. The productive uses referred to are agriculture, livestock, timber harvesting, mining, hydrocarbon exploitation, road and power infrastructure, and human settlements. The dominant process within the scope of the Project -and in the Amazon in general- is the change of land use, from forest to small or medium scale agriculture. This activity includes high rotation crops and generation of income in the short term, such as grain production; medium term commercial crops, such as papaya and bananas; and perennial crops, such as cocoa cacao, coffee, and palm trees.

14. This deforestation is driven by agricultural production. Income is obtained by selling timber taken from the felling of complementary forests; such wood is not used in any significant way. Once established, agricultural workers may request titles of possession with which they may later on obtain ownership titles. This represents a perverse incentive promoting forest conversion into agricultural lands. Large-scale farmers not only have access to the land through small and medium size producers, but also through the direct adjudication of vast areas of land for perennial crops such as oil palm trees. This is evident in the Upper Ucayali Inuya landscape. The affected forest area is partly a primary forest and partly a well-developed secondary forest, which has grown again after having been felled. Farmers use agricultural felling and burning techniques causing the soil to lose its fertility; moreover, new lands are turned into grasslands or perennial crops.

15. The expansion of the agrarian frontier is one of the most relevant deforestation factors in the Upper Ucayali Inuya landscape, particularly due to migrant population from the central and southern mountainside. The area most impacted is the Satipo province, located in the central jungle; this area is easily accessible to Andean migrants, where authorities have been readily granting titles or allocating rights over the land. In 2014, land used for farming purposes in this province exceeded land capacity by 247%, thus generating conflicts for land use and invasion of indigenous territories and NPAs. In the Upper Ucayali - Inuya landscape, coffee plantations that do not follow any environmental sustainability criteria are of concern. In Atalaya, coffee, cocoa, and bananas are the main crops leading to deforestation. In the Imiria RCA, Servindi has reported that a native community in the area "denounced the expansion of irrigated rice crops, planted, and harvested with the use of machines".

16. The establishment of grasslands for cattle and sheep farming has led to the initial *de facto* occupation of open access areas, the felling of trees, and the planting of pastures. The main purpose in their establishing pastures is land grabbing and speculation. Interested in diversifying into new crops, medium-size producers, who have the necessary resources to continue investing in livestock, tend to buy land from small livestock producers to sell to large scale breeders, thus generating working opportunities for small local producers and new migrants.

17. The legal extraction of non-renewable natural resources such as mining and oil is also linked to deforestation and degradation processes. These activities directly result in the felling of trees. Moreover, the extraction of resources and infrastructure encourage immigration and agriculture in regions covered by forests. These activities have been increasing in the Peruvian Amazon. In the Tigre-Mara?on landscape, this activity has mainly affected the Pacaya Samiria National Reserve and its buffer area, as well as the buffer area of the Pucacuro National Reserve (blocks 39,67 y 192). Worth noting is the impact caused by hydrocarbon exploration and exploitation of blocks 108<sup>[9]</sup> and 57. This hydrocarbon activity also has a negative impact on the San Matias San Carlos Protected Forest (PF). Hydrocarbon activities also affect the Mascho Piro territorial reserve. The construction of the CCPF-Andoas oil pipeline and diluent line is planned<sup>[10]</sup>.

18. Roads and energy infrastructure development projects also contribute to deforestation. In the Peruvian Amazon, the construction of new infrastructure and the enhancement of the existing one have had direct impact on ecosystems. Planning often focusses on the effectiveness and efficiency of this new infrastructure without taking into account its potential impact on ecosystems, such as its direct occupation (felling of trees) and fragmentation. In addition, and in a more indirect way, the construction of infrastructure has triggered uncontrolled migration towards areas previously inaccessible. This has resulted in an increase in land grabbing, deforestation, and inadequate extractive activities.

19. At present, there are 96,500 km of roads in the Peruvian Amazon. This figure is expected to increase considerably in the coming years, since major roads are currently being planned<sup>[11]</sup>. To-date, the following infrastructure works have been undertaken in these territories:

- Upper Ucayali Inuya landscape: Villa Rica - Puerto Bermudez National Road, crossing the San Matias- San Carlos Protection Forest.
- The Atalaya ? Satipo road in the Junin region: has allowed more mobility of people and products, and has boosted the dominant economic dynamic, including the illegal trafficking of wildlife.
- The motorized trail connecting Tournavista to Santa Cecilia de Pacache-Iparia: has impacted the El Sira Community Reserve.
- The construction of new access roads between 2017 and 2018 caused the deforestation of 353 ha. in an area north of the Imiria Regional Conservation Area, as reported by the MAPP<sup>[12]</sup> (Monitoring of the Andean Amazon Project).

20. In addition, other ecosystems in the area of intervention are at risk due to the following infrastructure works either planned or under construction:

- The Marañon-Pastaza landscape is threatened by the construction of the 220 KV Moyobamba-Iquitos Transmission Line and Associated Substation[13] and the Iquitos-Saramiriza road project.
- The Upper Ucayali - Inuya landscape is also threatened by the Paquitzapango Hydroelectric Project[14].
- The Mascho Piro territorial reserve is threatened by the Pucallpa-Cruzeiro do Sul and Puerto Esperanza-Iñapari road projects, as well as by the Brazil-Peru Transcontinental Railway Project.

21. Urban development has also resulted in the occupation of lands with high environmental value. Moreover, it is also the starting point for productive activities causing deforestation and degradation of valuable ecosystems. In the area of intervention, the cities of Atalaya and Satipo are growing rapidly and strongly; however, this growth is not the result of adequate planning. The city of Atalaya has become a main port for transportation of goods and supplies necessary to operate the Camisea gas project-the most important hydrocarbon project in the country. The city of Satipo directly connects with the cities of Lima, Cusco, and Ucayali. Therefore, it is a strategic commercial enclave and the starting point for spontaneous colonization. Other human settlements have also been taking over more land for residential and productive purposes (industries and services), without any planning taking into account the main ecological structure.

- 22. b. Unsustainable use of landscapes.** While land use may be well allocated, land is<sup>[15]</sup> not necessarily exploited in a sustainable manner. In the intervention area, agricultural practices tend to be inefficient and unsustainable, and use agropollutants. A few exceptional cases in Atalaya may be identified, with certified coffee and cocoa crop initiatives (or potentially eligible for certification). Harvest methods for "*aguaje*" (*Mauritia flexuosa*)- a native swamp palm-are particularly worrisome. The pulp of "*aguaje*" has high nutritional value. According to the Loreto Regional Government, there are more than 5 million hectares of "*aguaje*" in the region, of which only 69 thousand are held under management plans. Most of the "*aguaje*" fruits are harvested by cutting the female palm trees, therefore continuously increasing the area of degraded and non-productive *aguajales* (swampy forests dominated by "*aguaje*"). It is estimated that 24 thousand female "*aguaje*" palm trees are felled every year in Loreto only to satisfy local demand.

23. Excessive commercial fishing is also degrading the Peruvian Amazon ecosystem. The Ashaninka Community Reserve is a clear example of this, where commercial fishing during the fish migration season is depleting fish stock for neighbouring communities. In addition, overfishing has caused fish stock for human consumption to drop considerably in the Pacaya Samiria National Reserve. The same has occurred with other regionally important species like arapaima (*paiche*) and arowana (*arahuana*).

24. Mining and hydrocarbon exploitation activities tend to be carried out following non-sustainable methods. Tailings generated by mining operations are not often treated adequately, thus contaminating soil, water bodies, and particularly, in the case of hydrocarbons, polluting the air. In the Pacaya Samiria National Reserve, oil spills have been detected along the crude oil pipeline. In September 2019, the Ombudsman's Office in Loreto reported on social conflicts linked to the contamination of indigenous territories as a result of oil operations. The

Apurimac and Quempiri Rivers at the Otishi National Park have been contaminated with chemical products used to produce cocaine base. Lastly, when operations end, platforms are abandoned and no remediation operations are carried out on the site.

25. In addition, new infrastructure is often built without taking actions to minimize the impact on ecosystems; this brings about massive land movements and felling of trees without adequate waste treatment and disposal, resulting in soil, flora, and water body contamination. Frequently, infrastructure design does not consider actions to minimize environmental impact, but rather includes little green infrastructure and poor waste management which cause pollution. Furthermore, such designs do not foresee any compensatory strategies to favour connectivity.

26. Quite often, urban projects are not only developed in inadequate areas, but are also implemented without taking measures necessary to decrease environmental impact. Solid and liquid waste management at human settlements is a matter of great importance. In most cases, waste is disposed of without any treatment, thus contaminating soils, water, and air. In the province of Satipo, several rivers meet in their downflow from towns and villages in the Andes, and receive hundreds of effluents from mining operations<sup>[16]</sup>. They all flow into the Tambo river which is infested with waste. The Tambo and Ene rivers in the Otishi National Park are threatened by untreated sewage waters coming from cities in the highlands of Peru, thus dwindling fish population.

27. In addition to unsustainable practices, ecosystems degrade in areas of intervention due to the little integration of certain landscape categories. In other words, protected areas, buffer areas, and indigenous territories are not managed in an integrated manner and their functional links are therefore overlooked.

**28. c. Development of illegal activities:** In addition to the abovementioned factors (which may be to some extent formal or legal), we have to consider those activities which are openly illegal, such as illegal mining, illegal logging, illegal traffic of flora and wildlife, and coca production. Illegal mining has increased over the past years because of the rising price of gold. In the Amazon, this activity is usually carried out by individual miners using rudimentary tools. Estimates indicate that more than 116,000 ha of critical wetlands<sup>[17]</sup> have been degraded in the department of Madre de Dios as a result of these activities. In August 2019, two dredgers were destroyed at the Upper Nanay RCA in the Tigre-Mara?on landscape, apparently because a community within the RCA was hosting illegal miners and loggers. Illegal mining is also increasing at the Upper Ucayali - Inuya landscape. The impact of these illegal practices is substantially stronger than those of legal mining.

29. Illegal logging and flora and wildlife trafficking, also affecting endemic and endangered species, contribute to deforestation and degradation. Selective cutting of trees with high commercial value is one of the first impacts in the land use change process. Illegal selective timber harvesting operations adopt cutting practices which severely impact the rest of the forest, thus creating favourable conditions for degradation processes based on the destruction of low forest strata; the forests are consequently more vulnerable to fire and invasive species. Like illegal timber trade, illegal capture and trading of wildlife species threaten biodiversity in the region. Poaching activities are key elements to understand this complex reality because of their illegal nature and

their occurring on rugged terrain with a broad diversity of species. In September 2019, social conflicts connected to violent acts committed by illegal timber loggers were reported in Satipo. In Atalaya, there is a strong incidence of illegal logging affecting the territories of native communities. People in this area are strongly engaged in timber activities, but do not generate any added value and have to endure long hours of river transportation which ultimately discourages any sustainable forest management. The Inuya river basin needs to be protected against illegal logging for several reasons: it is the most important basin in the Upper Ucayali - Inuya landscape; its inhabitants are peoples in initial contact; it is an area of influence of the Murunahua Indigenous Reserve for peoples in isolation; and it is located on the western edge of the Purus-Manu conservation corridor. The extraction and illegal trading of the taricaya turtle (*Podocnemis unifilis*) at the Pacaya Samiria National Reserve are of great concern. The illegal trade of taricayas and their eggs is also worrisome at the High Nanay-Pintuyacu-Chambira RCA, particularly in the Pintayacu river.

30. The illegal production of coca is also worth mentioning. Drug-trafficking is a growing activity in the areas of intervention; new coca plantations have been detected in the High Nanay Pintuyacu Chambira RCA and in the lowlands of the Tigre river, only a few hours away from the buffer area of the Pucacuro National Reserve<sup>[18]</sup>, in the Tigre-Mara?on landscape. Coca plantations are increasingly impacting Atalaya. In Satipo, indigenous peoples are exposed to continuous invasions of their territories by illegal loggers and settlers engaged in coca farming for illegal trafficking. The Lima-Satipo-Lima road is one of the main routes used for the illegal trafficking of wildlife and other illegal forest products. Drug trafficking activities have taken over less accessible areas of the San Matias San Carlos PF.

**31. d. Vulnerability of territories and communities to climate change. This situation contributes to forest degradation and deforestation in the Peruvian Amazon region, home to peoples and ecosystems that are highly vulnerable to the adverse effects of climate change. This vulnerability results from several factors such as poverty, little coordination with authorities, weak development governance, and a productive baseline affected by climate factors, inter alia.**

32. According to the Third National Communication (TNC) issued by the Ministry of the Environment (MINAM, 2016), temperature in the Peruvian Amazon has increased by 0,09°C every decade since 1965; recent studies have shown a decrease in rainfall since 1970 and a significant increase in the duration of the dry season since 1980. More frequent and more severe droughts have occurred in the past decades causing forest fires. It is estimated that tree mortality during droughts increased by 400% compared to normal years. Over the past three decades, there has been an increase in the mortality rate of biomass in the Amazon, causing forests to lose their capacity to absorb CO<sub>2</sub>. Only between 2005 and 2014, two historical droughts and three catastrophic floods have occurred. Moreover, the TNC states that rainfall outlooks vary between +10 % to -25 %, depending on the climate model used. Research conducted in 2013 shows slight increase in flows during the rainy season and significant drops in flows of the main Amazon rivers during the dry seasons, which would mean a longer dry season in the future. Warmer and drier conditions could also bring about irreversible damage to the Amazon forest; this reinforces the hypothesis of a possible ?savanna effect? on the Amazon. Overlapping climate and vegetation models have in fact predicted a shift from a tropical to a savanna type ecosystem during the second half of the XXI century.

33. On the other hand, the TNC reveals that, while there is still much uncertainty about the possible collapse of tropical forests in terms of intensity and scope, the water stress increase during dry seasons predicted to occur by the end of the XXI century and the increase of evapotranspiration would lead the Amazon to having a climate more favourable to a seasonal forest than the tropical forest we have today. This is a highly risky scenario, considering the important role the Amazon forest has in regulating the atmospheric humidity throughout the region.

34. Another risk associated to the loss of the Amazon forest is related to the vital role forest play in carbon sequestration and global carbon balance. The TNC reveals that years experiencing extreme droughts (producing forest fires) cause the Amazon to release higher amounts of CO<sub>2</sub> into the atmosphere than those it captures. More frequent extreme droughts and deterioration of tropical forest would turn the Amazon region into a permanent source of CO<sub>2</sub> emissions, thus increasing greenhouse gas (GHG) concentration in the atmosphere. This situation would be further exacerbated by potential changes of land use in the Amazon as a result of human activities, such as deforestation, expansion of agriculture, etc.

35. These changes in the climate variables could have direct or indirect adverse impacts on the Peruvian Amazon forest. The increase in temperature and the decrease in rainfall would directly impact the survival of certain endemic species; at the same time, they could favour the dispersion of invasive species. Moreover, the projected climate change directly increases the risk of more frequent, longer, and harsher forest fires. These have recently impacted several national parks in the area of intervention, such as the Otishi National Park. Likewise, the projected climate change could increase degradation in water bodies: as water evaporation increases, there are more pollutants mainly from mining and hydrocarbon related activities. Additionally, climate change (and its consequences such as the spread of pests and diseases) is expected to negatively affect yields of agricultural and livestock activities performed by people in the Peruvian Amazon region. Indirectly, these changes could drive deforestation as agriculture and livestock could be regarded as alternative sources of income, and thus larger surface areas would be used for these activities to compensate for the drop in forest productivity.

36. Maps 6 and 13 of Appendix E provide graphs showing these deforestation and degradation factors of the Amazon ecosystems in the area of intervention. **ANNEX 02** provides details on the abovementioned aspects, including information on the threats for each PA: Natural Protected Area, Regional Conservation Area, and Territorial Reserve in the area of intervention<sup>[19]</sup>.

### **Main Barriers**

37. Ecosystem degradation introduces a number of barriers to planning, management, and sustainable use of Amazon landscapes in the area of intervention. These may be grouped into: i) institutional weaknesses; ii) protected areas system; iii) economic aspects; and iv) information and knowledge management.

38. i) **Barrier 1: Institutional Weaknesses.** As shown in section 6b, Peru has made significant progress in developing its legal framework and public policies for sustainable development during the past twenty-five years. The Ministry of the Environment was created a decade ago at the highest level of government. This agency is responsible for promoting the environmental management agenda in all sectors and at all levels of the State. Moreover, the creation of the

National Forest and Wildlife Service (SERFOR), the Agency for the Supervision of Forest Resources and Wildlife (OSINFOR), and the transfer of functions and duties to regional governments have assigned different forest related responsibilities both horizontally and vertically, in order to promote the sustainable management of forest and wildlife resources. To achieve this goal, Peru has several decentralized territorial planning tools, including the Regional and Provincial Concerted Development Plans, the Economic Ecological Zoning (EEZ) Plans, and the Forest Zoning (FZ) Plans. The forest zoning process contains 4 modules and is currently being implemented throughout the country, mainly in the Amazon; it is binding for the granting of forest harvesting rights. The Forest Zoning Plan was approved by the current Forest and Wildlife Law (29763) and complements the EEZ Plan. Among the various management tools, we can mention: water resource management plans for basin management; forest and wildlife management plans to grant forest concessions and permits; master plans for natural protected areas; and native communities' life plans.

39. At the regional level, there are several planning instruments for the Environment sector, such as the Regional Climate Change Strategy (ERCC) and the Regional Strategy for Biological Diversity (ERDB), which are not being implemented as expected<sup>[20]</sup>.

40. At the institutional level, and taking into account the diverse stakeholders involved in land management, the country has developed a number of institutional coordination platforms. Their goal is to closely coordinate the work of water resources management councils, environmental commissions (national, regional, and municipal), regional conservation systems, oversight and monitoring regional roundtables, and national and regional forest roundtables.

41. Despite all the progress achieved, there are important **institutional barriers** to the conservation and sustainable use of Amazon ecosystems in the area of intervention. There is a need to develop planning policies and instruments, and to enhance existing ones:

? Not all of the necessary policies and planning instruments are in place. For example, and within the scope of the Project, a significant area does not have a EEZ (particularly in Loreto) or a FZ (particularly in Junin). Other instruments, such as the Assignment in Use Contracts for Agroforestry systems, essential to restore degraded areas, have not been used either. Moreover, no plans have been developed to prevent forest fires.

Some of the existing plans and policies are short-term and will expire in 2021 or 2030; consequently, it is very difficult to develop any strategic planning thereafter.

42. At present, some of the existing plans and policies, such as EEZ, FZ, master plans for PA, the river basin life and management plans are elaborated independently, and are not necessarily compatible or coordinated with each other either at a horizontal or vertical levels; compromising as a result the sustainable management of the Amazon. There are indeed important inconsistencies in terms of planning in the areas of intervention.

43. In addition, spaces, platforms, and incentives for the exchange of information and the joint and coordinated planning and implementation are very weak.

44. The internal organization of some regional governments is not efficient.



There are still some forest related functions yet to be transferred to regional governments; to date, they are still under the purview of SERFOR.

While there are few inter- and intra-sectorial dialogue and consultation spaces, these are not available at all levels. For example, Loreto Nauta does not have a forestry round-table; Loreto and Ucayali do not have spaces to promote non-timber products; the RAMSAR site, located in the Loreto landscape, does not have a local Management Committee promoting its conservation and categorization; and the Project's landscapes do not have any River Basin Water Resources Councils.

45. Availability and exchange of information is also weak. Forest and wildlife records, necessary to create forest and wildlife production statistics, are inadequately managed. This is particularly noticeable in the records related to non-timber forest products.

46. As far as monitoring of natural resources and the enforcement of policies is concerned, laws and regulations, the country has made progress in monitoring its forests; however, the area of intervention does not have enough Community Oversight Committees (COC) in territories occupied by native communities. These communities require much support to be set up and to be able to operate and coordinate their activities with the government. In the area of intervention, there are barely 27 of those communities in Atalaya and 10 in Satipo. No detailed information is available for Loreto Nauta.

47. While this situation is more evident at a national level, coordination between Peru and other countries sharing the Amazon (*i.e.* Ecuador in the Tigre basin and Brazil in the Yurua basin) is quite weak.

48. ii) **Barrier 2: Weaknesses in the protected area management system.** Ever since the establishment of the National System of Protected Areas, Peru has made considerable progress in preserving its natural heritage. At present, there are 75 areas under national administration plus 25 regional conservation areas and 136 private conservation areas<sup>[21]</sup>. Moreover, certain areas in the Amazon have been declared territorial reserves by the State in order to safeguard the well-being and survival of indigenous peoples in isolation. Entry to these areas is strictly forbidden; as a result, they operate as highly protected areas<sup>[22]</sup> and contribute to ecological connectivity. As mentioned earlier, the intervention zone includes 2 national parks, 2 national reserves, 2 community reserves, 1 protection forest, 1 area of regional conservation, and 2 territorial reserves, covering an area of 5,8 million ha. *i.e.* 40,5% of the surface area of both landscapes.

49. Peru has classified vast areas with high environmental value as Protected Areas (PA). These include Natural Protected Areas from the National System of Protected Areas (SINANPE) and Other Effective Area-based Conservation Measures (OECMs) to foster their conservation. Additionally, Peru has made great efforts to restore certain natural areas with great potential in the intervention zone. Between 2007 and 2019, the government generated 255 projects (whether approved or feasible) to recover ecosystem services, with a total investment of USD 272,4 million. Twelve (12) projects have been implemented in Loreto totalling USD 31,6 million, 9 projects in Ucayali totalling USD 9,4 million, and 19 projects in Junin (between the Andes and the Amazon) totalling USD 29,1 million.



50. Some of these investments have yielded excellent results. As of 2004, several institutions have deployed efforts to restore 1,000 ha in Coronel Portillo, which were seriously degraded by effects of exotic pastures<sup>[23]</sup>. At present, more than two million different tree species have helped recover the area; this is the first experience of the type to receive the Verified Carbon Standard (VCS) certification<sup>[24]</sup>. This practice has been replicated at the 'Cultivated timber' project, which also captures other experiences. Additional efforts have been made to grow native passion fruit and thus recover deforested and degraded soils in the district of Nauta-Loreto.

51. Despite these efforts, the management of natural heritage in the area of intervention is still very limited. First, there are very few areas covered by any type of protection; there are even some areas with high environmental value which lack any protection whatsoever<sup>[25]</sup>. The government has identified new areas, but has not yet assigned any conservation category to them. Other Effective Area-based Conservation Measures (OECMs) have not been promoted enough. Moreover, some of the protected areas do not have the necessary protection level. Such is the case of the Pastaza River Wetland Complex, declared RAMSAR site in 2002 in an area covering 3,8 million hectares<sup>[26]</sup>. This is the only RAMSAR site out of the 13 in Peru which does not have a management tool.

52. Moreover, PAs management may be improved. Though management capacity of some PAs has been reinforced, as is the case in El Sira Community Reserve and San Matías-San Carlos Protection Forest, PA managers permanently face financial constraints and limited management capacities affecting monitoring and surveillance activities. Though some progress has been achieved nationwide, it is not enough. The Peru Natural Heritage Initiative<sup>[27]</sup> is worth highlighting; however, the situation in regional and private areas is still very serious.

53. Moreover, connectivity among most of the existing protected areas is limited, and there is very little integration among PAs and their buffer zones and areas of influence. However, some progress has been made in some PAs, such as CR El SIRA and the PF San Matías San Carlos, where concerted development plans focusing on integrated territorial management have been implemented to promote economic activities which are both sustainable and resilient to climate change<sup>[28]</sup>. These initiatives are however, very unusual. In Peru, and more specifically in the area of intervention, only one landscape perspective has been implemented which includes areas covered by some level of protection, buffer areas, and indigenous territories. This landscape favours ecological connectivity, management synergies and economies of scale. In fact, and as mentioned earlier, regional and provincial concerted development plans, as well as master plans for PAs and life plans of indigenous communities are not compatible with each other, and no comprehensive landscape management plans are in place. This endangers the survival of the cultural heritage of some indigenous peoples, especially those in isolation and initial contact.

**Component 2** will try to eliminate, or at least reduce, those barriers linked to PAs and the comprehensive landscape management.

54. iii) **Barrier 3: Insufficient and inadequate mechanisms and markets to properly assess forest and wetland services and products.** This brings about perverse incentives to destroy the Amazon biomass or turn it into grasslands or commercial monocultures. Quite often, these activities do not benefit local communities; on the contrary, they seriously affect land ownership and the social and environmental well-being of indigenous peoples. As far as services is concerned, there is some history of good practices at the high basin of the Nanay river mainly serving the city

of Iquitos; with its 450,000 inhabitants, it is the most populated city in the area of intervention. In 2014, a compensation mechanism for ecosystem service (CMES) was established in this basin covering 1,7 million hectares. This mechanism was linked to the conservation of water sources, *i.e.* to the water cycle regulatory service and the supply of sufficient and good quality water. The utility company obtains funds necessary to operate this mechanism through the water revenues. Some bottlenecks to using the fund have been identified, among them are: the lack of clarity on which body is responsible for making investment decisions; the poor capacity to formulate Public Investment Projects (PIP); the time and financial resources required prior to approval by the Ministry of Economy and Finance; the lack of clarity on the legal structure the platform should adopt for good governance and the lack of resources to fund these platforms; the little interest shown by the private sector to contribute financially to support the mechanism; and the lack of baseline water studies to facilitate water monitoring activities<sup>[29]</sup>. Moreover, in Satipo, the SATIPO ? CAC Satipo Agricultural Cooperative and the ECOTIERRA organization implement a compensation mechanism for carbon sequestration through afforestation with cocoa and shade-grown coffee, thus involving 12,111 ha and 3,495,692 tCO<sub>2</sub>e of reduced emissions estimated throughout the lifecycle of the Project. However, the only affiliated of the PA in the prioritized area is Alto Nanay.

55. Peru has also been promoting eco-businesses (businesses based on natural supply) and bio-businesses (biologically diverse products obtained under environmental sustainability criteria)<sup>[30]</sup>. In 2018, USD 483,000,000 worth of Peruvian native biologically diverse products were exported. It is estimated that exports of these products will increased by more than 20% in the coming years, which would represent an additional USD 120,000,000. Peru has promoted this in several ways:

- In 2015, the National Biocommerce Strategy was approved, together with its action plan by 2025. Its main objective is to promote and support the creation and consolidation of businesses based on biodiversity, through product research and innovation; this is obtained through the application of environmental, social, and economic criteria.
- To this end, the National Commission for the Promotion of Biocommerce was created. It is formed by entities from the public and private sector as well as from the academia. MINAM supports its operations. In february 2020, guidelines for the identification and promotion of eco and bio-businesses were approved by MINAM.
- The Ministry of Production has created a network of Productive Innovation and Technology Transfer Centers (CITE) throughout the country, including the area of intervention. CITEs provide technical assistance, promote and disseminate technological innovations and production standards for products based on renewable resources. Three CITEs are linked to the area of intervention: the Maynas Productive CITE in Loreto, the Forestry and Fisheries CITE in Ucayali, and the national CITE for Handicrafts.
- At the same time, and aiming at promoting exports and obtaining other benefits, Peru has fostered commercial agreements incorporating the promotion of bio-businesses, ecosystem services, and environmental safeguards. MINCETUR also pushes forward a series of IT platforms to enhance biocommerce internationally.
- Regional and provincial governments have also fostered bio-businesses. The regional government of Loreto (GOREL) has been promoting productive chains for cocoa, *camu camu* (*Myrciaria dubia*), palm tree, *aguafe* (*Mauritia flexuosa*), and *paiche* (Arapaima, the largest freshwater scaled fish in the world)<sup>[31]</sup>, thus promoting their transformation and increasing their added value.

- At the Upper Ucayali landscape, the National Commission for Development and Life without Drugs (DEVIDA) and several other cooperation projects currently support the development of value chains based on cocoa and organic coffee as means to rehabilitate native communities degraded lands. These communities have grouped themselves into cooperatives to produce, transform, and trade their products.
- In fact, a growing number of companies and communities is currently investing in the harvest and sustainable capture of the abovementioned resources, and is obtaining high quality standards and high added value. To promote these activities within protected natural areas, SERNANP has designed the trademark named 'Ally of Conservation', and has been working in favour of forest products in PNA and buffer areas, seeking to strengthen the value chains and commercial interactions. Additional cooperation is required in this area.
- At a regional level, the Inter-American Development Bank will administrate the Fund and lead efforts towards sustainable development and bio-economy in the Amazon, emphasising on the participation of the private sector to develop the region.

56. Despite the many efforts, progress, and opportunities, most of the natural products in biodiversity are being exploited in a non-sustainable manner; they are traded with little or no added value; they are not integrated in value chains, and have very little access to quality markets and sustainability criteria. In protected areas, where sustainable harvesting of renewable resources is allowed (most of the resources are renewable), low profitability of the value chains result in very few economic incentives for conservation. This is partly the reason for which PAs lack financial sustainability models. Financial incentives have been poorly developed even in areas where zoning activities have been implemented, such as Loreto and Ucayali; consequently, they have not promoted investments which would raise the value of natural resources and make them competitive. Development plans do not consider any economic and financial mechanisms of incentives to promote sustainable development. Investment and further support to the development of sustainable-based commercial proposals are still very limited. Public-private partnerships are scarce. The market for sustainable products have not been well developed in the country and there is very little connection with international markets for ecologically-friendly products. The prevailing commercial practice is to price forest products as raw material. Another standard practice is to mistake them for farming products demanding large supplies with little added value, thus threatening ecological soundness. This adds to poverty and cultural isolation of these communities. The need to secure urgent basic income often triggers medium and long-term counter-effective practices, while cultural isolation hinders interconnection to markets and access grievance mechanism. Vulnerability to climate change further worsens the situation of some of these social groups. These barriers will be described under **Component 3** of the Project.

57. iv) **Barrier 4: Poor knowledge management, lack of environmental awareness, lack of systematized information, and limited technical capacities**, and failure to share many lessons learned. All of this severely limits sustainability and the possibility of achieving better results, and causes recurrent errors. Broadly speaking, key sectors are now fully aware of the importance of services provided by ecosystems and the need to protect them. However, knowledge about good conservation practices is also quite scarce, including all those technical aspects related to spaces, platforms, and incentives for institutional coordination; the increase of added value; the insertion in value chains and the national and international trading aspects, including marketing skills and good economic decision making; and bio-businesses in general. These limited capacities affect different stakeholders, from national, regional, and provincial officers to local actors, such as organized

producers, native communities, and indigenous organizations. **Component 4** of the Project seeks to reduce barriers related to knowledge and information, ensuring that lessons learned during the implementation of the Project are identified, fully documented, and shared in an effective way. Component 4 will therefore promote the effective management of the knowledge required to implement the Project and derived from the Project.

58. The abovementioned causes and barriers are in line with the causes and barriers identified and structured in the Theory of Change of the Global ASL2 Program.

## **2) The baseline scenario and any associated baseline projects**

### Baseline scenario:

59. Peru has ratified the Convention on Biological Diversity and, in 2014, developed the National Biodiversity Strategy 2021. Peru also ratified the United Nations Framework Convention on Climate Change (UNFCCC), and, in 2016, approved the National Strategy on Forests and Climate Change. The country is also committed to implementing the Nationally Determined Contributions (NDC) to reduce 30% of greenhouse gas emissions (GHG) in a Business as Usual scenario (BAU) by 2030. Moreover, Peru has ratified the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Convention on Wetlands of International Importance (RAMSAR). Peru is signatory to the United Nations Convention to Combat Desertification (UNCCD) which entered into force in 1996. At a national level, Peru passed its first Framework Law on Climate Change (2018) and its regulations (2019); the Natural Protected Areas Law (1997) and its regulations (2001); the Forestry and Wildlife Law (2011) and its regulations (2015); the Water Resources Law (2009); the National Water Resources Plan (2014), and the National Wetlands Strategy (2015), among others. Peru is also a party to the Rio Declaration which addresses massive destruction of forests; the Global Restoration Initiative; the Tropical Forest Alliance; the Bonn Challenge and the Initiative 20x20, committed to restoring 3,2 million ha. It is a party to other bilateral and multilateral agreements related to the Amazon, such as the Amazon Cooperation Treaty Organization (ACTO) and the Latin American Network for Technical Cooperation on National Parks, other Protected Areas and Wild Flora and Fauna (REDPARQUES), working in favour of sustainable development in the Amazon region. Peru has signed a Joint Declaration of Intent ((JDI) with the governments of Norway and Germany to reduce greenhouse gas emissions. In addition, Peru is a party to the ASL1 GEF6 (two secondary projects: to ensure the future of Peru's protected natural areas and sustainable landscapes in the Peruvian Amazon).

### Associated baseline projects:

60. These commitments are supported by a sound base comprising 10 budgetary programs<sup>34</sup> and public investment projects<sup>35</sup> to be implemented in the targeted regions and provinces. National interventions are focused on preserving and making a sustainable use of biodiversity; ecosystems and its services, entrepreneurial development, promotion of technology and innovation, comprehensive water management, reduction of land degradation, support to commerce and tourism, amongst other activities. The national estimated investment is USD 39,2 million per year. **SEE ANNEX 03.**

61. At the level of public investment, there are a number of projects being implemented within the scope of the Project. **ANNEX 4** introduces investment projects linked to the Project's outcomes and outputs. There are USD 14,7 million intended for a five-year project in Atalaya to control erosion, preserve wild flora and fauna, and make sustainable use of forest biodiversity. Moreover, there are USD 82,8 million intended for a five-year project in Loreto to preserve forests, foster fishing production, land titling, and wildlife sustainable management. USD 8,6 million have been budgeted for a three-year project in Satipo to deal with land rights, the recovery of the water regulating services, Protected Areas, and the enhancement of the soil's productive capacity. The National Forest Service and Wildlife (SERFOR) will schedule interventions based on a national annual budget of USD 11,7 million. **SEE ANNEX 4.**

62. The **Forest Investment Program (FIP)**, to be implemented throughout a five-year period (2019-2023) and funded by the IADB, aims at contributing to achieving the target of zero net emission of GHG originating from the change of land use and forest use. The Program consists of a national level project and three territorial projects: i) PIP 01: San Martin /Loreto road Tarapoto-Yurimaguas; ii) PIP 02: Atalaya area; PIP 03: Madre de Dios road Puerto Maldonado -Iñapari and the Amarakaeri Community Reserve. PIP 02 in Atalaya, known as "enhancement of services in support of the sustainable use of biodiversity in the ecosystems found at the forest landscape of the Districts of Raimondi, Tahuania, and Sepahua, located in the province of Atalaya, in the department of Ucayali" has a component to build institutional capacities in order to preserve the forest landscape (budget of USD 2,7 million), and another component for sustainable harvesting (budget of USD 9,5 million), to be implemented throughout a five-year period (2019-2023).

63. **"Promotion and Sustainable Management of Forest Production in Peru" Investment Program**, funded by KFW, aims at "promoting forest management under sustainability and productivity criteria, thus contributing to the reduction of deforestation, mitigation of climate change, and the conservation of biodiversity in Peru". The Program consists of three projects; i) PIP 01: Enhancement of Forest Plantations; ii) PIP 02: Sustainable Forest Production in Natural Forests, and iii) PIP 03: Forest Planning. PIP 02 seeks to enhance the production and productivity of sustainable harvesting and has been assigned a budget of USD 37,8 million. PIP 03 seeks to establish forest zoning and forest planning and has a budget of USD 40,1 million. Projects 02 and 03 will directly intervene in the Upper Ucayali - Inuya and the Tigre-Marañon landscapes. The Program will start at the end of 2020 and will be implemented throughout a five-year period.

65. Moreover, there are technical cooperation initiatives and projects aiming at preserving and valuing forests. These are described in the following paragraphs.

? The "Contribute to increasing the value of forests" Project (DOI) is funded by UNDP with USD 14,860 and the Government of Norway with USD 6.62 million. MINAM is in charge of its implementation nationwide during the 2016-2021 period, particularly intervening in the Peruvian Amazon, namely Loreto and Ucayali. The purpose of the Project is to contribute to increasing the value of forests, so that they may be in a better position to counter deforestation and forest degradation activities<sup>1</sup>[34].

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? Peru Proboscis Project is funded by USAID and implemented throughout 2019-2023 with an approximate budget of USD 18 million. The purpose of the Project is to strengthen governance in the Peruvian forest sector by providing technical assistance to the relevant Peruvian government institutions; to reinforce coordination efforts through protocols and working groups; and to provide instruments and technology that will enable affected communities and civil society to be involved in the process. The Project directly intervenes in the field phase in Loreto and Ucayali. In addition, the United States Forest Service, together with USAID, is strengthening forest management through the Forest Program with a budget of USD 12 million (until 2024) and directly intervening in Loreto and Ucayali.

? Peru's Natural Heritage initiative is implemented by MINAM and SERNANP. It is intended to generate favourable conditions to effectively manage protected areas in an 11-year term, thus ensuring long-term sustainability. The first phase is focused on the Amazon, and includes 38 Natural Protected Areas, and 5 NPAs within the scope of the Project. The initiative includes two projects: 'Finance for Permanence of the National System of Natural Protected Areas in Peru' funded by the Gordon and Betty Moore Foundation and 'Securing the Future of Natural Protected Areas in Peru', funded by the sixth replenishment of the GEF with over USD 9 million. The executing agency is SERNANP (technical body) and operational partner PROFONANPE (administrative body). The goal of the latter project is to promote long-term financial sustainability ensuring the effective management of The National System of Natural Protected Areas in Peru (SINANPE) for the protection of biodiversity and the global significant ecosystem services in the Amazon biome.

? The compensation mechanisms for water environmental services (CMES) for the conservation of the headwaters of the Nanay river basin was established in 2014 in the province of Maynas in Loreto. Through this CMES, financial resources are captured, administrated and channelled for the conservation of the high basin of the Nanay river.

? The Transforming Management of Protected Areas/Landscapes Complexes to Strengthen Ecosystem Resilience Project (GEF 5080) was funded by the GEF during its fifth replenishment. It is implemented in two landscapes, one of which is the Yanachaga landscape related to the area of interest. The projects run from 2015 to 2021 led by SERNANP as the implementing partner and UNDP as implementing agency. The goal is to enhance resilience to climate change in vulnerable ecosystems found in natural protected areas and surrounding landscapes, thus securing their biodiversity, functionalities, and ecosystem services. The total funding for the Project amounts to USD 8,991,434<sup>[35]</sup>.

? **UN Cooperation Program to Reduce Emissions from Deforestation and Forest Degradation in Developing Countries- UN REDD Program.** The 2016-2020 strategic phase focusses on providing technical assistance to countries which have made considerable progress in implementing REDD+ policies, amongst which is Peru. It also focusses on managing global knowledge linked to the REDD implementation. The Project will invest close to USD 4 million by December 2020.

? **FAO-EU FLEGT PROGRAMME** provides support to public institutions, civil society organizations, representatives of indigenous peoples, and private sector organizations in the country enabling them to enhance forest governance and law enforcement. The Project offers clear information necessary to produce quality FLEGT related reports, and allows the exchange of knowledge amongst all stakeholders at national, regional, and global levels. It also has a roadmap established for Peru, which was the output of a broad consultation in 2016 among national and local actors from different regions of the country. SERFOR, OSINFOR, and other agencies from the national government also participated in the planning process. The roadmap establishes three

main lines of work: to support the private sector; to support the regional forest authority in the Loreto region (GERFOR Loreto); and to support the forest indigenous oversight authorities from the Coordinator of Indigenous Peoples in San Martin (CODEPISAM) and in Atalaya (CORPIAA).

? Other projects are also being implemented in the territories intervened. The **?Final push to protect indigenous lands in the Peruvian Amazon? Project** is funded by Rainforest Trust during the 2018-2022 period, and implemented in Maynas, Loreto by the Center for the Development of Indigenous People in the Amazon <sup>[36]</sup>. Management and Political Incidence of the Inter-Ethnic Association for the Development of the Peruvian Amazon (AIDSESP) on matters related to territoriality, deforestation and Indigenous Peoples Living in Isolation and Initial Contact ? **IPVIIC Project** is funded by Rainforest Foundation Norway and implemented by AIDSESP during the 2018-2022 period in all the Loreto and Ucayali provinces and in the Amazon province of Junin (Chanchamayo and Satipo), amongst other regions.

? **?Promoting the conservation of indigenous forests and sustainable development through the creation of Technical Community Forest Management Units in the Ucayali Region? Project** has been allocated 2,018,694.00 euros. It will be implemented by Derecho Ambiente y Recursos Naturales NGO (DAR Peru, *for its acronym in Spanish*) in association with MINAM and AIDSESP from August 2019 to July 2022. The Project will further foster coordination efforts with SERFOR, the Regional Forestry Ucayali Authority (GOREU) and the Organization of Indigenous Peoples of Ucayali (ORAU) in order to implement the Indigenous Technical Management Unit (TCFMU) and the indigenous forest control. The entire Ucayali department and its provinces are covered by the Project.

? **The GCF Project ?Building the Resilience of Wetlands in the Province of Datem del Mara?on, Loreto? (FP001)**, implemented by PROFONANPE, aims at enhancing climate resilience and livelihoods of indigenous communities living in these carbon-rich wetlands in the Datem del Mara?on province. Moreover, the Project seeks to reduce the greenhouse gases emissions resulting from deforestation. The Project was launched in 2017 and will finalize in 2022. The investment totals USD 6,2 million.

The following private sector investors, companies and guilds developing or promoting bio- and eco-businesses based on sustainable natural products, have been identified at national and regional levels. In view of their ?know-how?, their business models and level of commitment, the organizations listed below (and others that might be identified during the Project implementation) may be considered strategic allies of the Project:

? The Association of Exporters (**ADEX**), in conjunction with the International Trade Centre (ITC) and the World Trade Organization (WTO), submitted the *T4SD Hub Program* in order to promote the inclusion of small and medium size companies into a green economy. This initiative will allow Peruvian SMEs to have the necessary tools and capacities to meet the demands of environmental sustainability and have access to international markets. The program was launched in May 2019 to be implemented within 36 months<sup>[37]</sup>.

? The **Pantry of the Amazon** is a partner organization of the ?Amaz? restaurant, which specializes in traditional Amazonian cuisine, and is owned by Peruvian chef Pedro Miguel Schiaffino, one of the leaders of the Peruvian gastronomic boom. The company buys *paiche (arapaima)* from local fishermen, who are offered a premium price in order to guarantee sustainable farming of the species and to ensure that safe food supplies, with a high added value, are available for consumers. It has also developed the value chain of the ?Black Tucup??, a fermented sauce made out of *yuca brava* (cassava), and prepared following an ancestral recipe of native communities living on the banks of the Ampiyacu river, in Loreto. The Project employs 24 women from the Bora and Huitoto ethnic groups in four communities, who live in an area where



work opportunities are scarce. As a result of the intervention, the price of the Black Tucup? has increased by 100% and the product is now part of the Peruvian gastronomic offer and part of the cocktail mixing international market in England.

? **Central?** is one of the most prestigious restaurants in the Peruvian gastronomy. The company, led by chef Virgilio Martinez, promotes research and development of new products and gourmet ingredients based on sustainable products and indigenous culinary traditions. Local communities participate and benefit from this experience.

? **AJE GROUP** is an international company founded in Peru and a leader in the soft drinks sector. As part of its new line of 100% natural juices made of Amazonian fruits, AJE has developed a product called *“BIO aguaje”*. To this end, the group promoted a sustainable economic activity developed in the Abanico del Pastaza wetlands and in the Pacaya Samiria Reserve, both under the protection of SERNANP. AJE has made a commitment to Amazonian communities by which the company will only use fruits from standing palm trees, in order to ensure sustainability of the ecosystem. SERNANP has granted the brand "Aliados para la conservaci?n" certification to this *aguaje*-based beverage, and AJE has become the first company using products originating from a PA.

? **Shiwi**, is a Biocommerce initiative offering diverse delicatessen products and cosmetics made of natural raw materials, the suppliers of which own private conservation areas in the Amazon. Since 2011, and with the support of the Andean Biocommerce Project, this initiative helps preserve 1,200 ha of chestnut trees under environmental and social sustainability patterns. Shiwi works directly with the local population in the area of influence of the Tambopata National Reserve and could extend its activities to the scope of this Project.

? **Candela Per?**, Alternative Trading of Non-Traditional Products and Development for Latin America, is an alternative trading organization founded in 1989, dedicated to the transformation and commercialization of organic products, and contributes to developing and strengthening the capacities of producers in the Amazon and Andes regions. Its products are exported to 16 countries. In 2016, the initiative, together with indigenous communities of Loreto, developed value chains of Amazonian oils. It has also promoted *camu camu* from Ucayali and *aguaje*, *ungurahui*, *huasa?*, *sacha inchi oils* and *murumuru* butter from the Project areas of intervention.

? Association of Camu-Camu Producers in the Amazon-Napo and Tigre River Basins (**APPROCANT**) is an organization of indigenous people living on the riverbanks, who grow *camu camu*, *aguaje*, *ungurahui* and other fruits. These are processed at their own transformation plants, and once packed and frozen, are sold in the local markets. The main buyers are restaurants and hotels in the city of Iquitos. The APROCANT processing plant is valued at USD 320,000.

? Recursos Amaz?nicos Frutales SAC (**RAF**). It has developed protocols for sustainable harvesting of *aguaje* and a close relationship with communities supplying the fruit. More specifically, they designed a professional, lightweight, and safe palm climber, the use of which is encouraged by SERFOR. RAF sells packed and frozen pulp of *aguaje*, *ungurahui*, *huasai*, and *camu camu* to local markets, restaurants, hotels, and tourist cruise ships.

? Ashaninka Organization from the Tambo River (CART, *acronym in Spanish*) and the **Kemito Sankori** and **Kemito Ene** Cooperatives. CART and CARE are territorial organizations of the Ashaninka indigenous peoples in the province of Satipo (Upper Ucayali - Inuya landscape). CART represents 50 communities and CARE represents 18 others. Both organizations have grouped organic coffee and cocoa producers into cooperatives, covering the whole cycle from crop growing to commercialization; thus bringing about many benefits to the communities. With support from DEVIDA[38] and other partner projects, they will soon be ready to establish transformation plants to produce high value chocolate bars. There is much interest in developing premium products made



from sustainable forest products, as well as with native designs. With support from the World Bank Dedicated Grant Mechanism Saweto Peru Project, which involves 80 Ashaninka women from the Tambo river, CART is manufacturing a high quality collection of handicrafts which are now being sold at national markets.

? **Ibanko Yorin, an Ashaninka Artisan Women Association**, formed by 14 craftswomen, has opened a store in Satipo's (Junin) main square and has manufactured products and organized sales without any outside support.

? **CESAL**, a Peruvian NGO, has been working for several years in the Atalaya area (Ucayali), and has been promoting the handicrafts manufactured by women from organized native communities in the area. Moreover, it has been working on an environmental governance project, and promoting tourism in the native communities of Atalaya.

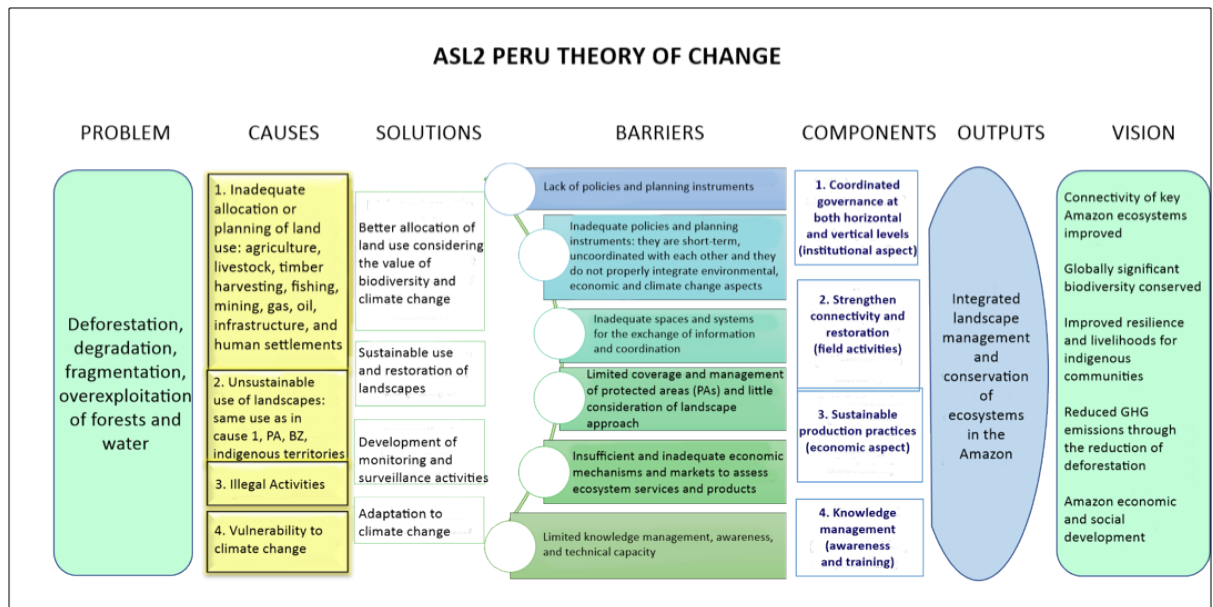
? **Nature and Culture International (NCI)** is an NGO working in the region of Loreto, promoting handicrafts manufactured by native communities. Moreover, it has an agreement with the AJE company to guide and oversee the sustainable supply of "aguaje".

### **3) The proposed alternative scenario with a brief description of expected outcomes and components of the Project and the Project's Theory of Change.**

66. The Project will operate on four strategic lines, which will catalyse the national environmental and sustainable development policies in the Amazon territory. While the Project recognizes the complexity of the socio-ecological systems and the Amazon landscapes and their impact on the political, socio-cultural, and economic dimensions, particularly concerning local livelihoods, it takes into account the underlying causes of degradation and deforestation. In view of all this, the Project will contribute to preserving wild, terrestrial, and aquatic ecosystems, so that they stay healthy, functional, and resilient to climate change, and maintain important carbon reserves, avoiding GHG emissions and generating human well-being.

67. The Project will adopt a **landscape-based approach associated with river basins**, as is generally the case in the Amazon. It will promote sustainable forest and aquatic biodiversity resource harvesting models, through strategies aiming at: (1) strengthening consistent, synergetic, and **collaborative governance** among different agencies and relevant stakeholders converging on the same territory, including neighbouring countries with whom Peru shares river basins, without affecting the sovereignty of the countries; (2) fostering sustainable management of the landscape, ensuring **connectivity** and ecological health, mainly in the area of influence of the natural protected areas; (3) fostering coordinated **value chains** with preferential markets, for all those biodiverse products under sustainable and culturally adequate management practices, which benefit local populations; and (4) managing knowledge in order to have a good decision making process and an effective project. In all cases, interventions will incorporate adaptable approaches that will consider gender equality and intercultural matters, and will act based of the goals and commitments the country has towards mitigation and adaptation to climate change. These cross-cutting approaches will have customized strategies and will be part of the Project's monitoring and assessment processes.

**FIGURE 1. THEORY OF CHANGE**



**68. Component 1 on collaborative, coherent, and synergistic governance to achieve the sustainable development of the Amazon** seeks to eliminate or reduce the above-mentioned institutional or governance barriers. This component is divided into three key aspects: (i) enhancing the policy framework and planning instruments; (ii) strengthening the spaces and platforms for information exchange and dialogue; and (iii) building the capacities of key stakeholders for planning and joint management of the landscape and providing them with tools, instruments, and platforms to do so. Specifically, this component seeks to achieve three outcomes:

**Outcome 1.1:** *Enabling conditions (plans, guidelines and instruments), and strengthened capacities for sustainable soil and water management by different sectors through land use planning and integrated management, emphasizing the local level.*

69. The Project will contribute to improve the policy framework and planning instruments for sustainable development in the intervention area, enabling the orderly occupation of the territory for a sustainable use of natural resources (outcome 1). This will include three outputs:

- ? Output 1.1.1 Land use planning instruments developed, articulated and strengthened in the Project intervention landscapes.
- ? Output 1.1.2 Instruments developed for the sustainable management of Amazon ecosystems (permits, concession, etc.)
- ? Output 1.1.3 Financial and economic mechanisms and incentives for sustainable management.

70. Through output 1.1.1, the Project will promote and accompany the development of relevant planning instruments that have not yet been developed. This will include: i) Developing instruments that contribute to the implementation of zoning (EEZ and FZ) for the sustainable management of natural resources, and iii) Developing a management plan for the Loreto Ramsar Site linked to the Regional Conservation System of this department. In addition, the Project will encourage and accompany the strengthening and articulation of existing plans adapting them to

needs taking into account current legislation. Specifically, these actions will focus on strengthening the coordination of the Concerted Provincial Development Plans (CPDP) (*i.e.* those of Loreto, Ucayali, and Junín) with the Concerted Regional Development Plans (CRDP), zoning processes, PA management, water resources, indigenous populations, and landscape connectivity.

71. Output 1.1.2 will contribute to developing instruments for the sustainable management of ecosystems. On the one hand, this will include the development of regional protocols to facilitate the implementation of national guidelines for conservation, restoration, and sustainable use of ecosystems (value chains of biodiversity products). On the other hand, the Project will develop key strategies in coordination with MINAM. This will include i) Regional level: Integrated Climate Change and Biodiversity strategies, ii) Provincial level: strategies to promote ecotourism in both landscapes<sup>[39]</sup>, iii) Provincial level: a forest fire prevention strategy in Satipo (Junín) to reduce degradation and impacts on Amazon ecosystems at the local level. In addition, the Project will encourage economic, environmental, gender, and intercultural aspects, as well as climate change adaptation and mitigation measure to be included in the plans developed for output 1.1.1.

72. Output 1.1.3 will contribute to develop financial and economic mechanisms and incentives for sustainable management. The improvement and development of economic incentives (taxes, payment of harvesting fees, financial credits, among others) and public investments for the coordination of budget programmes will be promoted, in accordance with the biodiversity conservation and restoration measures set out under component 2 and the value chains prioritized under component 3. Specifically, this output will include the development of a protocol to facilitate the implementation of funding mechanisms and the development of 4 coordinated budget programmes (PP 057<sup>[40]</sup>, 144<sup>[41]</sup>, 130<sup>[42]</sup>, 068<sup>[43]</sup>) at regional and local levels.

***Outcome 1.2 Opportunities and Administrative incentives designed and strengthened for collaborative decision-making on Amazonian sustainability.***

? Output 1.2.1 Strengthened institutional capacities of national, regional, and local governments in land use planning and natural resource integrated management with different sectors in a context of climate change.

? Output 1.2.2 Strengthened capacities of local stakeholders (organized producers, native communities, indigenous organisations, etc.) for land use planning, taking into consideration the integrated management of natural resources and development of sustainable livelihoods account the development of native communities through their territorial management instruments articulated with their life plans.

73. Component 1 will strengthen the capacities of different stakeholders as regards the sustainable development of the territory. The Project will strengthen the capacities of (i) national, regional, and provincial officials; and (ii) stakeholders, including members of producer organisations, as well as indigenous communities and their organizations. Under this component, training will focus on developing skills on land use planning and on natural resources integrated management in the context of climate change, community monitoring as well as on the use of tools, instruments, and platforms for information and consultation in view of formulating investment projects. Mainly, it will work with MINAM, MIDAGRI, SERFOR, SERNANP, regional and local governments, and indigenous organizations.

***Outcome 1.3 Information system and social and environmental monitoring and evaluation tools designed and consolidated for decision-making.***

74. The Project will strengthen the spaces and platforms for multisectoral dialogue to promote sustainable management and bio-businesses in Amazonian terrestrial and aquatic ecosystems, as well as the exchange of information, and monitoring and control actions in order to implement coordinated management of the intervention areas (outcome 1.2). This will include two outputs:

? Output 1.3.1 Dialogue platforms work effectively, improving decision-making and multi-sector coordination, using monitoring systems and promoting community monitoring in order to achieve sustainable ecosystem management.

? Output 1.3.2 Strengthened information tools to formulate investment projects.

75. Through output 1.3.1, the Project will strengthen all dialogue spaces at two levels: government and indigenous communities at the governmental level, the implementation of a Management Committee for the RAMSAR Site will be promoted in coordination with the Regional Conservation System of Loreto. Local roundtables in Atalaya and Satipo will also be strengthened by following work plans and goals in order to ensure their active participation and coordination with regional roundtables and initiatives. In addition, given that most of the landscapes covered by the Project area are inside native communities where indigenous populations live, the Project will encourage the formation of six community monitoring committees <sup>[44]</sup> and will accompany their work. This work is considered strategic in order to supplement the management, control and monitoring actions to be carried out by the government as described in the previous section, thus joining efforts to protect the Amazon territory. To this end, the Project will focus on building the capacities of indigenous communities so that they may carry out environmental monitoring and control actions, while implementing internal governance. This will strengthen their life plans and rules, improve their internal order, and encourage gender mainstreaming and intergenerational approach.

76. Output 1.3.2 will foster the development and implementation of technological platforms, applications or tools which will help in recording, consolidating, systematising, and disseminating standardised and updated information. Such information will thus be used to make decision regarding sustainable landscape management and will contribute to maintain national registries, to formulate investment projects, and to develop bio-businesses. This action will include (i) the identification and development of an appropriate format (technological application or tool) to facilitate the flow of information and the collection, systematization and exchange of information contained in forest registers regarding the harvesting of non-timber forest products in the Project's landscapes; ii) the insertion of this information into the regional platforms<sup>[45]</sup>, the National Forest and Wildlife Information System (SNIFFS), the National Environment Information System (SINIA), among others<sup>[46]</sup>; and iii) the formulation of 6 new investment projects (2 per department) as a result of a decision-making process using the data collection, systematization and exchange tools developed.

To achieve the results, work will be done with the regional and local governments, MINAM, SERNANP, SERFOR, ANA, OSINFOR, PRODUCE, DICAPI, FEMA, FFAA (CONIDA and CNOIS) among other relevant actors.

**78. Component 2 on the strengthening of Amazonian connectivity through landscapes managed as mosaics of conservation and sustainable use** seeks to eliminate or reduce barriers to the sustainable use of the landscape. This component is divided into 3 main areas: i) the establishment of new areas under appropriate conservation modalities; ii) the enhancement of existing protected areas the management practices, including their financial sustainability; and iii) the restoration of priority areas. Specifically, this component seeks to achieve four outcomes:

***Outcome 2.1** Integrated management of the territory strengthened on the basis of PAs, according to the life plans and community development plans.*

79. The Project will contribute to improve the management of existing protected areas.

This will include three outputs:

? Output 2.1.1 Strengthened capacities of national, regional and local stakeholders for the integrated management of the territory based on PAs.

? Output 2.1.2 PAs management plans, life plans and development plans coordinated in order to ensure integrated management of the territory based on PAs and local expectations.

? Output 2.1.3 PAs and OECMs improve their management capacities for landscape connectivity, within a comprehensive territorial management approach.

80. Through output 2.1.1, the Project will improve institutional and field personnel's capacities to monitor and control threats and will promote strategic alliances with communities and stakeholders in the area of influence in order to promote community monitoring. The capacities of the staff in charge of the conservation areas will be strengthened in order to manage the territory in an integrated manner- In addition, monitoring threats to connectivity in the prioritised national protected areas will be encouraged using instruments and standardized methodologies to manage the territory in an integrated manner.

81. Through output 2.1.2, the Project will generate or update<sup>[47]</sup> the management documents of conservation areas, such as master plans of national and regional NPAs, management plans linked to the production chains to be promoted through component 3, conversation arrangements associated with PA, site plans; protection plans of indigenous reserves and community territory plans, such as life plans and community development plans, while including indicators on integrated territory management and a connectivity approach between protected areas and their buffer zones and areas of influence, including indigenous territories. If and when relevant, increasing the level of protection of areas that already have some level of protection, such as the Murunahua IR, should be promoted and accompanied.

82. Through output 2.1.3, the Project will improve the management capacity of PAs through constant monitoring of landscape connectivity indicators and selected METT<sup>[48]</sup> indicators. This coordination effort will cover an area of 7,909,260 ha.

***Output 2.2** PA financial sustainability models developed and implemented*

83. In connection with the above, the Project will develop and implement financial sustainability models for regional PAs, which will ensure the availability of funds for these areas in the short, medium, and long terms (output 2.2.1). Along these lines, the project will look at the lessons learnt

and best practices generated from the Iniciativa Patrimonio del Peru which is an strategy aiming at ensure the financial sustainability of PA. The establishment of 4 financial sustainability mechanisms in regional<sup>[49]</sup> and national<sup>[50]</sup> areas will be supported, taking into account the area of intervention's baseline<sup>[51]</sup> and other regional proposals, as well as the analyses conducted by SERNANP and FAO<sup>[52]</sup> on financial sustainability mechanisms for PAs.

? Output 2.2.1 Financial sustainability model for prioritised landscapes and fundraising strategy have been developed.

? Output 2.2.2 Pilots of financial sustainability models implemented for PAs.

**Outcome 2.3** *New PAs identified and created, including other effective area-based conservation measures (OECMs) such as indigenous reserves for people in isolation.*

? Output 2.3.1. New PAs created in accordance with IUCN standards, including guidelines for other effective area-based conservation measures (OECMs).

84. The Project will promote and accompany the establishment of new areas under some form of conservation. This will include both protected area classification and other conservation forms (OECMs), specifically including concessions, non-timber forest product permits, and regional conservation areas. New areas may be those already identified by the government<sup>[53]</sup> or other areas identified during the Project approval or initiation period. These areas will include the Pastaza wetland. The new surface area under some form of conservation will cover at least 80,000 ha. The Project will analyse which is the most appropriate conservation form for each case based on the environmental and social characteristics of the area. The selection criteria for areas to be promoted are the following: i) their environmental value in terms of the ecosystem services offered, with emphasis on biodiversity, ii) their social value, including the number of direct and indirect beneficiaries and the presence of indigenous communities, and iii) their contribution to the establishment of ecological corridors, *i.e.*, their connectivity with existing protected areas. In Upper Ucayali-Inuya, the Project will promote and accompany the development of conservation agreements within the community territories adjacent to El Sira and San Mat?as San Carlos PF, as well as the development of management plans for non-timber resources, private conservation areas and cultural landscapes to improve connectivity between the two NPAs<sup>[54]</sup>. These efforts will increase the legal certainty of areas of high ecological and social value. The Project will also support a proposal to the establishment of a conservation area<sup>[55]</sup> in the Sepahua river basin (Atalaya), adjacent to High Pur?s NP.

**Outcome 2.4** *Landscape restoration plans and pilots implemented.*

? Output 2.4.1 Landscape restoration plans (wetlands, deforested areas) development, including the recovery and valuation of ancestral restoration practices and use of degraded areas.

●Output 2.4.2 Strengthened capacities of local stakeholders to improve or innovate their restoration practices.

? Output 2.4.3 Landscape restoration pilots implemented.

85. The Project will work on restoring degraded areas with a landscape approach in both intervention landscapes mainly through rehabilitation practices<sup>[56]</sup> (outcome 2.4). MINAM, SERFOR and SER<sup>[57]</sup> data will be taken into account. Unlike the other areas, restoration activities

will be carried out in these areas, with a basin approach and taking into account the different types of ecosystem. It is worth mentioning that the actions and goals are aligned with the NDC framework which considers the following measures i) Restoration of ecosystems within the area of SINANPE to keep the connectivity of the landscape and reduce impacts in the face of extreme climate events; and ii) Implementation of restoration options for forest and other wild vegetation ecosystems to guarantee the functionality of the landscape and reduce risks in the face of climate change. This outcome considers the areas identified by MINAM at the national level, the goals identified and established by SERNANP (in natural protected areas), and the areas proposed for restoration by SERFOR.

86. With output 2.4.1, the Project will develop 3 restoration plans, covering 7,900 hectares. One of those plans will focus on the wetlands zone (Loreto) while the other two on the Upper Ucayali-Inuya Landscape. Here, one of the plans will be aimed at natural protected areas and buffer zones and the other one will be decided together with native communities in this landscape. The zones to be included will be selected more specifically on the basis of i) their importance in terms of biodiversity (giving priority to conservation sites); ii) their connectivity with protected areas; iii) their rate of degradation (to be evaluated with satellite images or field visits), determined by the decrease in plant cover, the deterioration of soil properties and vulnerability to climate change and anthropogenic activity and iv) the clarity regarding land tenure rights.

87. Restoration plans will describe what, when, and where specific actions will be undertaken, the entity in charge and committed private actors, and will include a schedule of work and a budget. For the budget, the Project will work on a financial strategy. The plan will set goals and objectives, which will result from the work carried out among Project specialists, potential sponsors, and key stakeholders, such as the communities residing in the intervention area. The Project will seek funding for its implementation by reaching out to public and private investment, as well as the social and environmental commitments and responsibility of private companies. There are mechanisms that bring together the public and private sectors, such as Public Private Partnerships (PPPs) and Works in Exchange of Taxes (OxI). The plan will have three well-defined phases: i) planning; ii) implementation, and iii) monitoring.

88. In the planning phase, strategic alliances and awareness raising actions will be established with the actors and stakeholders. If necessary, research authorisations are necessary to characterise the fauna and flora of the reference ecosystem, the Project will apply for them with the relevant authorities (e.g. SERFOR, SERNANP, ARFFS). Visits to the areas will be made in order to establish a clear diagnosis regarding the reference ecosystem. In the event certain activities are to be carried out on community land, the holder's consent will be required and the Project will make sure that tenure documents are clear. The Project will reach out to the academia and NGOs (preferably local) to provide scientific support to the proposal. In addition, mechanisms to fund the activities will be determined, taking into account that the Project will initiate pilots that have co-funding. In this sense, and along with output 2.4.1, the Project will contribute to the approval of 3 public investment projects for landscape restoration, and will encourage local governments to prioritise restoration activities in their IMPs. In the case of budget programmes (such as Budget Program 0057 - Conservation of biological diversity and sustainable use of natural resources in protected natural areas), which are long-term, the Project will aim at articulating and aligning interventions with current Budget Programs, making sure that public entities that participate in a given activity or that are responsible for any of the outputs assigned to the restoration theme are

properly coordinated all the way down to the local level, so that at this level, local governments can include their budget allocation in their IMPs in order to generate actions in activities related to restoration.

89. During implementation, the necessary supplies, equipment, and biological material to carry out field activities will be acquired. The implementation considers working with more than one restoration option per plan, including protection activities, assistance to natural regeneration, and the establishment of plantations. In addition, maintenance activities (e.g. fertilization, weeding, others) will be considered.

90. The last phase of the plan is monitoring, where the academia will be engaged to carry out research activities (e.g. monitoring plots); also, periodic information will be obtained on the performance of the intervened areas including the analysis of biotic and abiotic parameters and their comparison with the reference ecosystem. Finally, the achievement of the proposed objectives and cost balance will be evaluated and linked to component 4 of the Project to establish an adequate systematisation and dissemination of the results achieved.

91. With output 2.4.2, and based on the restoration plans, the Project will strengthen the technical capacity of key people involved in landscape restoration. This will include officials from the national protected area system, local governments, and local people such as producer organizations and indigenous organisations. Training sessions will emphasize on traditional practices, while including experimental developments and applied research for the recovery of ecosystems, with the academia becoming an ally. In addition, the training will include training officials at different levels in the formulation of public investment projects to recover degraded ecosystems. The training will focus on the implementation of good practices to recover abiotic and biotic conditions and to monitor and evaluate these practices and their results.

Based on outputs 2.4.1 and 2.4.2, the Project will carry out pilot restoration activities (output 2.4.3). These activities will include

- The installation of infrastructure to generate seedlings, protection barriers, and containment strips, as well as actions to prevent forest fires, such as the establishment of fire curtains.
- The recovery of cover, through the installation of native species plantations or natural regeneration management actions.
- The installation of agroforestry systems, considering this a form of rehabilitation, not necessarily a form of restoration
- The installation of equipment and instruments to monitor and control the pilots.
- Specific capacity building of local stakeholders on landscape restoration, including the rescue of traditional knowledge.
- Coordinating and improving budget programmes intended for intervention products associated with restoration.



92. In order to determine the pilots, the Project will consider that the aim of the Loreto Mara?on landscape is to rehabilitate wetlands and lakes. For this purpose, an estimated 5% (*i.e.* approximately 1,090 ha) of the 21,872 ha has been identified with medium and high degradation based on MINAM information (2019)<sup>[58]</sup>. To ensure sustainability once the restoration practice has been implemented, the Project will work with the native communities from the initial stage of pilot design.

93. Within the Tigre and Mara?n landscape, *aguajales* will be rehabilitated and recovered, planting females to recover the balance between females and males in accordance with the restoration processes promoted by the IIAP. In addition, technical and legal capacities will be strengthened in order to achieve sustainable management.

94. In this first landscape, the Project plans to restore lakes for fishing, taking into account the stocking of species and fish management; as well as aquatic ecosystems, including actions aimed at managing fauna such as *taricayas* and *paiches*. In order to go ahead with fish stocking the lake with *taricaya*, fish eggs will be incubated in semi-artificial beaches, where the highest rate of chelonian production is guaranteed. As for the *paiche*, the Project will use juveniles which will be fed with balanced food and the Project will try to keep them in controlled environments. Map 8 (Appendix E) illustrates the restoration opportunities in the Tigre-Mara?on landscape.

95. In the Upper Ucayali-Inuya Landscape, in addition to the above, there will be two defined pilots. The first will be implemented mainly surfaces that require restoration, including San Mat?as San Carlos PF (1,708 ha to be recovered), El Sira CR (1,452 ha to be recovered) and Ashaninka CR (938 ha to be recovered). The Project expects to secure investment commitments and to work on a 2,000 hectare pilot project in the three areas and their buffer zones. The second pilot will focus on the native communities of the Puerto Ocopa - Atalaya road, which are currently under pressure due to agricultural crops and in Inuya which is under pressure for livestock.

96. In the Upper Ucayali-Inuya Landscape, the slopes of the rivers will be recovered using bamboo. Agroforestry systems will also be established in native communities that voluntarily take on forest conservation commitments. These systems will seek to rescue traditional species such as chacruna (*Psychotria viridis*) and ayahwasca (*Banisteriopsis caapi*), as well as non-timber species such as metohuayo (*Caryodendron orinocense*), copaiba (*Copaifera spp.*), cats claw (*Uncaria tomentosa*), and sangre de grado (*Croton lechleri*), among others. These agroforestry systems will be implemented preferably in areas deforested before 2017. In this same landscape, restoration activities will include the establishment of forest plantations, especially of native species, in areas devoid of forest, preferably in areas of high erosion. Natural recovery activities will also be carried out in certain areas by excluding their use. In this type of plantation, non-timber forest management will be promoted. Map 15 (Appendix E) illustrates the area covered by the Upper Ucayali-Inuya Landscape

**97. Component 3 on value chains developed following sustainable production practices** seeks to consolidate sustainable commercial initiatives, eliminating or reducing barriers related to the low value of services and products offered by forests and wetlands; and generating incentives for the conservation of ecosystems and their biodiversity. The Project will not create new value chains but rather will support the best ongoing initiatives in the Project's intervention landscapes. Component 3 seeks to generate greater incentives for monitoring and protecting forests and wetlands, based on

profitable and sustainable management, with the participation of local inhabitants (mainly native communities). The component will be implemented in close coordination with Component 1 (to generate policies and procedures compatible with the development of eco-businesses) and Component 2 (to promote sustainable value chains in the areas of influence of natural protected areas). Component 3 will contribute to the National Biocommerce Strategy and its 2025 action plan. Synergies will also be sought within the framework of the Financing Initiative for Sustainable Development and Bio-economy for the Amazon, to be administered by the Inter-American Development Bank, which focuses on private sector participation in the development of the region. Special emphasis will be placed on linking economic benefits to improve nutrition and quality of life in the communities involved, and specific strategies will be developed to promote gender equality and prevent the marginalization of women in decision-making and the benefits derived from the value chains strengthened by the Project.

98. This component is divided into two outcomes:

***Outcome 3.1. Products and services derived from the sustainable use of forests have added value, are integrated into value chains, have access to the market with quality and sustainability criteria and generate socioeconomic and environmental benefits for local populations.***

- ? Output 3.1.1 An innovative economic model developed, applied and promoted for sustainable products from ecosystems, taking into account the unique ecological, economic, and cultural features of the landscapes of origin.
- ? Output 3.1.2. Products and services derived from biodiversity have added value, with duly strengthened value chains and increased processing capacity, and have access to the market under quality and sustainability criteria within the new economic model.
- ? Output 3.1.3. Sustainable biodiversity and environment-friendly production systems incorporating good practices are supported.
- ? Output 3.1.4. Commercial strategy associated with the development of an umbrella brand for sustainable biodiversity products duly incorporated into value chains, under criteria of quality, sustainability and gender mainstreaming, with emphasis on domestic and international preferential markets.
- ? Output 3.1.5. Partnerships among producers, public and private sectors (4P), to leverage investments linked to zero deforestation value chains and local development.
- ? Output 3.1.6 Pilots to improve capacities of local producers and entrepreneurs to deliver biodiversity products and services with added value and included in ecobusiness value chains.

99. The project will support national initiatives where investment is already being made in sustainable value chains based on Amazonian natural products, in the project's intervention landscapes.

100. The three value chains prioritized in outcome 3.1 are the following:

? ***Value chain of sustainable natural products with high natural volumes of production and mass consumption.***

Within this value chain, the priority product is *aguaje*, because it has the greatest territorial coverage and the highest established demand. In addition, sustainability challenges of the *aguaje* value chain are of high conservation importance. Moreover, *aguaje* has high nutritional value and is key to food security in the region. Most *aguaje* is harvested in a non-sustainable manner. Also, most of the production is traded with low food safety standards and low added value. Low prices

and little public awareness do not generate incentives for sustainable harvesting or for the conservation of wetlands and their carbon stocks. However, there are already a number of companies engaged in generating added value, for the local, national and international markets, based on *aguaje* harvested in a sustainable manner. These include Recursos Amaz?nicos Frutales, AJE Group, and Candela Per?, among others.

**? Value chain of sustainable natural products with high diversity, variable natural volumes and high added value.**

This value chain includes different products whose natural supply fluctuates from medium to small amounts. Consequently, it is impossible to generate large volumes of sustainable production. Nevertheless, it is possible to add value to these products and target specialized consumption or gourmet consumption. These markets may use these natural inputs for cosmetic and pharmaceutical products and even as ingredients for signature cuisine. This chain involves fruit based products such as huasa?, ungurahui, and camu camu, which grow naturally in the forest (i.e. not planted). Aguaje is also part of this value chain, in smaller volumes and with higher levels of transformation (e.g., as a dietary supplement). The value chain also includes fish resources such as paiche, bushmeat, and hides (products obtained by hunting wild animals). In addition, there are various nuts and a variety of culinary supplies, such as snails and edible mushrooms. All of these resources are currently consumed by local populations, and constitute an important part of the local diet, so their sustainable management will also contribute to food security. In some cases, (fish, bushmeat), producers add value to products by offering fresh or frozen products which have been handled following high food safety standards. In other cases, the added value is generated by transforming inputs into oils, canned goods, flours, creams, and other similar products with longer shelf lives. The communities themselves may also add value to some of these products (*e.g.*, dehydrated products). Some other products are value added due to the sole fact of being considered novel food ingredients and supplies. Yet, in some cases, industrial technology is required to add value (*e.g.*, oils, pharmaceutical products). There are companies in Iquitos and Lima that are already buying and processing these products and placing them in the domestic and international markets. In this chain, the Project will work in both landscapes.

**? Value chain of indigenous handicrafts and art, based on sustainable natural inputs.**

During the last decade, Amazon indigenous handicrafts, traditionally having low quality standards and sold at very low prices, have gained recognition in the world of art as artistic expressions of high aesthetic and cultural value. This phenomenon is the result of several factors: ethnohistorical studies, the emergence of a group of professional native Amazon artists, and the demand from the fashion and design industry, which is looking for innovative, cultural, and environmentally responsible motifs. Public recognition of individual creators benefits the entire native communities. In this context, the associations and cooperatives of craftswomen that exist within the scope of the Project (*e.g.*, the Shipibos of Ucayali and the Ash?ninka of Satipo-Jun?n), need support accompaniment to develop the value of their products and to benefit from a more sophisticated niche demand than that of transient tourism. Although the two landscapes will be entirely considered in the Project, this value chain will initially take actions in the Upper Ucayali-Inuya Landscape given that several organised associations of craftswomen have already been identified, both in Satipo and Atalaya. The associations have received support from NGOs like CESAL and the Ash?ninka indigenous organizations of the Tambo and Ene rivers (CART and CARE, respectively), all of which will be allies of the Project.

## ? **Value chain of sustainable tourism as a strategy that contributes to sustainable development**

? Sustainable tourism has been key for the conservation of biodiversity in NPA and the generation of income and employment opportunities of local populations. Among the types of tourism are nature tourism and ecotourism, while the first involves traveling to PA to experience and enjoy nature, the second is related to the conservation of PAs, education regarding sustainability and generation of benefits for local populations. That is why ecotourism is considered as an important vehicle for economic development and conservation in NPAs, and an opportunity for developing green businesses that contribute to build the resilience of the Amazon forests and local populations.

? Along these lines, the project, in close coordination and consultation with local communities, will aim at identifying and promoting the development of sustainable tourism initiatives in NPA that respect ancestral cultures, build resilience of indigenous populations and safeguard the local biodiversity. These activities will be implemented in alignment with activities planned under output 1.1.2 which aims at developing strategies that promote ecotourism.

101. To achieve outcome 3.1, the Project will carry out activities to improve processes and build capacities along the chains, through strategic alliances with the various public and private stakeholders. A good deal of coordination and delivery of key information will be carried out. Through output 3.1.1, the Project will develop an innovative eco-business model with the following characteristics:

- It shall be based on renewable natural resources offered by the Amazon forests and wetlands, where species of economic importance are part of high conservation value ecosystems. Businesses should be sensitive to the volumes and productive cycles of the ecosystems.

? The value chains should contribute to generating connectivity in landscapes managed by different conservation agents (indigenous peoples, the State, and the private sector).

? Principles of circular economy will be applied to eco-businesses, in order to minimize negative impacts and environmental externalities, but above all to recapture the added value and its economic benefits and return them to the producing communities. Part of the added value will be reinvested in the conservation of ecosystems. (Synergies between components 2 and 3).

? The partnership approach introduced in the framework of the project under the ?Producer-private-public partnerships? (4P) will strengthen this economic model. These 4Ps will jointly participate and share knowledge in order to solve critical aspects affecting value chains. Synergies with Component 1 may be found in this item and in the first criterion listed above.

? A digital mechanism will be implemented, based on blockchain to give the value chains transparency, traceability, and accountability (3T); so that any stakeholder in a chain can verify the

social and environmental responsibility of the products offered, as well as the allocation of economic benefits to communities and biodiversity conservation.

102. Through output 3.1.2, and based on the established principles, the Project will identify eligible products in each target value chain, invest, and make efforts to increase their added value or their sustainable production levels, with the specialized support of UNIDO, CITEs, and other entities, as appropriate. This includes determining the feasibility of establishing collection centres, post-harvest or primary processing facilities and meeting the challenge of transporting perishable products, in a sustainable manner, over long distances. Consequently, at the beginning of the Project, it will be necessary to make intensive field visits, carry out detailed updated diagnoses, and make strategic selections. Investments into processing (value addition) capacity through procurement of processing equipment is an essential part of the strategy adopted under component 3, and in particular under output 3.1.2. These investments contribute to the sustainable use of local/biodiversity products and the improvement of the livelihoods of local populations and communities as highlighted in the ToC diagram above (Figure 1), 'Amazon economic and social development' as well as 'Improved resilience and livelihoods for indigenous communities'.

103. Through output 3.1.3, good practice guides for sustainable harvesting, post-harvesting, and processing of selected products will be developed and their use will be encouraged further. For example, training for *aguaje* producers will focus on the use of safe and portable palm climbers, developed locally, to avoid palm felling. The guidelines respond to the need to standardize processes, generate transparency and traceability, and unlock administrative procedures. The latter is necessary because some regulatory institutions in Peru do not have licensing standards (e.g., health registration) for sustainable natural products.

104. Through output 3.1.4, a commercial strategy based on an umbrella brand will be developed, seeking to expand the markets of these sustainable natural products accompanied by the Project, including international markets, based on the initial analysis carried out during the PPG phase. The umbrella brand will be associated with the 3T software application, will embrace the local brands already developed, and will include the following criteria: gender equality, interculturality, intergenerational justice, and climate responsibility.

105. Through output 3.1.5, the Project will make specific efforts to build 4P alliances among producers, regulators (public sector), and investors (private sector). These will aim at eliminating barriers, mistrust, and misunderstandings in the prioritised value chains, thus promoting collaboration with mutual benefit. In addition, it will be possible to share the philosophy and innovative model of the Project and its tools with strategic allies.

106. Through output 3.1.6, (with the support of IFAD and in line with the project economic model), competitive funds will be offered to associated producer, to strengthen ongoing ventures. These strategic funds can be used to foster innovation, eliminate administrative obstacles or benefit from commercial opportunities.

**Outcome 3.2** Communities, support organizations, private sector and the government with strengthened technical, business and managerial capacities to develop sustainable companies and Biocommerce, based on the sustainable use of biodiversity products and services.

*This outcome will be supported through the following outputs:*

- ? Output 3.2.1. Strengthened marketing and business planning capacities of communities and stakeholders engaged in value chains .
- ? Output 3.2.2. Improved policies and procedures related to the licensing and promotion of eco-businesses based on sustainable forest products.
- ? Output 3.2.3. Local and regional governments develop and implement ecobusiness investment projects in their multi-annual institutional operational plans.
- ? Output 3.2.4. Targeted communication strategy for consumer awareness and the promotion of Amazon ecobusinesses based on sustainable natural inputs is developed.

107. Within the framework of outcome 3.2, the aims to strengthen the capacity of the support institutions and the different actors of the value chain to allow the effect of scaling up actions. The technical, commercial, and managerial capacities of public and private stakeholders will be strengthened (output 3.2.1); policies will be improved; and procedures for the registration and licensing of sustainable natural products will be innovated, in order to eliminate obstacles and generate an enabling regulatory context for eco-businesses (output 3. 2.2); public investment projects to promote sustainable value chains will be encouraged (output 3.2.3); and a communication strategy will be developed to increase the consumer public's knowledge and awareness of the value and availability of sustainable natural products. (output 3.2.4).

109. UNIDO methodology is based on a need to bring value to the project in terms of the best practices and know-how for the deployment of innovative and adaptative technologies while building capacities of national counterparts and project beneficiaries and ensuring sustainability. Also the need to de-risk the investment calls for the use of international experts who will work in binome with nationals.

110. The total investment of component 3 of the project is USD 7,879,615 and the funds allocated for the international expertise to support the deployment of the investment is relatively low, representing 7.4% of the total investment (USD 584,000). The required international expertise to support this investment is:

- ? International expert for the 3T technology which will cover the project sites
- ? International expert in agro-industries for the establishment of new technologies and infrastructure related to the 5 centers
- ? International expert in marketing for the commercialization of the products abroad
- ? International expert in partnership development ties with the private sector,
- ? International expert in policies to learn from the practices at the regional level.

111. The project budget is prepared based on amounts allocated/earmarked which can be revised during the execution of the project based on the needs.

**Component 4 on Knowledge Management and M&E** will allow effective knowledge management, which is essential to guarantee sound monitoring and evaluation of the Project. To this end, this component will be implemented through two outcomes.

#### ***Outcome 4.1 Knowledge management and communication***

? Output 4.1.1 Communication and awareness strategies on the value of Amazon biodiversity and the impact of the sectors driving deforestation (transport, agriculture, mining, etc.)

? Output 4.1.2 Systematization and dissemination of experiences and lessons learned from the Project strategy.

? Output 4.1.3 Participation in alliances and cooperation agreements to exchange ASL2 programme experiences.

112. Knowledge management and communication will include the development of communication and awareness strategies and campaigns on the value of Amazon biodiversity and the impact on the sectors that drive deforestation. This will include existing knowledge, *i.e.* studies and consultations carried out during the PPG phase. The Project will also review previous and current academic literature, as well as reports on experiences and lessons learned in previous projects. It will also conduct participatory consultations and assessments with the target population; validate effective and sustainable options for natural resource management; and determine how to integrate social benefit sharing (especially for indigenous peoples and women) and environmental benefits.

113. In addition, through output 4.1.2, the Project will systematise and disseminate experiences and lessons learned from the Project. The generation of new knowledge will be supported, systematising lessons learned, creating a directory of experts in different national, regional and local institutions which are part of the Project implementation process. All the information will be entered into the MINAM and GEF knowledge management platforms.

114. Additionally, through output 4.1.3, the Project will participate in spaces to exchange experiences with other projects. The Project will also develop virtual training modules for E-learning platforms. It will also encourage an active participation in alliances and cooperation agreements to exchange national and international ASL2 experiences, as well as in other international leaning and exchange instances.

#### ***Outcome 4.2 Project follow-up and monitoring, and coordination and management.***

? Output 4.2.1 Project Monitoring Reports

? Output 4.2.2 Mid-term Review (MTR) and Terminal Evaluation.

115. Knowledge management will contribute to the Project's follow-up, monitoring, coordination, and management. For this purpose, Project monitoring reports (output 4.2.1) will be issued on a quarterly, half-yearly, and annual basis. Likewise, the Project will have a mid-term and a terminal evaluation (output 4.2.2), and the METT will be updated annually based on ten selected aspects linked to the integrated management approach of the territory covered by the Project (**Appendix F**). In addition, compliance with the targets set and the M&E systems will be monitored. These efforts will be carried out in synergy with the implementation of other components of the Project which, as above-mentioned, include activities to build capacities and, thus, raise awareness of all relevant stakeholders. This component will add to the effectiveness of the Project, incorporating aspects of continuous improvement from evaluation. It will also contribute to the sustainability and scaling up of its achievements at sub-national, national, and regional levels. Lessons learned will

be shared with GEF, MIMAM, MINAGRI, regional governments, local governments, among others, as well as with the Amazon Cooperation Treaty Organization to inform the Amazon Strategic Cooperation Agenda.

116. The four components of the Project will contribute to reducing the barriers to the sustainability of the ecosystems in the intervention area by eliminating or reducing the causes of their degradation. Component 1 addresses institutional or governance barriers; component 2, those related to sustainable landscape management; component 3, those associated with the valuation of services and products provided by ecosystems; and component 4, those linked to knowledge management.. Illustrations 01, 02, and 03 graphically represent how the components and outputs of the Project contribute to eliminating or reducing the identified barriers to sustainability of prioritised Amazon ecosystems.

117. In a nutshell, the components and outputs complement each other and their design allows for multiple synergies. The institutional or governance strengthening under **component 1** will serve as the foundation for policies, instruments, spaces, platforms, and capacities for dialogue leading to the implementation of actions under components 2 and 3. In turn, **component 2** will provide the physical framework for the promotion of sustainable value chains of component 3, which will benefit from improved ecosystem services. As regards **component 3**, it will contribute to the economic and financial soundness of the sustainable use of the landscape promoted under component 2. The trainings given under components 2 and 3 will also feed into the institutional strengthening of component 1. All three components will generate knowledge that will be disseminated through **component 4**, while the evaluation carried out in this component will help strengthen the effectiveness of components 1, 2 and 3. By eliminating or reducing barriers to sustainability in a structured, systematic, and comprehensive manner, the Project is making a decisive contribution to eliminating the causes of ecosystem degradation, integrating the sustainable use and conservation of biodiversity and water resources by providing ecosystem services in the Amazon River Basin in Peru.

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

118. The Project is consistent with the following strategic objectives of the biodiversity (BD), climate change mitigation (CCM), land degradation (LD) and sustainable forest use (SFM IP) focal areas.

? BD-1-1 ? Mainstream biodiversity across sectors as well as landscapes and seascapes through biodiversity mainstreaming in priority sectors. Component 1 will contribute by strengthening the regulatory framework and multisectoral spaces and platforms, mainstreaming biodiversity, and strengthening the capacities of key stakeholder on that matter (outputs 1.1.1, 1.1.2 and 1.1.3). Component 3 is aligned to BD 1.1.

? BD2-7 ? Address direct drivers to protect habitats and species and Improve financial sustainability, effective management, and ecosystem coverage of protected ecosystems. Component 2 will directly contribute to this. Outcome 2.3 will increase the surface of ecosystems under appropriate protection measures, while outcome 2.1 and 2.2 will improve protected area management, including financial sustainability.

? CCM2-7 ? Demonstrate mitigation options with systemic impacts for sustainable forest management impact program Components 2 and 3 will put mitigation options into practice, while



component 4 will contribute to systematizing, disseminating, and showing the results obtained. Specifically, within component 2, outcome 2.4 -through the design and implementation of restoration plans- will contribute to this focal area. Component 3 is aligned to CCM 2-7.

? LD1-2 ? Maintain or improve flow of ecosystem services, including sustaining livelihoods of forest-dependent people through Sustainable Forest Management (SFM) Components 2 will contribute to this item, as follows: component 2 with an emphasis on ecosystem protection and restoration (outcomes 2.1, 2.2, 2.3 and 2.4).

? IP SFM Amazon ? Promoting effective coordination for sustainable forest management Component 1 will contribute to this item directly by strengthening dialogue spaces and platforms. Component 4 will enable mainstreaming for Amazon Biome management as a whole, allowing exchange of information, knowledge, and experiences. Component 3 is also aligned to SFM IP with an emphasis on sustainable use, contributing to sustaining livelihoods.

## **5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing;**

119. In the "business as usual" scenario and without the support of the GEF, anthropic activities, changes in land use, agriculture, farming, and pressures over forest areas will continue exerting pressure over natural resources, thereby increasing their biodiversity degradation, desertification and loss. On an institutional level, the tools and approaches are insufficient to infuse conservation and sustainable use practices into the productive sectors. Institutions are also weak in establishing synergies and reaching agreements among authorities across all levels. Along with the resources of GEF, the Project seeks to overcome the barriers identified, which hinder the sustainable management of dry forest landscapes thus increasing loss of ecosystem functions and service flows in territories with high rates of land degradation, deforestation, endemism, and poverty. The Project is a comprehensive and multifocal initiative which seeks to generate multiple environmental benefits, the components of which align with these focal areas.

**120. Component 1, with USD 1,351,158** of GEF support, will seek to address Barrier 1 by strengthening territorial planning in order to conserve the Amazon ecosystems; coordinating local plans with regional plans and zoning and land management processes; and promoting landscape connectivity, integrated territorial management, environmental and gender mainstreaming, and intercultural and intergenerational approaches. Furthermore, the Project will also assist in developing conditions leading to the sustainable management of Amazon ecosystems, developing protocols and criteria to facilitate the processes for the granting and management of Amazon ecosystems, value chains of non-timber forest products, and development of ecotourism, among others. The Project will also carry out studies and develop strategies to promote ecotourism and prevent forest fires; improve the enabling conditions for enhanced management of Amazon ecosystems through concessions and permits; strengthen local governance platforms and their coordination with regional and national platforms; and contribute to the establishment of a management committee for the Loreto Ramsar Site and its management plan. Likewise, it will contribute to coordinate budget programmes and develop incentives to make the budget expenditure in the public sector effective. In addition, the Project will strengthen the capacities for the implementation of community monitoring committees and the use of information systems.

**121. Component 2, with USD 4,550,000** of GEF support, will seek to address Barrier 2 by enhancing the management of 9 PAs and establishing new conservation areas of at least 80,000 ha in order to promote connectivity with existing protected areas. The Project will contribute upgrade capacities of institutional and field staff of Murunahua IR to monitor and control threats. Monitoring of threats to connectivity in prioritised national protected areas will be promoted. A

number of documents will be generated or updated: management documents for conservation areas; plans for the protection of indigenous reserves; and plans for community territories such as life plans and community development plans. They will include the connectivity approach among protected areas and their buffer zones and areas of influence, including indigenous territories. This coordination effort will cover an area of 7,438,957 ha. Under this output, the Project will work hand in hand with the indigenous organizations in the area of intervention. The Project will also promote the design of a financial sustainability model for regional PAs to ensure the availability of funds. To this end, the Project will calculate the financial gap for the management of regional PAs in Jun?n, Loreto, and Ucayali taking into account minimum and optimal scenarios in terms of expenditure by PA administrations. Pilots of financial sustainability mechanisms will be implemented in regional<sup>[59]</sup> and national<sup>[60]</sup> areas. In doing so, the experiences and areas prioritised by SERNANP and MINAM will be taken into account, such as CES, environmental fundraising, service concessions, granting of rights and payments of harvesting rights, granting of PA administration contracts, works in exchange for taxes, public funds from local and regional<sup>[61]</sup> governments, conservation agreements, among others. The Project will develop a diagnosis, feasibility analysis, and action plan to implement 3 financial mechanisms in prioritised NPAs. The Project will also work on restoration of degraded areas with a landscape approach, with a water basin approach, and taking into account the different types of ecosystems. In total, the Project will restore 7,900 ha in these areas. Restoration plans will be developed for each area.

**122. Component 3, with USD 7,879,615 of GEF support**, will focus on addressing Barrier 3 through greater coordination among the public sector, community organizations, and the private sector; as well as among different public sector agencies and levels of government. They will work on effectively promoting eco-businesses and consolidating specific linkages with local food security, while conserving wild ecosystems and maintaining their ecosystem services. This consultation work and the sharing of lessons learned are crucial. Nevertheless, the transaction costs associated therewith are not included in national investments and projects, so the Project will address these issues to complement the efforts of the government. Moreover, the challenge remains to reduce statutory and regulatory conflicts limiting the participation of the private sector and thus facilitating the development of eco-businesses in Peru. Therefore, to solve bottlenecks and cooperate in the monitoring of shared opportunities, the Project will set up a committee with public and private strategic allies already committed to eco-businesses and encourage 4P alliances (producer-private-public partnerships) for the Project chains and products. Thus, it will be possible to coordinate public and private initiatives, and to promote alignment between national policies and actions of regulatory institutions. The global target (Core Indicator) associated with Component 3 is 15,000 ha under enhanced management (excluding NPAs).

**123. Under Component 4, with USD 1,075,497 of GEF support**, the Project will consider systematising and disseminating experiences and lessons learned from the Project in order to manage the knowledge generated, implement platforms to exchange information and experiences, systematize lessons learned, create a directory of experts from the various national, regional and local institutions involved in the Project implementation process. All the information will be systematised and entered into the MINAM and GEF knowledge management platforms. Furthermore, virtual training modules for E-learning platforms will be developed and the Project will participate actively in alliances and cooperation agreements to exchange national and international ASL2 experiences and in other international learning and exchange experiences. In

addition, the Project will implement communication campaigns, generate technical documentation, and produce awareness campaigns materials. Project progress reports will be made, as well as mid-term review and terminal evaluation.

123/PMC. The co-financing of PMC will cover the facilities, stationary, and desk posts of the Project Coordination Unit and administrative team, as well as the salary, desk posts, and transportation costs of the government technical staff, local governments' staff and line ministries' officials. In particular, the Government of Peru will cover the time allocated by the National Project Director and the GEF Operational Focal Point who are responsible for (i) ensuring that Project planning, reviewing, monitoring and reporting requirements are met; (ii) that coordination among participants is effective; and (iii) that project implementation is carried out in alignment with the Project outcomes and approved budget. Likewise, the time allocated by technical experts from MINAM and MIDAGRI to ensure that outputs and outcomes are of good technical quality and produced on time has been also secured through co-financing.

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

124. The Project will strengthen the protection and sustainable use of the Amazon forest in the intervention areas, promoting and generating global environmental benefits. Specifically, through component 2, the Project will provide the following global environmental benefits: the conservation and enhanced management of **7,989,260 ha**, including the creation of **80,000 ha** of new PAs (output 2.1), enhanced landscape management of **15,000 ha** (output 2.3), and restoration of **7,900 ha** (output 2.4). These achievements will contribute to conserving and increasing ecosystem services. Specifically, this action will improve the quality of soil, water, and air by improving control services. This action will also help conserve and regenerate globally important biodiversity, including approximately 341 endemic species.

125. As shown in the following table, Satipo has the highest indexes for birds and mammals. In the area of El Sira CR, specific bird species have been identified such as El Sira tanager (*Tangara phillipsi*), the curassow of El Sira (*Pauxi unicornis koepckeae*), and the hummingbird (*Phaethornis koepckeae*). Likewise, the Pucacuro National Reserve is located in the heart of the Napo wet forest ecoregion, an area of exceptional species richness and endemism, especially regarding species of wildlife with economic and scientific interest. The presence of 30 endemic species of the Napo Ecoregion stands out. Some wildlife species, such as the maquisapa monkey (*Ateles belzebuth*), river otter (*Pteronura brasiliensis*), Salvin's curassow (*Mitu salvini*), harpy eagle (*Harpia harpyja*), and Arrau turtle (*Podocnemis expansa*), have already disappeared or are very scarce in other areas of the region. Worth underscoring is the case of the equatorial saki (*Pithecia aequatorialis*), a primate presents only in the Napo Ecoregion and found abundantly in Pucacuro. Additionally, two endemic palm trees stand out.

**Table 3 Endemism index by province of intervention**

<b>TAXONOMIC GROUP</b>	<b>LORETO</b>	<b>ATALAYA</b>	<b>SATIPO</b>
Birds	1.68	2.4	5.1
Mammals	0.64	1.32	1.44

Source: Map of life.

126. In addition, landscape management, including restoration practices, will contribute to reduce the vulnerability of ecosystems vis-a-vis observed and projected climate change, since it has been designed on that basis. For example, in the plantation processes implemented as part of the restoration efforts, the Project will prioritise native species most adapted to the observed and projected climate conditions. The implementation of these environmental benefits will be carried out directly through component 2, but in synergy with the other three components. Component 1 will contribute to establishing the policies, instruments, spaces, platforms and capacities necessary for synergistic planning, while component 3 will contribute to generating economic incentives for conservation and sustainable use by promoting and accompanying the development of sustainable value chains. Component 4 will manage knowledge effectively.

127. The Regional Conservation Area (ACR) Alto Nanay-Pintoyacu-Chambira is a protected area complementary to the National System of Protected Areas (SINANPE). ACR Alto Nanay is one of the largest conservation areas managed by the Regional Government of Loreto. Loreto has been hardly hit by the COVID pandemic.

128. The Murunahua territory is an Indigenous Reserve, regulated under the Act of Indigenous Peoples in Isolation or Initial Contact (PIACI), with stricter legal protection. The Murunahua Reserve is not registered as a SINANPE Natural Protected Area. For this reason, Murunahua is managed by the Ministry of Culture.

129. Both Murunahua and Alto Nanay face substantial management challenges due to: i) the lack of adequate verification means to measure biodiversity status and threats and, ii) the difficult and restricted access to undertaking monitoring activities. During full project preparation, the COVID-19 limitations have impeded the collection of baseline information and target setting in a participatory way. Consequently, the METT for these areas have missing scores.

130. The work plan for both areas is detailed below:

131. In Alto Nanay: 1) Conclude the capacity building of the Government of Loreto's staff to operate the METT tool; 2) preliminary apply the METT score; 3) validate the METT score in close consultation with key stakeholders during the 1st semester of the project implementation phase.

132. In Murunahua: 1) Select a pertinent tool to measure the baseline, in cooperation with the Ministry of Culture and respecting the rights of indigenous peoples; 2) Coordinate actions with local stakeholders; 3) Apply the tool and share the findings with FAO and GEF in Project Year 1; 4) Transfer the outputs of the selected tool to the METT questionnaire, in collaboration with FAO.

133. The Murunahua Indigenous Reserve will also learn from experiences and good practices of other Child projects of the ASL Impact Program dealing with areas of similar characteristics.

134. The Project also offers important benefits in terms of adaptation to climate change. As stated earlier, the Project will contribute to reducing the vulnerability of ecosystems. In addition, the Project will help increase the resilience of people in the intervention area, including indigenous communities. Specifically, the Project will directly benefit around **11,000 people**. They will benefit, for example, from the management of PAs, the development of bio-businesses, and the restoration of landscapes that will also allow them to diversify and increase their income, and thus be more resilient in the face of potential shocks. It is estimated that the Project will increase

resilience through improved ecosystem services, such as greater quantity and quality of water, and reduced risk of flooding. From a cultural perspective, it is important to point out that the Project will value traditional practices shared through dialogue and consultation process on forest management and restoration of ecosystems. Relevant traditional practices will be adapted to current and projected conditions in different areas.

The Project expects to generate the following carbon benefits: 10.6 MtCO<sub>2</sub>e.

135. The project will contribute significantly to the programmatic objectives of the ASL2 program. Greater effectiveness in the management of socio-economic and productive pressures on a regional scale, and greater efficiency will be achieved as a result of enhanced inter-institutional coordination in Peru and the region, and the exchange of lessons learned and best practices.

### **Alignment with the Aichi targets**

136. The Project aims to contribute to the implementation of the Aichi Targets. Particularly, the Project will contribute to the fulfilment of the following goals:

- ? Strategic Goal B: Reduce the direct pressures on biodiversity and promote sustainable use.
  - Target 5: Contribute to reducing the rate of loss of all natural habitats, through the implementation of outputs 3.1.1, 3.1.2, 3.1.3, 3.2.1, 3.2.2, 3.3.1, 3.3.2, 3.2.3, 3.2.4.
  - Target 7: Contribute to sustainable management, ensuring the conservation of biological diversity, through the implementation of outputs 3.2.1, 3.2.2, 3.2.3, 3.2.4.
- ? Strategic Goal D: Enhance the benefits to all from biodiversity and ecosystem services.
  - Target 14: Contribute to the restoration and safeguarding of ecosystems that provide essential services, including services related to water, and that contribute to health, livelihoods and well-being, taking into account the needs of women, indigenous and local communities and the poor and vulnerable. Outputs: 2.4.1, 2.4.2 and 2.4.3.
  - Target 15: Contribute to increasing the resilience of ecosystems and carbon stocks, through conservation and restoration, including restoration through outputs: 2.1.1, 2.1.2, 2.1.3, 2.2.1, 2.2.2, 2.3.1, 2.4.1, 2.4.2 y 2.4.3.

### **Alignment with the Sustainable Development Goals (SDG)**

137. The Project is aligned with several SDGs and their targets; particularly with SDG 2, SDG 5, SDG 12, and SDG 15:

- ? Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture. Targets 2.3 and 2.4 through the implementation of outputs 3.1.1, 3.1.2, 3.1.3, 3.1.4, 3.1.5, 3.1.6, 3.2.1, 3.2.2, 3.2.3, 3.2.4.
- ? Goal 5: Achieve gender equality and empower all women and girls. Targets 5.5 and 5.7 through several outcomes and outputs of the Project included in the GAP.
- ? Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all. Targets 8.4 and 8.5 through the implementation of outputs 3.1.1, 3.1.2, 3.1.3, 3.1.4, 3.1.5. and 3.1.6.
- ? Goal 12: Ensure sustainable consumption and production patterns. Target 12.2 through outputs 2.1.1, 2.1.2, 2.1.3, 2.2.1, 2.2.2, 2.3.1, 3.2.1, 3.2.2, 3.2.3 and 3.2.4.
- ? Goal 13: Take urgent action to combat climate change and its impacts. Targets 13.1 through the implementation of outputs 1.1.1, 1.1.2, 1.1.3, 1.2.1, 1.2.2, 1.3.1, 1.3.2 and 2.3.1.

? Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. Targets 15.2, 15.3, 15.3 and 15.9 through all outcomes and outputs.

## 7) Innovativeness, sustainability, potential for scaling up and capacity development<sup>[63]</sup>

138. This Project is innovative in addressing the causes of degradation and deforestation in a comprehensive way and promoting and accompanying a comprehensive management of the landscape. The Project is also innovative in terms of practices, technologies and bio-businesses that it will promote. Although some of these practices, technologies, and businesses may not be considered innovative in more advanced economies, they are still uncommon in the Peruvian Amazon. One of the innovative aspects will be the 3T approach based on blockchain technology, which is currently not very widespread in Peru. The Ministry of Production and its program called Inn?vate Per?, as well as UNIDO's participation, will contribute to ensuring the innovative nature of production practices and value chains (the components of the innovative model are discussed in the description of Component 3). The most outstanding example to date is the partnership among the AJE company, native communities in Loreto (within the Project area), and SERNANP, given its great impact. The AJE company has developed and recently launched a functional beverage (with nutraceutical properties) made from a mix of Amazonian fruits such as *aguaje* and *camu camu*, purchased directly from the native communities of Loreto who are committed to SERNANP to preserve the Pacaya-Samiria National Reserve and the Pucacuro Community Reserve. SERNANP has awarded AJE a brand called "Allies in Conservation" that categorizes their products so that consumers are aware of the positive socio-environmental impact of their purchase. Also, the product is inexpensive, so it has very good up-scaling potential. On the other hand, a growing group of leaders of the Peruvian gastronomic boom, including Pedro Miguel Schiaffino and Virgilio Mart?nez, has been developing edible products and culinary supplies based on biodiversity products and indigenous traditional practices, with high added value. These initiatives also embody high standards of relationships with the communities. Specialty markets are ready to pay much higher prices than conventional markets for sustainably harvested and properly handled products. Finally, indigenous and native Peruvian Amazonian art, as well as indigenous designs, are beginning to be recognized in the international markets of plastic arts, fashion and utilitarian products, associated with social and environmental responsibility. The Project will establish alliances with the leaders of these initiatives.

### Sustainability

139. The Project will contribute to environmental, economic and social sustainability.

Environmental sustainability: The Project will increase surface and strengthen the management of protected areas. By carrying out restoration efforts in priority areas, the Project will also promote the sustainable use of these areas and their buffer zones and areas of influence, including indigenous territories. This will be achieved by improving ecological connectivity.

140. The aforementioned efforts will be supported by coordinated and synergistic planning and the promotion of sustainable value chains, thus deploying a comprehensive and systematic approach and guaranteeing the sustainability of these improvements in environmental conditions.

Social Sustainability: The Project will use participatory approaches that will integrate all stakeholders, with gender mainstreaming, intergenerational, socio-economic or ethnic or social group perspectives. In that sense, one of the most important benefits of the Project will be its commitment to dialogue and social agreement, and its contribution to adequate dispute settlement mechanisms and social cohesion. As part of this, the Project will implement a gender mainstreaming strategy. It will identify and assess the interests, needs and priorities of men and women in all aspects of the Project, including not only the local partners but the technical team itself as well. Local partners will participate in decision-making processes under criteria and mechanisms that promote cooperation and equity. The Project will work with indigenous organizations and native communities. As part of this process, capacities related to community governance and the management of their territory will be strengthened, including the implementation of surveillance committees and the use of technology to monitor their forests and develop bio-businesses. As detailed in the Stakeholder Engagement Plan, youth and indigenous populations will be involved through consultation meetings; seminars; grievance, compensation and feedback mechanisms; and participation in meetings, as needed. Through the promotion of value chains, the Project will diversify and increase income and create jobs. The Project will promote balanced value chains, *i.e.*, where income is distributed in a way that ensures the environmental, social and economic sustainability of the chain. To reduce the knowledge gap among the actors, the Project will need to further reinforce the knowledge of local communities on topics related to sustainable management of resources, their commercialization, logistics and market.

The Project will also have positive results at a cultural level. The expansion of ecosystem services will promote the cultural services they provide, such as the preservation of certain plants, animals, or landscapes. All Project activities will be culturally relevant; traditional practices will be used wherever relevant and important, always under the leadership of local communities.

Better provision of ecosystem services and efforts to increase resilience to climate change will increase security and improve health. Ultimately, ecosystems purify land, water, and air, regulate climate, and control diseases. Increased availability of food and water will improve nutrition. Access to medicinal plants will also be increased. These scenarios will have a positive impact on health and, more broadly, on the quality of life of the people in the intervention area.

In addition, through training and other strategies, key actors will strengthen their capacities in all areas.

Economic sustainability: As noted above, through the promotion of value chains in a context of expanded ecosystem services, the Project will diversify and increase income, and create jobs. In this process, the Project will strengthen the organizational and productive capacities of key actors, including participating rural and indigenous communities, so that they can make informed and beneficial decisions about the sustainable use, transformation and commercialization of resources. The Project will contribute to the formalization of companies. In this process, the Project will help refine the strategic nature of public investment, promote private investment and activate public-private alliances, not only by expanding the economic actors that promote environmental and social sustainability, but also by expanding their dialogue and connectivity. In addition, access to domestic and international markets for sustainable products from the standing forest will be improved. All the actors participating in these value chains will be able to benefit from the 3T

approach and the inherent increase of state-of-the-art IT tools. These businesses will continue and evolve without intervention of the Project. Significantly, the expansion of ecosystem services and specific efforts to increase resilience will reduce vulnerability as well as the losses and costs associated with climate change. In addition, the Project will increase the government budget. On the one hand, tax collection will grow, to the extent in which economic activity will also grow. On the other hand, the intervention area will be more resilient to the impacts of variability and climate change, which often result in reconstruction costs and emergency aid.

In terms of exit strategy, the project will deploy the required expertise, training and sensitisation to support local communities and the government develop solid collaborative, coherent, and synergistic governance mechanisms to achieve the sustainable development of the Amazon (Component 1), and strengthening of Amazonian connectivity through landscapes managed as mosaics of conservation and sustainable use (Component 2). It is expected that at the end of the project, the project beneficiaries and partners will have the required tools and information to continue supporting the sustainable development of the amazon. In addition, Component 3 focuses on value chains development as a mean to ensure socioeconomic benefits for the local populations as well as environmental benefits. Local communities and counterparts will be supported during the project implementation to have the required expertise and know-how, infrastructure and technologies to sustain the activities. Also the involvement of the private sector at the early phase of the project and the established partnerships will provide a solid guarantee for the sustainability.

### **Up-scaling and Replicability**

141. The Project addresses a problem, its causes, and barriers to its solution, which are, to a certain extent, common to other areas in the Peruvian Amazon and the Amazon in general. This is also true for other ecosystems in Peru. The Project will establish plans, strategies, instruments, spaces and planning platforms that can also be used in other areas of the regions where the Project intervenes. For example, concerted development plans and zoning activities will contribute to their replicability. Similar strategies, plans, instruments, spaces and platforms may also be implemented in other regions of Peru and other countries in the region. The management improvements in the Loreto RAMSAR Site will serve as lesson learning for the management of other RAMSAR sites in the country. The management practices and financial sustainability of PAs can be replicated in other PAs in the country, as well as the restoration practices that are key to the recovery of Amazon ecosystems in component 2. Likewise, value chains of Amazonian ecosystems that will be strengthened to bio-businesses of component 3 may also be scaled up and replicated in other areas of the regions where the Project intervenes, other regions of the country and other countries in the region. To this end, the Project will involve not only relevant regional actors, but also relevant national actors, such as MINAM, MINAGRI, MINCUL, MINCETUR or PRODUCE, among others (Section 6a presents all relevant actors and the way in which they will participate in the Project). Component 4 will make a decisive contribution to identifying, documenting and exchanging lessons, which will help avoid the repetition of mistakes, and up-scale and replicate good practices. The training of components 1, 2 and 3 and the dissemination of their outputs through component 4 will generate awareness and interest, and will provide technical capacity to up-scale and replicate the approach and activities of the Project. Co-financing will also contribute to replicability, in part by ensuring strong stakeholder engagement.



8) Summary of changes in alignment with the Project design with the original PIF

PROJECT RESULTS MATRIX		
EXPECTED OUTCOMES AND OUTPUTS (CHILD)	CHANGE PROPOSAL (PPG)	SUPPORTING ARGUMENTS
<b>Component 1</b>		
1.1- Enabling conditions (plans, guidelines and instruments), and strengthened capacities for sustainable soil and water management by different sectors through land use planning and integrated management, emphasizing on the local level.	No changes	
1.1.1.  Planning instruments (Economic-Ecological and forest zoning at regional and provincial scale), Concerted Development Plans (regional and local), Master Plans of PA and Watershed Plans (not restricted to administrative divisions) articulated and compatible with each other in the project's intervention landscapes.	1.1.1 Land use planning instruments developed, articulated and strengthened in the Project intervention landscapes.	Drafting was simplified since all the instruments mentioned are to be used for territorial planning and details were not necessary.
1.1.2. Enabling conditions for sustainable development of the Amazon agreed at the three levels and among government sectors (licenses, concessions, official land register, etc.).	1.1.2  Instruments developed for the sustainable management of Amazon ecosystems (permits, concessions, etc.)	Enabling favourable conditions need not be agreed to by all parties, but must be coordinated. The Project will contribute to the sustainable management of Amazon ecosystems in areas held under forest management permits or concessions. Land registry will not be included because it is a more complex issue that will not be addressed by the Project.  For this purpose, instruments for the sustainable management will be development coordinated at the three levels and among government sectors.

1.1.3 Financial and economic mechanisms and incentives (tax, public private partnership and investments) for sustainable management.	1.1.3 Financial and economic mechanisms and incentives for sustainable management.	There is a great variety of mechanisms and incentives, so it is convenient not to specify any.
1.2 Administrative opportunities and incentives designed and strengthened for collaborative decision-making on the sustainability of the Amazon.	1.2. Opportunities and administrative incentives designed and strengthened for collaborative decision-making on Amazonian sustainability.	
1.2.1 Institutional capacities of national, regional and local governments developed or improved for land use planning and integrated management of natural resources, in a context of climate change with different sectors.	1.2.1 Strengthened institutional capacities of national, regional, and local governments in land use planning and natural resource integrated management with different sectors in a context of climate change.	Regional and local government officials already have capacities, but they need upgrading. The Project does not start from scratch.
1.2.2. Capacities developed among local stakeholders (organized producers, native communities, indigenous organizations, etc.) for land use planning.	1.2.2 Strengthened capacities of local stakeholders (organized producers, native communities, indigenous organisations, etc.) for land use planning, taking into account the development of native communities through their life plans.	Working with native communities is a very sensitive issue in the country, so it is advisable to specify that life plans will be taken into account. Capacities are there, but need to be strengthened; we are not starting from scratch.
1.3. Information system and social and environmental monitoring and evaluation tools designed and consolidated for decision-making.	No changes	
1.3.1. National monitoring platform implemented for decision making that articulates information from different sectorial areas (production, mining, agriculture and environment).	1.3.1. Dialogue platforms work effectively, improving decision-making and multi-sector coordination, using monitoring systems and promoting community monitoring in order to achieve sustainable ecosystem management.	The national monitoring platform is already implemented and operating at the national level. Thus, it is necessary to strengthen the management of dialogue or concertation platforms at a local or regional level to allow for better use of information and monitoring systems. This should be done in coordination with the monitoring committees on sustainable management of Amazon ecosystems.

1.3.2. Strengthening local and regional governments' capacities to use the information system to formulate investment projects and decision-making processes.	1.3.2. Strengthened information tools to formulate investment projects.	For day-to-day management of the authorities, the use of information tools, rather than systems, should be promoted. This should help in their day-to-day management in areas such as decision-making and generating investment projects.
Component 2:		
2.1 Management of PAs strengthened in accordance with Community Life Plans and Local Development Plans.	2.1. Integrated land management strengthened on the basis of PAs, in accordance with life plans and community development plans.	Drafting of outcome 2.1 and outputs has been improved in accordance with the following criteria: This component will provide technical and financial support to build the capacities of key actors on matters related to integrated land management. To this end, the Project aims at improving knowledge, skills and attitudes of decision makers and managers of PAs; supporting the infusion of the connectivity approach in PA management documents (master plans, management plans, site plans, among others) and community territory plans (life plans and community development plans); and supporting the implementation of management instruments which will focus on improved landscape connectivity.
2.1.1 Capacities of national, regional and local stakeholders strengthened to co-manage a protected area.	2.1.1.  Strengthened capacities of national, regional and local stakeholders for the integrated management of the territory based on PAs.	
2.1.2. Life plans, master plans and Local Development Plans are compatible with NPA objectives and local expectations.	2.1.2.  PA management plans, life plans, and development plans coordinated in order to ensure integrated management of the territory based on PAs and local expectations.	
2.1.3. Integrated landscape plans developed, increasing connectivity, including watersheds (subnational).	2.1.3. PAs and OECMs improve their management capacities for landscape connectivity, within a comprehensive territorial management approach.	
2.2.- PAs financial sustainability models implemented	2.2. PA financial sustainability models developed and implemented	To promote the implementation of the planned financial sustainability model, the Project will support the design of a fundraising strategy and the identification of potential strategic partnerships
2.2.1. Pilots of sustainability models implemented for PAs.	2.2.1. Financial sustainability model for prioritised landscapes and fundraising strategy have been developed.	

	2.2.2. Pilots of financial sustainability models implemented for PAs.	
2.3.- New PAs identified and created, including Other Effective Area-Based Conservation Measures (OECM) such as indigenous reserves for people in isolation.	No changes	
2.3.1. New protected areas created in compliance with IUCN standards, including guidelines for Other Effective Area-Based Conservation Measures (OECM).	No changes	
2.4.- Landscape restoration plans and pilots implemented	No changes	
2.4.1 Landscape restoration plans (wetlands, deforested areas), including the recovery and valuation of ancestral restoration practices and use of degraded areas provided.	2.4.1 Landscape restoration plans (wetlands, deforested areas) development, including the recovery and valuation of ancestral restoration practices and use of degraded areas.	Clearer wording of statement. Where possible, assign value use to recovered areas; <i>e.g.</i> , the use of NWFPs. The relevance of giving value to ancestral restoration practices is highlighted.
2.4.2. Capacities of local stakeholders to improve or innovate their restoration practices.	2.4.2 Strengthened capacities of local stakeholders to improve or innovate their restoration practices.	Specify that reinforcement will be performed
2.4.3. Landscape restoration pilots implemented.	No changes	
<b>Component 3:</b>		
3.1. Products and services derived from the sustainable use of forests have added value, are integrated into value chains, have access to the market with quality and sustainability criteria and generate socioeconomic and environmental benefits for local populations.	No changes	

3.1.1 An innovative economic model developed, applied and promoted for sustainable products from ecosystems, taking into account the unique ecological, economic and cultural features of the landscapes of origin (including micro-donations, market prospecting, traceability, circular economy, environment-friendly practices, benefit distribution, protection of genetic resources, differentiated prices, strategic alliances, etc.).	3.1.1 An innovative economic model developed, applied and promoted for sustainable products from ecosystems, taking into account the unique ecological, economic, and cultural features of the landscapes of origin.	Clearer wording of statement. Details (criteria and approaches, <i>e.g.</i> , gender mainstreaming) included in the main text and in the corresponding specialized sections and annexes.
3.1.2. Products and services derived from biodiversity have added value, with duly strengthened value chains and have access to the market under quality and sustainability criteria within the new economic model with the involvement of women.	3.1.2. Products and services derived from biodiversity have added value, with duly strengthened value chains and increased processing capacity, and have access to the market under quality and sustainability criteria within the new economic model.	Clearer wording of statement. Details (criteria and approaches, <i>e.g.</i> , gender mainstreaming) included in the main text and in the corresponding specialized sections and annexes.
3.1.3. Sustainable biodiversity and environment friendly production systems incorporating good practices are supported.	3.1.3. Sustainable biodiversity and environment-friendly production systems incorporating good practices are supported.	Clearer wording of statement.
3.1.4. Commercial strategy associated with the development of an umbrella brand for biodiversity products duly incorporated into value chains, under criteria of quality, sustainability and gender equity, with emphasis on strengthened women's participation and partnerships with national and international buyers representing preferential markets for biodiversity products with sustainable production practices promoted.	3.1.4. Commercial strategy associated with the development of an umbrella brand for sustainable biodiversity products duly incorporated into value chains, under criteria of quality, sustainability and gender mainstreaming, with emphasis on domestic and international preferential markets.	Clearer wording of statement. Details (criteria and approaches, <i>e.g.</i> , gender mainstreaming) included in the main text and in the corresponding specialized sections and annexes.
3.1.5. Alliances between producers, public and private sector (4P), to leverage investments linked to zero deforestation value chains and local development.	No changes	

3.1.6 Pilots to improve capacities of local actors, for biodiversity products and services of NTFPs with added value, in value chains for market access.	3.1.6 Pilots to improve capacities of local producers and entrepreneurs to deliver biodiversity products and services with added value and included in ecobusiness value chains.	Clearer wording of statement. Details (criteria and approaches, <i>e.g.</i> , gender mainstreaming) included in the main text and in the corresponding specialized sections and annexes.
3.2. Communities, support organizations, private sector and the government with strengthened technical, business and managerial capacities to develop sustainable companies and bio-trade, based on the sustainable use of biodiversity products and services.	No changes	
3.2.1. Capacities strengthened among communities and stakeholders engaged in value chains, with traditional knowledge recovered and valued; emphasizing skills for informed marketing and for economic decision making.	3.2.1. Strengthened marketing and business planning capacities of communities and stakeholders engaged in value chains.	Clearer wording of statement.
3.2.2. Proposals for policies, plans, incentives, guidelines and recommendations for the promotion of eco-business (green business action plans, biodiversity-friendly practices) are developed.	3.2.2. Improved policies and procedures related to the licensing and promotion of eco-businesses based on sustainable forest products	Clearer wording of statement. Details (criteria and approaches, <i>e.g.</i> , gender mainstreaming) included in the main text and in the corresponding specialized sections and annexes.
3.2.3 Local and regional governments adopt eco-business in their investment plans, including two multi-annual institutional operational plans at the regional level.	3.2.3 Local and regional governments develop and implement investment projects to promote eco-businesses, included in multi-annual institutional operational plans.	Clearer wording of statement. Goal was moved to the corresponding place in the table.
3.2.4. Targeted communication strategy in the regions for the promotion of eco-business is developed.	3.2.4. Targeted communication strategy for consumer awareness and the promotion of Amazon ecobusinesses based on sustainable natural inputs is developed.	Clearer wording of statement.
<b>Component 4:</b>		
4.1. Knowledge Management and Communications		

4.1.1 Communication and awareness campaigns in sectors that are drivers of deforestation (transport, agriculture, mining, etc.).	4.1.1 Communication and awareness raising strategies on the value of Amazon biodiversity and the impact of sectors driving deforestation (transport, agriculture, mining, etc.)	Work should be focused on raising awareness about the impact of the sectors driving deforestation
4.1.2. Systematization and dissemination of experiences and lessons learned from the Project strategy.	No changes	
4.1.3. Participation in partnerships and cooperation agreements for the exchange of experiences from ASL2.	No changes	
4.2. Project follow-up and monitoring, and coordination and management..	No changes	
4.2.1 Project Monitoring Reports.	No changes	
4.2.3 Mid-term Review and terminal evaluation.	No changes	

[1] Report Apuntes del Bosque No. 01 included in GEOBOSQUES, MINAM

[2] Peru has been monitoring the surface area of the Amazon tropical rainforests since 2000, based on Landsat mosaic using 30 cm resolution satellite imagery.

[3] In the Peruvian legislation on natural protected areas, there are 9 categories of definitive areas. Ordered from higher to lower level of protection, within the scope of the Project we find the Otishi and Alto Purús National Parks, both of indirect use. As direct use areas, we find the Pucacuro y Pacaya Samiria National Reserves, El Sira y Asháninka Community Reserve, San Matías San Carlos Protection Forest and the Alto Nanay Pintuyacu Chambira Regional Conservation Area. The legislation on indigenous people living in isolation and initial contact recognizes the establishment of Indigenous Reserves, areas of intangible character which is equivalent to the highest level of protection established in the legislation on NPA.

[4] Loreto Sostenible by 2021. Pronaturaleza. 2013. <https://pronaturaleza.org/wp-content/uploads/2013/Otras-Publicaciones/PDF-02.pdf>

[5] New threats to the Abanico del Pastaza, the largest wetland complex in the Peruvian Amazon. DAR. May, 2019. [http://www.dar.org.pe/archivos/publicacion/articulo\\_amenazas\\_pastaza.pdf](http://www.dar.org.pe/archivos/publicacion/articulo_amenazas_pastaza.pdf)

[6] Estimated value based on the Reporte Pérdida de Bosque 2001 - 2017. MINAM - PROGRAMA BOSQUES. 2017.

[7] Meeting with Margarita Huamán, Advisor, and Turriate, Legal Counselor of the Vice-ministry of Interculturality. December 04, 2019.

[8] Among other information sources, this analysis considers the threats detected in the master plans of the natural protected areas. Although the concepts of "threat" and "cause of ecosystem degradation" are a bit different, both detect aspects that put the health of ecosystems at risk. Annex 02 gives details on the threats of the different protected areas of the intervention zone.

[9] It is considered as one of the most important hydrocarbon projects in the country. It is currently in the exploration phase.

[10] Master Plan, Pucacuro National Reserve 2013-2018. SERNANP.

[11] RAISG (2012) The Amazon under pressure. 68 pages [www.raisg.socioambiental.org](http://www.raisg.socioambiental.org)

[12] Imir?a Case. Available at: <https://maaproject.org/2018/nuevas-amenazas-2/>

[13] This Project aims at integrating the isolated power supply system of Iquitos to the National Electric Power Grid (SEIN). The layout crosses over the Abanico del Pastaza.

[14] This is one of the five hydroelectrical projects prioritized by the Energy Integration Agreement between Brazil and Peru, with an operating capacity of 2000 MW, and a flooding area of 752 km that would affect 10 Ashaninkas Communities in the area of influence of the Ashaninka CR and Otishi NP, and would result in the loss of massive forest areas and important places for diversity. For the time being, it has been halted.

[15] Namely agriculture, livestock, timber exploitation, fishing, mining, hydrocarbon exploitation, infrastructure and human settlements.

[16] In large part, the Mantaro River.

[17] Janovec, John, et. al. (2013) Evaluaci?n De Los Actuales Impactos Y Amenazas Inminentes En Aguajales Y Cochas De Madre De Dios, Per?. WWF, Lima, Peru.

[18] Interview to specialists of the Pucacuro NR. There is evidence in the Pavayacu Ravine and Pucacurillo Ravine near the 28 de Julio community. It is estimated that illegal activities could arrive in the 28 de Julio and Santa Elena communities.

[19] As mentioned above, the annex shows the threats identified in the master plans of those zones, a different concept, but joint with the causes indicated above.

[20] However, there is good experience in other regions such as: the process of integration of strategies for climate change and biological diversity (Tumbes) and the process of mainstreaming the environmental approach in its PDCR (Ucayali, San Mart?n and Huanuco).

[21] Source: SERNANP, updated on January 2nd, 2020:

<https://www.sernanp.gob.pe/documents/10181/165150/Listado+ANP+02.01.2020.pdf/7d4dd056-fcb8-479c-bf1b-f58bbef6e941>

[22] However, its validity depends on the permanence of indigenous peoples in isolation; in other words, they are a category under temporary protection, while indefinite.

[23] The pilot planting had the financial support of the Regional Government of Ucayali and the Fondo de las Americas, and its aim was the validation of a recovery and commercial planting model in degraded areas, which allowed to determine a more proper spacial and temporary distribution of timber and non-timber species. Subsequently, these were modified and other species were included for the flood zones.

[24] SERFOR (National forest Service and Wildlife), Biodiversity ? Peru, ICRAF (World Agroforestry) (2018). Restoration experiences in Peru. Lessons learned. Lima, Peru. 2018

[25] For example, despite its importance, the Pastaza Wetland was not included in the Ecological Protection and Conservation Zones in the Forest Zoning of Loreto. In consequence, the Pastaza lacks a management tool that guides its management and a category that provides effective protection against road and electric infrastructure projects that threaten its conservation.

[26] Information sheet of the RAMSAR Wetlands. January 2002.

[27] It is explained in detail in section 2.

[28] Among other efforts driven by the bodies of State and the civil society organized for the sustainable management of the land, the proposal of the Reserva de Bi?sfera Avireri Vraem lead by Devida is cited and it would integrate the Otishi NP, Ashaninka CR, Megantoni NS, and Matsiguenga CR; and the proposal of the Reserva de Bi?sfera de Jun?n lead by the Regional



Government of Junín which involves the provinces of Chanchamayo, Jauja, Tarma, Concepción, Junín and Satipo.

[29] Quintero M; Pareja P. 2015. Progress and Bottlenecks of the Water Ecosystem Services Offsetting Mechanisms in Peru. Cali, CO: International Center for Tropical Agriculture (CIAT). 40 p.

[30] In the Peruvian Legislation, Biocommerce is defined as "the activity through which the native resources from the biodiversity are used sustainably to promote investment and trade in accordance with the objectives of the Convention on Biological Diversity; thereby supporting the development of local economic activities through strategic alliances and generating added value to biodiversity products which are competitive for domestic and international markets, with criteria on social equity and economic profitability". According to the United Nations Conference on Trade and Development (UNCTAD), BioTrade refers to "those activities of collection, production, transformation, and commercialization of goods and services derived from native biodiversity (genetic resources, species, and ecosystems) implying the application of sustainable and conservation practices under the criteria of environmental, social and economic sustainability". Biobusinesses are also defined by MINAM as: "Those based on the profitable exploitation of biological diversity products bearing in mind the criteria on environmental, social and economic sustainability. Biobusinesses implement a business model which incorporates the internalization of costs in favour of the conservation of natural resources, the inclusion of communities and traditional knowledge of value generation, and the dynamization of local economies."

[31] Regional demand is 150 tons per month, where 5,000 households are estimated to participate in the commercial chain. In 2017, *aguaje* exports from the Loreto region were USD 43,140 FOB and in 2018, USD 37,982 FOB.

[32] Budget Program: Tool of Budget which is a programming unit of the actions of public entities which, integrated and articulated, are oriented to providing products to achieve a specific result in the population, thus contributing to achieving a final result associated to a public politics objective.

[33] A public investment project is every time-limited intervention which uses public resources totally or partially in order to create, amplify, improve, modernize or recover the production capacity of goods and services; whose benefits are generated during the Project life and which are dependent on other projects (MEF, 2016).

[34] <https://open.undp.org/projects/00096495>

[35]

[https://www.pe.undp.org/content/dam/peru/docs/PNUD\\_PE\\_AMAZONIA%20RESILIENTE\\_ECOSISTEMA%2010-11-2017.pdf](https://www.pe.undp.org/content/dam/peru/docs/PNUD_PE_AMAZONIA%20RESILIENTE_ECOSISTEMA%2010-11-2017.pdf)

[36]

[https://www.apci.gob.pe/prueba/busqueda\\_inst/reporte\\_2008.php?IDIntervencion=34948&anno=2018](https://www.apci.gob.pe/prueba/busqueda_inst/reporte_2008.php?IDIntervencion=34948&anno=2018)

[37] <https://gestion.pe/economia/exportaciones-diversidad-biologica-nativa-sostenible-crecerian-20-ano-266450-noticia/> Mayo 2019.

[38] The National Commission for Development and a Drug-free Life of Peru (La Comisión Nacional para el Desarrollo y una Vida sin Drogas).

[39] These strategies will be articulated with the Regional Strategic Tourism Plan (PERTUR) of the project area.

[40] PP 057: Conservation of biological diversity and sustainable use of natural resources in a protected natural area

[41] PP 144: Conservation and sustainable use of ecosystems for the provision of ecosystem services

[42] PP 130: Competitiveness and sustainable use of forest and wildlife resources

- [43] PP 068: Vulnerability reduction and disaster emergency response
- [44] Strengthen the work that Program UN REDD has been developing in monitoring committees, to expand the number of communities and generate sustainability in the monitoring carried out regional organizations.
- [45] Environmental Information System (SIAR)
- [46] SERNANP has been designing the National Program to monitor the dynamics of the country's forests to measure the impact of climate change, which is one of the NDC adaptation measures, which seeks to be an input for decision-making and planning with a focus of climate change in the Amazon biome.
- [47] The development and / or updating of the mentioned protected areas management documents will be coordinated with SERNANP (Strategic Development Directorate).
- [48] Appendix F: GEF TF / LDCF / SCCF Core Indicator Worksheet ? METT INDICATOR
- [49] Upper Nanay Pintuyacu Chambira RCA or the proposal of the Laguna Encantada RCA which is expected to be declared before the beginning of the Project implementation.
- [50] Ash?ninka CR, El Sira CR, San Mat?as San Carlos PF, Pacaya Samiria NR, Pucacuro NR
- [51] 1 pilot mechanism of financial sustainability (CMES in Upper Nanay); conservation agreements in El Sira CR, San Mat?as San Carlos PF, Ash?ninka CR, and Pacaya Samiria NR; 1 environmental compensation mechanism in Pacaya Samiria NR.
- [52] Financial Sustainability of Protected Areas in Latin America. FAO/National Parks Autonomous Agency (OAPN) Programme.
- [53] These areas include i) the proposal of the Laguna Encantada RCA on a surface area of 1,500 ha in the Antonio Raymondi District in the Province of Atalaya (Ucayali) near the Department border with Jun?n; ii) a concession to preserve over 45,688 ha granted to a native community association in the District of Yur?a, which is part of a conservation block comprised of Murunahua IR and High Pur?s NP, along with indigenous territories and PA in Brazil; iii) in the landscape of the Central Jungle, conservation methods with the potential to strengthen the connectivity between El Sira CR and the San Mat?as San Carlos PF have been identified, extending a conservation corridor with the Yanachaga Chemill?n NP and Yanesha RC which benefits wildlife species in the protection category; iv) In Loreto, the Regional Government has identified a hot spot for conservation in the district of Urarinas, Province of Loreto, which contributes to the protection of the Pastaza Wetlands, along with concessions for ecotourism and conservation located in the buffer zone of the Pacaya Samiria NR; v) AIDESEP has promoted the remediation of indigenous territories in this scope, contributing to the preservation of the landscape; vi) a public-private initiative promoting a conservation corridor between Pucacuro NR, Upper Nanay Pintuyacu Chambira RCA and Alpahuayo Mishina NR; vii) a proposal of priority areas for conservation in Sepahua (Ucayali) over a surface area of 67,137 ha, which shares borders with High Pur?s NP on the east, and the Reserve for IPVIIC Nagua Nanti Kugapakori on the south; viii) a proposal of RCA of the Ecosystems of the San Cristobal Mountain Range (Toldopampa) which alongside the Pui Pui PF conform a mosaic of conservation areas that contains mountain forests, yungas and puna wetlands, and is a water source for Pichanaki, Satipo, R?o Negro and part of Pangoa.
- [54] Assessing new forms of conservation for El Sira Community Reserva and the San Mat?as San Carlos Protected Forest, Yanachaga Landscape. Project called ?Resilient Amazon? (SERNANP ? PNUD).
- [55] For the development of this activity, instruments such as the "Guide to the modalities of conservation of biological diversity outside the scope of protected natural areas", published by MINAM (2020) will be taken into account.

[56] It derives from the same scope of restoration regarding the original ecosystems, but it focuses more on the partial recuperation of specific processes, productivity or the services of an ecosystem and not so much on biological integrity (SER, 2004). That means it does not reach the reconstruction of the original ecosystem, but that it reestablishes some functional and/or structural elements.

[57] SER ? Society for Ecological Restoration.

[58] Calculation based on special information through the layer of degraded areas of MINAM (2019) where this areas appear for the year 2018.

[59] Alto Nanay Pintuyacu Chambira RCA or the proposal of the Laguna Encantada RCA which is expected to be declared before the beginning of the Project implementation.

[60] Ash?ninka CR, El Sira CR, San Mat?as San Carlos PF, Pacaya Samiria NR, Pucacuro NR

[61] PROCOMPITE VERDE.

[63] System-wide capacity development (CD) is essential to achieve more sustainable, country-driven and transformational results at scale as deepening country ownership, commitment and mutually accountability. Incorporating system-wide CD means empowering people, strengthening organizations and institutions as well as enhancing the enabling policy environment interdependently and based on inclusive assessment of country needs and priorities.

- Country ownership, commitment and mutual accountability: Explain how the policy environment and the capacities of organizations, institutions and individuals involved will contribute to an enabling environment to achieve sustainable change

- Based on a participatory capacity assessment across people, organizations, institutions and the enabling policy environment, describe what system-wide capacities are likely to exist (within project, project partners and project context) to implement the project and contribute to effective management for results and mitigation of risks.

Describe the project's exit / sustainability strategy and related handover mechanism as appropriate.

#### 1b. Project Map and Coordinates

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

142. Project areas include the provinces of Loreto, Atalaya, and Satipo in the Departments of Loreto, Ucayali, and Jun?n, respectively. Geographically, they are located in the Tigre river basin and in the upper Ucayali river basin, between the following WGS84 geographic coordinates (Detailed Maps in Appendix E, here we include the main maps showing these landscapes):

**Table 4 Project Geo-Coordinates**

Department	Province	District	Coordinates	Altitude
Loreto	Loreto	Nauta	4?30'19.29"S 73?34'51.55"O	110 masl
		Parinari	5?02'39.54"S 74?46'49.87"O	123 masl
		Tigre	3?22'59.19"S 74?56'53.89"O	150 masl
		Trompeteros	3?48'21.42"S 75?03'36.56"O	126 masl
		Urarinas	4?25'05.71"S 75?31'39.61"O	137 masl
Ucayali	Atalaya	Yur?a	9?58'02.97"S 72?31'13.74"O	288 masl

		Raymondi	10°37'08.04"S 73°22'15.13"O	293 masl
		Sepahua	11°08'49.85"S 73°02'09.56"O	288 masl
		Tahuanza	10°01'35.04"S 73°39'13.04"O	338 masl
Junín	Satipo	Satipo	11°15'09.64"S 74°38'13.62"O	629 masl
		Pangoa	11°53'59.31"S 74°18'42.56"O	1901 masl
		Pampa Hermosa	11°26'30.42"S 74°49'38.35"O	2988 masl
		Mazamari	11°19'56.12"S 74°31'43.50"O	680 masl
		Tambo River	11°09'09.64"S 74°14'25.64"O	332 masl
		Negro River	11°12'30.38"S 74°39'32.66"O	342 masl
		Llaylla	11°27'18.56"S 74°39'48.47"O	1779 masl
		Coviriali	11°19'22.38"S 74°39'48.47"O	1408 masl

Source: Google Earth

143. Project landscapes are the **Tigre Marañón Landscape** with 8,453,536 ha and the **Upper Ucayali - Inuya Landscape** with 5,911,286 ha, for a total of 14,364,823 hectares. These landscapes were selected based on the following targeting criteria that combine environmental, social, economic and cultural elements: 1) Conservation value: richness of terrestrial and water ecosystems and species, threatened species, protected areas, and ecosystem services; 2) Cultural value: presence of indigenous peoples, including native communities and indigenous peoples in isolation and initial contact; 3) Presence of threats: drivers of deforestation and degradation, with emphasis on the area of influence of protected natural areas or on wilderness areas (water or terrestrial) and indigenous territories; and 4) Available opportunities to use natural heritage: potential for the development of sustainable bio-businesses, based on ecosystem products and services of the forest and water ecosystems, including the rehabilitation of degraded lands and wetlands.



Source: INEI, IGN, ANA ? February 2020



Source: INEI, IGN, ANA ? February 2020



Source: INEI, IGN, ANA ? February 2020

144. The **Tigre-Mara??n landscape** includes the Tigre river basin and the northern tributaries of Mara??n river, in the Department of Loreto. The most predominant province is Loreto-Nauta with the districts of Nauta, Parinari, Tigre, Trompeteros, and Urarinas. The **Upper Ucayali - Inuya Landscape** includes mainly the upper basin of the Ucayali river and its source rivers, with the exception of the Urubamba river. In other words, this area comprises the upper part of the Ucayali river itself, the Tambo river, and its source rivers (Peren? and Ene). It also comprises the province of Satipo (Tambo River, Negro River, Satipo, Pangoa, Pampa Hermosa, Mazamari, Llaylla, Coviriali) in the Department of Junin, and the province of Atalaya (districts Raimondi, Sepahua, Tahuan?a and Yur?a) in the Department of Ucayali. The Inuya basin is located in the district of Raimondi in the province of Atalaya. Maps 2 and 3 show these landscapes within the respective departments, provinces, and districts, based on administrative divisions and basins.

145. The **Tigre-Mara??n landscape** presents a large extension of floodable forests and palm swamps that would contain - especially in their saturated soils - the highest concentration of carbon in the Amazon basin (Draper et al. 2014. ?The distribution and amount of carbon in the largest peatland complex in Amazonia?. ENV RES LETTERS 9(12):124017). The Pucacuro and Pacaya Samiria national reserves, as well as the High Nanay-Pintuyacu-Chambira Regional Conservation Area are part of this landscape. In the administrative map, the Tigre-Mara??n landscape corresponds mostly to the province of Loreto-Nauta, Loreto region. Map 7 shows the conservation spaces in the Tigre-Mara??n landscape.

146. The **Upper Ucayali - Inuya landscape** includes a forest frontier, dominated by collective territories of indigenous peoples, increasingly fragmented because of a penetration highway that descends from the Andes (Satipo-Atalaya main road). The Otishi National Park, flanked by the Ash?ninka Community Reserve, the San Mat?as - San Carlos Protection Forest, the southeast corner of the El Sira CR, and the Murunahua Indigenous Reserve are the main protected areas in this region. The Murunahua reserve, between the Yur?a and Inuya rivers, is specially important, as it was established to safeguard the life and health of indigenous peoples in isolation and in initial contact. It is considered, for all purposes, as a strict protection area, where no entry is allowed. Murunahua is also the western boundary of a large continuous extension of forests protected by the State (more than 10 million ha), which includes the High Pur?s and Manu national parks. In the administrative map, the Upper Ucayali - Inuya landscape covers the provinces of Satipo (region of Jun?n) and Atalaya (region of Ucayali). Map 14 shows the conservation spaces in the Upper Ucayali - Inuya landscape.

147. Likewise, the selected territories include various forest ecosystems: Floodable alluvial forest, Low hill forest and non-floodable terrace forest, Yunga Basimontane forest, High hill forest, Low hill forest, Non-floodable terrace forest, Yunga montane forest, Yunga Rainforest and eastern seasonally dry forest, see Maps 4 and 12 (Appendix E). At the regional level, Loreto has 53% of Peru's surface carbon reserves<sup>[1]</sup> with a total stock of 3,685 million metric tons (t) of CO<sub>2</sub> with an average density of 98,8 Mg C ha<sup>-1</sup> +. The second largest regional stock is found in Ucayali, which contains 14,3% of national carbon reserves, with a total of 987 million t of CO<sub>2</sub> and average densities of 93,7 Mg C ha<sup>-1</sup>. Jun?n has 2,11% of the surface carbon reserves with a total stock of 146 million t of CO<sub>2</sub> and an average density of 33,4 Mg C ha<sup>-1</sup>. Maps 4 and 12 (Appendix E) show the ecosystems of the Tigre - Mara?on and Upper Ucayali Inuya landscapes, respectively.

148. The Project area, specifically the Ash?ninka CR, the Otishi NP, and the High Pur?s NP, is part of the Vilcabamba-Ambor? conservation corridor, which is also included in the Tropical Andes Hotspot. In the central jungle area, the presence of paca (*Guadua sarcocarpa sarcocarpa*) and pona (*Iriarteia deltoidea*) formations stand out. In the Loreto landscape, the areas that stand out are the immense areas of *aguajales* (*Mauritia flexuosa*) and mixed forests of other palm trees which, together with the wetlands of Pastaza, form a single ecosystem. Table 5 shows an approximation to the number of species of the main taxonomic groups in the provinces of intervention, based on the Map of Life tool.

**Table 5 Number of species per province and taxonomic groups.**

TAXONOMIC GROUP	PROVINCES		
	LORETO	ATALAYA	SATIPO
Birds	573	690	886
Mammals	<b>34.</b>	117	180
Turtles	11	4	4
Amphibians	122	117	<b>38.</b>
Fish	8	7	8
Dragonflies	1	1	<b>26.</b>
Plants	<b>1885.</b>	<b>2004.</b>	<b>1988.</b>
Cactus	5	4	9
Conifers	1	6	7
Palm trees	<b>63.</b>	<b>53.</b>	<b>59.</b>

Source: Map of life <https://mol.org/regions/?regiontype=point&location=-10.73259169493028,-73.758661430647>



\*The calculation of species by taxonomic group was made using as reference the localities of Trompeteros (Loreto) and the cities Atalaya and Satipo.

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[1] According to the University of Leeds in the United Kingdom, the Carnegie Institute of Science, and the Ministry of the Environment, the Peruvian Amazon contains around 7 billion tons of carbon.

#### **1c. Child Project?**

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

#### Alignment with Impact Project: ASL2

149. The four components of the Child Project are consistent with the ASL2 mainstreaming approach and the associated ToC. By working on landscape mosaic composed of PA, buffer zones, and adjacent indigenous territory-where ecosystems are still healthy, but threatened, the Child Project will revert the current degradation and deforestation trends, and will conserve and restore ecosystem and biodiversity services, thus benefitting from better ecosystem connectivity; will reduce GHG emissions; and will improve the resilience and the socio-economic conditions of the inhabitants of the area, including indigenous communities.

150. The collaborative, coherent, and synergistic governance (**Component 1**) is aligned with Component 3 of ASL2 IP, and will strengthen the institutional frameworks (policies, instruments, spaces, platforms, and capacities) for a coherent territorial planning among different sectors, government levels, and stakeholders in those territories.

151. Strengthening ecological connectivity in PA conservation mosaics (**Component 2**) is aligned with component 1 of ASL2 IP, and will strengthen the sustainability of PAs and their buffer zones through articulated plans to integrated management of territory and financial sustainability models. This component will focus on PAs and will include a wide participation of indigenous communities. New PAs will be considered, as well as improvements on existing PAs, to achieve the sustainable flow of ecosystem services. Conservation and recovery of ecosystem services will include restoration actions in PAs and BZs. In this regard, component 2 of the Child Project is also consistent with the restoration element of component 2 of the ASL2 IP.

**152. Component 3** (Value chains for sustainable natural products) is aligned with component 2 of the ASL2 IP. Under this item, an eco-business initiative model will be put into practice in order to allow to commercially capture part of the value of Amazon ecosystems and landscapes, and recapture the benefits of any added value in favour of local food security and the conservation of wildlife ecosystems. This will be implemented by making improvements in harvest, post-harvest, value adding, financing and trading practices, including the expansion of international markets. In

this sense, the Child Project will provide specialized accompaniment and encourage strategic alliances in connection with a prioritised set of value chains and products. These value chains already exist in Peru and the Child Project will work closely with their sponsors, investors, and innovators. Key stakeholders (private and public) will be trained in commercial and management practices in order to foster ongoing development of these strengthened chains after the Child Project ends. In addition, public investment for eco-businesses will be promoted and a 'consumer awareness campaign' will be launched. Knowledge management and M&E (**Component 4**) is aligned with component 4 of ASL2 IP and will contribute to capacity building and regional cooperation (lessons learned and best practice exchanges). As mentioned above, it is important to keep in mind that the Child Project fosters capacity building in a cross-cutting manner, as it does in components 1, 2 and 3.

## **2. Stakeholders**

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

**Civil Society Organizations** Yes

**Indigenous Peoples and Local Communities** Yes

**Private Sector Entities** Yes

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

**Please provide the Stakeholder Engagement Plan or equivalent assessment.**

153. An environmental and social analysis has been carried out in order to develop the Project. According to the FAO Environmental and Social Standards (ESS), the Project has been classified as moderate risk. The elaboration process of the 'Stakeholders Engagement Plan' (Appendix I2) considers information exchange processes and the dissemination, assessment and participation of the identified stakeholders of the Project. Main stakeholders involved and interested in the Project have been mapped or identified, specifically those potentially affected directly or indirectly by the Project, those who participate in the Project implementation, and those who could have an influence and decide on the application or use of the results of the Project.

154. Finally, information dissemination and communication methods with stakeholders are considered. These methods, as well as the availability of the information and supporting evidence on the tracking and monitoring of the Project, should be implemented during the implementation of the Project. This effort was complemented by an analysis of their roles and responsibilities.

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

**Select what role civil society will play in the project:**

**Consulted only;** Yes

**Member of Advisory Body; Contractor;**

**Co-financier;** Yes

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

**Executor or co-executor;** Yes

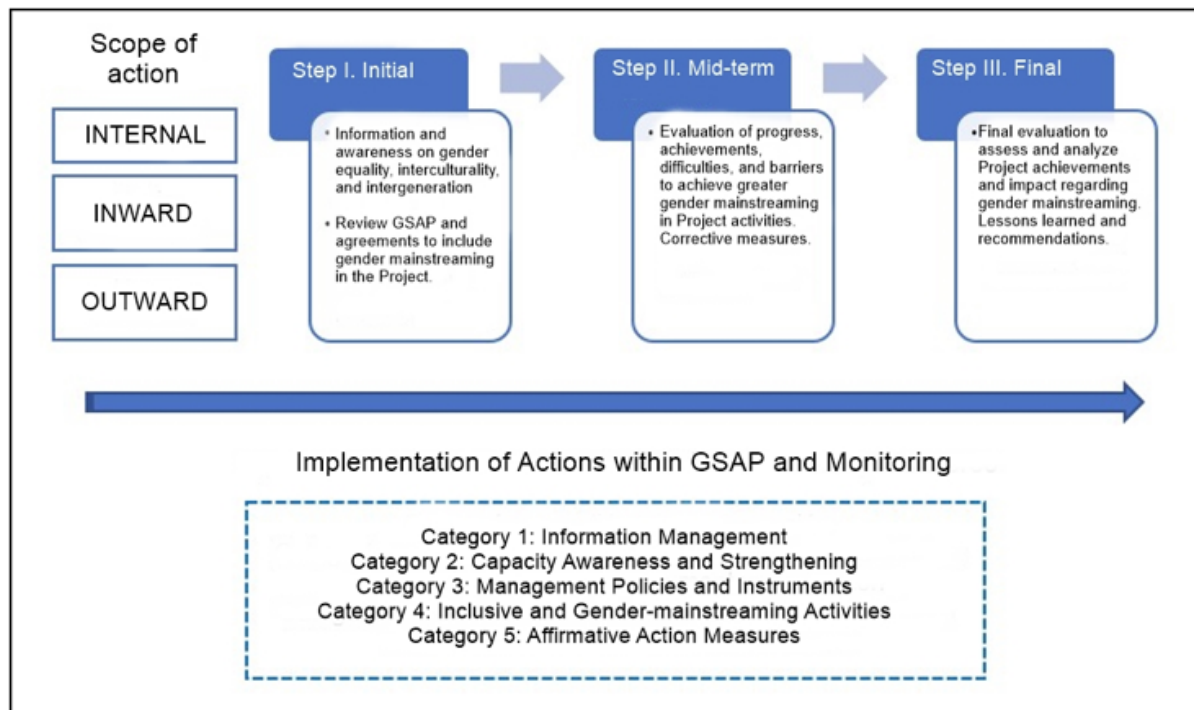
**Other (Please explain)**

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

**Provide the gender analysis or equivalent socio-economic assesment.**

155. The Gender Action Plan (GAP), drafted based on the Gender Analysis (**ANNEX 6**), seeks to contribute to gender equality and the empowerment of women within the framework of action of the Project, by reducing the institutional and sociocultural barriers that limit participation, mainly, of indigenous women in the rural areas of the three intervention provinces, in the conservation and sustainable management of this Amazon landscapes. For this purpose, GAP (Appendix L) has developed a gender mainstreaming strategy which links the most important gaps identified in the intervention landscapes with the outcomes, outputs, and activities proposed in each component, as well as Peru's policies and commitments to achieve gender equality. This strategy considers 3 areas for the actions proposed in the plan, grouped into 5 categories and 3 key implementation moments or stages during the 5-year lifecycle of the Project (see Figure 2).

*FIGURE 2. Areas and steps in the gender mainstreaming process in the ASL2 Project*



Source: Author(s)

156. The GAP and the Project recognise the demographic, sociocultural and ethnolinguistic characteristics of native communities located in the intervention area, as well as the extended family's role in production activities and generation of income and as a social support network. It also recognises the social, economic, and cultural differences between women and men, and the differences in the way they organise and participate in accessing, handling, and managing natural resources in their environment, especially those regarding production sources like land, territory, water, and forests.

157. Among the main contributions of the Project to women equality and empowerment in the intervention landscapes are:

- Components 1 and 2: Through their outcomes and outputs, they will contribute to reduce the barriers that hinder gender equality and the non-discrimination of women and vulnerable populations in the institutionalisation of the public and private environmental management. For example, barriers related to the institutional capacity of regional and local governments for gender mainstreaming in their policies, structures, regulations, projects, management instruments, accountability, management of human resources and organizational culture, as well as to institutionalize and operate gender equality politics in their management through the articulation of the protection plans for indigenous reserves and community territorial plans, as well as life plans and community development plans with the concerted development plans (CLDP and CRDP), the regional plans for gender equality (RPGI), the master plans of the PAs, the budget programmes, among others.
- Component 3: Through its outcomes and outputs, this component will contribute to reducing economic inequality (labour and production) of mainly indigenous women, through their access to and participation in sustainable value chains based on natural Amazon products. Reduce gender inequalities and gaps between men and women (especially indigenous in rural areas) in terms of access, use, and control of natural resources used in these value chains, especially in a climate change scenario. Reduce the participation and control gap between women and men in decision-making, benefits, and processes related to governance,

biodiversity management, restoration practices, and bio-business value chains (components 1 to 3).

- Component 4: Through its outcomes and outputs, this component will contribute to value and acknowledge the contribution of women and men, mainly indigenous, in the conservation and the integral and sustainable management of the Amazon landscape. This will be achieved through (1) the generation, access, and use of gender information, statistics, and indicators which evidence the inequality gap and discrimination against women in decision-making which contributes to mitigate risks and avoid repeating mistakes; (2) systematization and dissemination of experiences and lessons learned related to interventions for gender mainstreaming in the framework of the implementation of the Project; and (3) awareness and communication campaigns in developing and transmitting the importance of gender equality for the sustainable development of the Amazon.

158. The Project aims at an inclusive and gender-responsive budgeting to guarantee that the measures and actions established in the PAG are carried out. See Appendix L (attached document). In order to implement the actions proposed in the PAG-ASL2 and guarantee gender mainstreaming in the Project, there will be a gender studies expert who will be in charge of coordinating, monitoring, and ensuring the fulfilment of all planned actions in the implementation of the Project (outcome framework and PAG-ASL2). Also, guidance and technical support will be offered to both the Project team and the different national, regional, and local stakeholders so that these include the gender mainstreaming in their areas of work or interest.

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[1] Please refer to [GEF Gender Equality Guidelines, Guide to mainstreaming gender in FAO's project cycle, GEF Gender Guidelines](#).

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

Yes

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

**Improving women's participation and decision making Yes**

**Generating socio-economic benefits or services or women Yes**

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

Yes

**4. Private sector engagement**

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

159. The participation of the private sector will be determinant for the Project, mainly in Component 3 (development of value chains based on sustainable products from the ecosystems). In general, the private sector participates as a strategic partner in the value chains of biodiversity products and services in different ways:

- a) From the commercial demand of raw materials: ecologically sustainable production volumes and rhythm, safe and non-destructive harvest and post-harvest practices, compliance with health regulations, purchasing prices which reward or promote sustainable practices, etc.;
- b) From the commercial offer: low ecological impact transformation processes, low impact packaging and transportation, promotion of eco-friendly products, consumer education, etc.;
- c) From the Corporate Social Responsibility: contribute to sustainable development and stimulate the generation of local capacities through close cooperation with the community; and
- d) From Fair Trade: show that it is possible to make the economic, social and ecological criteria compatible, and give costumers quality products with high intrinsic value.

160. The detailed analysis of value chains and the identification of the strengthening needs will be carried out with the direct participation of producer associations and the businesses in the intervention landscapes of the Project. A group of businesses and organisations has already been identified and will be recruited as allies for the Project, to be part of the strategic committee of Component 3. The intervention model was discussed with the businesses and organisations during the development of the component; and strategic priorities will be adjusted throughout the Project implementation in consultation with the actors. Some of these businesses and organisations will contribute to co-finance the Project.

161. The Project will facilitate commercial alliances between the various actors in the value chains, aiming at linking communities and their products with sensitive or specialized markets. This implies working in a collaborative manner to increase the proportion of raw materials obtained under sustainable management, to transform them into high quality and high added value products, and to put them in appropriate final markets. This implies working with government actors and under the regulatory and strategic framework mentioned in sections 2 and 7, and with the associations and enterprises indicated in section 2. The associations and businesses mentioned will be invited to join the consultative instances of the Project in order to ensure ongoing dialogue and effective participation of the private sector in the implementation of the Project. Furthermore, the Project will provide competitive funds, directed to producer associations willing to participate in the sustainable value chains supported by the Project.

During the PPG phase, the project conducted a mapping of existing private sector entities able to collaborate in the framework of the project and conducted consultations with them (reference Annex 4 for more details). These include: Group AJE, SHIWI, CANDELA, APROCCANT, Fruit Amazon Resources (RAF, for its name in Spanish), Initiative Mater and Central Restaurante, Despensa Amaz?nica, Central Ashaninka of Tambo River (CART), Central Ashaninka of Ene River (CARE), Artisanal Association of Women Ashaninkas Ibanko Yorin-Alejandrina Hilaes, Eco-Ola SAC, Ecoandino SAC, Amazon Andes Export SAC, and Natural Health Foods SAC. In addition, the National Society of Industries (SNI) and the Association of Exporters (ADEX) represent solid actors ensuring the involvement and support from the private sector.

## 5. Risks to Achieving Project Objectives

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

162. The Project is classified as Category B regarding safeguard issues, because it is essentially a conservation initiative, and it is expected to generate positive and lasting social, economic and environmental outcomes. However, the activities of components 2 and 3 of the Project have some potential social and environmental impacts, so the identification of the level of risk of the Project has been carried out following the relevant FAO safeguards and guidelines.

#### Section A: Risks to the Project

163. In the section below, elaborate on indicated risks **to the Project**, including climate change, potential social and environmental risks that might prevent the Project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of Project implementation.

Description of risk	Impact <sup>[1]</sup>	Probability of occurrences <sup>3</sup>	Mitigation actions	Responsible Party
Low participation of communities and lack of commitment from authorities, leaders, and stakeholders.	Moderate	Low	<ul style="list-style-type: none"> <li>- Awareness-raising and wide dissemination of the Project with las indigenous organizations and native communities and all the social actors involved, considering educational institutions as a sounding board in their families and anticipating the future sustainability of the Project.</li> <li>- Design a participatory communication plan</li> <li>- Develop a meeting schedule to discuss Project details in a transparent way.</li> <li>- Maintain an ongoing consultation mechanism with community leaders (men and women), their representative organizations, and organize discussion groups with men, women, youth and the elderly.</li> <li>- Include community leaders in meetings or discussions on Project planning and implementation.</li> <li>- Establish clear agreements and commitments before, during and at the end of the Project (minutes of commitments in each case).</li> </ul>	<ul style="list-style-type: none"> <li>- Local Authorities</li> <li>- Representatives indigenous organizations.</li> <li>- Presidents of Native and Indigenous Communities.</li> <li>- Project Management Unit</li> </ul>

Socio-environmental conflict due to non-traditional activities in the area: mining, illegal logging, hydrocarbons, energy projects and roads, delimitation of boundaries, land and others.	Moderate	Medium	<ul style="list-style-type: none"> <li>- Permanent monitoring with periodic reports of the status of potential socio-environmental conflicts identified in each region or landscape.</li> <li>- Keep communities, their leaders and representative organizations informed about the Project and its intervention.</li> <li>- Keep close coordination with competent agencies. MINAM, OEFA, SENACE, MIDAGRI, Ombudsman's Office, Local Governments, and Regional Governments.</li> <li>- Formulate and implement a Participatory Risk Management Plan with a gender-approach, and involve all social actors in each region.</li> </ul>	<ul style="list-style-type: none"> <li>- Local Authorities</li> <li>- MIDAGRI, MINAM, SERFOR, SERNANP</li> <li>- Ombudsman's Office</li> <li>- Regional Government</li> <li>- Communities and representative organizations</li> <li>- Project Management Unit</li> <li>- Stakeholders</li> </ul>
Different approaches, divergence and lack of coordination with other projects and institutions involved in the area	Low	Low	<ul style="list-style-type: none"> <li>- Dialogue and information exchange: plans with other development projects and institutions with established presence in the area of intervention of the Project (landscapes, districts/regions).</li> <li>- Promote and establish strategic partnerships with institutions and projects to coordinate, join efforts and identify lines of action that consolidate the conservation of resources and sustainable development.</li> <li>- Design and implement a Project dissemination plan at the level of projects/institutions present in the area of intervention.</li> </ul>	<ul style="list-style-type: none"> <li>- Project Management Unit</li> <li>- MINAM, MINAGRI, SERFOR, SERNANP</li> <li>- NGOs</li> <li>- Local governments</li> <li>- Regional governments</li> <li>- Private stakeholders</li> <li>- Public stakeholders</li> </ul>



Administrative changes at different levels of MINAM and MINAGRI, weakening of interests, and high turnover of officials and technical team staff in charge of implementing the Project (working with native communities requires the Project and its team to build trust to change people's attitudes; high turnover of officials and team staff would mean restarting to build trust in order to achieve the goals and objectives of the Project).	Low	Medium	<ul style="list-style-type: none"> <li>- Letters of commitment in support of the Project signed by legal representatives of MINAM, MIDAGRI, SERFOR and SERNANP.</li> <li>- Strengthen/establish strategic partnerships with regional and local governments, and NGOs.</li> <li>- Ensure quality of the intervention and the empathetic work of the Project through those in charge and its technical team. Native and indigenous communities and populations, constantly informed about changes and established agreements.</li> <li>- Promote inter-institutional coordination and alignment at government levels.</li> </ul>	<ul style="list-style-type: none"> <li>- MINAM, MIDAGRI, SERFOR, SERNANP</li> <li>- Regional governments</li> <li>- Local governments</li> <li>- Native and indigenous communities</li> <li>- Project Management Unit.</li> </ul>
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Climate change (extreme events).	Moderate	Medium	<ul style="list-style-type: none"> <li>- Accompany and provide technical assistance in the formulation of adaptation and mitigation plans against climate change that are formulated in Project intervention zones (regions, districts, communities, organizations, among others)..</li> <li>- Encourage and promote the inclusion of adaptation and mitigation measures against climate change in Concerted Development Plans that is supported in the execution of Project.</li> <li>- Enhance resilience and reduce vulnerability of local populations and the natural ecosystem in the face of climate change, through activities, such as: Environmental education, ecosystem restoration, forestation using native species, participatory genetic enhancement (selection of resilient and tolerant flora and wildlife species), forest and wetland management.</li> <li>- Strengthen/improve the adaptive capacity and social resilience of native communities to adapt to critical scenarios caused by climate change through: strengthening their community organizations, revaluing traditional knowledge, respecting their worldview, strengthening the traditional hunting, fishing and seed collection systems (conservation and exchange).</li> <li>- Design an early-warning system that incorporate traditional knowledge with academic or scientific knowledge in order to prevent and reduce negative impacts</li> <li>- Management of agrobiodiversity to face climate change scenarios (technological adaptation proposal).</li> <li>- Establish and promote participatory monitoring systems in different environmental contexts.</li> </ul>	<ul style="list-style-type: none"> <li>- Local governments</li> <li>- Regional governments</li> <li>- Native and indigenous communities and their representative organizations</li> <li>- Project Management Unit</li> </ul>
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COVID-19 impacts may result in a delay in the Project implementation, delay in co-financing disbursement, and/or reduced possibilities to have face-to-face interaction with stakeholders.	Moderate	Moderate	<ul style="list-style-type: none"> <li>- Set up remote communication mechanisms using e-mails, video-conferences, and telephone conferences to adjust to the new context.</li> <li>- Apply adaptive management. Work plan and stakeholder engagement plans would be adjusted accordingly.</li> <li>- If travel restrictions remain in force, local facilitators and officials shall receive information remotely and ensure adequate involvement of local stakeholders (including FPIC and the gender mainstreaming action plan)</li> <li>- Meetings may be held with small targeted groups, taking into account the relevant sanitary measures.</li> <li>- During implementation of project, the protocols and measures established by the national, regional governments and community will be taken into account and respected against of COVID - 19</li> </ul>	<ul style="list-style-type: none"> <li>- Local Authorities</li> <li>- Representatives of Native and Indigenous Communities.</li> <li>- Project Management Unit</li> </ul>
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[1] H: High; M: Moderate; L: Low.

## 6. Institutional Arrangement and Coordination

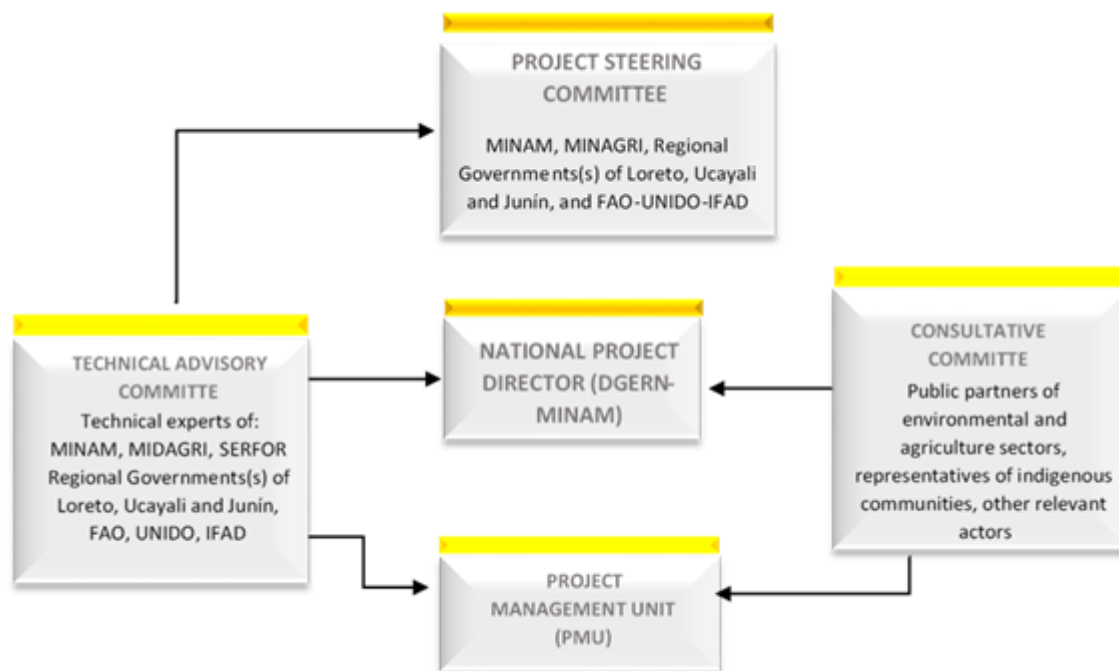
**Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.**

### 6. Institutional Arrangements and Coordination

#### 6.a Institutional arrangements for Project implementation.

164. The United Nations Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD) and the United Nations Industrial Development Organization (UNIDO) are the Global Environment Facility (GEF) implementing agencies of this Project. The Project Governance structure will be organized as follows: a Project Steering Committee (PSC), a Technical Advisory Committee (TAC), a Consultative Committee (CC), one executing agency (MINAM), one sub-executing agency/Operational Partner and a Project Management Unit (PMU).

**FIGURE 3. ASL2 Peru Project's Implementation Arrangements**



### Project stakeholders and their roles

**165. FAO, UNIDO and IFAD are the GEF implementing agencies** for this project, FAO is also the GEF lead agency for this project, being in charge of coordination with the other implementing agencies (UNIDO and IFAD) and communication with the ASL2 Program Lead Agency (the World Bank). As lead implementing agency, FAO will lead coordinations and communications with the executing agency.

GEF implementing agencies are responsible for the implementation of the project, which entails oversight of project execution to ensure that the project is being carried out in accordance with agreed standards and requirements. GEF implementing agencies are accountable to the GEF Council for their GEF-financed activities and are responsible for project cycle management services and corporate activities. GEF Agency Fees cover Agency costs for providing these services. GEF Agencies perform Project Cycle Management Services that involve project approval and start-up, risk management and mitigation, project supervision and oversight, and project completion and evaluation. Each GEF Agency implements projects according to its internal guidelines and rules after approval of GEF-funded projects by its governing body, following GEF CEO Endorsement/Approval<sup>[1]</sup><sup>2</sup>.

**166. FAO, UNIDO and IFAD will oversee and provide technical guidance for the overall project implementation, in accordance with the Project Document (Prodoc), as follows:**

? In collaboration with the PSC, the National Project Director and the agencies will participate in the planning of contracting and technical selection processes. Agencies will coordinate fund transfers to the Executing Agency / Operational Partners as per provisions, terms and conditions of the signed Execution Agreement /Operational Partner Agreement (OPA)<sup>[2]</sup><sup>3</sup>.

? Monitor and oversee the Executing Agency /Operational Partner's compliance with the Execution Agreement /OPA and project implementation in accordance with the project document, annual work

plans and budgets, co-financing agreements and the rules and procedures of the three GEF implementing agencies in terms of efficiency and transparency.

- ? Review and approve, together with the Project Steering Committee, the project progress and financial reports, as detailed in the Execution Agreement /OPA and their annexes; undertake and complete monitoring, assessment and control activities, evaluations and project oversight.
- ? Liaise on an ongoing basis, as needed, with the relevant Government agency, other members of the United Nations Country Team, the ASL2 Program, Resource Partners and other stakeholders.
- ? Provide overall guidance, oversight, technical assistance and leadership, as appropriate, for the Project.
- ? Report to the GEF Secretariat and the Evaluation Office through the annual Project Implementation Review (PIR), on project progress and provide consolidated financial reports to the GEF Trustee.
- ? In the development of the PIR, FAO will coordinate the provision of inputs of the GEF operational focal point and other key stakeholders.
- ? Conduct at least one supervision mission per year.
- ? Under the responsibility of the Budget Holder, FAO will lead the Mid-Term Review with the collaboration of UNIDO and IFAD, the PMU and the Project Director.
- ? FAO's Evaluation Office (OED) will lead the project's independent Terminal Evaluation. It will be the evaluation of the whole project, including the project activities implemented by IFAD and UNIDO. FAO will closely collaborate with UNIDO and IFAD.
- ? Monitor the implementation of the Environmental and Social Risk Management Plan and the Gender Action Plan, in accordance with the FAO's Environmental and Social Safeguards and close consultation with UNIDO and IFAD.

167. FAO, UNIDO and IFAD will be responsible for shares of project implementation as follows: i) FAO will lead the delivery of outcome and outputs of components 1,2 and 4; ii) UNIDO will be in charge of outputs 3.1.1, 3.1.2, 3.1.3, 3.1.4 to 3.1.5 and 3.2.1, 3.2.2, 3.2.3, 3.2.4 (component 3); iii) IFAD will be charge of output 3.1.6 (component 3).

**168.** MINAM will be the project executing agency. The Government of Peru has opened a call for proposals for fund administrators/sub-executing agencies in October 2020. PROFONANPE has been selected to support MINAM on co-executing project activities, under MINAM's supervision, as well as fund administrator/sub-executing agency. The implementing agencies (FAO, UNIDO, IFAD) will conduct a fiduciary analysis of the selected sub-executing agency. Based on the outcomes of that assessment, an Operational Partner Agreement (OPA) / execution agreement(s) might be signed by the GEF implementing agency(ies) and the selected sub-executing agency. Significant risk partners will not be considered.

**169. The Operational Partner will act as the Project sub-executing agency** and will abide by FAO, IFAD and UNIDO rules and regulations on implementation of projects. The OP(s) / sub-executing agency (ies) will be accountable to the Government of Peru and the GEF implementing agencies for the appropriate administration and management of the Project financial resources. The OP under the technical leadership of the National Project Director and the implementing agency, will contract the National Project Coordinator and the team of experts and consultants specified in the Project

Document for (i) the execution, monitoring and quality control of project activities, (ii) the quality and timely achievement of Project outcomes, and (iii) monitoring the co-financing commitments set up by the Project partners during full Project formulation.

170. The OP(s) will manage the budget in full compliance with the terms and conditions of the Operational Partners Agreement (OPA) (or execution agreements<sup>[1]</sup><sup>4</sup>) to be signed between the OP(s) and the implementing agencies. FAO, UNIDO and IFAD will closely monitor Project implementation, monitor the OP(s) in light of the OPA/execution agreements and its operational implementing protocols, and provide overall guidance and technical support to the OP(s).

171. The OP(s) will be responsible for the day-to-day management and execution of administrative and financial activities required for the execution of agreed Project components in full compliance with the signed OPA/execution agreement(s) and the Project Document and in close coordination with the National Project Director (see below).

**172. MINAM** is the GEF Operational Focal Point in Peru and the Project Executing Agency. A member from the General Directorate of Strategies on Natural Resources (DGRNE) will be nominated as National **Project Director** (NPD). The NPD will be responsible for the overall project implementation and coordination.

The GEF Operational Point (GEF-OP) in Peru is responsible for ensuring that the project is implemented complying with national environmental priorities and GEF implementation procedures. In close coordination with FAO and the Project Director, the GEF-OP will monitor project implementation and support the execution of the mid-term and final evaluations. The GEF-OP will review and endorse progress monitoring reports, Project Implementation Reports (PIR), Financial Audit Reports, Mid-Term and Final reports submitted to the Project Steering Committee.

**173. The Project Steering Committee (PSC)** will have the following functions: 1) Approve project Annual Work Plan and Budget(s) AWP/B; 2) Approve the six-monthly Project Progress Reports (PPRs) and financial reports; 3) Approve project final report; 4) Approve the adjustments to the total amounts of the budget lines; 5) Review and approve changes to project outcomes, outputs and risk management plan(s); 6) Propose and agree any amendments to the Agreements signed with the GEF implementing agencies, if relevant; 7) Invite relevant people according to the subject of each meeting; 8) Approve the Terms of Reference of the Project Team; 9) approve the nominations of the Project Technical Coordinator (PTC) and Project Team (PT).

174. Decisions shall be taken by consensus. The PSC will meet on notification by the Ministry of Environment (MINAM) and at least twice a year. At the end of each meeting a report should be drafted and circulated for the information of all participants and support decisions. Each report will be approved through an email in which the respective member approves the minutes and makes appropriate adjustments. **Appendix M** includes the detailed **Terms of Reference for PSC**.

175. The **Technical Advisory Committee (TAC)** will be established during the first year of Project execution and it will be led by MINAM. The TAC will provide technical inputs on specific topics. It will be consulted by the NPD on specific issues and as deemed necessary by the Project Steering Committee. It will be integrated by technical experts of MINAM, MIDAGRI Regional Governments of Loreto, Ucayali and Jun?n, FAO, IFAD, and UNIDO. The functions of the TAC will include: i) providing specialized technical advice to achieve Project results, ii) supporting the provision of timely

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advice to the Project Management Unit, in coordination with or under the supervision of the NPD, iii) participating in meetings called by the NPD as necessary.

### **The Consultative Committee (CC)**

176. The **Consultative Committee (CC)** will be established during the first year of project execution for consultation and inputs and feedback exchange on project strategies and interventions with project stakeholders. Meetings will be convoked when needed. The CC will be integrated by SERNANP, PNCBMCC, IIAP, SERFOR, ANA, ITP, SSE, SANIPES, PRODUCE, MINCETUR, MINCUL, AIDASEP, CONAP, ONAMIAP, SNI, ADEX, AJE, AMAZ, SHIWI, Universities, Institutes or Centers of Investigation, and other relevant organizations identified throughout project execution. The CC will meet based on project needs under the direction of the NPD.

177. Implementing agencies, the OP/sub-executing agency and Project partners will collaborate with the implementing agencies of other programs and projects to identify opportunities and facilitate synergies with other relevant GEF projects, as well as projects supported by other donors. This collaboration will include: i) informal communications between GEF agencies and other partners in program and Project implementation; and (ii) exchange of information and dissemination materials among projects.

### **National Project Director**

178. The overall direction of the Project will be led by the MINAM (DGERN). For this purpose, the DGERN of MINAM will designate a National Project Director who will be responsible to ensure that Project planning, review, monitoring and reporting requirements are met; that coordination among participants is effective; and that decisions are implemented and that outputs and outcomes are of good technical quality and produced on time. Specifically, the National Project Director will be responsible for (I) effectively and efficiently achieving Project outcomes, (ii) ensuring the impact and sustainability of the Project; (iii) supervising the technical quality of Project expenditures; and (iv) ensuring the timely and strategic inter-institutional coordination of Project implementation. Functions of the National Project Director include:

Ensure the implementation of the Project, in accordance with the provisions of the PRODOC and management instruments.

Evaluate and submit proposed adjustments to the Project Steering Committee.

Direct and supervise the project implementation, in alignment with the Project outcomes and budget, the annual work plan(s), and the submission of quarterly, six-monthly and annual reports, in coordination with the OP/sub-executing agency.

Ensure governance of the Project

Oversee the programming and technical and financial execution of the Project.

Provide reports to the Project Steering Committee, in accordance with the monitoring plan.

Implement and monitor the Plan for the use of the Project outputs and outcomes.

Support the Project Management Unit (PMU) in the coordination of Project activities at national, regional and local levels.

Supervise the performance of the Project Technical Coordinator.

Participate in the selection of the coordinator and specialists

Supervise, through the Project Technical Coordinator, the compliance of Project consultants and staff with their responsibilities as stated in their TORs, within the agreed timeframes.

Organize and call for meetings of the Project Steering Committee with support from the PTC.

Lead the Project M&E management and implementation with support from the Operational Partner/sub-executing agency.

Give access to MINAM sites and facilities as required by the Project Technical Coordinator (PTC) to support the implementation of Project activities.

Ensure that the project outcomes and outputs are achieved and delivered with effectiveness and efficiency and that appropriate measures are taken to generate desired impacts and sustainability.

As part of the national counterpart, provide facilities for the PMU.

Coordinate the different directorates of MINAM, public, private and civil society organizations provide specialized technical knowledge through the Technical Advisory Committee (TAC).

Facilitate and coordinate with the Operational Partner the flow of information from the field to MINAM, FAO, UNIDO, IFAD, MIDAGRI and GEFSEC, and the ASL2 Program.

Engage in mid-term review and terminal evaluation.

179. The National Project Director (NPD), in coordination with the implementing agencies, will organize periodic coordination meetings with the different Regional Coordination Units (represented by the Directors of Natural Resources of the Regional Governments), when considered necessary. As a minimum, one meeting will be held at the start of the Project, when adjustments are made to the Annual Work Plan and Budget(s). Annual monitoring and follow-up meetings will take place on a yearly basis. The Project Director will be based in Lima, at MINAM.

**180. Project Management Unit (PMU)** will be created and consist of a Project Team (PT) funded by the GEF. Co-financing will be sought by PSC member organizations. The main function of the PMU, following the guidelines of the Project Steering Committee and the NPD, is to ensure the coordination and implementation of the Project through the effective implementation of the annual work plans and budgets. The PMU will consist of: (1) Project Technical Coordinator (PTC), (2) M&E Specialist, (3) Coordinator of Component 1 (Governance Expert), (4) Coordinator of Component 2 (Expert in Biodiversity), (5) Coordinator of Component 3 (Expert in Bio-business), (6) Climate and Environmental Risk Management Specialist (7) Socio-economic Risk Management and Indigenous Communities Specialist, (8) Gender Specialist, (9) Regional Facilitators, (10) Coordinator of Component 4 (Knowledge Management Specialist), and (11) Communications Specialist. Regarding administrative issues, there will be (12) one Administrative Assistant. **ANNEX 7** mentions the functions of each position and the TORs, detailing profile, experience, necessary skills and the tasks and functions of each position.

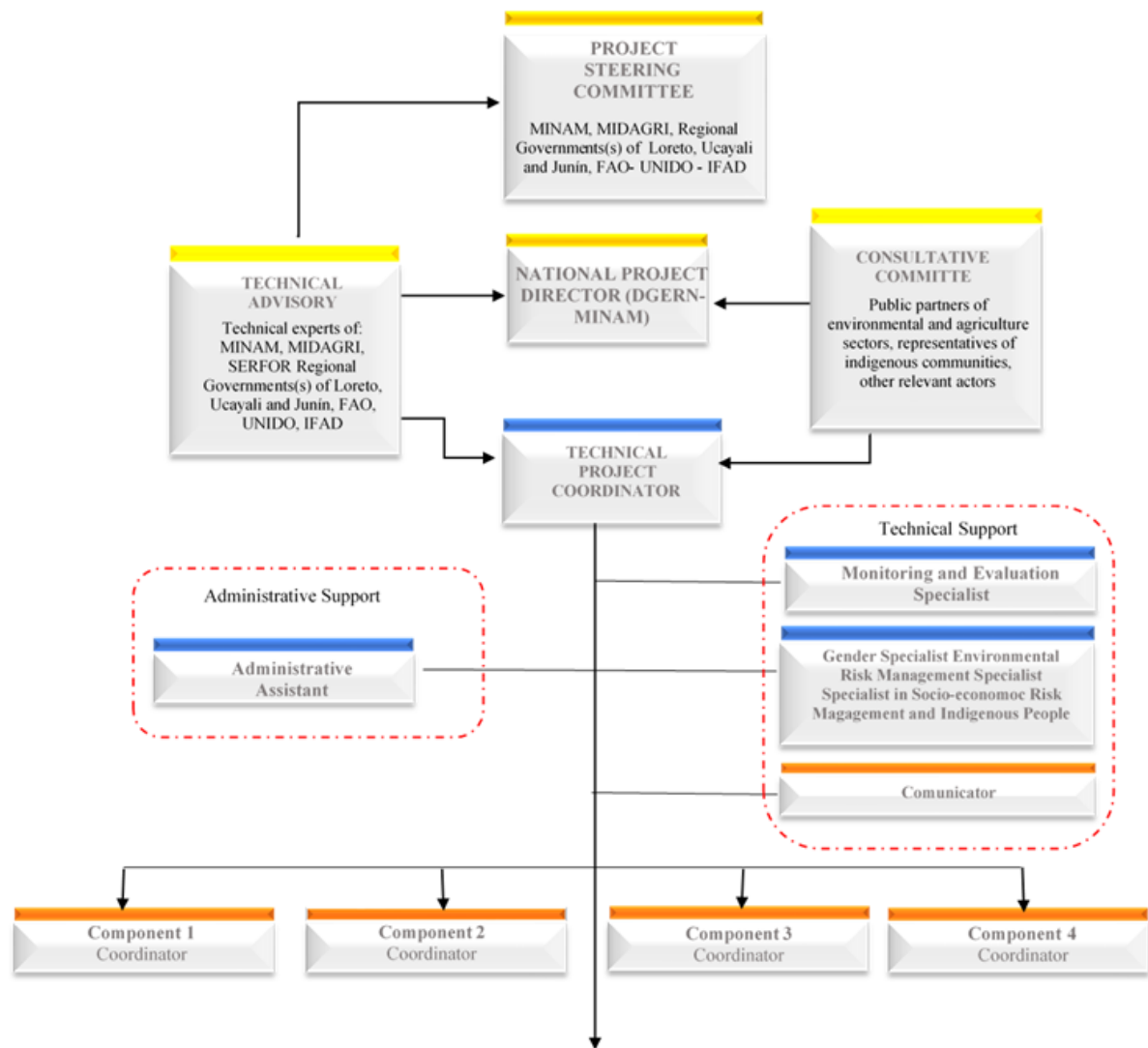
**181. Project Technical Coordinator (PTC)** will be hired by the Operational Partner/sub-executing agency, in consultation with the Project Steering Committee. The PTC will be responsible for planning, executing and coordinating the Project, ensuring its effectiveness, efficiency and desired impacts. The PTC will be physically located at the Ministry of the Environment, the costs of which will be considered in the co-financing provided by the Government of Peru. The PTC must distribute his/her time between the capital city (Lima) and the regional offices (Loreto, Ucayali and Jun?n), in



close consultation with the coordinators of the components. The PTC will undertake the following tasks:

- ? Prepare and submit annual work plans and specific operational plans with a budget, under the supervision of the Project Director. These plans shall be in accordance with the PRODOC and monitored on a six-month basis or as required by the NPD.
- ? Engage in the selection of specialists to be hired by the Project in accordance with the annual work plan and the PRODOC.
- ? Maintain close communication and coordination with members of the Steering Committee.
- ? Establish, coordinate and maintain effective communication with the different sectors, and officials of the Directorates that are part of the Technical Advisory Committee, to facilitate the achievement of the objectives and outcomes of the Project and create synergy between the sectors and coordination between national and regional levels.
- ? Explore and promote synergies with other important existing initiatives at national, regional and local levels.
- ? Draft preliminary versions of the TORs of the Project Team for approval by the Project Steering Committee, if needed. Conduct interviews with local and regional consultants.
- ? Submit technical and financial progress reports (quarterly and six-monthly) at different stages of the Project, using formats of the implementing agencies and GEF, as appropriate, in accordance with the outputs specified, and in a timely manner.
- ? Supervise outputs and reports submitted by consultants and/or service providers contracted for the Project.
- ? Monitor and supervise the PMU team and Project activities.
- ? Follow-up on consultant and service providers contracts and approve outputs.
- ? Establish communication and coordination between Executing Agency and other stakeholders.
- ? Coordinate supervision missions of the implementing agencies.
- ? Organize PSC, CC and TAC sessions.
- ? Draft terms of reference and technical specifications for the implementation of the various Project components.
- ? Provide required information on monitoring and evaluation, according to GEF guidelines.

***FIGURE 4. ASL2 Peru Project's structure and organization***



## 6.b Coordination with other relevant GEF-funded Projects and other initiatives.

182. The Project will coordinate actions with other GEF initiatives, in order to develop synergies and contribute to the sustainability of outcomes.

? GEF 5080, ?Transforming Management of Protected Area/Landscape Complexes to Strengthen Ecosystem Resilience?. The Project will continue the approach to integrated land management promoted by the Resilient Amazon Project, specifically the coordination between master plans, life plans and territorial plans, and the implementation of the connectivity proposal between the San Mat?as San Carlos PF and El Sira CR.

? GEF 9374, "Securing the Future of Peru's Natural Protected Areas". The Project will implement financial sustainability pilots based on the analyses and actions to strengthen the regulatory framework and management of sustainability mechanisms to be implemented by the project "Ensuring the Future of NPAs". Specifically, it will collaborate with SERNANP to identify synergies among native communities, eco-business opportunities (Component 3) and sustainability of the NPAs.

? GEF 9387, "Sustainable Productive Landscapes in the Peruvian Amazon". The Project will benefit from achievements and lessons learned from the GEF 9387 project, in terms of territorial land use planning, policy convergence, green value chains, dissemination of good practices and sustainable community management. (The GEF 9387 project works in landscapes different from those within the scope of this Project, and uses agricultural products).

? GEF 9206, "Sustainable industrial zone development in Peru". The Project will benefit from partnerships with the productive and business sector, particularly with the Ministry of Production, MINCETUR, the National Society of Industries and COFIDE (*Peru-based development bank*), among others, developed during the implementation of GEF 9206. UNIDO, in the context of this Project, has established intense collaboration with the aforementioned actors, thus facilitating dialogue and co-financing opportunities, within the framework of this Project.

? The GEF - 6 Project "Sustainable Productive Landscapes in the Peruvian Amazon" (PPS). The implementing partner is MINAM. The PPS Project works at two levels: a national level on policies and regulations development, and at another level, on territorial management. The latter is located in the Ucayali region (Padre Abad province and Nueva Requena district) and in the Huánuco region (Puerto Inca province). The objective of the Project is to generate multiple environmental benefits of global importance, through the application of an integrated approach to the management of the Amazon landscapes, focusing on three crops: coffee, cocoa and palm trees. The PPS has among its lines of action the restoration of the Landscape, which seeks to promote the restoration of degraded landscapes to ensure the delivery of ecosystem services; synergies with Component 2 of the Project will be promoted for this purpose. Additionally, the Project has component to strengthen regional and local forest governance, in coordination with Component 1 of the Project.

? The Project will also coordinate actions with MINAM's and MRE's focal points to the Leticia Pact signed by seven countries (Peru, Colombia, Bolivia, Ecuador, Brazil, Surinam and Guyana) to protect the Amazon basin. A table indicating how the Project contributes to the Leticia Pact (See Annex 10) was established in the preparation of this Project document.

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[1] GEF/C.59/Inf.03

[2] OPA is a FAO's nomenclature and does only apply to FAO's rules and procedures.

[1] Each implementing agency will sign the execution agreement according to its own rules and procedures. OPA is FAO's nomenclature.

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

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

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

The Project is consistent with the politics, strategies, and national, regional and local plans designed for the sustainable management of Amazon forests.

**183. The National Environmental Policy:** Strategic development tool setting the foundations for the country's environment conservation, promoting and ensuring sustainable, responsible, rational, and ethical use of natural resources and the environment, thereby contributing to the integral, social, economic and cultural development of human-beings, in permanent harmony with their environment. The Project clearly contributes to this goal by promoting the conservation and the sustainable use of the Amazon ecosystems.

**184. The General Environment Law and its regulations:** This Law establishes the basic principles and rules that aim at: ensuring the effective exercise of the right to a healthy, balanced, and adequate environment thus promoting full development of life; and discharging the duties to contribute to an effective environmental management and the protection of the environment and its components. The ultimate goal is to improve the quality of life of inhabitants and achieve the country's sustainable development. The Project falls within the scope of the environmental legislation, which sets the legal framework for the management of all activities concerning the environment, including Amazon ecosystems.

**185. Framework Law on Climate Change:** The objective of this law is to establish the principles, approaches, and general provisions to coordinate, collaborate, design, implement, report, monitor, evaluate, and disseminate public policies seeking to manage in an integral, participatory, and transparent manner the adaptation and mitigation measures to curb climate change. It ultimately aims at reducing the country's vulnerability to climate change, taking advantage of low-carbon growth opportunities, and achieving the international commitments assumed by the State before the United Nations Framework Convention on Climate Change. All of this is based on a cross-generational approach. The Project contributes to climate change mitigation and adaptation.

**186. Organic Law on the Sustainable Harvesting of Natural Resources:** This Law regulates the sustainable harvesting of natural resources, as these constitute the nation's heritage. It further establishes conditions and methods to allow private entities to harvest them, in compliance with the mandate in Articles 66 and 67, Chapter II, Title III of the Peruvian Constitution and in accordance the Environment and Natural Resources Code, and the international conventions ratified by Peru. The Project contributes to the implementation of this law by addressing the conservation of Amazon ecosystems, which are valuable natural resources of the country.

**187. The National Forest and Wildlife Policy:** The objective of this policy is to contribute to the sustainable development of the country through an appropriate management of the National Forest and Wildlife Heritage, while ensuring its sustainable harvesting, conservation, protection and increase, in order to deliver goods and services of forestry ecosystems, other wild flora and fauna ecosystems, in harmony with the social, cultural, economic and environmental interests of the Nation. The Project falls within the national forest and wildlife policy, which establishes the guidelines for forest management in the country.

**188. The Law on Forestry and Wildlife (LFFS) and its regulations:** The purpose of this law is to promote the conservation, protection, increase and sustainable use of the forest and wildlife heritage within national territory, integrating its management with the maintenance and improvement of the services of forest ecosystems and other wildlife ecosystems, in harmony with the social, cultural, economic and environmental interests of the Nation. Moreover, it seeks to promote the forestry

development, improve its competitiveness, and generate and increase the forestry and wildlife resources and their value for society. The Project contributes to implement the LFFS by promoting the conservation and restoration of Amazon ecosystems, as well as governance and sustainable management. The Amazon ecosystems are part of the forestry and wildlife heritage of the country.

**189. The Law on National Protected Areas (LNPA) and its regulations:** This law regulates the aspects related to the management of Natural Protected Areas and their conservation in compliance with Article 68 of the Peruvian Constitution. Natural Protected Areas are continental and/or sea spaces of national territory, expressly recognized and declared as such, including their categories and zoning. NPAs seek to preserve biodiversity and other values associated with cultural, landscape and scientific interests and contribute to the sustainable development of the country. The Project falls within the legislation of natural protected areas by directly promoting its conservation and financial sustainability for the well-being of local populations, the preservation of ecosystems, and the connectivity of its landscape.

**190. The Organic Law on Regional Governments:** This law establishes and regulates the structure, organization, competencies and functions of regional governments. It defines the democratic, decentralized, and autonomous organization of the Regional Government according to the Constitution and the Framework Law on Decentralization. The Project will directly coordinate with regional governments, building their capacities and contributing to strengthen their management capacities.

**191. The National Strategy on Forests and Climate Change (ENBCC, *for its acronym in Spanish*):** aims at reducing forest loss and degradation (and thus, GHG emissions linked with the LULUCF sector), and improving the resilience of forest landscapes and the peoples that depend on such ecosystems, particularly indigenous and peasant communities, so as to reduce their vulnerability to climate change. To this end, the following actions are considered: promote sustainable, competitive, and weather-resilient agricultural and farming practices; increase the forest value through sustainable forest management, including community forest management; reduce illegal and informal activities; enhance the monitoring, supervision, enforcement, control, supervision and penalties; reduce the negative impact of economic activities in forests; perform forest zoning and management; and grant the rights related to forests and forestry resources. The Project tackles the deforestation problem on forests covered by the ENBCC and contributes to implement actions in areas covered by the Project through its 4 components.

**192. The vision of the 2021 National Biodiversity Strategy**, and its 2014-2018 Action Plan, aims at ensuring that Peru conserves and uses rationally its mega-biodiversity, and revalues its traditional knowledge to meet the basic needs and welfare of the current and future generations within the framework of sustainable, inclusive and competitive development. The Project contributes to develop the strategy by implementing its four components.

**193. The Joint Declaration of Intent** among the Government of the Republic of Peru, the Government of the Kingdom of Norway, and the Federal Republic of Germany with regard to 'cooperation to reduce GHG emissions caused by forest deforestation and degradation (REDD+I) and promote sustainable development in Peru', has the following goals: Contribute to a significant reduction of GHG emissions caused by forest deforestation and degradation in Peru; contribute to the goal of zero net emissions by land use change and forestry by 2021 and the national goal to reduce deforestation by 50% by 2017 with subsequent additional reductions; and contribute to the sustainable development of agriculture, forestry, and mining in Peru. The Project contributes to these three objectives.

**194. Peru's Nationally Determined Contributions (NDC) to the UNFCCC**, submitted in September 2015, offers to reduce GHG emissions in the order of 30% compared to a BAU scenario without changes by 2030. The Peruvian State plans to achieve 20% reduction through national

investments and spending of both public and private resources (non-conditional proposal), and the remaining 10% is subject to international financial availability and favourable conditions (conditional proposal). Peru's NDC also aims at building resilience. By contributing to reduce GHG emissions and vulnerability, the Project will help implement the NDC in the country.

**195. The National Plan for Competition and Productivity** supports a coordinated, effective, and efficient government action. Its design highlights the importance of coordinating and joining efforts of all economic and social agents to ensure the political viability of the Project implementation. Furthermore, it has degrees of flexibility which allow modifications and adjustments based on monitoring and control processes of the application of the policy measures.

**196. The National Program for Promotion of Biocommerce (NPPB)** mainly aims at promoting and supporting the generation and consolidation of businesses based on native biodiversity, applying sustainable environmental, social and economic criteria in accordance with the objectives of the Convention on Biological Diversity and the National Biodiversity Strategy. Component 3 of the Project directly contributes to this goal.

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[1] <https://www.cbd.int/doc/world/pe/pe-nbsap-v2-es.pdf>

[2]

<https://www.regjeringen.no/contentassets/b324ccc0cf88419fab88f2f4c7101f20/declarationofintentperu.pdf>

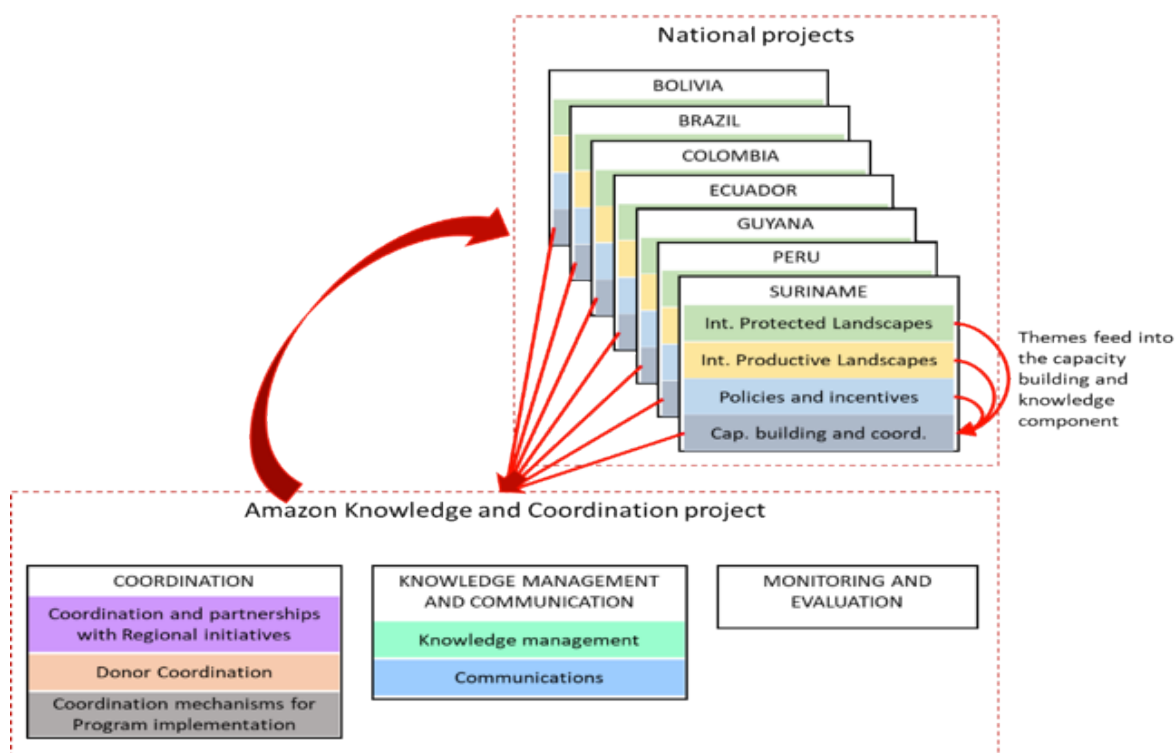
## **8. Knowledge Management**

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

197. Through **Component 4 on Knowledge Management and M&E**, an effective knowledge management will be carried out, which is essential to guarantee sound monitoring and evaluation of the Project. Knowledge management is carried out at two levels: national and regional. The Project is part of the 'Amazon Sustainable Landscapes Program' (ASL2 Program), which brings together the 8 countries of the Amazon Biome.

198. On a regional level, the Project will participate on the Steering Committee of the Program, providing information regarding monitoring and evaluation in a timely manner. The Project will also coordinate and exchange information with the country members of the Program, as well as with the World Bank and the agencies. For that purpose, the Project participate in the annual conferences and meetings of the Program SC. Furthermore, the Project will promote the dissemination and exchange of successful experiences with the country members. Physical and virtual media available to facilitate the exchange of information (Exchange trips, webinars, etc.) will be used. At least 3 exchanges a year are expected. Finally, the dissemination of information is planned through appropriate channels for different actors: brochures, fact sheets, videos, publications.

**FIGURE 5.** Knowledge management and regional technical assistance of the ASL 2 Program



199. On a national level, through Component 4, the Project will systematize and disseminate experiences and lessons on the knowledge management strategy of the Project in terms of policies, planning instruments, information and concertation exchange platforms and spaces, governance, biodiversity management, restoration practices, and value chains for bio-businesses. The generation of new knowledge will be supported, systematizing lessons learned, creating a directory of experts in different national, regional and local institutions which are part of the Project implementation process. All the information will be entered in the knowledge management platforms, systematizing the documents generated by the Project, participating in socialization spaces to exchange experiences with other projects, and developing virtual training modules for E-learning platforms. It will also encourage an active participation in alliances and cooperation agreements to exchange national and international ASL2 experiences and in other international leaning and exchange fora.

200. All of this will be complemented with communication and awareness strategies on the value of Amazon biodiversity and the impact of the sectors driving deforestation. This will include launching communication campaigns and generating and disseminating technical information about the Project.

## 9. Monitoring and Evaluation

### Describe the budgeted M and E plan

201. The monitoring and evaluation of the outputs and outcomes of the Project will be based on the objectives and indicators of the Project Results Framework (Annex A1: Project Results Framework). Monitoring and evaluation activities will comply with FAO and GEF policies and guidelines on monitoring and evaluation. The monitoring and evaluation system will also facilitate learning and replicating results and lessons learned in regards to the integrated management of natural resources.

202. The roles and responsibilities of monitoring and evaluation specifically described in Table on Monitoring and Evaluation (see Table 6 below) will be carried out through: (i) Daily monitoring and supervision missions on Project progress (Project Management Unit (PMU)); (ii) technical monitoring of the indicators to measure the reduction of land degradation (PMU and LTO in coordination with associates); a review of the mid-term review and terminal evaluation (independent consultants and the

Office of Evaluation of the FAO), and (v) monitoring and supervision missions (FAO, IFAD, UNIDO).

203. The Project will have an M&E Plan designed by the M&E specialist in coordination with the PMU. As part of the M&E, progress reports of the Project will be made, as well as mid-term review and terminal evaluation. Furthermore, the achievement of established goals will be tracked and the M&E systems will enable monitoring of both the global environmental benefits and the contribution of the sustainable development goals of Peru. These efforts will be carried out in synergy with the implementation of other components of the Project which, as above-mentioned, include activities to strengthen capacities and, thus, raise awareness of all relevant actors. This component will add to the effectiveness of the Project, contributing to mitigating risks and avoiding repeated mistakes. It will also contribute to the sustainability and scaling up of its achievements at sub-national, national, and regional levels. Lessons learned will be shared with GEF, MINAM, MINAGRI, regional governments, local governments, among others, as well as with the Amazon Cooperation Treaty Organization to inform the Amazon Strategic Cooperation Agenda.

204. Monitoring and evaluation of the achievement of outcomes and goals of the Project will be based on the objectives and indicators of the Project Results Framework (**Appendix A1**). The budget allocated for monitoring and evaluation activities of the Project amounts to 291,572 USD. Monitoring and evaluation activities will comply with FAO and GEF policies and guidelines on monitoring and evaluation. The monitoring and evaluation system will also facilitate learning and replicating results and lessons learned in regards to the integrated management of natural resources.

### **Supervision and Monitoring Responsibilities**

205. The monitoring and evaluation roles and responsibilities are carried out through: (i) daily monitoring and supervision missions on the progress of the Project (Project Management Unit (PMU)). For that reason, at the beginning of the implementation of the Project, the PMU in coordination with the Project Coordinator will establish a Project progress monitoring system. Participatory mechanisms and methodologies will be developed to support the monitoring and evaluation of performance and Project indicators. During the inception workshop, monitoring and evaluation tasks will include: (i) present and explain (if necessary) the Project Results Framework with all the Project actors; (ii) review the monitoring and evaluation indicators and their baseline; (iii) prepare preliminary clauses which need to be included in consultant contracts, to ensure compliance with information functions regarding monitoring and evaluation (when applicable), and (iv) make a clear distinction the division of monitoring and evaluation tasks among the different stakeholders of the Project. The Monitoring and Evaluation Expert drafts a preliminary monitoring and evaluation matrix (M&E) which will be examined and agreed by all stakeholders during the initial workshop. The **M&E Matrix** will be a management instrument for the PC, the regional facilitators of the Project and the Project associates to: i) monitor the progress of output indicators on a bi-annual basis; ii) monitor the outcomes indicators on a bi-annual basis; iii) clearly define responsibilities and verification methods, and iv) select a method to process indicators and data.

206. The **M&E Plan** will be drafted by the M&E specialist in the first 3 months of Year 1 of the Project and will be validated by the Steering Committee (PSC). The M&E Plan will be based on the M&E Matrix, and will include: i) a framework to updated outcomes with clear indicators per year; ii) an updated baseline, if necessary, and instruments selected for data compilation (including the



definition of the sample); iii) a narrative of the monitoring strategy, including the roles and responsibilities for data compilation and processing, report flow, monitoring matrix, and a brief analysis of who, when and how the indicators will be measured. One same entity may or may not be responsible for both Project activities and data compilation; iv) updated implementation agreements, if necessary; v) monitoring instrument indicators, data compilation, and the monitoring strategy to be included in the mid-term review and terminal evaluation, and vi) schedule for evaluation workshops, which will include self-assessment techniques.

### **Indicators and Sources of Information**

207. In order to monitor the Project outputs and outcomes, including the contributions to global environmental benefits, specific indicators have been established in the Project Results Framework (see **Appendix A1**). The indicators of the Project Results Framework and the verification measures will be applied to monitor both the performance and the impact of the Project. Following the supervision procedures and the presentation format for progress reports, the compiled data will be detailed enough to track specific output and outcomes and detect specific risks on time. In most cases, the output target indicators will be supervised bi-annually, and the outcome indicators will be supervised annually, if possible, or as part of the mid-term and terminal evaluations.

208. The Project output and outcome indicators have been designed to monitor the progress in capacity building and consolidation for the conservation and sustainable management of agrobiodiversity (ABD) and landscapes associated with different stakeholders, from small farmers benefiting from the Project, to local and regional governments, to Central Government institutions. The effectiveness of the development of management capacities and the improvement of agricultural systems is measured not only by the coverage of the integrated management practices and the amount of managed traditional varieties, but also by the social and economic benefits of these management practices and the associated marketing mechanisms generated by them. The indicators are designed to detect the distribution of benefits and impacts based on gender and age groups, as well as the impacts on their livelihood and food safety in general. The effect on the favourable environment are measured to a large extent by the existence and the effectiveness of the capacities and key instruments in the target local and central institutions.

209. As per the FAO policy on evaluation, the FAO Office of Evaluation (OED) will conduct a terminal evaluation of the project, to be launched within six months prior to the actual completion date (May 2026) of the project. It will aim at identifying project outcomes, their sustainability and actual or potential impacts. It will also have the purpose of indicating future actions needed to assure continuity of the process developed through the project. FAO Office of Evaluation will conduct the evaluation in consultation with project stakeholders and the donor, and share with them the evaluation report which is a public document.

210. The main sources of information to support the M&E Plan include: i) monitoring systems of the governments and other Project partners; ii) participatory workshops with stakeholders and beneficiaries to examine the progress of the Project; iii) on-site monitoring of best practices, sustainable forest management and agroecosystem management; iv) progress reports drafted by the Technical Project Coordinator with input from partners, Project specialists, and other actors; v) reports by consultants; vi) reports on training activities; vii) mid-term and terminal evaluation; viii) financial reports and budget revisions; ix) Project Implementation Review Report (PIR); and x) supervision mission reports. In addition, OED will rely on UNIDO and IFAD's collaboration in terms of providing

comments and consultation on deliverables (terms of reference, report draft and final report) as well as access to information in order to evaluate the entire project.

### Scheduling and Submission of Reports

211. The specific reports to be drafted under M&E are: (i) Initial Project Report; (ii) Annual Work Plan and Annual Budget (AWP/B); (iii) Annual Project Reports (PIR); (v) Technical Reports; (vi) Co-financing Reports; (vii) Mid-term Review. In addition, the monitoring instruments of the Global Environment Facility (GEF) for every focal point covered by the Project will be completed and used to compare progress in regards to the baseline established during the preparation of the Project. Furthermore, Operational Partner will prepare and send the reports described in the Annex on Operational Partner Agreement, and will periodically submit them to the FAO Representatives, as agreed in the Operational Partner Agreement.

**Table 6. Summary of the Main Monitoring and Evaluation Activities**

<b>M&amp;E Activities</b>	<b>Responsible parties</b>	<b>Time Frameworks/ Frequency</b>	<b>Budget</b>
Inception Workshop	PTC; FAO Country Office in Peru (FAOPE), IFAD, UNIDO and OP/sub-executing agency.	Within two months of starting the Project	3,000 USD
Project Inception Report	PTC, M&E expert and FAOPE	Immediately after the workshop	PMU
Field-based impact monitoring	PTC	Ongoing	PMU
Regional inception workshops	PTC, M&E expert and FAOPE	PY 1	6,000 USD
Regional terminal workshops	PTC, M&E expert and FAOPE	PY 5	6,000 USD
Supervision visits and PIR progress qualification	PTC; FAO, UNIDO, IFAD . The FAO-GEF Coordination Unit can participate in the visits, if necessary.	Annual, or as necessary	FAO, IFAD and UNIDO visits will be borne by the agency commissions of the GEF.
Project Implementation Review (PIR)	Prepared by the PTC, in coordination with IFAD and UNIDO, with supervision by the FAO's LTO and BH. Approved and sent to the GEF by the FAO-GEF Coordination Unit.	Annual	Time of the FAO, IFAD and UNIDO staff financed by GEF fees  Time of the PMU staff covered by the Project budget.
Co-financing Reports	PTC with contributions of other co-financiers and OP.	Annual	PMU.
Technical Reports	PTC, FAO (LTO, FAOPE) and OP/sub-executing agency	As necessary	PMU.
Mid-term Review	FAO (Budget Holder), external consultant, in consultation with the Project Team and agencies, including the FAO-GEF Coordination Unit	Halfway through Project Implementation	40,000 USD for an external consultation

M&E Activities	Responsible parties	Time Frameworks/ Frequency	Budget
Terminal Evaluation	External Consultant, FAO Independent Evaluation Office (OED) in consultation with Project Team and IFAD, UNIDO agencies, including the FAO-GEF Coordination Unit and the Project Direction	Six months prior to the actual project completion date	60,000 USD for an independent team.
Terminal Workshop	PTC; FAO Country Office in Peru (FAOPE), IFAD, UNIDO and OP/sub-executing agency.	At the end of the Project	3,000 USD
<b>Total Budget</b>			<b>291,572 USD</b>

<sup>[1]</sup> The initial price is 50,000 USD and a contingency amount of 10,000 USD has been considered to cover any price variations.

## 10. Benefits

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

212. Section 1.7 details the benefits in terms of environmental, economic and social sustainability. The benefits can also be organized in a geographic scale, with positive socio-economic impacts at local, regional and national levels, and in other Amazon areas.

213. On a local level, bio-businesses and public private partnerships will be consolidated, green jobs will be created, and income will be increased and diversified. Enhancing productive and management capacities to coordinate development and value chains of eco/bio-businesses, as well as to manage land and resources more sustainably (including protected areas delivering ecosystem services), will contribute to improve sustainability of livelihoods of men and women, mainly indigenous, who depend on the forest and aquatic ecosystems within the scope of the Project. By increasing the range of options for sustainability in terms of the variety of resources used and the recovery of degraded ecosystems, and by contributing to enhancing income per managed surface area, the Project will contribute to food safety and will strengthen capacities for climate change adaptation.

214. At a national level, and in other areas in the Amazon, the Project will boost learnings and improve the instruments and capacities of decision-makers and other actors to manage land and biodiversity in order to replicate sustainable biodiversity management models and financial mechanisms for conservation of ecosystem services in other Amazon landscapes; in turn, yielding benefits for local populations.

215. These national- and local-level benefits are associated with the protection and better management of protected areas and high conservation value areas, land restoration, reduction of GHG emissions, and integrated water resource management, which will translate into the reduction of the effects of climate change on vulnerable populations, the reduction of deforestation and land degradation, the reduction of species extinction and of the flow of ecosystem services, as well as the reduction of hazards to freshwater resources.

216. In the Amazon basin, the Project will strengthen the cooperation for the assessment and conservation of biodiversity and effective governance in the use of natural resources. It will also contribute to achieving the goals of national and international agreements destined to guarantee healthy and functional ecosystems. The Project will protect and restore one of the most important sources of biodiversity and climate change mitigation in the planet, bringing about economic, social and environmental benefits at all levels.

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

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

**Overall Project/Program Risk Classification\***

PIF	CEO Endorsement/Approval	MTR	TE
Medium/Moderate			

Measures to address identified risks and impacts

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

Section B: Environmental and Social risks from the Project ? ESM Plan

This section is based on the risk matrix obtained during risk screening in the concept note (in FPMIS) and based on further update and revision by the PTF under the responsibility of the LTO.

Risk identified	Risk Classification	Potential impact	Mitigation Action(s)	Indicator / Mean(s) of Verification	Progress on mitigation action
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<p>ESS 2. Biodiversity, Ecosystems, and Natural Habitats</p> <p>Will this Project be implemented in or around protected areas or natural habitats? Will it reduce biodiversity or alter ecosystem functions? Will it use exotic species or genetic resources? Yes</p>	<p>Moderate</p>	<p>Indiscriminate felling of forest species in both Project landscapes has been identified as a problem. However, co- management in the areas of conservation held under different modalities will contribute to implementing ?Good Practices in Forest and Natural Resources Sustainable Conservation and Management? which are the foundations of biodiversity management.</p>	<ul style="list-style-type: none"> <li>- Strengthen integrated land management considering NPAs as base units.</li> <li>- PAs management plans and life and development plans, coordinated for the integrated management of the territory based on the NPAs and local expectations.</li> </ul>	<p>% Reduce the capacity gap of national, regional, and local stakeholders to improve the implementation of integrated territorial management based on NPAs and landscape connectivity.</p> <p>Number of PA management plans, life plans, and community development plans incorporating the landscape connectivity approach into integrated land management</p>	<p>It will be evaluated semi-annually through Project progress reports.</p> <p>Persons in charge: M&amp;E Specialist Environmental Safeguard Specialist</p>
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<p>ESS 4. Animal Genetic Resources (Livestock and Aquatic) for Food And Agriculture</p> <p>Would this Project introduce non-native or non-locally adapted species, breeds, genotypes or other genetic material into an area or production system, or otherwise modify the surrounding habitat or production system used by existing genetic resources?</p>	Low	<p>Overfishing will increase if the Project does not take action on the current situation; therefore, modifications will be introduced to enhance the production system.</p>	<ul style="list-style-type: none"> <li>- In order to go ahead with fish stocking the lake with <i>taricaya</i>, fish eggs will be incubated in semi-artificial beaches, where the highest rate of chelonian production is guaranteed.</li> <li>- As for the <i>paiche</i>, the Project will use juveniles which will be fed with balanced feeds, and the Project will try to keep them in controlled environments.</li> </ul>	<p>Technical guide for production systems that incorporate good socio-environmental practices.</p>	<p>It will be evaluated semi-annually through Project progress reports.</p> <p>Persons in charge: M&amp;E Specialist Environmental Safeguard Specialist</p>
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<p>ESS9. Indigenous Peoples and Cultural Heritage</p> <p>This Project:</p> <ul style="list-style-type: none"> <li>- Does it have indigenous peoples* living outside the Project area? where the activities will take place; or Yes</li> <li>- Does it have indigenous peoples living in the Project area where the activities will take place; or Yes</li> <li>- Is it located in an area where cultural resources exist?</li> </ul>	Moderate	<p>If the Free Prior and Informed Consent is not given, and the Project is not socialized, the Project will:</p> <ul style="list-style-type: none"> <li>- Lack commitment of local communities.</li> <li>- Cause stakeholders to lose credibility of the Project in general.</li> </ul>	<ul style="list-style-type: none"> <li>- Document community's needs and include them in the Project during the implementation phase.</li> <li>- Implement the prior consultation process in specific and major activities in the Project implementation phase.</li> <li>- Design a communication, dissemination, and participatory awareness plan.</li> <li>- Share detailed, objective, precise and clear information in their own language, including the positive and negative aspects of the Project, to ensure that all stakeholders (particularly members of communities) understand the Project.</li> </ul>	% of local communities involved in the Project	<p>It will be evaluated semi-annually through Project progress reports.</p> <p>Persons in charge: M&amp;E Specialist Environmental Safeguard Specialist</p>
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#### Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
<b>FAO ES Screening Checklist Peru ASL2 v</b>	<b>CEO Endorsement ESS</b>	

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

Appendix A1: Project Results Framework.

Results chain	Indicator s	Baseline	Mid-term Goal	Final Goal	Verificati on Methods	Assumpti ons	Person in charge of compiling data
<b>Goal: The goal of the Project is to contribute to the conservation of wild Amazon ecosystems, both terrestrial and aquatic, so that they remain healthy, functional, and resilient to climate change, maintaining important carbon reserves, avoiding greenhouse gas emissions, and generating welfare for men and women in the Peruvian Amazon.</b>							
? 11,000 beneficiaries							
? 10.6 MTCO <sub>2</sub> e							
? 7,909,260 hectares of national PAs with improved management practices							
? 80,000 new ha of PAs							
? 7,900 ha restored							
? 15,000 ha under management with improved practices							
<b>Component 1: Collaborative, coherent and synergistic governance among State sectors and levels for the sustainable development of the Amazon.</b>							
<b>Outcome 1.1. Enabling conditions (plans, guidelines and instruments) and strengthened capacities for</b>	<b>Number of new or improved tools resulting from the Project that contribute to reducing deforestation and</b>		<b>12 new or improved instruments resulting from the Project that contribute to reducing deforestation and landscape degradation</b>	<b>22 New or improved instruments resulting from the Project that contribute to reducing deforestation and</b>	<b>Strategie s, plans, programmes, guidelines and tools (before and after the Project for which</b>	<b>Institutio nal political will to implement regulatory framework s, monitor compliance,</b>	<b>MINAM, MIDAGRI , GOREL, GOREU, GORE JUNIN, Local Governments, Indigenous Organizations</b>



Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
sustainable soil and water management by different sectors through land use planning and integrated management, emphasizing the local level.	landscape degradation		Concerted budget programs	landscape degradation 04 Concerted budget programs	they have been strengthened)	<p>allocate resources and incentives to mainstream the systems approach and promote sustainable production and conservation</p> <p>Stakeholders are willing to participate in enforcement activities, adopt best practices to reduce deforestation and landscape degradation.</p>	

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 1.1.1 Land use planning instruments developed, articulated and strengthened in the Project intervention landscapes.	<p>Number of land-use planning tools strengthened to improve their coordination and compatibility with other tools used for integrated land management</p> <p>Number of land-use planning tools developed to strengthen the management of the Loreto RAMSAR Site (no management plan)</p> <p>Number of land-use planning tools developed to improve land-use planning and integrated land management</p>	<p>03 land use planning instruments have not been strengthened to improve their coordination and compatibility with other instruments for integrated land management (Local Concerted Development Plans in Loreto, Ucayali and Junin)</p> <p>01 Land-use planning tool has not been developed to strengthen the management of the RAMSAR Site in Loreto (no management plan)</p> <p>3 instruments have not been developed to strengthen and coordinate zoning processes with regional governments (EEZ and FZ protocols)</p>	03 Land use planning instruments developed to improve zoning processes (2 Protocols to strengthen and coordinate forest zoning processes with governments and 01 Protocol to strengthen and coordinate EEZ processes with regional governments or local governments)	<p>03 instruments for land use planning strengthened to improve their coordination and compatibility with other instruments for integrated management of the territory (Local Concerted Development Plans to improve their coordination and compatibility with the CRDP and regional strategies, for the integrated management of the territory (terrestrial and aquatic), considering the ecological connectivity, life plans and gender mainstreaming, and intercultural and intergenerational approaches)</p> <p>01 instruments for land-use</p>	Technical reports, proposals for developed protocols, plans, regional and local ordinances, directives, etc.	<p>Institutional political will to implement regulatory frameworks, monitor compliance, allocate resources and incentives to mainstream the systems approach and promote sustainable production and conservation.</p> <p>Actors are willing to participate following rules and to adopt best practices</p> <p>Actors (GORE, MINAM) are ready to follow and strengthen a regional conservation system.</p>	MINAM, MIDAGRI, SERFOR, GOREL, GOREU, GORE JUNIN, Local Governments, Indigenous Organizations

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 1.1.2 Instruments developed for the sustainable management of Amazon ecosystems (permits, concessions, etc.)	Instruments developed for the sustainable management of Amazon ecosystems (permits, concessions, etc.)	14 Instruments developed for the sustainable management of Amazon ecosystems	09 instruments developed to improve sustainable management (regional protocols/directives necessary to comply with national guidelines and facilitate the non-timber product harvesting, conservation, restoration) (3 in each Department)	13 Instruments developed to improve the management of Amazon ecosystems (01 Climate Change and Biodiversity Strategy, 02 Strategies to promote ecotourism - 1 in each landscape, 01 Forest Fire Prevention Strategy in Satipo (Jun?n) developed to reduce the risks of affecting Amazon ecosystems, concessions and permits	Technical reports, proposals for developed protocols, studies, strategies, regional ordinances, directives, etc.	<p>Institutional political will to implement regulatory frameworks, monitor compliance, allocate resources and incentives to mainstream the systems approach and promote sustainable production and conservation.</p> <p>Stakeholders are willing to participate in enforcement activities, adopt best practices to reduce deforestation and landscape degradation.</p>	MINAM, MIDAGRI, GOREL, GOREU, GORE JUNIN, Local Governments, PCM, SERFOR, MEF

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 1.1.3 Financial and economic mechanisms and incentives for sustainable management .	Number of instruments developed to facilitate the implementation of funding mechanisms  Number of interconnected budget programs	The State has several financial and economic mechanisms, such as PROCOM PITE, CES, TDC (PNCB-MINAM) among others, to be implemented for sustainable development; instruments for those mechanisms need to be developed in order to facilitate their implementation.  0 budget programs interconnected to the Project framework	01 Instrument developed to facilitate the implementation of funds from financing mechanisms . 2 budget programs interconnected	01 Instrument developed to facilitate the implementation of funding mechanisms (protocol)  4 budget programs interconnected PP057, 144, 130, 068 at regional and local levels	Technical reports on protocol proposals and progress made in interconnecting budget programs, meeting minutes, protocol, ordinances	Institutional political will to implement regulatory frameworks, monitor compliance, allocate resources and incentives to mainstream the systems approach and promote sustainable production and conservation.  Stakeholders are willing to participate in enforcement activities, adopt best practices to reduce deforestation and landscape degradation.	MINAM, MIDAGRI, GOREL, GOREU, GORE JUNIN, Local Governments, PCM, SERFOR, MEF
Outcome 1.2. Opportunities and administrative incentives designed and strengthen	Number of administrative incentives designed and strengthened.	The baseline will be determined at the beginning of the Project to conduct the	1 administrative incentive in place (To be confirmed during project)	2 administrative incentives in place (To be confirmed during project)	Information gap, technical reports, diagnostics, workshops, records, knowledge	Actors are willing to adopt best practices to improve the performance	SERNANP , SERFOR, GOREL, GOREU, GORE JUNIN, Local Governments,

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
ed for collaborative decision-making on Amazonian sustainability.		financial gap assessment.	year 1)	year 1)	ge assessments at the beginning and end, continuous training program, training modules	nance of public servants and local actors (producers, communities, indigenous organizations, etc.)	Indigenous Organizations
Output 1.2.1 Strengthened institutional capacities of national, regional, and local governments in land use planning and natural resource integrated management with different sectors in a context of climate change.	% Reduction of capacity gap of institutions, stakeholders, and local leaders to improve land use planning and integrated natural resource management.  Administrative incentive designed to strengthen public administration on sustainable management issues	The baseline will be determined at the beginning of the Project to assess the capacity gap of regional and local officials on land use planning and integrated natural resource management in a context of climate change.  No incentive	20% Reduction of capacity gap of institutions, stakeholders, and local leaders in order to improve land use planning and integrated natural resource management.	40% Reduction of capacity gap of institutions, stakeholders, and local leaders in order to improve land use planning and integrated natural resource management.  Administrative incentive designed to strengthen public administration on sustainable management issues	Information gap, technical reports, diagnostics, workshops, records, knowledge assessments at the beginning and end, continuous training program, training modules, incentive proposal formulated	Actors are willing to adopt best practices to improve the performance of public servants	SERNANP, SERFOR, GOREL, GOREU, GORE JUNIN, Local Governments

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 1.2.2 Strengthened capacities of local stakeholders (organized producers, native communities, indigenous organisations, etc.) for land use planning, taking into account the development of native communities through their life plans.	% Reduction of capacity gap of stakeholders and local leaders in order to improve land use planning.	The baseline will be determined at the beginning of the Project to assess the capacity gap of local stakeholders and leaders on land use planning and integrated natural resource management in a context of climate change.	5% Reduction of capacity gap of stakeholders and local leaders to improve land use planning and integrated natural resource management.	15% Reduction of capacity gap of stakeholders and local leaders to improve land use planning.	Information gap, technical reports, diagnostics, workshops, records, knowledge assessments at the beginning and end, continuous training program, training modules	Actors are willing to adopt best practices to improve the performance of local actors (producers, communities, indigenous organisations, etc.)	SERNANP, SERFOR, GOREL, GOREU, GORE JUNIN, Local Governments, Indigenous Organisations

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Outcome 1.3. Information system and social and environmental monitoring and evaluation tools designed and consolidated for decision-making.	<p>Percentage of planned consultation spaces that are actually in operation</p> <p>Percentage of planned Community Surveillance Committees that are effectively functioning</p> <p>Number of IT tools</p> <p>Number of Investment Projects</p>	0.	1 IT tool developed	<p>66% of planned consultation spaces that are actually in operation</p> <p>50% of planned Community Surveillance Committees effectively functioning</p> <p>6 Investment projects formulated</p> <p>1 IT tool developed and under implementation</p>	<p>Monitoring Reports documents recognising Community Surveillance Committees meeting minutes of consultation mechanisms and Community Surveillance Committees</p>	Institutional political will to strengthen management of priority landscapes and reduce deforestation	SERNANP, SERFOR, GOREL, GOREU, GORE JUNIN, Local Governments, Indigenous Organizations

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 1.3.1 Dialogue platforms work effectively, improving decision-making and multi-sector coordination, using monitoring systems and promoting community monitoring in order to achieve sustainable ecosystem management.	<p>Number of government spaces for consultation on issues related to forest management, monitoring, surveillance and control strengthened and effectively functioning at the regional and provincial levels.</p> <p>Number of Community Surveillance Committees effectively functioning improve their knowledge on monitoring and surveillance issues</p>	<p>2 government consultation mechanisms on issues related to forest management, monitoring, surveillance and control are effectively functioning at the provincial level (Atalaya and Satipo)</p> <p>The RAMSA Site does not currently have a Management Committee functioning</p> <p>The surveillance committee s being implemented are not sufficient for adequate monitoring of the Amazon ecosystems</p>	1 government consultation mechanism on issues related to forest management, monitoring, surveillance and control are effectively functioning at the provincial level (Atalaya and Satipo)	<p>3 government consultation mechanisms on issues related to forest management, monitoring, surveillance and control are effectively functioning (including 1 Management Committee for the RAMSAR Site in Loreto)</p> <p>6 Community Surveillance Committees effectively functioning improve their knowledge on monitoring and surveillance issues</p>	Meeting minutes and monitoring reports of forest roundtables, surveillance committees, surveys, reports of meetings and workshops, minutes and agreements, equipment	<p>Institutional political will to strengthen management of priority landscapes and reduce deforestation</p> <p>Indigenous communities and associations are willing to participate in Community Surveillance Committees to reduce deforestation and landscape degradation.</p>	MINAM, SERNANP, GOREL, GORE, GORE JUNIN, Local Governments, Native Communities, Native Organizations



Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 1.3.2 Strengthened information tools to formulate investment projects	<p>Application or IT tool developed to facilitate access to information</p> <p>Number of new investment projects formulated as a result of a decision-making process where upgraded IT tools were used</p>	<p>Incomplete and outdated information on non-timber resources that do not feed into information systems, and lack of capacity to develop investment projects at regional and provincial level.</p> <p>The baseline will be determined at the beginning of the Project to assess knowledge on investment project development and institutional priorities for investment project development related to the Project theme</p>	Application or IT tool developed to facilitate access to information	The National Forestry and Wildlife Information System includes information on non-timber products 06 new investment projects formulated as a result of a decision-making process where upgraded IT tools were used (2 in each Department)	Reports, workshops, meetings, minutes, investment projects formulated	<p>Institutional political will to strengthen management of priority landscapes and reduce deforestation</p> <p>International markets favour sustainable production</p>	MINAM, MIDAGRI, GOREL, GOREU, GORE JUNIN, Local Governments

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
<b>2. Strengthening Amazon connectivity through landscapes managed as mosaics of conservation and sustainable use in the areas of influence of protected areas (PAs) and BZ.</b>							
<b>Outcome 2.1. Integrated management of the territory strengthened on the basis of PAs, according to life plans and community development plans.</b>	<b>Surface area (ha) protected at a national level with improved management practices for conservation and sustainable use</b>	<b>N/A</b>	<b>1,581,852.00</b>	<b>7,909,260 hectares of national PAs with improved management practices 80,000 new ha of PAs 7,900 ha restored</b>	<b>Updated PA management plans with a landscape connectivity approach Connectivity indicator monitoring reports</b>	<b>Government institutions, PA managers and organized local populations are willing to improve their capacities for integrated land management and landscape connectivity</b>	<b>SERNANP, GORE, OECD beneficiaries, SERFOR, MINCUTURA, PRODUCE, ECA</b>

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 2.1.1. Strengthened capacities of national, regional and local stakeholders for the integrated management of the territory based on PAs	% Reduce the capacity gap of national, regional, and local stakeholders to improve the implementation of integrated territorial management based on NPAs and landscape connectivity.	<p>The baseline will be determined at the beginning of the Project to assess the capacity gap of local stakeholders and leaders on implementing integrated national resource management within and NPA and landscape connectivity.</p> <p>Capacity gap of stakeholders and local leaders to improve the implementation of integrated territorial management based on NPAs and landscape connectivity.</p>	3% reduction of capacity gap to improve the implementation of integrated territorial management based on NPAs and landscape connectivity.	10% reduction of capacity gap to improve the implementation of integrated territorial management based on NPAs and landscape connectivity.	Capacity gap baseline, mid-term review and terminal evaluation	Government institutions, PA managers and organized local populations are willing to improve their capacities for integrated land management and landscape connectivity	SERNANP, GORE, SERFOR, PRODUCE, MIDAGRI, ECA, MINCULTURA, OECM beneficiaries

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
	Number of PAs applying METT or similar instruments with standardised criteria, and methods considering integrated territorial management	SERNANP has guidelines to assess the management of national protected areas. New opportunities have been identified to improve the use of tools and the need to adapt them to the context of OECMs (RCAs, RAMSAR site, PNAs, RIs): Currently, 7 PAs apply METT? The Project expects to increase to 11.	--	11 PAs apply METT or similar instruments with standardised criteria and methods considering integrated territorial management	Instruments, protocols, methodologies to monitor integrated territorial management		

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
<p>Output 2.1.2.</p> <p>PA management plans, life plans, and development plans coordinated in order to ensure integrated management of the territory based on PAs and local expectations.</p>	<p>Number of PA management plans, life plans, and community development plans incorporating the landscape connectivity approach into integrated land management</p>	<p>2 PA management plans (RCS, BPSMSC)</p> <p>There are 5 master plans, 5 PA resource management plans, 1 RCA master plan, 1 IR protection plan for the area. These management documents need to be updated during implementation, incorporating connectivity indicators formulated in a participatory manner. Baseline of life plans to be prepared during Project implementation.</p>	<p>--</p> <p>--</p>	<p>12 PA management plans incorporating the landscape connectivity approach into integrated land management</p> <p>12 life plans, and community development plans incorporating the landscape connectivity approach into integrated land management</p>	<p>Updated PA management plans with a landscape connectivity approach Life plans, and community development plans incorporating the landscape connectivity approach into integrated land management</p>	<p>Government institutions, PA managers and organized local populations are willing to improve their capacities for integrated land management and landscape connectivity</p>	<p>SERNANP, GORE, OECD beneficiaries, MINCULTURA, SERFOR, Indigenous Organizations, ECA</p>

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 2.1.3. PAs and OECMs improve their management capacities for landscape	Protected land areas have indicators to monitor landscape connectivity (hectares)	0 ha have indicators to monitor landscape connectivity	--	7,909,260 ha of PAs have indicators to monitor landscape connectivity	METT tool annual reports Connectivity indicator to monitor reports	Government institutions, PA managers and organized local populations are willing to	MINAM, SERNANP, GORE, MINCULTURA, ECA

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
connectivity, within a comprehensive territorial management approach.	Percentage of the PA affected	Pacaya Samiria NR 6,34% Otishi NP 0,16% San Matías San Carlos PF 16.58% (*) High Purús NP (Inuya - Sepahua area) 0.18% Pucacuro NR 0.14% El Sira CR 2.79% (*) Ashéninka CR 2.44% (*) High Nanay Pintuyacu Chambira RCA 0.03% Murunahuá IR (No information available or preliminary information. Baseline to be updated at the beginning of implementation).	--	Pacaya Samiria NR 5.34% Otishi NP 0,16% San Matías San Carlos PF 16.58% (*) High Purús NP (Inuya - Sepahua area) 0.18% Pucacuro NR 0.08% El Sira CR 2.79% (*) Ashéninka CR 2.44% (*) High Nanay Pintuyacu Chambira RCA (*) Murunahuá IR (*) ** No information available or preliminary information. To be updated at the beginning of implementation.	METT tool annual reports	improve their capacities for integrated land management and landscape connectivity	

Results chain	Indicator s	Baseline	Mid-term Goal	Final Goal	Verificati on Methods	Assumpti ons	Person in charge of compiling data
	Improved integrated territorial manageme nt, based on selected METT indicators	METT score Otishi NP 56 High Pur?s NP 73 Pucacuro NR 67 Pacaya Samiria NR 72% El Sira CR 65 Ash?ninka CR 56 San Mat?as San Carlos PF 58 High Nanay Pintuyacu Chambira RCA (no informatio n available; METT to be prepared at the beginning of implement ation) Murunahu a IR (no informatio n available; METT to be prepared at the beginning of implement ation)	--	METT score Otishi NP 60 High Pur?s NP 75 Pucacuro NR 72 Pacaya Samiria NR 75% El Sira CR 66 Ash?ninka CR 61 San Mat?as San Carlos PF 59 High Nanay Pintuyacu Chambira RCA* Murunahu a IR*  *To be determine d at the beginning of implement ation, when baseline informatio n is available	METT tool annual reports		



Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
<b>Outcome 2.2 PA financial sustainability models developed and implemented</b>	<b>PA financial sustainability proposal</b>	<b>0 proposals for financial sustainability of regional protected areas or OECMs</b>	<b>--</b>	<b>1 proposal formulated in a participatory manner with regional and national actors</b>	<b>Meeting minutes, progress reports, documents of the proposal</b>	<b>There is political will from regional and local governments to lead the formulation of a financial sustainability proposal for regional protected areas</b>	<b>MINAM, SERNANP, GORE, SERFOR, MEF, PRODUCTE, SUNASS, EPS, ECA, NPA Management Committee, Basin Committee, NGOs, COFIDE, companies and producers included in bio-business chains</b>
Output 2.2.1 Financial sustainability model for prioritised landscapes and fundraising strategy have been developed.	PA financial sustainability proposal	0 proposals for financial sustainability of regional protected areas or OECMs	--	1 proposal formulated in a participatory manner with regional and national actors	Meeting minutes, progress reports, documents of the proposal	Regional and local governments are willing to lead the formulation of financial sustainability proposals for regional protected areas	MINAM, SERNANP, GORE, SERFOR, MEF, PRODUCTE, SUNASS, EPS, ECA, NPA Management Committee, Basin Committee, NGOs, COFIDE, companies and producers included in bio-business chains

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 2.2.2 Pilots of financial sustainability models implemented for PAs.	Number of pilot financial sustainability mechanisms Project under implementation	1 pilot financial sustainability mechanism created (1 CES in High Nanay) 1 environmental offset mechanism in Pacaya Samiria NR Conservation Agreements (baseline of conservation agreements to be prepared at the beginning of the Project implementation)	--	4 pilot financial sustainability mechanisms under implementation	Technical Reports Minutes reporting agreements on the mechanisms reached by parties	Regional and local governments are willing to lead the formulation of financial sustainability proposals for regional protected areas	MINAM, SERNANP, GORE, SERFOR, MEF, PRODUCE, SUNASS, EPS, ECA, NPA Management Committees, Basin Committees, NGOs, COFIDE, companies and producers included in bio-business chains

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
<b>Outcome 2.3 New PAs identified and created, including other effective area-based conservation measures (OECMs) such as indigenous reserves for people in isolation.</b>	<b>Surface area (measured in ha) protected through the creation of new protected areas, including other effective conservation measures, thanks to the implementation of the Project</b>	N/A	--	<b>80,000 ha protected through the creation of new protected areas, including other effective conservation measures, thanks to the implementation of the Project</b>	<b>Standard to create or recognize PAs or OECMs</b>	<b>There is political willingness to improve the legal classification of priority areas to conserve and create PAs or OECMs</b>	<b>GORE, MINAM, SERFOR, PRODUCTE, MINCULTURA</b>
Output 2.3.1. New PAs created in accordance with IUCN standards, including guidelines for other effective area-based conservation measures (OECMs).	Surface area (measured in ha) protected through the creation of new protected areas, including other effective conservation measures, thanks to the implementation of the Project	N/A	--	80,000 ha protected through the creation of new protected areas, including other effective conservation measures, thanks to the implementation of the Project	Standard to create or recognize PAs or OECMs	There is political willingness to improve the legal classification of priority areas to conserve and create PAs or OECMs	GORE, SERNANP, SERFOR, PRODUCTE, MINCULTURA, MINAM

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Otucome 2.4.- Landscape restoration plans developed and pilots implemented.	Number of hectares of landscape restored (hectares) .	239,949 hectares of forest coverage have been lost in the PAs: High Purus NP, Otishi NP, Pucacuro NR, Samiria NPR, El Sira CR, Ashaninka CR, and San Matías San Carlos PF, 7,185 ha to be restored in these PAs have been prioritised	0 hectares of landscape restored (hectares)	7,900 hectares of landscape restored (hectares) (hectares) ).	<p>Register listing gaps prioritised by MINAM for the recovery of ecosystem service</p> <p>Register in SERFOR Platform recording Forest and other Wild Vegetation Ecosystem Restoration experiences.</p> <p>ISP, Annual report of NPA restoration interconnected with SENANP's ISP and ISPs of other competent instances</p>	<p>The conditions exist in the field to carry out restoration. There are agreements between the communities and the Project to implement practices and commitments for area monitoring.</p> <p>Technical and financial instruments are available to promote investment for the recovery of ecosystem services and degraded areas.</p>	GORE Loreto, GORE Ucayali, GORE Junín, SERNANP, MINAM & SERFOR

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 2.4.1 Landscape restoration plans (wetlands, deforested areas) development, including the recovery and valuation of ancestral restoration practices and the use of degraded areas.	<p>Number of restoration plans covering 7,900 hectares.</p> <p>Number of public investment projects developed to finance restoration plans.</p> <p>% of local governments that have prioritized the restoration activity within their Multi-Year Investment Program (MIP)</p>	<p>0 Restoration plans covering 7,900 hectares.</p> <p>0 public investment projects developed</p> <p>There are landscape restoration gaps in the Environment sectors and also in Agriculture and Irrigation that need the different levels of Government to carry out projects in landscape restoration, including local governments.</p>	<p>3 Restoration plans, in the formulation phase.</p> <p>20% of the total number of local governments involved within the scope of the Project have prioritized restoration activities in their MIPs.</p>	<p>3 Restoration plans established including 7,900 hectares.</p> <p>3 Public investment projects for the restoration of landscapes approved in <a href="http://invierte.pe">invierte.pe</a> for the financing of restoration activities.</p> <p>60% of the total number of local governments involved within the scope of the Project have prioritized restoration activities in their MIPs.</p>	<p>Documents registered in the restoration experiences data base of SERFOR and MINAM (respectively).</p> <p>Restoration plans, investment projects, activities included in the MIPs.</p> <p>MEF platform of feasible projects.</p>	<p>MINAM and MIDAGR I keep restoration objectives within their prioritization of actions reflected in public investment. Local governments prioritize restoration activities and the implementation of investment projects. In the field, conditions exist to collect information and areas have been selected for restoration actions.</p>	MINAM, SERNANP & SERFOR

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 2.4.2 Strengthened capacities of local stakeholders to improve or innovate their restoration practices.	% Reduction of the gap in the capacities of local stakeholders to improve the implementation of recovery practices for abiotic conditions, biotic conditions, and to monitor and evaluate restoration practices implemented.	The baseline will be determined at the beginning of the Project to assess the capacity gap of local stakeholders on the implementation of recovery practices for abiotic conditions, biotic conditions, and on monitoring and evaluating restoration practices implemented.  0 stakeholders with strengthened capacities	15% reduction in the capacity gap of local stakeholders to improve the implementation of recovery practices for abiotic conditions, biotic conditions, and to monitor and evaluate restoration practices implemented.	40% reduction in the capacity gap of local stakeholders to improve the implementation of recovery practices for abiotic conditions, biotic conditions, and to monitor and evaluate restoration practices implemented.	Technical evaluation of trainings carried out plus the list of participants in the training sessions.  On site evaluation of practices implemented and managed by stakeholders who have strengthened their capacities.	There are spaces for conducting training. There are guidelines / instruments for the recovery of degraded ecosystems.	MINAM & SERFOR

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 2.4.3 Landscape restoration pilots implemented.	Number of restoration pilots implemented with established practices in the field and with defined performance standards.	0 Restoration Pilots with established practices in the field and with defined performance standards.	Determination of areas for the establishment of restoration pilots	Three restoration pilots implemented with established practices in the field and with defined performance standards.	On field verification reports on the restoration pilots.	<p>Areas eligible for restoration are identified. There are multi-stakeholder agreements to achieve restoration objectives.</p> <p>There are well-developed and explicit performance standards, with monitoring protocols through which pilots can be evaluated.</p>	MINAM; SERNANP & SERFOR; GORE LORETO, GORE UCAYALI and GORE JUNIN
<b>3.- Sustainable production practices for enhancing the value of biodiversity under sustainable protocols.</b>							
<b>Outcome 3.1. Products and services derived</b>	<b>Area (ha) of the landscape under improved practices</b>	<b>0.</b>	<b>5,000 ha under management with improved practices</b>	<b>15,000 ha under management with improved practices</b>	<b>Report</b>	<b>There is a methodology to evaluate landscapes with</b>	<b>MINAM-MIDAGRI - PRODUCE</b>

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
from the sustainable use of forests have added value, are integrated into value chains, have access to the market with quality and sustainability criteria and generate socioeconomic and environmental benefits for local populations.	(without NPAs)		(without NPAs)	(without NPAs)		areas under sustainable management	
Output 3.1.1 An innovative economic model developed, applied and promoted for sustainable products from ecosystems, taking into account the unique ecological, economic, and cultural features of the landscapes of origin.	<p>Innovative economic model</p> <p>No. of hectares under management with improved practices, where the model was applied.</p>	0 model 0 hectares under management with improved practices, where the model was applied.	Initial proposal for an innovative economic model 5,000 hectares under management with improved practices, where the model was applied.	<p>Innovative economic model developed and validated</p> <p>15,000 hectares under management with improved practices, where the model was applied.</p>	Technical reports, document supporting and describing the model.	It is feasible to develop value chains based on natural products and add value in a sustainable way, through the integration of good environmental, social and commercial practices.	MINAM-MIDAGRI-PRODUCE



Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 3.1.2. Products and services derived from biodiversity have added value, with duly strengthened value chains and increased processing capacity and have access to the market under quality and sustainability criteria within the new economic model.	<p>Updated and documented reports on emerging value chains, compatible with the purposes and goals of the Project.</p> <p>Number of value-added products promoted by the Project.</p> <p>Number of chains strengthened with access to markets under quality and sustainability criteria.</p>	<p>1 updated report (baseline during the preparation of the PRODOC).</p> <p>0 value-added products promoted by the Project.</p> <p>0 chains strengthened with access to markets under quality and sustainability criteria.</p> <p>There are initiatives with similar purposes, with different perspectives and levels of development (e.g. the CBI-IKI Project (Atalaya and Coronel Portillo))</p>	<p>1 new updated study (at the beginning of the Project).</p> <p>3 value-added products promoted by the Project.</p> <p>3 chains with developed business strategies including the principles of transparency, traceability, and real cost.</p>	<p>5 value-added products promoted by the Project.</p> <p>3 chains strengthened with access to markets under quality and sustainability criteria.</p>	Studies and reports on value chains and established products	There are national and international markets demanding high quality Amazon products with environmental and social sustainability.	MINAM-MIDAGRI-PRODUCE Regional Directorate of PRODUCE (DIREPRO) Local Committee for Fisheries Surveillance (COLOVIP E) in Ucayali

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 3.1.3. Sustainable biodiversity and environment-friendly production systems incorporating good practices are supported.	<p>Number of technical guides for environmentally friendly production systems introducing good socio-environmental practices.</p> <p>Number of producers introducing good practices.</p>	<p>0 technical guides for production systems introducing good socio-environmental practices.</p> <p>A minority of local producers are certified to have introduced good practices. The baseline will be established at the beginning of the Project</p>	<p>1 technical manual for production systems introducing good socio-environmental practices.</p> <p>100 producers introduce good practices.</p>	<p>3 technical manuals production systems that introduce good socio-environmental practices.</p> <p>300 producers introduce good practices.</p>	Report compiling good practices implemented, technical manuals, list of producers	Many biodiversity products have been used in the Amazon without following good practices.	MINAM-MIDAGRI-PRODUCE

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 3.1.4. Commercial strategy associated with the development of an umbrella brand for sustainable biodiversity products duly incorporated into value chains, under criteria of quality, sustainability and gender mainstreaming, with emphasis on domestic and international preferential markets.	Commercial strategy introduced into value chains	?Allies in Conservation? (SERNANP) and ?Fair Trade Peru? (Promper?) brands available, and guidelines for bio and eco-businesses soon to be approved by MINAM. Regional brand "Ucayali". Associations with small local brands (e.g., Association of <i>Melipona</i> Producers of the Anapate and Oviri NCs in Rio Tambo-Satipo) are in place.	Proposal of commercial strategy based on Project diagnosis and progress.	Developed and validated commercial strategy	Documents describing brands and their criteria. Documents describing strategies, operational plans, and corresponding periodic reports.	World market responds positively to international brands or certifications of environmental, social and economic sustainability for products of Amazon biodiversity that include gender equality.	MINAM-MIDAGRI-PRODUCE

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 3.1.5. Partnerships among producers, public and private sectors (4P), to leverage investments linked to zero deforestation value chains and local development.	Number of 4P partnerships developed or strengthened by the Project.  % of prioritized 4P partnerships agreements which have made significant progress	There are 2 recent public-private partnerships with producers, at a local level ( <i>aguaje</i> in Pacaya Samiria NR and bushmeat in Pucacuro CR), led by SERNANP. These do not include the entire value chain, but only specific inputs.	1 4P partnerships developed or strengthened by the Project.  50% of prioritized 4P partnership agreements with significant progress.	3 4P partnerships developed or strengthened by the Project.  80% of prioritized 4P partnerships agreements with significant progress.	MOU, agreements or other documents that support the partnerships	4P partnerships are good tools to leverage investments and unblock barriers to eco-businesses.	MINAM-MIDAGRI-PRODUCE
Output 3.1.6 Pilots to improve capacities of local producers and entrepreneurs to deliver biodiversity products and services with added value and included in ecobusiness value chains.	Number of pilots established through grant funds  Number of producers benefitted	0 pilots established by the Project through grant funds	5 pilots established through grant funds	10 pilots established through grant funds  Number of beneficiary producers (depending on the awarding of pilots)	Grant conditions and results, periodic reports and self-evaluations by beneficiaries	There are potential products and incipient value chains and medium development of biodiversity products with scale-up potential.	MINAM-MIDAGRI-PRODUCE
<b>Outcome</b>	<b>% of</b>	<b>3 regional</b>	<b>20% of</b>	<b>40% of</b>	<b>Evaluati</b>	<b>NCs,</b>	<b>MINAM-</b>

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
<b>3.2. Communities, support organizations, private sector and the government with strengthened technical, business and managerial capacities to develop sustainable companies and biocommerce, based on the sustainable use of biodiversity products and services.</b>	<b>actors involved in Amazon bio-commerce in the intervention landscapes, with increased capacities or with investments favouring eco-businesses.</b>	<b>governments, 10 district governments, a multi-sectoral commission, 4 organizations that grant licenses or certifications and 14 private stakeholders involved in value chains of sustainable natural products were identified (see diagnosis).</b>	<b>actors involved in Amazon bio-commerce in the intervention landscapes, with increased capacities or with investments favouring eco-businesses.</b>	<b>actors involved in Amazon bio-commerce in the intervention landscapes, with increased capacities or with investments favouring eco-businesses.</b>	<b>on of NCs, support organizations, private sector companies and government institutions.</b>	<b>Support Organizations, private companies and government institutions need to be trained to develop sustainable value chains for biodiversity.</b>	<b>MIDAGRI - PRODUCE</b>
Output 3.2.1. Strengthened marketing and business planning capacities of communities and stakeholders engaged in value chains.	Number of trained communities and organizations  Number of business plans including lessons	0	10 trained communities and organizations  5 business plans including lessons	30 trained communities and organizations  15 business plans including lessons	Training documents, training event attendance lists, self-assessments, business plan documents.	Actors of value chains recognize the need to strengthen their capacities in terms of marketing and business plans.	MINAM-MIDAGRI-PRODUCE

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 3.2.2. Improved policies and procedures related to the licensing and promotion of eco-businesses based on sustainable forest products	Number of policies and procedures related to the licensing and promotion of eco-businesses of the products and value chains prioritized by the Project, improved and adopted by competent authorities .	0	3 policies and procedures related to the licensing and promotion of eco-businesses of the products and value chains prioritized by the Project, improved and adopted by competent authorities. (2 regional and 1 products)	6 policies and procedures related to the licensing and promotion of eco-businesses of the products and value chains prioritized by the Project, improved and adopted by competent authorities . (1 national, 2 regional, and 3 products)	Policy documents, licensing protocols and promotional instruments; in its original and enhanced version.	Actors in value chains are willing to cooperate to enhance policies and procedures to boost the growth of Amazon eco-businesses .	MINAM-MIDAGRI-PRODUCE
Output 3.2.3 Local and regional governments develop and implement ecobusiness investment projects in their multi-annual institutional operational plans.	Number of public investment projects for the promotion of regional or local eco-businesses , developed and under implementation	0	1 local investment project for the promotion of eco-businesses developed and under implementation  1 regional investment project for the promotion of eco-businesses developed and under implementation	2 local investment projects for the promotion of eco-businesses developed and under implementation  2 regional investment projects for the promotion of eco-businesses developed and under implementation	Investment project files	The Peruvian Government, at its various levels, is willing to invest in promoting eco-businesses based on natural products.	MINAM-MIDAGRI-PRODUCE

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 3.2.4. Targeted communication strategy for consumer awareness and the promotion of Amazon ecobusinesses based on sustainable natural inputs is developed..	Communication strategy validated, implemented, and assessed	There are no communication strategies for "consumer awareness" on sustainable natural inputs and their value chains.	1 communication strategy proposal approved and implemented at the pilot level	1 communication strategy validated, implemented and assessed	Campaign documents, strategy, pilot reports, evaluations	There is an audience potentially interested in sustainable natural products.	MINAM-MINCETUR
<b>4.- Knowledge Management and Coordinated Programme and Project M&amp;E</b>							
<b>Outcome 4.1. Knowledge Management and Communications</b>	<b>Number of platforms with knowledge management</b>	<b>1 pilot</b>		<b>2 platforms with knowledge management</b>			

Results chain	Indicator s	Baseline	Mid-term Goal	Final Goal	Verificati on Methods	Assumpti ons	Person in charge of compiling data
Output 4.1.1 Communication and awareness strategies on the value of Amazon biodiversity and the impact of the sectors driving deforestation (transport, agriculture, mining, etc.)	Communi cation strategies Campaign s Workshop s	0	1 communicat ion strategy 2 campaigns 1 workshop (initial)	1 communic ation strategy developed and implement ed 4 campaigns 2 workshops (initial and final)	Technical reports, reports, attendanc e lists, strategy and campaign document , meeting minutes.	Governme nt institution s, PA managers and organized local population have an interest in improving communic ation and knowledg e managemen t; moreover, updated and complete informatio n for adequate disseminat ion is available.	MINAM- MIDAGRI- PRODUCE - MINCETU R-GORES, Local Governmen ts



Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 4.1.2. Systematization and dissemination of experiences and lessons learned from the Project strategy.	Number of Publications Number of knowledge management platforms with Project information Number of meetings with the Project strategic partners Number of meetings to discuss lessons learned from the Project Directory of inter-institutional experts	0	2 Publications 01 Pilot test developed in the MINAM knowledge management system to register Project information 2 Meetings with Project strategic partners 2 Meetings to discuss lessons learned from the Project	5 Publications 2 Knowledge management platforms with Project information (GEF and MINAM) 5 Meetings with Project strategic partners 5 Meetings to discuss lessons learned from the Project 1 Directory of inter-institutional experts developed	Technical reports, reports, attendance lists, meeting minutes, invitations, online information platforms, publications, agreements	Government institutions, PA managers and organized local population have an interest in improving communication and knowledge management; moreover, updated and complete information for adequate dissemination is available.	MINAM-MIDAGRI-PRODUCE - MINCETUR-GORES, Local Governments, GEF Agencies

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 4.1.3. Participation in alliances and cooperation agreements to exchange ASL2 programme experiences .	Number of events to exchange ASL2 experiences Number of meetings with other GEF projects Number of participations in world events on CC and BD	0	2 events to exchange ASL2 experiences 4 meetings with other GEF projects 2 participations in world events on CC and BD	5 events to exchange ASL2 experiences 10 meetings with other GEF projects 5 participations in world events on CC and BD	Technical reports, reports, attendance lists, meeting minutes, invitations, platforms with online information, publications, travel reports, agreements, program of events	The technical staff of the Project participates in national and international events as planned, exchanges experiences, and uses the knowledge learned	Project Steering Committee, Project Management Unit, GEF Agencies
<b>Outcome 4.2. Project follow-up and monitoring , and coordination and management.</b>	<b>Monitoring Reports Evaluation Reports</b>		<b>4 reports 1 evaluation</b>	<b>10 reports 2 evaluations</b>	<b>Monitoring Reports Evaluations</b>	<b>The Project is properly implemented on schedule, without environmental or social problems. The interconnection among national, regional and local governments is good</b>	<b>Project Steering Committee / GEF Implementing Agencies</b>

Results chain	Indicators	Baseline	Mid-term Goal	Final Goal	Verification Methods	Assumptions	Person in charge of compiling data
Output 4.2.1 Project Monitoring Report.	Monitoring Reports	0	4 reports	10 reports	Reports	The Project is properly implemented on schedule, without environmental or social problems. The interconnection among national, regional and local governments is good	Project Steering Committee/ GEF Implementing Agencies
Output 4.2.2 Mid-term review and terminal evaluation.	Evaluation Reports	0	1 Mid-term Review	1 mid-term review and 1 terminal evaluation	Evaluation reports/results	The Project is properly implemented on schedule, without environmental or social problems. The interconnection among national, regional and local governments is good	Project Steering Committee/ GEF Implementing Agencies

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

GEFSEC COMMENTS - JUNE 2019		
Comments	Team Responses	Responses from Project Proponents (Peru child)
Comments were received from the GEFSEC on April 10th (included in the GEF Review Sheet <a href="https://www.thegef.org/sites/default/files/web-documents/10198_IP_Amazon_ReviewSheet.pdf">https://www.thegef.org/sites/default/files/web-documents/10198_IP_Amazon_ReviewSheet.pdf</a> ). Further comments were submitted on April 29. The team adjusted the comments in the PDF and clearance for inclusion at the June 2019 work program was granted.		
<b>GEFSEC Pending Comments</b>		
By the time of CEO endorsement, please ensure that the baseline projects, as well as the amount of the baseline investments, are elaborated fully for each child project.	Noted for consideration at the CEO endorsement stage. The lead agency will advise countries to include amounts for baseline investments during Project preparation. Thank you.	The baseline projects and the amount of the baseline investments have been further elaborated. Please see Project Document Peru, Part II Section 1a. Project Justification, 2. Baseline scenario and associated projects (pp. 23-29) and Annexes 4 and 5.
By the time of CEO endorsement, and as the child projects are analysed, please refine and expand the incremental reasoning with the additional information that will be made available through the project design process.	Note taken. Thank you.	The incremental reasoning and Project's impact in terms of global environmental benefits was refined and expanded in the Peru Project Document in sections 5 and 6 respectively.
By the time of CEO endorsement please ensure that each of the child project's geo-reference is clearly presented both for targeted protected areas and productive landscapes.	A map that shows the areas of intervention for the ASL1 has been included in Annex A.	Please refer to Annex E of the Project Document (GEF Datasheet), including the map and geo-references of the Project intervention areas.

By the time of CEO endorsement, please ensure that each child project takes into consideration the approved Policy on Stakeholder Engagement as well as the corresponding Guidelines.	Note taken. Thank you.	The Peru child project has been prepared in line with GEF Policy on Stakeholder Engagement and FAO procedures. The Stakeholder Engagement Plan was prepared, consulted on and its final version will be publicly disclosed as part of the safeguards instruments. Please see Section 2.
By the time of CEO endorsement, please ensure that the role of the private sector is fully articulated with regards to the forestry value chains referenced in the PFD.	Note taken. Thank you.	Please see the Project Results Framework (Annex A1). For more details, please see the description of Component 3 in Section 3. This component focuses on further engaging the private sector.
By the time of CEO endorsement, please ensure that each child project elaborates a risk management strategy.		The risk management strategy elaborated for the Project is described in Section 5 of the Peru Project Document.

STAP COMMENTS - MAY 28, 2019		
Comments	Team Responses	Responses from Project Proponents (Peru child)

<p><b>STAP Overall Assessment - MINOR STAP</b> welcomes this Project proposal from the World Bank for the Amazon Sustainable Landscapes (ASL) II Impact Program. In the long term, the program envisions a "landscape mosaic of well-managed protected areas and indigenous territories, with sustainable use in the surrounding landscapes (to) conserve biodiversity and assure the required connectivity for key ecosystems and species to adapt to climate change" (p. 60).</p> <p>This is a realistic and well-conceived objective, and the components of this program should make a strong contribution to achieving this. But in some respects, the program description is rather unclear and confusingly written at times. It is not clear how the proposed interventions will effectively address the root causes behind environmental degradation in this region (particularly incentives for illegal deforestation). Much of the language in the theory of change is general and vague, encompassing a very broad array of possible interventions (e.g. "governance and incentives for protected and productive landscapes are enhanced through adoption of national policies and strategies which support sustainable development and aim to minimize deforestation and loss of ecosystem services"), making it difficult to discern a</p>	<p>Thank you for your positive evaluation of the Program objective and relevance, as well as for the pertinent and useful comments vis-?-vis how to clarify and strengthen program impact on the ground ? especially with respect to tackling illegal deforestation, linking land sparing approaches with governance, and the importance of transparency, data sharing and coordination in addressing leakage risks. We agree that the major risk to the program is related to economic powerful drivers of deforestation (extractive industries, agribusiness, etc.). The PFD provides a general outline on how these will be addressed. In the development of the child projects, we aim to refine, within each country context, how these drivers will be addressed. We will incorporate your suggestions for greater clarity in this regard at the country level and will seek support from STAP as needed. In particular, in the design of the regional child project we can organize some meetings with STAP, and other experts as well as donors that are concerned about these same issues, particularly for Brazil. We can incorporate more refined design elements in the final development of the</p>	<p>The design of the Peru Project has taken into account the aspects raised here. Please see detailed responses to the issues raised in this summary section in the sections below.</p>
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Part I: Project Information		
Project Components		
<p><b>A brief description of the planned activities. Do these support the Project's objectives?</b> * The logical linkage between the activities and how these target the root causes/threats is not clearly articulated.</p>	<p>Linkages between root causes/threats and the activities/approaches to be pursued at a Program level will be teased out further in discussion with the ASL2 preparation working group as part of the evolving TOC and problem statement diagram (please see below section 3 of this document). Ensuring logical clarity will be emphasized during preparation of the national child projects and their specific TOCs.</p>	<p>The Project description follows the ASL Program's ToC, and its activities have been designed to address the priority environmental threats in the country's Amazon region. Section 3 and figure 1 show how the planned activities will support the Project's objectives helping overcome the threats to the sustainable use of Peru's Amazon landscape (presented in section 1).</p>
Outputs		
<p><b>Is the sum of the outputs likely to contribute to the outcomes?</b> Specific outputs are not listed for each of the Outcomes; however, examples are given for each Component such as surveys, risk assessments, legal protocols, innovative technologies, technical extension services, etc. These are meant to be indicative and so it's not possible to know if, combined, they will contribute to the stated outcomes as it will likely be very country and site specific.</p>	<p>As you rightfully mention, outputs will be very country and site specific. Preparation of each individual child project will define the specific outputs in more detail. Actions are being designed to influence policies for a national and regional impact.</p>	<p>The Project Results Framework summarizes the outputs and the outcomes of the Peru Project and a detailed description is available in the Project document (Section 3)</p>
Part II: Project justification		
1. Project description.		
1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)		

<p><b>Is the problem statement well-defined?</b> There are some issues here.</p>		<p>Please see specific responses below.</p>
<p>*weak land tenure for indigenous people/local communities is mentioned once as a root cause, but then this is never returned to, even in discussions of the expanding agricultural frontier, deforestation and IWT, despite the fact that land grabbing of indigenous land is part of this phenomenon, and the strong evidence indigenous-titled lands more effectively resist deforestation.</p> <p>* More broadly, the discussion on peoples of the Amazon, the extent of their occupation (including in lands subject to forestry), and how they use and rely on forest resources, is very minimal.</p>	<p>We agree that land grabbing of public and/or indigenous lands is a challenge in most participating countries, with mechanisms and approaches differing in each context. This issue will be elaborated further in the preparation of the child projects. Similarly, the child projects will provide more contextual information on the occupation and use of resources by the peoples of the Amazon.</p>	<p>The Peru Project document provides context information on the occupation and use of resources by the peoples of the Amazon in section 1. The Project has been designed to protect the rights of the indigenous people. See section 3 on the description of the Project outcomes and outputs, as well as sections 2 on stakeholders and 5 on risks.</p>



<p>*In the explanatory paragraphs (1-17) also, the issue of wild animal overexploitation (including wild meat) should presumably be addressed - it is a primary cause of biodiversity loss in the Amazon, quite distinct from deforestation. It is a subset of overexploitation but quite distinct from timber harvesting. This should also be raised as an issue linked to extractives expansion and accompanying infrastructure - roads are generally associated with enabling and expanding wild meat hunting.</p>	<p>We agree that over exploitation of wild animals is an important issue for the reasons mentioned. This issue will be will elaborated further, as appropriate, in the preparation of the child projects per country prioritization.</p>	<p>Overexploitation of wild animals in Peru is described in section 1 of the project document. The project addresses this issue (see section 3). Wildlife trafficking has also been identified as a potential area for knowledge exchange with the other participating countries to the ASL2.</p>
<p><b>Are the barriers and threats well described, and substantiated by data and references?</b> Barriers: This (p 40 onward) is not setting out barriers to change/transformation so much as articulating how the program will address drivers, and mainly proximate drivers. Barriers are what makes it hard to do this.</p>	<p>Thank you for highlighting this issue. This is something that will be specifically discussed with the ASL2 preparation working group. There is sometimes a thin line between proximate drivers and barriers, especially when addressing at a higher level, as in the PFD. Each of the child projects will be able to better analyse the specific barriers relevant to the country context, and will be asked to present and address these directly, making sure to differentiate proximate drivers and barriers in line with your guidance as part of the next phase of Project preparation.</p>	<p>The drivers of deforestation and the barriers to stop of it and promote sustainable forest management were refined in the Project description for the Peru child project. See section 1 and figure 1 in the Project document.</p>

2) the baseline scenario or any associated baseline projects		
<p><b>Is the baseline identified clearly?</b>  *para 50 suggests countries' efforts have dramatically slowed the rate of deforestation, and yet earlier information presented in the PFD makes clear that deforestation has been going steeply up in recent years (see Fig 1)? (And Imazon has just announced deforestation is 20% up on last year). So if these efforts are not working, it would be good to be clear on why these are not working if this Project is to learn relevant lessons and have a high likelihood of success.</p>	<p>Brazil represents both the largest historical deforestation, as well as the country which has had the greatest success at reducing this trend. Indeed, there are recent signs of an uptick but they are still significantly below historical highs. This is a recent event and it is still unclear if this represents a reversal or is a short-term shift in dynamics. ASL1 is completing a study looking at the history of combatting deforestation, with particular emphasis on Brazil's experience as well as that of Colombia and Peru. Lessons learned from this will be extracted and used to guide program implementation going forward, including the more detailed ASL2 child project preparation and implementation.</p>	<p>Since submission of the PFD, the context of deforestation in each country has changed and this is acknowledged by each project as relevant. In the Peru Project document, information on deforestation is presented in detail in Section 1.</p>
<p>*the info in this section doesn't tell us much about what the actual expected trajectories of deforestation etc. are in these countries</p>	<p>All countries involved are genuinely interested in reducing their deforestation rates and this will be a core focus of the Program and will be tracked carefully in all countries. During preparation of each of the national projects, specific deforestation targets to be attained through ASL2 will be clearly spelled out.</p>	<p>The Peru child project has a clear target of GHG emission reductions (i.e. 10.6 MT CO<sub>2</sub>), based on avoided deforestation.</p>

<p><b>Are the lessons learned from similar or related past GEF and non-GEF interventions described:</b> *The program is building on experiences from ASL1, and indicates in certain cases it has learned lessons from these e.g. in component 1, on financing of protected areas. It also sets out a number of general lessons learned "how" to implement the program e.g. building trust, using a common language. However, given the experience from ASL1 and from other work, it would be good to have more explicit lessons learned reflected here about the "how" i.e. activities. What has been learned in previous projects about what works, and what doesn't? How has this shaped the components of the program? Or given ASL2 largely continues and expands ASL 1, did everything work well and as planned to deliver reduced deforestation etc.? If so, can this be said explicitly.</p>	<p>Program design has drawn on the emerging lessons from ASL1's first year and a half of implementation, as well as those of other earlier Amazon projects. The main recommendations of the ASL1 participants, when the possibility to scale-up the program was discussed, was to increase the number of countries and topics, including those not targeted under ASL1 and that were considered important, such as freshwater-related issues, connectivity, OECM, etc. Additionally, ASL1 is currently supporting knowledge exchange and a publication on the lessons learned for combatting deforestation and another on finance for permanence, which is expected to inform the ASL2 national Project design. These and other specific lessons relevant to each country context will be taken into account in the identification of activities to be implemented by each child project (national and regional).</p>	<p>The annual report (available from <a href="http://pubdocs.worldbank.org/en/407141582652061822/64857-ASL-Progress-Report-2018-19-FEB11.pdf">http://pubdocs.worldbank.org/en/407141582652061822/64857-ASL-Progress-Report-2018-19-FEB11.pdf</a>) includes a chapter on emerging lessons from ASL, which were used for shaping the ASL2 child projects. In Peru lessons from the baseline projects presented in section 2 were used in the design of the planned activities.</p>
<p><b>3) the proposed alternative scenario with a brief description of expected outcomes and components of the Project</b></p>		

<p><b>What is the theory of change?</b> There is no clear description of how the proposed actions will tackle and change root causes. Much of the language in the TOC is rather general and vague, encompassing a very broad array of possible interventions (e.g. "governance and incentives for protected and productive landscapes are enhanced through adoption of national policies and strategies which support sustainable development and aim to minimize deforestation and loss of ecosystem services"), making it hard to discern a sharp conceptual analysis. The Theory of Change only partly addresses root causes in a convincing way. In some activities it seems to address proximate drivers rather than tackling underlying root causes.</p> <p>*It would be helpful to include a diagram for the problem statement, showing how root causes lead to drivers, and then a different diagram for the TOC. Currently these are rather confusingly combined into one.</p>	<p>Thank you for these very detailed and useful comments. The Program-level TOC is an evolving tool involving all the seven participating countries. Your comments and suggestions are very helpful and will be used to guide the next iteration of this discussion. These extremely useful comments will be taken into account in the next version of the TOC to be shared with the participating countries, and will greatly strengthen the development of the national and regional child project TOCs. During child project preparation, the ASL2 working group will continue to meet and discuss the framing elements to ensure the cross linkages between the individual child projects. As part of these discussions we will share a new TOC for discussion, and a new diagram for the problem statement, showing how root causes lead to drivers.</p>	<p>The Peru Project was designed to tackle the root causes and proximate drivers prioritized by Peru for the ASL2, as advised by STAP. The root causes are presented in section 1 of the Project Document (Peru child project). The activities are described in the Project paper (section 3). The links between root causes and activities are illustrated in figure 1.</p>
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<p>*One element which is clearly needed in the region but which seems to fall between component 1 and component 2 is support for sustainable forest enterprises and sustainable use within PAs, many of which are indigenous territories (in which people depend on use of the forest). Where does this fit in?</p>	<p>With respect to the more specific comments, as described in para 33 of the PFD, clearing land for cattle is economically favourable (particularly illegally) in Brazil, but it is less of a key driver in other countries of the Amazon. The types of activities expected to be implemented under the Program are listed in the PFD for each component in its description (e.g., para 116 for Component 1). The specific suite of activities for each country will be further refined during Project preparation and presented in the national child projects (for example, support to the SICAR in the Brazilian child project for ASL2) (See also response to question in section 2).</p>	<p>Sustainable forest or other land use activities within PAs is included in component 2 of the Peru child Prodoc (see Section 3).</p>
<p><b>7) innovative, sustainability and potential for scaling-up</b></p>		
<p><b>Is there a clearly-articulated vision of how the innovation will be scaled-up, for example, over time, across geographies, among institutional actors?</b> *There is a vision of how these innovations will scale in various ways, although more explicit consideration of forms of scaling and the barriers likely to be encountered in each would be welcome.</p>	<p>Again, the specific innovations to be deployed under the national projects will vary between countries. Further exploration of the potential barriers to adoption and scaling from both individual country as well as regional perspectives will be conducted during the Project preparation phase.</p>	<p>Innovation and scaling up are presented in section 7 of Peru's child project document.</p>

<b>2. Stakeholders.</b> Select the stakeholders that have participated in consultations during the Project identification phase: Indigenous people and local communities; Civil society organizations; Private sector entities. If none of the above, please explain why. 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.		
<b>Have all the key relevant stakeholders been identified to cover the complexity of the problem, and Project implementation barriers?</b> The Project describes the roles of various stakeholders throughout the PFD and states that participant countries will be conducting consultations with key stakeholders for their areas, including indigenous people, local communities, NGOs, private sector, etc. Therefore, it is likely (but should be confirmed) that this information will be developed more fully during PPG stage and before the actual projects are initiated.	We confirm that the detailed preparation of the national child projects will include consultations with key stakeholders. This will include clarifying stakeholder roles as well as identifying gender issues and measures to address these.	A Stakeholder Engagement Plan has been prepared for the Peru child project and is included in the respective Project Document. Please see section 2.
<b>What are the stakeholders? roles, and how will their combined roles contribute to robust Project design, to achieving global environmental outcomes, and to lessons learned and knowledge?</b> See above		See above.

<b>3. Gender Equality and Women's Empowerment.</b> Please briefly include below any gender dimensions relevant to the Project, and any plans to address gender in Project design (e.g. gender analysis). Does the Project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes/no/ tbd. If possible, indicate in which results area(s) the Project is expected to contribute to gender equality: access to and control over resources; participation and decision-making; and/or economic benefits or services. Will the Project's results framework or logical framework include gender-sensitive indicators? yes/no /tbd		
<b>Has gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences?</b> Each country project will develop gender sensitive strategies during project preparation.		A Gender Action Plan has been prepared, based on an analysis of risks and opportunities, and will be implemented as part of the Project. Please see section 3 of the Peru child project document.
<b>6. Coordination.</b> Outline the coordination with other relevant GEF-financed and other related initiatives		
<b>Is there adequate recognition of previous projects and the learning derived from them?</b> There is little evidence presented here that the Project is learning from experience in what types of intervention work in practice to combat deforestation etc. (not just "how").	The whole Program is building the lessons learned locally for each country ? with each of the proposed child projects being a continuation of and a scaling up activities launched through earlier successful (ASL and non-ASL) projects on the ground such as ARPA in Brazil, Corazon de Amazonia in Colombia, etc.	The annual report (available from <a href="http://pubdocs.worldbank.org/en/407141582652061822/64857-ASL-Progress-Report-2018-19-FEB11.pdf">http://pubdocs.worldbank.org/en/407141582652061822/64857-ASL-Progress-Report-2018-19-FEB11.pdf</a> ) includes a chapter on emerging lessons from ASL1, which were used for shaping the ASL2 Peru child project.

<p><b>Have specific lessons learned from previous projects been cited?</b> There are some 'lessons learned' discussed throughout the PFD which are interesting, such as the importance of ex-ante land occupation planning processes (para 42.) and para 110 lists several lessons learned from implementation of ASL 1 and other projects in the region; however, as mentioned previously these are mainly related to the overall process of developing a large-scale program.</p>	<p>Please see earlier answers regarding lessons learned.</p>	<p>Please see earlier answer regarding lessons learned.</p>
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USA COMMENTS - JULY 3, 2019		
Comments	Team Responses	
<p>Risk assessment. It will be important that the child projects more fulsomely assess and incorporate risk (including a monitoring and tracking component) from infrastructure planned as part of the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA) plan, including the planned trans-amazon railway.</p>		<p>The Peru Project document has considered all relevant risks in the Project's intervention area. Risks and management strategies are described in section 5 of the Project document.</p>
NORWAY - DENMARK COMMENTS - MAY 18, 2019		
Comments	Team Responses	
<b>General</b>		



<p>As the space for donor follow-up and seeking additional information is limited, we recommend that country focal points invite donors for an information session in the specific capitals describing the experiences from phase 1 and presenting the new activities under phase 2.</p>	<p>There are two spaces that join the international technical cooperation with the government, in order to align interventions to government priorities and promote synergies between cooperation, in order to join efforts and avoid duplication. One of the spaces is the table Sustainable Agrarian Development, led by the Ministry of Agriculture and Irrigation, and the other, the green table, led by the Ministry of the Environment. FAOPE participates in both spaces, making its interventions known.</p>	
<b>PERU</b>		
<p>There should be more clarity on how the program will be coordinated with other (donor) financed initiatives in Peru including how the program will contribute towards the objectives established for the Joint Declaration of Intent on REDD+ between Norway, Germany and Peru.</p>		<p>The Project will be closely coordinated with other donor financed initiatives in the country. This is described in section 6b and more broadly section 2 of the Peru Project document. Component 1 and 3 will provide continuity to the actions undertaken by REDD+ in the country. Forest monitoring systems at the national and regional level will be strengthened. In addition, local capacities will be strengthened for social monitoring, in coordination with native communities. It is worth noting that the key stakeholders in this Project (e.g. MINAM, SERFOR and the regional forest authorities) are also part of UNREDD+ and other forest-related initiatives.</p>

For Peru, more information should be provided on how the role of regional governments is contemplated in the program. Their ownership and active participation in the program are considered crucial for successful implementation and for achieving sustainable, long-term results.	The role of regional governments in the implementation of the program is explained in sections 2 (stakeholder plan) and 6a of the Peru Project document. These governments have been actively involved in the design of the Project and will be closely engaged during its implementation. Regional governments have issued co-financing letters as the 4 Project components will strengthen their capacities regarding forest management, governance and monitoring, ecosystem connectivity, promotion of biodiversity-friendly business opportunities and knowledge management.
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**ANNEX C: Status of Utilization of Project Preparation Grant (PPG).**  
**(Provide detailed funding amount of the PPG activities financing status in the table below:**

PPG Grant Approved at PIF: 300,000 USD			
<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Activity 1: Specialized technical studies for Project formulation in: sustainable forest management, biodiversity value chains, product market Amazon Biodiversity Peru, model 3-T, gender and socio-environmental management. Coordination and governance mechanism	223,870	223,871	0
Activity 2: Field trips for Project presentation and data collection	37,472	37,472	0
Activity 3: Holding workshops to present the Project and collect information	19,730	16,145	3,585
Activity 4: Systematization of information and operating expenses	18,928	13,453	5,474
<b>Total</b>	300,000	290,941	9,059

**ANNEX D: Project Map(s) and Coordinates**

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

Department	Province	District	Coordinates	Altitude
Loreto	Loreto	Nauta	4°30'19.29"S 73°34'51.55"O	110 masl
		Parinari	5°02'39.54"S 74°46'49.87"O	123 masl
		Tigre	3°22'59.19"S 74°56'53.89"O	150 masl
		Trompeteros	3°48'21.42"S 75°03'36.56"O	126 masl
		Urarinas	4°25'05.71"S 75°31'39.61"O	137 masl
Ucayali	Atalaya	Yur'a	9°58'02.97"S 72°31'13.74"O	288 masl
		Raymondi	10°37'08.04"S 73°22'15.13"O	293 masl
		Sepahua	11°08'49.85"S 73°02'09.56"O	288 masl
		Tahuan'a	10°01'35.04"S 73°39'13.04"O	338 masl
Jun'ún	Satipo	Satipo	11°15'09.64"S 74°38'13.62"O	629 masl
		Pangoa	11°53'59.31"S 74°18'42.56"O	1901 masl
		Pampa Hermosa	11°26'30.42"S 74°49'38.35"O	2988 masl
		Mazamari	11°19'56.12"S 74°31'43.50"O	680 masl
		Río Tambo	11°09'09.64"S 74°14'25.64"O	332 masl
		Río Negro	11°12'30.38"S 74°39'32.66"O	342 masl
		Llaylla	11°27'18.56"S 74°39'48.47"O	1779 masl
		Coviriali	11°19'22.38"S 74°39'48.47"O	1408 masl



Source: INEI, IGN, ANA ? February 2020



Source: INEI, IGN, ANA ? February 2020



Source: INEI, IGN, ANA ? February 2020

## ANNEX E: Project Budget Table

Please attach a project budget table.

FAO Cost Categories	Component 1	Component 2	Component 3	Component 4	M&E	PMC	Total GEF
	Total	Total	Total	Total			
<b>5011 Salaries professionals</b>							
<b>5011 Sub-total salaries professionals</b>							
<b>5012 GS Salaries</b>							
<b>5012 Sub-total GS salaries</b>							
<b>5013 Consultants</b>							
International Expertise (3T model)	0	0	120,000	0			120,000
International Expertise (agroindustrial)	0	0	208,000	0			208,000
International Expertise (marketing)	0	0	128,000	0			128,000
International Expertise (partnerhips)	0	0	48,000	0			48,000
International consultant - policies and procedures	0	0	80,000	0			80,000

<b>Sub-total international Consultants</b>	<b>0</b>		<b>584,000</b>	<b>0</b>			<b>584,000</b>
<i>National Consultants</i>							0
Technical Project Coordinator						240,000	240,000
Monitoring & Evaluation Specialist	<b>20,300</b>	<b>60,900</b>	<b>113,886</b>	<b>7,914</b>	173,572		203,000
Administrative analyst						144,000	144,000
Operation specialist						107,570	107,570
Accountant						39,456	39,456
Human resources specialist						16,704	16,704
Procurement Specialist						90,901	90,901
Financial specialist						11,982	11,982
Component 1 Coordinator - Forest Governance Expert	<b>199,500</b>	<b>0</b>	<b>0</b>	<b>0</b>			199,500
Component 2 Coordinator - Integrated Land Management Expert	<b>0</b>	<b>199,500</b>	<b>0</b>	<b>0</b>			199,500
Component 3 Coordinator - Bio-business capacity building expert	<b>0</b>	<b>0</b>	<b>199,500</b>	<b>0</b>			199,500
Component 4 Coordinator - Knowledge Management Specialist	<b>0</b>	<b>0</b>	<b>0</b>	<b>174,000</b>			174,000
Gender Specialist	<b>11,105</b>	<b>30,744</b>	<b>153,661</b>	<b>3,990</b>			199,500
Socio-economic Risk Management and Indigenous Communities Specialist	<b>3,990</b>	<b>30,744</b>	<b>164,766</b>				199,500
Climate and Environmental Risk Management Specialist	<b>3,990</b>	<b>30,744</b>	<b>164,766</b>				199,500
Communications Specialist	<b>0</b>	<b>0</b>	<b>0</b>	<b>142,500</b>			142,500
Atalaya regional facilitator	<b>13,680</b>	<b>41,040</b>	<b>82,080</b>				136,800
Satipo regional facilitator	<b>13,680</b>	<b>41,040</b>	<b>82,080</b>				136,800
Loreto regional facilitator	<b>13,680</b>	<b>41,040</b>	<b>82,080</b>				136,800
Consultant in satellite monitoring and community oversight for technical assistance and COC implementation	<b>84,000</b>						84,000

Consultant for the strengthening and articulation of CLDP in Loreto	<b>35,000</b>						35,000
Consultant for the strengthening and articulation of CLDP in Atalaya	<b>35,000</b>						35,000
Consultant for the strengthening and articulation of CLDP in Satipo	<b>35,000</b>						35,000
Consultant for the development of 3 forest zoning instruments	<b>21,000</b>						21,000
Consultant for the development of 9 instruments for sustainable management in Loreto, Ucayali and Junin	<b>42,000</b>						42,000
Consultant for the development of 2 instruments to improve information records	<b>10,500</b>						10,500
Consultant for the development of protocols to improve the management of dialogue spaces (roundtables) and their articulation with Community Oversight Committees (Loreto, Ucayali and Satipo)	<b>35,000</b>						35,000
Consultant for technical assistance and preparation of 6 investment projects where strengthened information tools were used	<b>31,500</b>						31,500
Consultant in strengthening capacities in Governance	<b>94,500</b>	<b>0</b>					94,500
Consultant in Capacity Building for Landscape Conservation and Connectivity		<b>42,000</b>					42,000
Consultant in Restoration Capacity Building		<b>42,000</b>					42,000
Consultancy for the development of a technological tool for the systematization of information on aguajales and the development of implementation pilots	<b>28,000</b>	<b>0</b>	<b>0</b>	<b>0</b>			28,000



Systematization of lessons learned from good management and conservation practices of biodiversity and restoration of degraded areas		120,000					120,000
NPA and connectivity specialist	0	140,000	0	0			140,000
Conservation investment and financial mechanisms specialist	0	140,000	0	0			140,000
Restoration investment and financial mechanisms specialist	0	70,000	0	0			70,000
Consultant in PA management tools	0	48,000	0	0			48,000
Life plans and community development plans consultant	0	48,000	0	0			48,000
Consultant in the elaboration of studies and files for the creation of PA	0	72,000	0	0			72,000
National consultant - added value (of priority chains)	0		189,000				189,000
National consultant-agroeconomist			189,000				189,000
National consultant - agroecologist			84,000				84,000
National Consultant - Construction			94,500				94,500
National commercial specialist			94,500				94,500
National consultant - marketing	0		168,000	0			168,000
Consultant (formation of partnerships)	0		105,000	0			105,000
National consultant - policies and procedures	0	0	70,000				70,000
National consultant - Public Investment Projects	0	0	56,000				56,000
Consultant - Loreto subprojects			112,500				112,500
Consultant - Atalaya and Satipo subprojects			112,500				112,500
<b>Sub-total national Consultants</b>	<b>731,425</b>	<b>1,197,751</b>	<b>2,317,820</b>	<b>328,404</b>	<b>173,572</b>	<b>650,613</b>	<b>5,226,013</b>
<b>5013 Sub-total consultants</b>	<b>731,425</b>	<b>1,197,751</b>	<b>2,901,820</b>	<b>328,404</b>	<b>173,572</b>	<b>650,613</b>	<b>5,810,013</b>
<b>5650 Contracts</b>							
Business plans with local communities			2,296,104				2,296,104

Consultancy Provincial Forest Fire Prevention Strategy	42,000	0	0	0			42,000
Study of the Potential of Tourism Resources for the Promotion of Ecotourism	80,000	0	0	0			80,000
Committee Proposal Study and RAMSAR Site Management Plan	40,000	0	0	0			40,000
Development of economic-administrative incentives	35,570	0	0	0			35,570
Diagnosis of budget programs and their interaction for conservation, restoration and climate change actions	48,737	20,000					68,737
Services for design and printing of promotional material on conservation in PA, connectivity, restoration, value chains, others.	0	0	0	20,054			20,054
Editing services, publication of project materials (posters, brochures, training materials, systematization of lessons learned, etc.)	0	0	0	35,073			35,073
Formulation of projects in degraded areas and projects <b>in ecosystem</b> connectivity	0	234,550	0	0			234,550
Technical-legal studies for the implementation of financial sustainability mechanisms	0	180,000	0	0			180,000
Capacity gap study for integrated land management	0	20,008	0	0			20,008
Design and implementation of media and advocacy strategy for the creation of PA		53,915	0	0			53,915
Design and Implementation of a Capacity Building Plan. 100 regional officials and 50 local officials		60,000	0	0			60,000
Service for the implementation of management tools to address threats to connectivity		72,358	0	0			72,358

Service of implementation of life plans and community development plans addressing threats to connectivity		190,800	0	0			190,800
Diagnostic study of areas for restoration		40,000	0	0			40,000
Assessment on restoration plan development	0	90,000	0	0			90,000
Capacity gap diagnostic study for restoration		50,000	0	0			50,000
Capacity building program assessment		20,000	0	0			20,000
Formulation of projects for restoration		232,000	0	0			232,000
Diagnosis of water ecosystem services in micro-basins		154,120					154,120
Contractual agreement - 3T model	0	0	400,000	0			400,000
Contractual agreement - collection/transportation centers	0	0	500,000	0			500,000
Contractual agreement - brand development	0	0	20,000	0			20,000
Contractual agreement - communication strategy	0	0	120,000	0			120,000
Design and Implementation of the Institutional Gender Capacity Building Plan (face-to-face version + virtual platform version) + initial impact evaluation (5 months - implementation of the first year as a pilot and validation)	3,500	10,500	18,200	2,800			35,000
Implementation of the Gender Institutional Capacity Building Plan + impact evaluation (2nd to 5th year)	4,000	12,000	20,800	3,200			40,000
Design and Implementation of the Strengthening of Gender Local Capacities Plan + initial impact evaluation and elaboration of innovative and inclusive didactic materials (manuals, games, others) (5 months - implementation of the first year as a pilot and validation)	3,500	10,500	18,200	2,800			35,000

Implementation of the Local Gender Capacity Building Plan + impact evaluation (2nd to 5th year).	4,000	12,000	20,800	3,200			40,000
Technical assistance for the implementation of community surveillance committees	114,558		0	0			114,558
Design and implementation of a communication and knowledge dissemination strategy (biodiversity services and benefits, traditional sustainable production practices)	0		0	80,000			80,000
Strengthening of the Knowledge Management Module			0	75,549			75,549
Knowledge Management Pilot within the MINAM platform				55,382			55,382
Study of the elaboration of the project baseline				66,418			66,418
Mid-term Review	0		0	40,000	40,000		40,000
Terminal Evaluation	0		0	60,000	60,000		60,000
Final Report	0		0			6,550	6,550
Spot Checks						25,650	25,650
Audits	0		0			60,000	60,000
Collect Earth International Consultant	22,260						22,260
EX-ACT International Consultant	22,260						22,260
<b>5650 Sub-total Contracts</b>	<b>420,385</b>	<b>1,462,751</b>	<b>3,414,104</b>	<b>444,476</b>	<b>100,000</b>	<b>92,200</b>	<b>5,833,916</b>
<b>5021 Travel</b>							
<b>International travel</b>							0
International travel - Component 3			60,000				60,000
International travel - International experts			231,000				231,000
International travel - component 4 ASL2 Program				27,000			27,000
International travel - component 2		59,874					59,874
International travel expenses (project staff, producers, officials, consultants)	15,000	15,000	15,000	15,000			60,000
<b>National Travel</b>							0
Local Travel - Technical Team	1,920	5,760	9,984	1,536			19,200

Attach? Travel	1,920	5,760	9,984	1,536			19,200
Local travel component 3			105,600				105,600
Travel for technical leaders of components	960	6,720	10,560	960			19,200
Travel - Facilitators	21,600	9,000	3,600	1,800			36,000
Travel to train local officials to incorporate the ecosystem approach (main focus) as well as human rights, intercultural and intergenerational approaches in their planned processes/actions (from 2nd-5th year).	768	2,304	3,994	614			7,680
Travel - Gender Specialist	960	2,880	4,992	768			9,600
Travel expenses for training national officials (from 2nd-5th year)	2,400	7,200	12,480	1,920			24,000
DSA - Gender Specialist	6,000	18,000	31,200	4,800			60,000
Field trips for technical assistance in conservation and restoration		24,000					24,000
Field trips for technical assistance in investment projects	9,600	14,400					24,000
Travel expenses for technical assistance in the three provinces	1,200	9,840	0	960			12,000
Travel for social and environmental risk monitoring specialist	960	2,880	4,992	768			9,600
Travel - Project stakeholders	560	1,680	2,912	448			5,600
<b>DSA - Beneficiaries</b>	450	1,350	2,340	360			4,500
Travel for technical meetings		24,000					24,000
National travel expenses (technical staff and producers)	23,380	70,140	121,576	18,704			233,800
<b>5021 Sub-total Travel</b>	<b>87,678</b>	<b>280,788</b>	<b>630,214</b>	<b>77,174</b>		<b>0</b>	<b>1,075,854</b>
<b>5023 Training and workshops</b>							
Inception Workshop	0	0	0	3,000	3,000		3,000
Regional inception workshops	0	0	0	6,000	6,000		6,000
Terminal workshop	0	0	0	3,000	3,000		3,000
Regional terminal workshops	0	0	0	6,000	6,000		6,000

Workshops for the implementation of financial sustainability mechanisms	0	62,000	0	0			62,000
Workshops for validation of technical documents and studies for the creation of PA	0	40,000	0	0			40,000
Workshops for the formulation of Integrated Land Management indicators	0	40,000	0	0			40,000
Workshops for updating or developing management tools with an integrated land management approach	0	40,000	0	0			40,000
Workshops to update or generate life plans and community development plans with an integrated land management approach	0	40,000	0	0			40,000
Workshops for the elaboration of projects related to restoration	0	20,000	0	0			20,000
Pilot Selection Workshops	0	20,000	0	0			20,000
Workshops to establish restoration practices in the field	0	20,000	0	0			20,000
Workshops for Forest Management and Restoration Plans (to define strategies and practices)	0	36,000	0	0			36,000
Workshops to increase awareness for ecosystem restoration	0	20,000	0	0			20,000
Training workshops for leaders in the use of restorative materials	0	12,000	0	0			12,000
Participatory workshops for the selection of pilot sites for restoration	0	20,000	0	0			20,000
Restoration monitoring workshops	0	36,000	0	0			36,000
Workshops - innovative model 3.1.1.	0	0	36,000	0			36,000
Workshops - added value 3.1.2.	0	0	40,000	0			40,000
Workshops - umbrella brand and commercial strategy 3.1.4.	0	0	48,000	0			48,000
Workshops - 4P alliances 3.1.5.	0	0	48,000	0			48,000
Workshops - business capacity building 3.2.1.	0	0	60,000	0			60,000

Workshops - policies and procedures 3.2.2.	0	0	24,000	0			24,000
Workshops - PIP 3.2.3.	0	0	24,000	0			24,000
Local workshops (in NC or population centers prioritized for project activities)	2,400	7,200	12,480	1,920			24,000
Meetings and community assemblies for information and dissemination according to the risk management plan and mechanism for complaints and responses, with organizations and project staff	2,400	7,200	12,480	1,920			24,000
Meetings and field visits to the intervention areas and implementation of participation plans, risks and grievance mechanism.	2,400	7,200	12,480	1,920			24,000
Information and awareness workshops on human rights, gender, intercultural and intergenerational approach	25,200	33,600	8,400	16,800			84,000
Implementation of affirmative actions to ensure the participation of women in the various spaces generated by the project.	6,000	18,000	3,000	3,000			30,000
Training on United Nations financial and reporting issues	0	0	0	9,000			9,000
Meetings with strategic partner projects	0	0	0	15,000			15,000
Lessons Learned Meetings	0	0	0	15,000			15,000
Meeting with GEF projects	0	0	0	15,000			15,000
Workshops with international ASL2 experts	0	0	0	40,000			40,000
Participation in events on GEF, CC and BD and exhibition of project experiences	0		0	48,000			48,000
Institutional coordination workshops for landscape connectivity	0	40,000	0	0			40,000
Workshops for inter-institutional coordination	1,000	15,000	2,000	2,000			20,000
Travel expenses for the total days of workshops	5,030	25,150	17,605	2,515			50,300

<b>5023 Sub-total training</b>	<b>44,430</b>	<b>559,350</b>	<b>348,445</b>	<b>190,075</b>	<b>18,000</b>	<b>0</b>	<b>1,142,300</b>
<b>5024 Expendable procurement</b>							
Vegetative material for restoration	0	750,000	0	0			750,000
Miscellaneous restoration supplies (plastics, fences, etc.)	0	125,000	0	0			125,000
Materials for project formulation and financial studies		20,000					20,000
Inputs for financial mechanisms	0	20,000	0	0			20,000
First aid kit for travel	0	9,000	0	0			9,000
Equipment to support Community Watch Committees	27,000	0	0	0			27,000
<b>materials for workshops</b>	<b>2,400</b>	<b>19,680</b>	<b>0</b>	<b>2,920</b>			<b>25,000</b>
Equipment to support internships (Flashlights, backpacks, field notebooks)	0	9,000	0	0			9,000
<b>5024 Sub-total expendable procurement</b>	<b>29,400</b>	<b>952,680</b>	<b>0</b>	<b>2,920</b>	<b>0</b>	<b>0</b>	<b>985,000</b>
<b>6100 Non-expendable procurement</b>							
Machinery for added value 3.1.2.			450,000				450,000
Specialized software (Arc Gis, Remote Sensors)	3,200	8,000	1,600	3,200			16,000
GPS	300	900	1,560	240			3,000
Inputs (e.g. laptops, printer, cellphones, projectors, internet cost) for development of technical activities related such us: a) development planning instruments and strengthening the spaces and platforms for information exchange and dialogue (outcome 1.2), b) strengthened information tools to formulate investment projects (outcome 1.3).	15,040	29,880	31,512	13,568			90,000
<b>6100 Sub-total non-expendable procurement</b>	<b>18,540</b>	<b>38,780</b>	<b>484,672</b>	<b>17,008</b>	<b>0</b>	<b>0</b>	<b>559,000</b>
<b>5028 GOE budget</b>							



Miscellaneous including contingencies COVID-19	4,000	12,000	20,800	3,200			40,000
Recurrent mobility expenses such as car and boat rental for the execution of project field activities under outcomes 1.1, 1.2, 1.3,2.1,2.2,2.3,2.4,3.1,3.2 ,4.1 and 4.2 including a) Pilots for the implementation of financial sustainability models for AP, b) Strengthened capacities of local stakeholders to improve or innovate their restoration practices and landscape restoration pilots implemented, c) generate added value in prioritized value chains , d) strengthen capacities in technical business and managerial capacities to develop sustainable companies.	15,300	45,900	79,560	12,240			153,000
<b>6300 Sub-total GOE budget</b>	<b>19,300</b>	<b>57,900</b>	<b>100,360</b>	<b>15,440</b>	<b>0</b>	<b>0</b>	<b>193,000</b>
<b>TOTAL</b>	<b>1,351,158</b>	<b>4,550,000</b>	<b>7,879,615</b>	<b>1,075,497</b>	<b>291,572</b>	<b>742,813</b>	<b>15,599,083</b>

#### ? BUDGET

Please refer to the ?Documents? section in the GEF portal, under which the excel budget has been uploaded.

#### ANNEX F: (For NGI only) Termsheet

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

#### ANNEX G: (For NGI only) Reflows

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

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

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