

STAP guidelines for screening GEF projects

Part I: Project Information	Response	
GEF ID	10869	
Project Title	Promoting sustainability in the agave-mezcal value chain through restoration and integrated management of biocultural landscapes in Oaxaca.	
Date of Screening	10 November 2021	
STAP member screener	John Donaldson	
STAP secretariat screener	Alessandro Moscuza	
STAP Overall Assessment and Rating	Minor issues to be considered during project design: our assessment concluded that this was a solid proposal, which was generally clearly written and well-presented. The PIF included some strong elements (i.e. the ToC and problem description) but we also observed a couple of areas where further attention would be needed in the next phase of project development to ensure that all crucial elements and important aspects are captured. These included a recommended revision for the text of component 2, the risk analysis section which we found to be imbalanced and missing some important risk categories and a detailed climate risk screening, which will need to be completed in the next phase of project development.	
Part I: Project Information B. Indicative Project Description Summary	What STAP looks for	Response
Project Objective	Is the objective clearly defined, and consistently related to the problem diagnosis?	Yes, the project objective to foster sustainable practices in the agave-mezcal value chain, in the Oaxaca Mezcal Region, is well defined as is the approach through which this is to be achieved (i.e. an integrated landscape management approach that privileges non-monoculture cultivation, species protection and the maintenance of ecosystems services).
Project components	A brief description of the planned activities. Do these support the project's objectives?	The project structure comprises three components, which are well structured and framed in the overall logical context of the project. However, we observed that component 2 was not very well defined, since the activities listed under this, in our view do not correspond with the accepted view of mainstreaming biodiversity and

		Conservation. We thus recommend renaming this component as something more suitable (e.g. conservation and restoration) to avoid causing any confusion. We also recommend reclassifying the component as “investment” rather than technical assistance.
Outcomes	A description of the expected short-term and medium-term effects of an intervention. Do the planned outcomes encompass important adaptation benefits?	The outcomes are all well designed and structured. Our assessment is that these will generate valuable environmental and adaptation benefits as they will reduce the vulnerability of the Oaxaca region’s agricultural system and natural ecosystems to future climate conditions.
	Are the global environmental benefits/adaptation benefits likely to be generated?	Yes, the PIF presented a convincing explanation of how the projected GEBs will be achieved, which was supported by a well sourced and assemble array of data and background information.
Outputs	A description of the products and services which are expected to result from the project. Is the sum of the outputs likely to contribute to the outcomes?	Yes, the proposed outputs were well designed and integrated into the overall structure of the project. Our assessment is that their sum will likely contribute to the achievement of the proposed outcomes.
Part II: Project justification	A simple narrative explaining the project’s logic, i.e. a theory of change.	
1. Project description. Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)	Is the problem statement well-defined?	Yes, very much so. The PIF included a very clear justification and rationale for the project, which was articulated around a number of thematic areas (i.e. environmental problems, socio-economic, regulatory and institutional context).
	Are the barriers and threats well described, and substantiated by data and references?	Yes, the description provided in the PIF was very clear and comprehensive. Our assessment concluded that this covered all the main and most pressing issues affecting the Oaxaca region where the project will operate. The proposal refers generally to barriers associated with policies, including those affecting the maguey mezcal system. The Denomination of Origin designation has been flagged in various articles as a factor contributing to the marginalization of artisanal producers and a convergence on only a few species of Agave. It is assumed that this is included in the overall review of the

		maguery-mezcal system but, if not, then this should be elaborated in the next phase.
	For multiple focal area projects: does the problem statement and analysis identify the drivers of environmental degradation which need to be addressed through multiple focal areas; and is the objective well-defined, and can it only be supported by integrating two, or more focal areas objectives or programs?	Yes, the project covers the biodiversity and land degradation focal areas.
2) the baseline scenario or any associated baseline projects	Is the baseline identified clearly?	Yes, the PIF has identified a range of government initiatives and interventions - at the international (i.e. GCF, UNDP, UNCCD and IUCN) national (i.e. Mexico) and state (i.e. Oaxaca) levels, to which the current project is clearly and explicitly anchored.
	Does it provide a feasible basis for quantifying the project's benefits?	Yes, the baseline provides estimates of the financial value for a range of interventions and a description of their scope, which in turn provide a basis for quantifying the project's benefits.
	Is the baseline sufficiently robust to support the incremental (additional cost) reasoning for the project?	Yes- above comments refer.
	For multiple focal area projects:	
	are the multiple baseline analyses presented (supported by data and references), and the multiple benefits specified, including the proposed indicators;	Yes, the baseline analysis is supported by a comprehensive array of data and references, albeit to a more limited extent.
	are the lessons learned from similar or related past GEF and non-GEF interventions described; and	The experience and lessons from previous projects and initiatives is well described and integrated into the description of the baseline, not so much for previous GEF interventions, but still a very comprehensive amount of information.
	how did these lessons inform the design of this project?	The project's proposed interventions/activities (drivers) build on the baseline conditions which already exist, and which were described above, and seek to drive those additional steps and processes required to achieve further incremental results. The project's intervention logic also capitalizes on the enabling environment provided by the commitments of the Government of Mexico with respect to various international conventions and agreements, the main one being the Convention on Biological Diversity.
3) the proposed alternative scenario with a brief description of expected outcomes and components of the project	What is the theory of change?	The intervention logic is guided by the 'drivers', 'assumptions' and 'logical pathways' needed to achieve the ultimate objective of the project: to foster sustainable practices in the agave-mezcal value chain in the Oaxaca Mezcal Region through an integrated landscape

		management approach that privileges non-monoculture cultivation, and consequently deliver on anticipated global environmental benefits. The key drivers are those activities and processes that the project can potentially and directly sponsor (inputs), in support of project outputs and outcomes, while the assumptions are those conditions and circumstances that are necessary to achieve the desired project results but are outside the control of the project.
	What is the sequence of events (required or expected) that will lead to the desired outcomes?	The PIF presents three logical pathways through which it can achieve its outcomes and impact. The project overall approach is to deliver necessary activities to achieve its overarching objective via activities that are responsive to the primary environmental problems, root causes and to the barriers identified.
	What is the set of linked activities, outputs, and outcomes to address the project's objectives?	Above comments refer.
	Are the mechanisms of change plausible, and is there a well-informed identification of the underlying assumptions?	Yes, the mechanism of change described in the ToC are well articulated, highly plausible and very convincing. The ToC as a whole is very well developed for this stage of the project design and was by far the most advanced and detailed we reviewed for this whole cohort of projects. It also included a set of assumptions. Overall, this provided an example to follow. The section on reform of the regulatory framework referred only to biodiversity regulations and it is not clear whether commercial use of biodiversity falls only under this legislation. Given the commercial drivers affecting mezcal production, it would be expected that intended outcomes require review of other types of regulations as well.
	Is there a recognition of what adaptations may be required during project implementation to respond to changing conditions in pursuit of the targeted outcomes?	Yes, the proposed project activities will support sustainable land management, diversification of crops, and the restoration of degraded production landscapes, all of which collectively support LDN in Mexico. The declaration of ADVCS and other effective area-based conservation modalities will avoid and consequently reduce further degradation of land and protect critical habitat for pollinator and Keystone Species.
5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF trust fund,	GEF trust fund: will the proposed incremental activities lead to the delivery of global environmental benefits?	Yes, please see previous comments on GEBs as well as those below. This project is also incremental in that it will seek to make the current regulatory framework for biodiversity conservation and management at both the federal and state level more operational and effective, it

LDCF, SCCF, and co-financing		will seek to reverse the primary impacts of land degradation linked to mezcal production related to the suppression of the ecosystem services offered by the agave, and address the unsustainable practices of the Agave-Mezcal production chain.
	LDCF/SCCF: will the proposed incremental activities lead to adaptation which reduces vulnerability, builds adaptive capacity, and increases resilience to climate change?	N/A
6) global environmental benefits (GEF trust fund) and/or adaptation benefits (LDCF/SCCF)	Are the benefits truly global environmental benefits/adaptation benefits, and are they measurable?	Yes, the project will support global biodiversity by supporting KBAs, an IBA, threatened endemic species, and keystone species of high biological value. The project is part of three Key Biodiversity Areas “Sierra Norte”, “Cerro Piedra Larga” and “Sierra de Miahuatlán” and the polygon of the Alliance for Zero Extinction (AZE) “Sierra Norte de Oaxaca II”, where a number of target endangered species been identified. It is also part of the “Sierra Juárez” Area of Importance for Bird Conservation which contains 485 species of wild birds described as category A1, A2 and A3 by Birdlife International.
	Is the scale of projected benefits both plausible and compelling in relation to the proposed investment?	Very much so, our assessment concluded that this project represents good value for money and that the proposed investment is fully justified.
	Are the global environmental benefits/adaptation benefits explicitly defined?	Yes, they GEBs are defined explicitly and also described at some length. Overall this was one of the most exhaustive and clearest descriptions of GEBs we reviewed for this cohort of projects.
	Are indicators, or methodologies, provided to demonstrate how the global environmental benefits/adaptation benefits will be measured and monitored during project implementation?	Yes, the PIF provides a list of core indicators, which will be used to measure and monitor progress towards the achievement of the GEBs associated with this project.
	What activities will be implemented to increase the project’s resilience to climate change?	No, provisions to target this aspect were made in the current version of the PIF. However, the PIF stated that the project will complete the GEF Climate Risk Screening form during the PPG phase, it also specifically stated that project design will be adjusted accordingly to mitigate any potential risks.
7) innovative, sustainability and potential for scaling-up	Is the project innovative, for example, in its design, method of financing, technology, business model, policy, monitoring and evaluation, or learning?	Yes, the project will contribute to creating an innovative blended finance mechanism and mainstream pollinator conservation in agave farming.

	Is there a clearly-articulated vision of how the innovation will be scaled-up, for example, over time, across geographies, among institutional actors?	Yes, the PIF describes how the project will support an innovative Finance Mechanism, which will be specifically designed to ensure the sustainability of the agave-mezcal value chain and upscaling of sustainable agave harvesting across the other mezcal-producing states in the country. The finance mechanism is also expected to support best practices that can be replicated and scaled-up.
	Will incremental adaptation be required, or more fundamental transformational change to achieve long term sustainability?	Given the nature of this intervention we assessed that success of the project will require a fundamental change in how some farming practices are currently implemented, whilst other aspects related to conservation and restoration may require a more gradual approach.
1b. Project Map and Coordinates. Please provide geo-referenced information and map where the project interventions will take place.		-
2. Stakeholders. 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.	Have all the key relevant stakeholders been identified to cover the complexity of the problem, and project implementation barriers?	Yes, the project PIF includes a section on stakeholders, which lists a range of proposed implementation partners and describes their institutional mandates and proposed roles within the project. This includes private sector, committees of mezcal producers, government and civil society actors, as well as a couple of international partners (e.g. UNEP and Conservation International).
	What are the stakeholders' roles, and how will their combined roles contribute to robust project design, to	These vary depending on the stakeholder and their mandate but include a variety of roles including: project

	achieving global environmental outcomes, and to lessons learned and knowledge?	co-ordination, data source and policy support, and project implementation.
<p>3. Gender Equality and Women’s Empowerment. 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.</p> <p>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.</p> <p>Will the project’s results framework or logical framework include gender-sensitive indicators? yes/no/tbd</p>	Have gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences?	Yes, the project PIF includes a section on gender issues, which mentions that during the PIF design stage, project proposers consulted with the Mujeres del Agave y del Mezcal (Agave & Mezcal Women) group, which was created to make the role of women in the agave production chain visible. The project, in partnership with the aforementioned group has preliminarily identified the following areas where the project can provide support in mainstreaming gender: making the role and work that women perform in the agave-mezcal value chain visible; creating a support platform for the empowerment of women; and promoting the training of women in topics such as administration, accounting, English, polyculture systems, and building knowledge of sustainable practices including organic schemes.
	Do gender considerations hinder full participation of an important stakeholder group (or groups)? If so, how will these obstacles be addressed?	Our review of this project did not identify any gender related issues that may hinder the participation of women in its implementation.
5. Risks. Indicate risks, including climate change, potential social and environmental risks that	Are the identified risks valid and comprehensive? Are the risks specifically for things outside the project’s control? Are there social and environmental risks which could affect the project?	The PIF includes a section on risk analysis and management, which presents a total of eight risk categories. These provide a reasonable overview for this stage of project development and cover for all main risk categories, although we observed that the narrative for

<p>might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design</p>	<p>For climate risk, and climate resilience measures:</p> <ul style="list-style-type: none"> • How will the project’s objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately? • Has the sensitivity to climate change, and its impacts, been assessed? • Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with? • What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures? 	<p>some categories of risk (i.e. COVID 19) was much more developed than others (i.e. climate change). We also noticed that there was no mention of ‘local political corruption’, which in the state of Oaxaca is a particularly relevant problem, nor of competing or conflicting financial interests. Mezcal production is a competitive industry and support for artisanal production may conflict with established forms of production. Based on our analysis we recommend that the analysis of all risk categories be revised and expanded where needed to include any missing aspects. We also recommend that the risk table be revised by including another column for “risk likelihood” in addition to existing one for risk level.</p>
<p>6. Coordination. Outline the coordination with other relevant GEF-financed and other related initiatives</p>	<p>Are the project proponents tapping into relevant knowledge and learning generated by other projects, including GEF projects?</p>	<p>The PIF has a section on co-ordination, which describes the proposed arrangements for project governance, coordination and management. The proposed governance structure involves a ‘Consortium of Partners’ composed of the State of Oaxaca Environment, Energy and Sustainable Development Secretariat (SEMAEDES), the Environment and Natural Resources Secretariat (SEMARNAT), the National Protected Area Agency (CONANP), and the National Forestry Commission (CONAFOR). In addition, UNEP will steer project execution and ensure cross-sectoral coordination.</p>
	<p>Is there adequate recognition of previous projects and the learning derived from them?</p>	<p>Yes, the project will coordinate with other GEF-funded projects in the country, but in particular with the projects Mainstreaming Biodiversity in Rural Landscapes of Mexico (GEF ID: 10574) and Conservation and sustainable use of biological diversity in priority landscapes of Oaxaca and Chiapas (GEF ID: 9445).</p> <p>Both of these projects have objectives and outcomes that are directly complementary to this proposed project and will create significant opportunities for synergy, replication, and exchange of lessons learned.</p>
	<p>Have specific lessons learned from previous projects been cited?</p>	<p>Yes, see comments above and below.</p>
	<p>How have these lessons informed the project’s formulation?</p>	<p>Yes, see comments above and below.</p>

	Is there an adequate mechanism to feed the lessons learned from earlier projects into this project, and to share lessons learned from it into future projects?	Yes, the production models inclusive of biodiversity criteria defined in GEF Project 10574 (mentioned above) will serve as a basis for activities in agricultural areas of the two selected landscapes of the present project, namely: Yagul and Yautpec. Efforts will be made to foster experience exchange between producers (women) mobilized by both projects to strengthen the gender-sensitive capacity-building efforts and promote gender equity. The project will also seek to foster the exchange of best practices on biodiversity monitoring with a special focus on pollinators.
8. Knowledge management. Outline the “Knowledge Management Approach” for the project, and how it will contribute to the project’s overall impact, including plans to learn from relevant projects, initiatives and evaluations.	What overall approach will be taken, and what knowledge management indicators and metrics will be used?	The project is proposing to develop a knowledge management (KM) plan to ensure a robust information exchange and to increase awareness and engagement on the topics of sustainable agave-mezcal production and functional restoration of productive landscapes.
	What plans are proposed for sharing, disseminating and scaling-up results, lessons and experience?	The project is planning the creation of a KM platform to disseminate lessons learned from the implementation of project activities and to promote best practice. The lessons learned will be communicated to project beneficiaries through a variety of means, including: training activities, technical publications, educational material, and awareness campaigns.

Notes

STAP advisory response	Brief explanation of advisory response and action proposed
<p>1. Concur</p>	<p>STAP acknowledges that on scientific or technical grounds the concept has merit. The proponent is invited to approach STAP for advice at any time during the development of the project brief prior to submission for CEO endorsement.</p>
	<p>* In cases where the STAP acknowledges the project has merit on scientific and technical grounds, the STAP will recognize this in the screen by stating that <i>“STAP is satisfied with the scientific and technical quality of the proposal and encourages the proponent to develop it with same rigor. At any time during the development of the project, the proponent is invited to approach STAP to consult on the design.”</i></p>
<p>2. Minor issues to be considered during project design</p>	<p>STAP has identified specific scientific /technical suggestions or opportunities that should be discussed with the project proponent as early as possible during development of the project brief. The proponent may wish to:</p>
	<p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised;</p>
	<p>(ii) Set a review point at an early stage during project development, and possibly agreeing to terms of reference for an independent expert to be appointed to conduct this review.</p>
	<p>The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p>

<p>3. Major issues to be considered during project design</p>	<p>STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical methodological issues, barriers, or omissions in the project concept. If STAP provides this advisory response, a full explanation would also be provided. The proponent is strongly encouraged to:</p>
	<p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised; (ii) Set a review point at an early stage during project development including an independent expert as required. The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p>