

REVISED STAP SCREENING TEMPLATE, OCTOBER 2022

GEF ID	11449
Project title	Strengthening the System of Protected Areas and Improvement of its Financial Sustainability
Date of screen	18 January 2024
STAP Panel Member	John Donaldson
STAP Secretariat	Alessandro Moscuza

1. Summary of STAP's views of the project

Overall, this is a carefully thought through proposal, which aims to apply the model of Project Finance for Permanence (PFP) to the dire underfunding and lack of capacity for managing protected areas in Paraguay. The PIF outlines a clear theory of change with well described causal pathways, generally provides a good description of the different components, and deals adequately with other aspects such as stakeholder engagement, policy coherence and risks.

STAP's assessment is that this project has a sound conceptual basis and deals adequately with scientific and technical issues. During the next stage of project development, STAP suggests (Section 3) that further consideration be given to project design elements that would reduce risk and uncertainty associated with implementation of the PFP approach in a novel political and institutional environment.

Note to STAP screeners: a summary of STAP's view of the project (not of the project itself), covering both strengths and weaknesses.

STAP's assessment*

Concur - STAP acknowledges that the concept has scientific and technical merit

- Minor - STAP has identified some scientific and technical points to be addressed in project design
- Major - STAP has identified significant concerns to be addressed in project design

Please contact the STAP Secretariat if you would like to discuss.

2. Project rationale, and project description – are they sound?

See annex on STAP's screening guidelines.

The PIF identifies the limited effectiveness of protected areas as the most critical issue affecting biodiversity conservation in Paraguay and sets out a strong case for how securing more permanent funding will deliver global environmental benefits. Although the proposal does not explicitly explore **uncertain futures**, it makes clear that more effective management of protected areas is the best way to secure enduring benefits under any likely scenario.

The description of the **baseline** is adequate although it would be more informative to structure the baseline information in a way that aligns with project objectives so that it is possible to reference the baseline relative to what the project is proposing to deliver. The **theory of change** is well laid out, with a clear logic and a good description of the causal pathways (one of the better descriptions seen in GEF projects). One of its strengths is that it has distilled the problem down to just two **barriers** that the project will address and then developed a suite of interventions to overcome these barriers. The project logic and design benefits from previous PFP initiatives in other countries and there seems to have been constructive consultation with other PFP projects to improve the design of this PIF. Other aspects of the proposal dealing with **stakeholders**, **policy coherence**, and **risks** are considered adequate for this stage of project development.

Although this project is not developing anything completely new, it is **innovative** in the sense that is applying the PFP approach in a novel political and institutional context. This is associated with uncertainty and the PIF identifies two substantive risks relating to the uncertain political and institutional responses to the PFP. The project may therefore benefit from further consideration of design elements that could reduce the uncertainty and risks (see section 3).

Note: provide a general appraisal, asking whether relevant screening guideline questions have been addressed adequately – not all the questions will be relevant to all proposals; no need to comment on every question, only those needing more attention, noting any done very well, but ensure that all are considered. Comments should be helpful, evaluative, and qualitative, rather than yes/no.

3. Specific points to be addressed, and suggestions

Consider whether the project can be designed to test uncertainties early in project implementation to reduce the risk of failure due to unmet expectations or poor fit to local conditions. This approach is often recommended for innovative projects and can include regular testing of proposed solutions on groups of stakeholders¹ to inform ongoing implementation and to adapt expectations. The PFP model has been characterized as an ‘all or nothing’ package, so it may be difficult to adopt this approach but further consultation with other previous and ongoing PFP projects could help identify appropriate actions to test uncertainties.

Note: number key points clearly and provide useful information or suggestions, including key literature where relevant. Completed screens should be no more than two or three pages in length.

*categories under review, subject to future revision

¹ Humble, J., Molesky, J. & O’Reilly, B. *Lean enterprise*. (O’Reilly, 2015).

ANNEX: STAP'S SCREENING GUIDELINES

1. How well does the proposal explain the problem and issues to be addressed in the context of the **system** within which the problem sits and its drivers (e.g. population growth, economic development, climate change, sociocultural and political factors, and technological changes), including how the various components of the system interact?
2. Does the project indicate how **uncertain futures** could unfold (e.g. using simple **narratives**), based on an understanding of the trends and interactions between the key elements of the system and its drivers?
3. Does the project describe the **baseline** problem and how it may evolve in the future in the absence of the project; and then identify the outcomes that the project seeks to achieve, how these outcomes will change the baseline, and what the key **barriers** and **enablers** are to achieving those outcomes?
4. Are the project's **objectives** well formulated and justified in relation to this system context? Is there a convincing explanation as to **why this particular project** has been selected in preference to other options, in the light of how the future may unfold?
5. How well does the **theory of change** provide an "explicit account of how and why the proposed interventions would achieve their intended outcomes and goal, based on outlining a set of key causal pathways arising from the activities and outputs of the interventions and the assumptions underlying these causal connections".
 - Does the project logic show how the project would ensure that expected outcomes are **enduring** and resilient to possible future changes identified in question 2 above, and to the effects of any conflicting policies (see question 9 below).
 - Is the theory of change grounded on a **solid scientific foundation**, and is it aligned with current scientific knowledge?
 - Does it explicitly consider how any necessary **institutional and behavioral** changes are to be achieved?
 - Does the **theory of change diagram** convincingly show the overall project logic, including causal pathways and outcomes?
6. Are the project **components** (interventions and activities) identified in the theory of change each described in sufficient detail to discern the main thrust and basis (including scientific) of the proposed solutions, how they address the problem, their justification as a robust solution, and the critical assumptions and risks to achieving them?
7. How likely is the project to generate global environmental benefits which would not have accrued without the GEF project (**additionality**)?
8. Does the project convincingly identify the relevant **stakeholders**, and their anticipated roles and responsibilities? is there an adequate explanation of how stakeholders will contribute to the

development and implementation of the project, and how they will benefit from the project to ensure enduring global environmental benefits, e.g. through co-benefits?

9. Does the description adequately explain:

- how the project will build on prior investments and complement current investments, both GEF and non-GEF,
- how the project incorporates **lessons learned** from previous projects in the country and region, and more widely from projects addressing similar issues elsewhere; and
- how country policies that are contradictory to the intended outcomes of the project (identified in section C) will be addressed (**policy coherence**)?

10. How adequate is the project's approach to generating, managing and exchanging **knowledge**, and how will lessons learned be captured for adaptive management and for the benefit of future projects?

11. Innovation and transformation:

- If the project is intended to be **innovative**: to what degree is it innovative, how will this ambition be achieved, how will barriers and enablers be addressed, and how might scaling be achieved?
- If the project is intended to be **transformative**: how well do the project's objectives contribute to transformative change, and are they sufficient to contribute to enduring, transformational change at a sufficient scale to deliver a step improvement in one or more GEBs? Is the proposed logic to achieve the goal credible, addressing necessary changes in institutions, social or cultural norms? Are barriers and enablers to scaling be addressed? And how will enduring scaling be achieved?

12. Have **risks** to the project design and implementation been identified appropriately in the risk table in section B, and have suitable mitigation measures been incorporated? (NB: risks to the durability of project outcomes from future changes in drivers should have been reflected in the theory of change and in project design, not in this table.)