



Brazil Sustaining Healthy Coastal and Marine Ecosystems Project

Part I: Project Information

GEF ID

10190

Project Type

FSP

Type of Trust Fund

GET

CBIT/NGI

CBIT No

NGI No

Project Title

Brazil Sustaining Healthy Coastal and Marine Ecosystems Project

Countries

Brazil

Agency(ies)

FAO

Other Executing Partner(s)

Ministry of the Environment (MMA), Instituto Chico Mendes de Conserva??o da Biodiversidade (ICMBio), Funda??o Get?lio Vargas (FGV)

Executing Partner Type

Government

GEF Focal Area

Biodiversity

Taxonomy

Biodiversity, Focal Areas, Transform policy and regulatory environments, Influencing models, Demonstrate innovative approach, Strengthen institutional capacity and decision-making, Beneficiaries, Stakeholders, Indigenous Peoples, Local Communities, Gender Mainstreaming, Gender Equality, Enabling Activities, Capacity, Knowledge and Research, Capacity Development, Knowledge Exchange

Rio Markers

Climate Change Mitigation

Climate Change Mitigation 0

Climate Change Adaptation

Climate Change Adaptation 0

Submission Date

4/16/2021

Expected Implementation Start

7/1/2021

Expected Completion Date

6/30/2026

Duration

60In Months

Agency Fee(\$)

1,303,101.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
BD-1-1	Mainstream biodiversity across sectors as well as landscapes and seascapes through biodiversity mainstreaming in priority sectors	GET	7,000,000.00	43,302,425.00
BD-2-7	Address direct drivers to protect habitats and species and Improve financial sustainability, effective management, and ecosystem coverage of the global protected area estate	GET	7,478,899.00	44,528,486.00
Total Project Cost(\$)			14,478,899.00	87,830,911.00

B. Project description summary

Project Objective

To strengthen management of Brazil's Marine and Coastal Protected Area (MCPA) system and the enabling conditions for a Blue Economy

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. Strengthening the management and sustainability of the Marine and Coastal Protected Area (MCPA) system	Investment	Outcome 1.1	1.1.1 Interministerial Commission for Marine Resources (CIRM) strengthened and stakeholders actively engaged	GE T	7,485,857.00	78,959,399.00
		MCPA system strengthened	1.1.2 Gaps and needs assessment undertaken to strengthen management and sustainability of MCPA system[1]			
			1.1.3 Updated financing strategy for MCPA system under implementation			
			1.1.4 Biodiversity monitoring, research, and surveillance strategies implemented (including community-based monitoring)			
			1.2.1 Management plan interventions of target MCPAs reviewed/prepared in alignment with priorities from threat reduction assessment			
			1.2.2 Actions to address threats to biodiversity in target MCPAs implemented			
			[1] Including identification of potential areas for community co-management, ecological mosaics, ecological corridors, Ramsar sites.			
		Outcome 1.2:				
		Effective planning and management				

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing (\$)
2. Developing a pathway for a Blue Economy	Investment	Outcome 2.1:	2.1.1 Priorities for creating an enabling environment for a Blue Economy identified through an inclusive, participatory process and implemented	GE T	4,047,000.00	1,226,060.00
		Mainstreaming of a Blue Economy supported	2.1.2 Sustainable community-based livelihoods promoted and associated value chains enhanced through investments			
		Outcome 2.2:	2.2.1 Conservation and sustainable use of marine and coastal resources improved by innovative processes and technologies			
		Blue Economy supported through technological innovations	2.2.2 Ecological monitoring and fishery resources assessment strengthened by innovative technologies			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing (\$)	Confirmed Co-Financing (\$)
3. Increasing awareness, knowledge and capacity to safeguard the Blue Economy	Technical Assistance	Outcome 3.1: Awareness, knowledge and capacity enhanced cross-sectorally from national to local levels	3.1.1 Communications Strategy & Action Plan designed and implemented to effectively raise awareness, target knowledge and share best practices and lessons learnt 3.1.2 Modular capacity development programme for conservation and sustainable use of marine and coastal zones updated, implemented and institutionalized	GET	1,935,000.00	2,636,968.00
4. Project monitoring and evaluation	Technical Assistance	Outcome 4.1: Project implementation and its adaptive management informed by M&E system	4.1.1 Project M&E system established and implemented in alignment with gender mainstreaming and adoption of a 'one health' approach	GET	321,571.00	826,060.00
Sub Total (\$)					13,789,428.00	83,648,487.00
Project Management Cost (PMC)						
			GET	689,471.00	4,182,424.00	
			Sub Total(\$)	689,471.00	4,182,424.00	
Total Project Cost(\$)				14,478,899.00	87,830,911.00	

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

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Recipient Country Government	Brazilian Institute of Environment and Renewable Natural Resources (IBAMA)	In-kind	Recurrent expenditures	6,662,886.00
Recipient Country Government	ICMBio	In-kind	Recurrent expenditures	8,187,565.00
Recipient Country Government	ICMBio	Public Investment	Investment mobilized	32,719,857.00
Recipient Country Government	MMA	In-kind	Recurrent expenditures	9,260,603.00
Recipient Country Government	MMA Secretariat of the Amazon and Environmental Services	Public Investment	Investment mobilized	30,000,000.00
GEF Agency	FAO	Grant	Investment mobilized	1,000,000.00
Total Co-Financing(\$)				87,830,911.00

Describe how any "Investment Mobilized" was identified

The investment mobilized was identified with Government counterparts during the project preparation phase and totals USD 63.7 million. This amount includes USD 32.7 million in planned public investments from ICMBio such as to improve infrastructure in the target conservation units. Furthermore, it includes USD 30 million from MMA's Secretariat of the Amazon and Environmental Services in investments of the Floresta+ Program related to sustainable financing mechanisms, incentive systems and forest monitoring, funded by the Green Climate Fund (GCF). USD 1 million of FAO's investment corresponds to a programme that seeks to improve public policies and government programs that promote the inclusion of the most vulnerable rural productive population; and the sustainable management of forest resources, fisheries and aquaculture in Brazil. An exchange rate of 5.7:1 was used to convert from Brazilian real to USD in line with UN exchange rate on 1 April 2021.

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

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)
FAO	GET	Brazil	Biodiversity	BD STAR Allocation	14,478,899	1,303,101
Total Grant Resources(\$)					14,478,899.00	1,303,101.00

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required **false**

PPG Amount (\$)

200,000

PPG Agency Fee (\$)

18,000

Agency	Trust Fund	Country	Focal Area	Programmin g of Funds	Amount(\$)	Fee(\$)
FAO	GET	Brazil	Biodiversity	BD STAR Allocation	200,000	18,000
Total Project Costs(\$)					200,000.00	18,000.00

Name of the Protected Area	WD PA ID	IUCN Category	Total Ha (Expected at PIF)	Total 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)
Akula National Park APA Canan?ia-Iguape-Peru?be	12568919484	SelectProtected Landscape/Seascape		202,308.00			49.00		<input type="checkbox"/>
Akula National Park APA da Baleia Franca	125689351716	SelectProtected Landscape/Seascape	154,867.00	154,867.00			61.00		<input type="checkbox"/>
Akula National Park APA da Costa dos Corais	125689313631	SelectProtected Landscape/Seascape	404,289.00	404,289.00			70.00		<input type="checkbox"/>
Akula National Park APA de Fernando de Noronha	125689116096	SelectProtected Landscape/Seascape	154,406.00	154,406.00			67.00		<input type="checkbox"/>

Name of the Protected Area	WD PA ID	IUCN Category	Total Ha (Expected at PIF)	Total 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)
Akula National Park APA de Guadalupe	125689555636643	SelectProtected Landscape/Seascape	43,921.00						<input type="checkbox"/>
Akula National Park APA Delta do Parnaíba	125689115666	SelectProtected Landscape/Seascape		309,586.00			46.00		<input type="checkbox"/>
Akula National Park APA Ponta da Baleia	125689115433	SelectProtected Landscape/Seascape	345,560.00						<input type="checkbox"/>
Akula National Park APA Setiba	125689555636625	SelectProtected Landscape/Seascape	12,476.00						<input type="checkbox"/>

Name of the Protected Area	WD PA ID	IUCN Category	Total Ha (Expected at PIF)	Total 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)
Akula National Park Monument of Natural das Ilhas de Trindade Martim Vaz e do Monte Columbia	125689 5556 3592 9	Select Natural Monument or Feature		6,915,536.00			26.00		<input type="checkbox"/>
Akula National Park Monument of Natural do Arquip?lag?o de S?o Pedro e S?o Paulo	125689 5556 3592 8	Select Natural Monument or Feature		4,726,318.00			27.00		<input type="checkbox"/>

Name of the Protected Area	WD PA ID	IUCN Category	Total Ha (Expected at PIF)	Total 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)
Akula National Park PAR NA da Logo a do Peixe	1256 89 1944 8	SelectNational Park	36,72 2.00	36,722. 00			58.00		<input type="checkbox"/>
Akula National Park PAR NA Marin ho de Ferna ndo de Noron ha	1256 89 4108 7	SelectNational Park	10,92 9.00	10,929. 00			69.00		<input type="checkbox"/>
Akula National Park PAR NA Marin ho dos Abrol hos	1256 89 8106 0	SelectNational Park	87,94 2.00	87,942. 00			76.00		<input type="checkbox"/>
Akula National Park PEM da Areia Verm elha	1256 89 5556 8237 9	SelectNational Park	260.0 0						<input type="checkbox"/>

Name of the Protected Area	WD PA ID	IUCN Category	Total Ha (Expected at PIF)	Total 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)
Akula National Park PEM Parce l de Manu el Lu?s	1256 89 7100 9	SelectNational Park	45,13 2.00						
Akula National Park PEM Risca do Meio	1256 89 3521 85	SelectNational Park	3,716 .00						
Akula National Park REBI O do Atol das Roca s	1256 89 46	SelectStrict Nature Reserve	35,18 6.00	35,186. 00			65.00		
Akula National Park RESE X Aca?- Goian a	1256 89 3540 06	SelectProtected area with sustainable use of natural resources		6,677.0 0			44.00		
Akula National Park RESE X Cass urub?	1256 89 4784 27	SelectProtected area with sustainable use of natural resources	100,5 78.00	100,578 .00			67.00		

Name of the Protected Area	WD PA ID	IUCN Category	Total Ha (Expected at PIF)	Total 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)
Akula National Park RESEX Corumbau	125689351737	SelectProtected area with sustainable use of natural resources	89,997.00	89,997.00			60.00		
Akula National Park RESEX de Canavieiras	125689351829	SelectProtected area with sustainable use of natural resources	100,688.00	100,688.00			51.00		
Akula National Park RESEX do Batoque	125689351770	SelectProtected area with sustainable use of natural resources		601.00			44.00		
Akula National Park RESEX do Mandira	125689351719	SelectProtected area with sustainable use of natural resources		1,178.00			58.00		
Akula National Park RESEX Marina da Lagoa do Jequi?	125689351753	SelectProtected area with sustainable use of natural resources		10,197.00			35.00		

Name of the Protected Area	WD PA ID	IUCN Category	Total Ha (Expected at PIF)	Total 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)
Akula National Park RESEX Marinha do Delta do Parnaíba	125689 351775	SelectProtected area with sustainable use of natural resources		27,022.00			43.00		
Akula National Park RESEX Praia do Canto Verde	125689 478425	SelectProtected area with sustainable use of natural resources		29,807.00			48.00		
Akula National Park REVIS Ilhas Lobos	125689 10843	SelectNatural Monument or Feature	142.00	142.00			61.00		

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	1,500	1,500		
Male	1,500	1,500		
Total	3000	3000	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

METT scores: Please note that the following six State MCPAs had been included at PIF stage, but were removed at CEO ER stage based on consultations with key partners and stakeholders. Consequently, no METT score is entered for these six areas. -- 1 -- APA de Guadalupe 555636643 V 43'921 2 -- APA Ponta da Baleia 115433 V 345'560 3 -- APA Setiba 555636625 V 12'476 4 -- PEM Risca do Meio 352185 II 3'716 5 -- PEM da Areia Vermelha 555682379 II 260 6 -- PEM Parcel de Manuel Lu?s 71009 II 45'132

Part II. Project Justification

1a. Project Description

- 1) Global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)

A. Country Context

1. Brazil's economy has endured intense volatility over the past five years. After a deep recession in 2015 and 2016, the country struggled to recover, managing just 1.3 percent real GDP growth in 2018 and 1.1 percent in 2019. Job creation improved with unemployment declining from a peak of 13.6 percent in March 2017 to 11.0 percent in 2019. Due to the COVID-19 pandemic, GDP growth declined further in 2020, and the unemployment rate reached 13.3 percent in June 2020. Given the uneven recovery and continuing fiscal challenges that limit expansion of public support, Brazil's poverty index is likely to decline only gradually over the next few years. Poverty continues to be concentrated in rural areas, with particularly high rates along the coastline.

2. An important tool that Brazil could employ against these trends is to accelerate productivity to boost long-term growth. The total factor productivity (TFP) growth between 1996 and 2015 increased per capita income of Brazilians only by 0.7 percent per year. That is half the average of OECD countries. With limited space for fiscal stimulus, increasing productivity remains key to sustaining long-term economic expansion. Meeting this challenge will help lift the living standards of Brazilians, in particular poor rural communities, women, and indigenous populations. Women make up only 23.2 percent of the Brazilian workforce, hence enhancing their inclusion in the economy will also bring great benefits.

3. Brazil's vast marine and coastal assets offer an opportunity for economic diversification, increased productivity, strengthened resilience against socio-economic and public health shocks and inclusive sustainable growth. Coastal resources that provide a wide array of ecosystem goods and services help fuel the economy, generating roughly 30 percent of Brazil's GDP. Such goods and services include seafood, tourism and recreation, oil and gas, transportation, and coastal protection and resilience for reefs and mangroves. However, this natural capital is seriously threatened by increasing development, overexploitation, pollution, and competing interests for its use. Responsible management

of this natural capital?protecting the integrity and health of ecosystems?will open the way for the development of a sustainable ocean economy or ?Blue Economy.?

B. Brazil?s coastal and marine resources

4. Brazil?s coastal and marine natural assets include approximately 8,500 km of coastline and 3.2 million km² of Exclusive Economic Zone (EEZ). The country?s EEZ is equivalent to 37 percent of Brazil?s terrestrial territory and is comparable in size to the Brazilian Amazon.[1]¹ The coastline hosts an immense variety of environments including the only coral reefs in the Southern Atlantic, dune fields, coastal lagoon complexes, wetlands, restingas (sandy coastal plain vegetation), and flood plains. The northern coast has one of the longest continuous stretches of mangrove ecosystems in the world, providing important ecological services such as global nursery sites, natural biofiltration and carbon sinks. The Brazilian coast is part of three of the 66 internationally recognized Large Marine Ecosystems (LMEs), one shared with the country?s northern neighbours, French Guiana, Suriname, Guyana, and Venezuela (North Brazil Shelf LME), and two exclusively within its own national territory (East Brazil Shelf and South Brazil Shelf LMEs).

5. The marine and coastal ecosystems of Brazil provide food and income to millions of people through fisheries, tourism, transportation, oil and gas, amongst other economic activities. It also provides natural barriers to protect coastal communities and livelihoods, contributing to their resilience to climate change. The coastal zone of the country has 50.7 million inhabitants; that is 26.6 percent of the national population.[2]² The zone?s population is distributed across 463 municipalities and 21 of Brazil?s 74 metropolitan regions.[3]³, [4]⁴ An estimated 19 percent of Brazil?s GDP is derived from marine-based activities such as oil and gas, transportation, fisheries, underwater cables, and tourism.

6. Fishing along Brazil?s coastal zones has been historically one of the most important sources of protein for thousands of families. The country?s fisheries and aquaculture sector is projected to grow by 104 percent by 2025.[5]⁵ Aquaculture?particularly the cultivation of shrimp and molluscs?will play a central role in this expected growth, especially in Brazil?s northeast region.[6]⁶

Tourism, meanwhile, is expected to continue to be a major driver of economic growth, especially in protected coastal and marine areas.

7. The extensive mangrove forests in Brazil—they are the largest in the Americas and make up about eight percent of the world's total—offer an example of the benefits that the project could bring. Though under pressure from development, the forests still cover about 1,265,000 hectares. Their dense root systems trap sediments flowing down rivers and off land. This helps stabilize the coastline, prevents erosion by waves and storms and increases social and environmental resilience against climate change (Simões 2018). The forests also provide carbon sequestration and nursery habitat for a wide-ranging diversity of species (Sarhan and Tawfik 2018). Direct economic benefits of mangrove forests include timber, fish, and tourism.

8. Aquaculture, particularly shrimp farming, has been the main cause of destruction of mangrove forests in the recent past. Shrimp farming, known as mariculture, began in Brazil in the 1970s and is now widely practiced, primarily along the coasts of northeastern states such as Ceará and Rio Grande do Norte. Conservation of mangroves is vital for protecting ecosystems goods and services. The protection of the remaining mangrove forests could help reduce emissions of blue carbon (carbon in coastal and marine ecosystems) and mitigate climate change (McLeod et al. 2011, Siikamäki et al. 2012, and Duarte et al. 2013). A new study has found that the Amazon's mangroves store twice as much carbon per acre than its rainforests and ten-fold more than tropical dry forests (Boone et al. 2018).

9. Establishing terrestrial and marine protected areas can protect mangrove forests and their services and benefits. This approach is more economically efficient than restoring mangroves (Webber et al. 2014). Brazil has 162 MCPAs that cover part of its territorial sea (extending out 12 nautical miles). Of these, 123 have mangrove areas, constituting more than 70 percent of the country's total mangrove surface area. In contrast, many other mangrove-rich countries, such as Indonesia, Nigeria, Myanmar, and Papua New Guinea, are protecting only a very low proportion (UNEP 2014).

C. MCPAs and associated biodiversity in the target areas

10. With support from the GEF-financed *Marine and Coastal Protected Areas* project (GEF MAR1), Brazil expanded its marine protected area in 2018 from 1.57 percent to 26.34 percent of its EEZ.^[7] The MCPAs now cover a total of 96 million hectares, consisting of 84 million hectares for

sustainable use (IUCN Categories V?VI) and 12 million hectares under more restricted conservation regimes (IUCN Categories I?III).^[8] This milestone surpassed the CBD's Aichi 2020 Target of protecting 10 percent of the national marine environment. It represents a significant national investment?not only for the environment but also for future development?that will curb the collapse of fish stocks and foster livelihoods in multiple sectors. In addition, the joint management of these areas by government environmental institutions and the Brazilian Navy is an effective strategy for the sustainable use and monitoring of the Brazilian EEZ, safeguarding this important natural capital.

Box 1: Setting the stage with the Marine Protected Areas Project (GEF MAR1)

The *Marine and Coastal Protected Areas* project, also known as GEF MAR1 (GEF ID 4637), helped strengthen the sustainable management of Brazil's coastal and marine assets. The five-and-a half year project (2014-2020), financed with USD 18.2 million from the GEF, is the precursor to GEF MAR2, the current project.

GEF MAR1 set out to enlarge a globally significant, representative, and effective Marine and Coastal Protected Area System in Brazil and to identify mechanisms for its long-term financial sustainability. Its signature accomplishment was expansion of the area under protection status to a total of 96 million hectares. Of these, 1.6 million hectares, representing 16 Marine and Coastal Protected Areas across the country, were placed under enhanced biodiversity protection including with biodiversity tracking measures.^[9] Other key achievements were:

- 1) Creation of first marine endowment fund as a mechanism for the long-term financing of MCPAs (the Marine Fund).
- 2) Design and facilitation of a participatory process that included regular training and community-strengthening activities, involving a total of 5,630 people across the spectrum of MCPAs.
- 3) Promoting marine spatial planning in southern regions of the country and introducing the Brazilian Blue Initiative,^[10] which has foreshadowed the need to foster a Blue Economy in Brazil to align conservation efforts and economic growth within a sustainable development framework.
- 4) Preparation or updating of management plans for 13 federal and state MCPAs.
- 5) Evaluation of the conservation status of 257 marine species along with the elaboration, evaluation, and monitoring of National Conservation Plans for marine threatened species.
- 6) Development of a national monitoring strategy, and a training course for multipliers of the Monitora program.^[11]

11. Brazil currently has 190 MCPAs covering an area of 96 million hectares. The list of target MCPAs of the MAR2 project is shown in Table 1 below. About half (11) of the 21 target MCPAs shown in Table 1 have developed management plans; the remaining 10 do not currently have a management plan. They have, however, annual operating plans/action plans.

Table 1: List of 21 MCPAs targeted by the GEF MAR2 project,[12]¹² with the four focal areas highlighted in green**

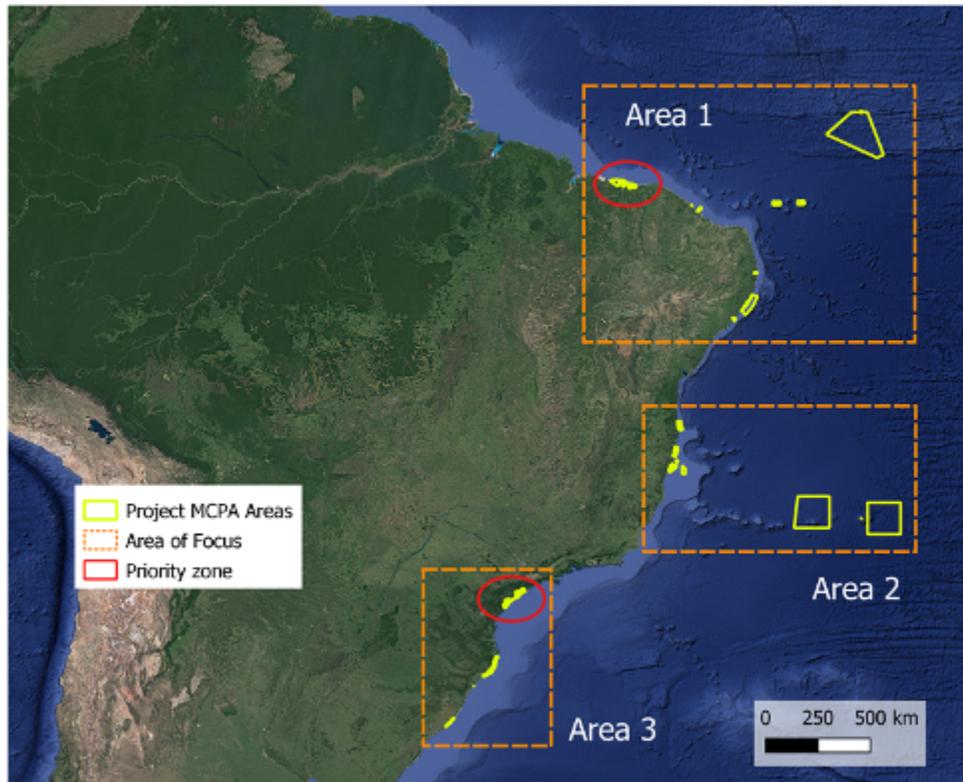
MCPA Area Name	NGI	Area (ha)	UF	OG
Federal MCPAs				
1. RESEX[13] ¹³ de Canavieiras		100,688	BA	ICMBio
2. RESEX Cassurub?*		100,578	BA	ICMBio
3. RESEX Corumbau		89,997	BA	ICMBio
4. APA da Baleia Franca*		154,867	SC	ICMBio
5. REVIS Ilha dos Lobos		142	RS	ICMBio
6. PARNA da Lagoa do Peixe*		36,722	RS	ICMBio
7. APA da Costa dos Corais*		404,289	PE	ICMBio
8. PARNA Marinho dos Abrolhos*		87,942	BA	ICMBio
9. PARNA Marinho de Fernando de Noronha*	NGI Fernando de Noronha	10,929	PE	ICMBio
10. APA de Fernando de Noronha ? Rocas ? S?o Pedro e S?o Paulo*		154,406	PE	ICMBio
11. REBIO do Atol das Rocas*		35,186	RN	ICMBio
12. Monumento Natural das Ilhas de Trindade, Martim Vaz e do Monte Columbia	NGI Trindade - Martim Vaz	6,915,536	ES	ICMBio
13. Monumento Natural do Arquip?lago de S?o Pedro e S?o Paulo	NGI S?o Pedro - S?o Paulo	4,726,318	PE	ICMBio
14. RESEX Aca?-Goiana		6,677	PB, PE	ICMBio

15. Reserva Extrativista Marinha da Lagoa do Jequi?		10,197	AL	ICMBio
16. Área de Proteção Ambiental Delta do Parnaíba*	NGI Delta do Parnaíba	309,586	MA, CE, PI	ICMBio
17. Reserva Extrativista Marinha do Delta do Parnaíba		27,022	MA, PI	ICMBio
18. RESEX do Batoque	NGI Batoque	601	CE	ICMBio
19. RESEX Prainha do Canto Verde		29,807	CE	ICMBio
20. APA Cananã-Iguape-Peruibe*	NGI Cananã-Iguape-Peruibe	202,308	SP	ICMBio
21. RESEX do Mandira*		1,178	SP	ICMBio
Subtotal:		13,404,976	21	

*Denotes MCPAs with management plans prepared before or during GEF MAR1.

**Note: The four focal areas are the sites in and around which the main project interventions will take place; project approaches and interventions will be first applied in the four focal MCPAs, and replicated in a further 17 MCPAs. Most of the project outcomes aim to have a direct impact in all the 21 MCPAs, as summarized below:

Outcome	Reach/impact
Outcome 1.1: Strengthening the MCPA system	All 21 MCPAs
Outcome 1.2: Improving effective planning and management of target MCPAs	Four focal MCPAs, with results scalable to the remaining 17
Outcome 2.1: Supporting the mainstream of a Blue Economy	All 21 MCPAs
Outcome 2.2: Supporting Blue Economy through technological innovations	Four focal MCPAs, with results scalable to the remaining 17
Outcome 3.1: Enhancing awareness, knowledge and capacity cross-sectorally	All 21 MCPAs



Map 1: Location of the 21 target MCPAs. Note: Areas of Focus (in orange) were defined to prepare detailed maps (see Annex D). Priority zones (in red) contain the four focal areas.

12. These 21 MCPAs – including the four focal MCPAs – represent a diversity of spatial scales, biomes and species. The four focal MCPAs are: (i) Área de Proteção Ambiental Delta do Parnaíba; (ii) Reserva Extrativista Marinha do Delta do Parnaíba; (iii) Área de Proteção Ambiental de Cananóia-Iguape-Peruibe; and (iv) Reserva Extrativista Mandira. They represent two categories of Brazil’s MCPA system, APA (Área de Proteção Ambiental or Environmental Protection Area) and RESEX (Reserva Extrativista or Extractive Reserve). These four areas were selected based on their identified potential to engage and benefit local communities in the management and sustainable use of coastal and marine resources and address existing threats to ecosystems and biodiversity including pollution, overexploitation and habitat degradation. The areas cover various types of ecosystems including forests/mangroves, estuaries, and coastal marine zones. Lessons learned and approaches will be shared and replicated in the other 17 MCPAs.

13. The target MCPAs are samples of marine, cerrado, caatinga and Atlantic rainforest biomes. The figure below shows the total area, in hectares, of the biomes represented inside the boundaries of the four focal MCPAs.

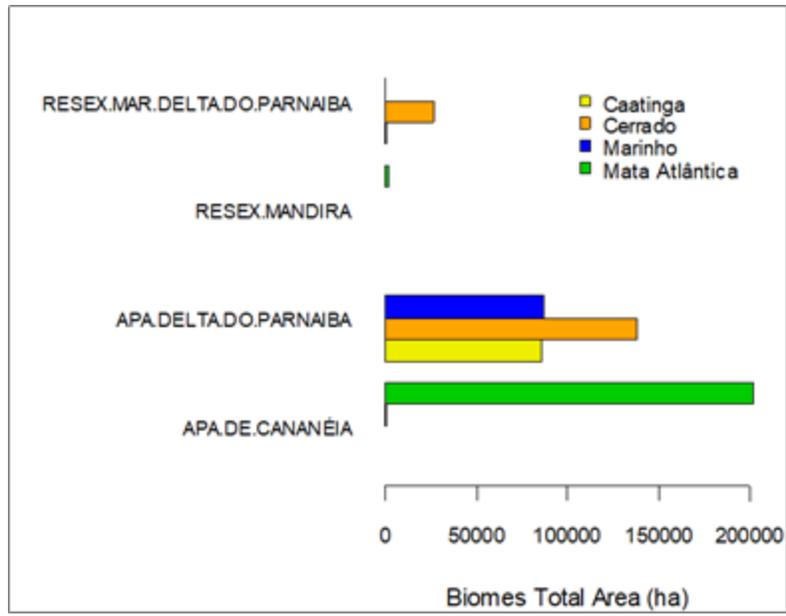
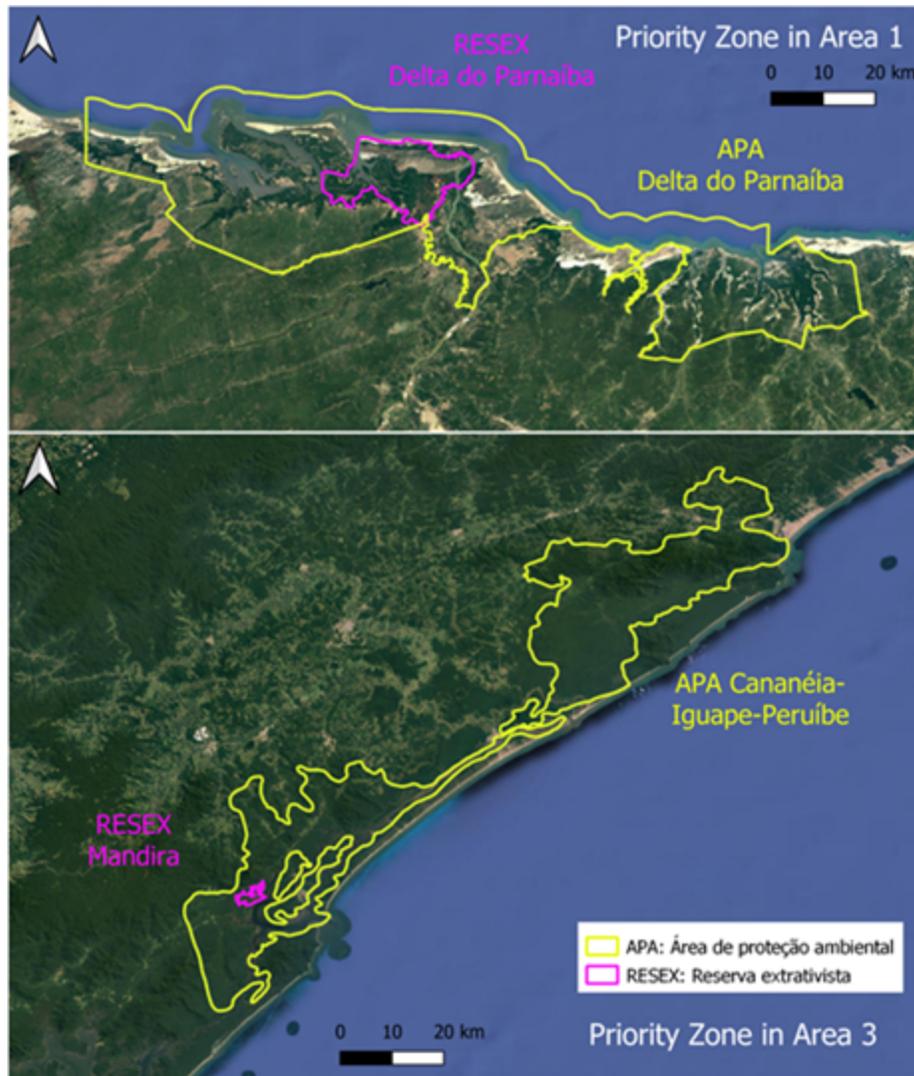


Figure 1: Distribution of biomes in Target Protected Areas



Map 2: Location of the four focal MCPAs in the priority zones and Areas of Focus defined in Map 1

14. The main ecosystems in these MCPAs are mangroves, forests, dunes, beaches, lagoons, wetlands and estuaries. A wide range of coastal and marine organisms, including a number of IUCN Red List species, and complex habitats represents the biodiversity of these areas. A summary of the main features of the four focal MCPAs and their objectives in relation to biodiversity is provided below.

Biodiversity features/objectives of focal MCPAs:

? **APA Delta do Parnaíba:** The management objectives of this APA are (i) to protect the deltas of the Parnaíba, Timonha and Ubatuba rivers, with their fauna, flora, remnants of alluvial forest, water resources, and complex of dunes, and (ii) to promote ecological tourism and environmental education.

The main values for which this APA was designated are: traditional communities, fishery resources, waters, rare, endangered and endemic species, diversity of environments, mangroves, and tourism. Among the threatened species protected in this APA are the red-handed howler (*Alouatta belzebul ululata*) and smalltooth sawfish (*Pristis pectinata*). The APA is part of the National Action Plan for the conservation of the marine manatee (*Trichechus manatus*). According to the Instituto Tartarugas do Delta, the five species of sea turtles in Brazil (all classified in some threat category) use the coast of the APA Delta do Parnaíba for reproduction: loggerhead turtle (*Caretta caretta*), Hawksbill turtle (*Eretmochelys imbricata*), olive turtle (*Lepidochelys olivacea*), green turtle (*Chelonia mydas*) and leatherback turtle (*Dermodochelys coriacea*). The area also hosts species of sharks including the critically endangered Great hammerhead (*Sphyrna mokarran*), Scalloped Hammerhead (*Sphyrna lewini*), and Smalltail shark (*Carcharhinus porosus*); as well as seahorses (*Hippocampus reidi*), which are threatened by predatory capture and uncontrolled tourism in the estuaries.^[14]¹⁴ Among the threats identified in this area are unsustainable fishing practices, uncontrolled expansion of urban areas and shrimp farms, unsustainable tourism activities, and the absence of basic sanitation and solid waste treatment. Together with other conservation units, this APA is part of the 'Amazon Estuary and its Mangroves' Ramsar site.^[15]¹⁵

? **RESEX Marinha do Delta do Parnaíba:** In addition to promoting local culture, community-based tourism and protecting people's livelihoods, this MCPA also aims to conserve nature and ensure the sustainable use of the natural resources. As APA Delta do Parnaíba, within which the RESEX is located, this PA protects, among other species, the red-handed howler (*Alouatta belzebul ululata*) and smalltooth sawfish (*Pristis pectinata*). Both the APA and the RESEX are located at the boundary of the North Brazil Shelf Large Marine Ecosystem (LME) with the East Brazil Shelf LME.

? **APA Cananóia-Iguape-Peruibe (APACIP):** Situated in São Paulo and Paraná States, this APA is a representative wetland area of the Atlantic Forest. It is part of the 'Atlantic Forest South-East Reserves' World Heritage site and UNESCO Biosphere Reserve. The site was designated as a Ramsar Site in 2017. The main objectives of the site are to: (1) enable the caiçaras (fishing communities who live along the São Paulo and Paraná coasts) to perform their activities within the established historical-cultural patterns; (2) contain slopes subjected to erosion; and (3) protect and preserve ecosystems, from mangroves of the coastal zones, to fields in higher altitude regions; the endangered species; the seabirds nesting and migratory areas; archaeological sites; the remnants of the Atlantic Forest and the quality of water resources. The site has mangroves, estuaries, rivers, lagoon channels, coastal plains, waterfalls and marine and coastal islands. It also features sandbank forests, dunes and the most extensive and conserved stretch of Atlantic Forest in the country. This mosaic of wetland landscapes of great natural diversity and notable scenic beauty hosts threatened and endemic species such as the critically endangered black-faced lion tamarin (*Leontopithecus caissara*), the endangered Atlantic petrel (*Pterodroma incerta*), the channel-billed toucan (*Ramphastos vitellinus*) and the Green turtle (*Chelonia mydas*). Agriculture, logging, fishing and pollution are among the main threats within the site.^[16]¹⁶,^[17]¹⁷

? **RESEX do Mandira:** This area is located inside APACIP. Its objective is to ensure the sustainable use and conservation of renewable natural resources, protecting the livelihoods and culture of the local extractive population, enable traditional communities to carry out their activities, within the cultural standards developed historically. To conserve mangrove and estuaries areas, and to ensure the sustainable management for collect and catch of native oyster, fish, and crabs. The area presents high endemism in both fauna and flora species. It still has significant remnant areas of Atlantic Forest, namely mangroves and restinga forests. The reserve has demonstrated a high degree of conservation and, consequently, high biological productivity. Among the main threats to this area are the unsustainable collection of oysters and crabs, which negatively impacts the food chain of the mangrove ecosystem in the reserve area. Some beneficiaries of the reserve have established an agreement for the sustainable exploitation of oysters, a model that can be replicated in other areas of the reserve and beyond.[18]¹⁸ Both APACIP and RESEX do Mandira are located in the South Brazil Shelf LME.

15. Among the key threats to biodiversity in these MCPAs are unsustainable exploitation, pollution, and habitat degradation. Improved coordination and management is required in these target areas, including improved connectivity/ecological corridors, in order to achieve their conservation objectives.

16. The figure below shows the distribution of the effectiveness index values available on SAMGe[19]¹⁹, from 2017 to 2020, per MCPA supported by GEF MAR1. The median effectiveness statistics highlighted the best status of this index for RESEX Mandira, among the target areas analysed (Figure 2). APA Delta do Parna?ba and APA Canan?ia-Iguape-Peru?be show lower median values. The evaluation of the MCPA effectiveness in SAMGe is based on the indicators of territorial impact (called Results, Products and Services, and Context) and management (Planning, Inputs, and Processes).

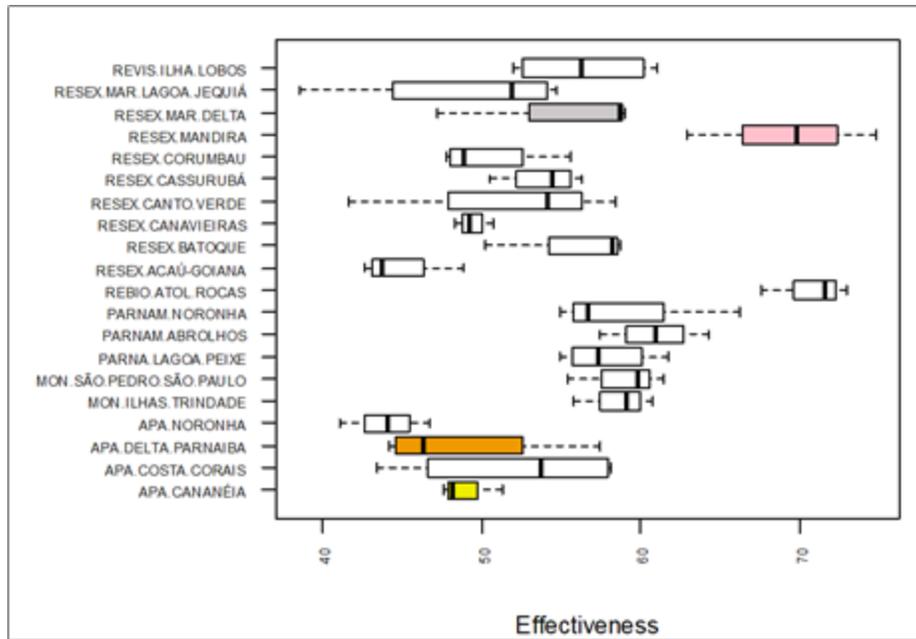


Figure 2: Distribution of effectiveness index values obtained from 2017 to 2020 for 21 MCPAs supported by GEF MAR1 (the coloured boxes are the four focal areas and the white ones are the other 17 MCPAs). Raw data source: SAMGe.

17. The results of the indicators that make up the effectiveness index also show a different behavior, which highlights the different realities among certain MCPAs. However, it is observed, in the case of SAMGe, that the main vectors that influence effectiveness are those associated with the Planning of the Units and the Results scores. The different results on planning are also evidenced in the MEET data, demonstrating that small actions in certain Units can indicate a great advance for the overall effectiveness of the system.

18. Budget security is an aspect that requires attention, as shown in Figure 3, which demonstrates that actions aimed at the financial sustainability of the MCPA system are fundamental for the continuity and improvement in the management.

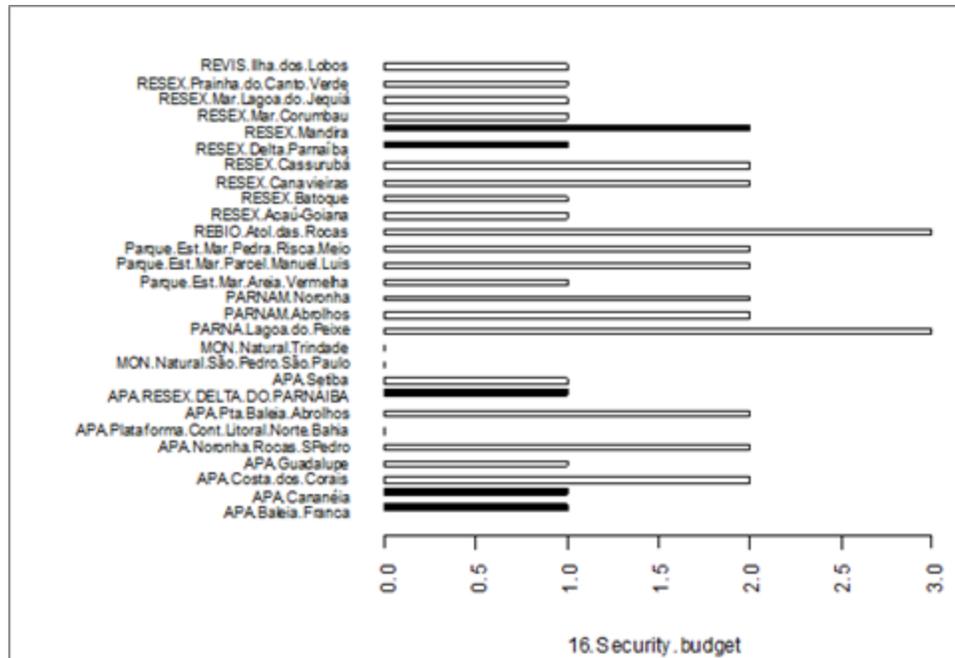


Figure 3: Assessment of the budgetary security of Conservation Units (TT MEET base, 2020)[20]²⁰

D. The Blue Economy

19. The **Blue Economy** concept seeks to promote economic growth, social inclusion, and the preservation or improvement of livelihoods while at the same time ensuring environmental sustainability of the oceans and coastal areas. At its core it refers to the decoupling of socioeconomic development through oceans-related sectors and activities from environmental and ecosystems degradation.[21]²¹ While still in its inception in Brazil, the Blue Economy will, over the medium term, help boost economic growth, create jobs, reduce poverty, and build resilience to climate change and external shocks, while at the same time protecting the public good nature of the marine and coastal resources. Without proper planning (without intervention) for a Blue Economy, the projected growth of the different blue sectors will significantly intensify negative impacts on the coastal/marine areas. Linked to the concept of Blue Economy is that of Blue Growth. **Blue Growth** is a strategic, innovative approach to improving the use of aquatic resources while simultaneously increasing social, economic and environmental benefits for communities dependent on fisheries and aquaculture.[22]²²

20. Brazil needs a Blue Economy approach because the natural capital that sustains the current growth of fisheries, tourism, and other marine-related sectors is under intense human pressures, including overfishing, pollution, uncontrolled coastal development and climate change. The fisheries

sector, for example, is increasingly threatened by unsustainable practices that have overexploited 92 percent of economically important species.[23]²³ Concerns about the sustainability of (blue) economic growth are exacerbated by the scarcity of reliable data and useful stock assessments (or even basic practices of fishery management), since the abolition of the national landings monitoring program. Pollution from aquaculture, particularly the expanding shrimp-farming industry, threatens mangrove ecosystems and their associated biodiversity. In addition, agricultural runoffs, untreated sewage,[24]²⁴ ballast water and solid waste are contaminating marine waters and harming the health of the ecosystems that support tourism-based livelihoods. Erosion has also intensified along various regions in Brazil as evidenced by the loss of mangroves. These pressures together with the impacts of variability and climate change, exacerbate conflicts among sectors and industries that compete for resources and space to carry out their activities. Key sectors of the coastal economy are likewise rattled by external macro-economic shocks and the pandemic. These threats combined with unsustainable patterns of development, undermine future opportunities for growth and need urgent action to facilitate a pathway to a blue, resilient economy.

21. Strengthening the management of Brazil's Marine and Coastal Protected Areas (MCPAs) will create the enabling environment for Brazil's transition to a Blue Economy. Each dollar invested in Protected Area (PA) management generates about US\$7 for the economy.[25]²⁵ MCPAs can protect threatened fisheries stocks, preserving them as nursery areas and sources of mature individuals for recruitment and breeding stocks. They can enhance tourism opportunities by safeguarding unpolluted waters and beaches and by maintaining the marine biodiversity that attracts visitors. Additionally, MCPAs can mitigate the effects of climate change. MCPA managers need to deftly navigate local political environments so as to help reconcile conflicting views among local stakeholders about development and conservation. Additionally, more comprehensive biodiversity and ecosystem health monitoring systems are needed to measure the full benefits of MCPAs in an integrated manner. Well-managed MCPAs can deliver multiple benefits and adopt a multisectoral planning approach, such as Marine Spatial Planning (MSPs), to advance the vision of the Blue Economy.

22. Transitioning to a Blue Economy can help mitigate the social and economic effects of the COVID-19 pandemic. The economic recessions resulting from the pandemic, including in Brazil's largest export markets, will certainly bring a major slowdown in the global economy. Well managed natural capital, through a blue lens, will incentivize local coastal economies to continue productive trends including supplying the country with nutritious seafood during this time of crisis, while ensuring local food security. The Brazilian population, including vulnerable groups who live along the 9,000 km of Brazilian coast, women, the disabled, the elderly, and indigenous communities, will stand to benefit from enhanced livelihoods fuelled by a healthy coastal and marine environment.

E. Root causes and barriers

23. Unsustainable economic development, natural resources overexploitation, lack of reliable temporal data series and pollution continue to pose a threat to Brazil's coastal and marine resources. Despite recent achievements in expanding the MCPA system, big challenges remain. Globally important biodiversity and ecosystems are under threat from competing and unsustainable resource uses, compounded by the impacts of climate change. The following barriers need to be addressed to tackle these root causes.

24. Barrier 1: Absence of a comprehensive conservation strategy for the MCPA system that includes cross-sectoral coordination and financing mechanisms. Although the Inter-ministerial Commission for the Resources of the Sea (CIRM) and other bodies that are in charge of coordination and management of marine and coastal resources exist, there is a lack of comprehensive coordination and a lack of participation of resource users as key stakeholders in this mechanism. Also, MCPAs lack a reliable budget to plan, design and implement environmental protection and demand-driven sustainable development projects due, hence their need for a sustainable financing strategy. There is a need to further strengthen coordination of biodiversity monitoring efforts, in order for them to inform conservation management and decision-making. Community involvement and community-based biodiversity monitoring mechanisms also need to be strengthened.

25. Barrier 2: Inadequate coordination and engagement of stakeholders in management planning and implementation resulting in limited ownership and commitment to support implementation of management plans and address threats to biodiversity. While management plans have been developed in most target MCPAs and some activities are financed to support their implementation, most conservation units lack coordinated and participatory actions to implement priorities outlined in the management plans to address threats to biodiversity. Community organizations and networks need to be strengthened to be able to support priority actions in the areas of sustainable fisheries, tourism, clean-up of waste, environmental education, etc. Similarly, mechanisms for monitoring and surveillance, emergency preparedness and contingency planning (such as for oil spills, waste at sea, conservation of endangered species) are lacking in the target MCPAs.

26. Barrier 3: Insufficient enabling environment and investments in Blue Economy approaches. The Blue Initiative and the National Policy and Sectoral Plans for Marine Resources lay the foundations for a transition towards a Blue Economy. Nevertheless, the necessary incentive systems, rights-based approaches, and systematic application of integrated planning approaches are still

lacking. Furthermore, incentives and investments in sustainable livelihoods and value chains, such as ecotourism/community-based tourism, organic handcrafting, aquaculture, beach reclamation, small-scale fishery landings, monitoring of coral reefs, innovative businesses to combat marine litter, value addition to traditional fisheries/aquaculture products, etc., are yet to be developed in a more systematic way. Ecosystem-based approaches and innovative technologies, focused on combating threats to the ecosystem while generating income and benefits for the community, are not yet widely promoted to support the goals of Blue Growth.

27. *Barrier 4: Lack of awareness, knowledge and capacity among stakeholders of sustainable approaches to managing coastal and marine resources for a spectrum of purposes.* Stakeholders from government, local communities and the private sector are often not aware of the opportunities that the Blue Economy and Blue Growth offer. They lack the knowledge of innovative approaches and technologies for integrated management of coastal and marine resources. They also lack the capacity for implementing community-based, participatory and rights-based approaches to MCPA management and sustainable livelihood development.

2) Baseline scenario and any associated baseline projects

A. National policies and plans

28. Brazil has already put in place several strategies for ecosystem management conducive to sustainable growth and in line with international commitments. In 1992, Brazil signed the Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC), and Congress ratified them in 1994. Since then, the Brazilian Federal Government, with the support of the Global Environment Facility (GEF) and other international organizations, has taken decisive steps to support CBD objectives by enhancing the country's legal framework, building the institutional capacity of the Ministry of Environment, and establishing national policies, programs, and major projects. As part of Brazil's commitment to the CBD, the government established in 2006 a National Policy for Biodiversity (Decree n°. 4339) and a National Protected Areas Strategic Plan (PNAP) (Decree n°. 5758). The latter provides for the establishment of a comprehensive system of terrestrial and marine protected areas that are ecologically representative and effectively managed.

29. Recognizing that conservation and sustainable use of coastal and marine areas require a multi-sectoral approach, the government established the **Inter-ministerial Commission for the Resources of the Sea (CIRM)** in 1974 (Decree no. 74.557/74). The CIRM coordinates the

implementation of the National Policy for Marine Resources (PNRM) (Decree no. 5377/05). The PNRM is implemented through Sectorial Plans for Marine Resources (PSRM), elaborated every four years to establish guidelines, objectives, and goals for the management of marine resources at a regional level. Technical groups from different ministries, under the coordination of the Brazilian Navy, support the implementation through the Secretariat of the Interministerial Commission for Sea Resources (SECIRM). Within the scope of the Tenth PSRM (2020-2023), a technical group under the coordination of the Ministry of Environment is working to improve the effectiveness and representativeness of the Marine and Coastal Protected Areas System, increase protection of threatened marine species and tackle illegal fishing. This technical group is known as the Living Marine Resources Assessing and Monitoring Group (Revimar).

30. The **Brazilian Blue Initiative**, announced in March 2018, aims at promoting the conservation of the country's coastal and marine ecosystems under climate change and human pressure, through effectively managing and expanding coastal and marine protected areas. It is a strategic framework for a vision of sustainable development and conservation of marine and coastal zones. For Brazil's vast coastal and marine ecosystems, this means enhanced safeguards within the context of larger mosaics of protected areas. The Initiative uses policies and strategies of coastal and marine ecosystem management to strengthen conservation of coastal and marine resources, including through protected areas and collaboration with local communities.

31. Furthermore, in 2019, the country developed an **Integrated Coastal Marine Monitoring Strategy**: National Biodiversity Monitoring Program (Estrat?gia integrada de monitoramento marinho costeiro: Programa Nacional de Monitoramento da Biodiversidade do ICMBio), called Monitora. The strategy was developed by the Chico Mendes Institute for Biodiversity Conservation (ICMBio), the agency responsible for managing the National System of Conservation Units. Its main scope is the articulation and improvement of initiatives for monitoring marine biodiversity and the definition of the main steps that lead to a robust advance in the management and availability of data on the subject.

32. In January 2021, the Federal Law No. 14.119/2021 came into force, which establishes the **National Policy of Payments for Environmental Services (PNPSA)**. The policy aims at encouraging the conservation of ecosystems, water resources, soil, biodiversity, genetic heritage and associated traditional knowledge, valuing ecosystem services economically, socially and culturally. It focuses on actions for maintenance, recovery or improvement of vegetation cover in priority areas for conservation, actions to combat habitat fragmentation and for the formation of biodiversity corridors and conservation of water resources.

33. The **Brazilian Institute of Environment and Renewable Natural Resources (IBAMA)** is the agency in charge of issuing environmental licenses, controlling the quality of the environment, and sanctioning, overseeing and controlling the use of natural resources. Environmental compensation mechanisms and fines have been established in recent years under the **Federal Environmental Compensation Fund**. However, the use of these funds to support MCPA management is not yet well established.

34. The **10th Sectoral Plan for Marine Resources** was adopted in 2020.^[26] The plan focuses on the following matters of interest, among others: (i) the promotion of scientific research and technological development, for surveying the potential of natural marine resources, living and non-living, (ii) the environmental monitoring of the oceans, marine biodiversity, (iii) the continuous training of human resources in Sciences do Mar and training in activities related to the oceans; (iv) contribution to the implementation of aspects of the 2030 Agenda related to the oceans and the coastal zone, as well as the assumed commitments related to the Sustainable Development Goals; (v) the contribution to the health of the oceans with the reduction of pollution, notably of solid waste in the marine environment, and with the mitigation of impacts resulting from overfishing, the introduction of invasive alien species and disordered tourism, among others; and (vi) the importance of the development and consolidation of the Blue Economy, based on a survey of the still unknown or unexploited potential of the Blue Amazon and international marine areas of interest.

35. Finally, the **National Plan for Combating Marine Litter (PNCLM)**, informed by the results of a public consultation organized in 2018, was launched in 2019 and brought priority actions to tackle marine pollution in an integrated approach.

36. The **COVID-19 pandemic**, and the health policy response to it, have essentially resulted in two shocks for Brazil: an external shock, from a drastic fall in exports due to reduced demand as well as an increase in imported goods; and a second, not less important shock at the national level, as domestic demand and supply are affected by consumers' decisions to avoid physical interactions, and by the restrictions on economic activities imposed by the Government to prevent viral transmission. In addition, as a net oil exporter, Brazil has also been hit by the oil price shock. Since mid-March 2020, all borders were closed due to the COVID-19 pandemic and entry restrictions by land and sea remain in place.^[27] Still weakened from the 2015-16 crisis, Brazil's poorest 40 percent of the population is particularly vulnerable to the impacts of the COVID-19 pandemic. While the disease spreads faster in urban areas, rural populations, including many indigenous peoples, traditional, or forest-based and coastal communities, face additional barriers to seeking medical care during the pandemic, which also

places them at a higher risk.[28]²⁸ Brazil has already put in place significant measures to address the economic crisis. In order to protect the poor, the government has expanded its wide conditional cash transfer program to over 1.2 million families. Significant financial support is available to small and medium enterprises (SMEs). Beyond the immediate containment of the crisis, Brazil will need to focus on laying the groundwork for a speedy and equitable recovery. An ecosystem-based Blue Economy can greatly contribute to this recovery.

B. Baseline investments

37. In line with these policies, plans and initiatives, the Government is set to invest at least USD 86.8 million in baseline investments in the MCPA system and coastal and marine resources in the coming five years. Baseline investments include the following:

- (i) IBAMA: Environmental inspection and enforcement; emergencies and environmental disasters response; prevention and direct combating of forest fires and provision of brigadiers to prevent and combat forest fires in the coastal area.
- (ii) ICMBio: Implementation of policies related to the MCPA system and sustainable use of natural resources; management of federal MCPAs; implementation of sustainable fisheries management; biodiversity conservation and environmental education programmes; and infrastructure investments.
- (iii) MMA: Development of national policies related to conservation and sustainable use of marine and coastal biodiversity; implementation of monitoring programmes.
- (iv) MMA's Secretariat of the Amazon and Environmental Services: Investments of the Floresta+ Program related to sustainable financing mechanisms, incentive systems and forest monitoring, with funding from the Green Climate Fund (GCF).[29]²⁹

38. The Food and Agriculture Organization of the United Nations (FAO) is implementing a number of projects in Brazil that contribute to the GEF MAR2 goals. In particular, FAO is implementing the Government of Brazil-funded *Promotion of Public Policies for Regional Development* programme (2018-2022, total budget USD 8.9 million) that seeks to improve public policies and government programs that promote the inclusion of the most vulnerable rural productive population; and the sustainable management of forest resources, fisheries and aquaculture in Brazil. The anticipated results of this programme are aligned with the objective of the GEF MAR2 project by

contributing to sustainable regional development as well as sustainable value chains and rural livelihoods, including fisheries. Additionally, the *Support to the Improvement and Consolidation of the Brazilian National Policy on Food Security and Nutrition* project (2013-2022) aims at strengthening Brazil's National System for Food and Nutrition Security (SISAN), with emphasis on the concretization of a supply policy and in actions turned to the overcoming of the extreme poverty.

39. In addition to these baseline investments, a variety of other initiatives complement the proposed project. **Procosta** is the National Programme for the Conservation of the Brazilian coastline, aimed at monitoring coastal-marine zones and mapping potential risks for the next 100 years. In addition to providing more accurate data on the Brazilian coastline, the Procosta is working to define strategies to prevent future disasters. The programme works with a set of federal agencies ? including the Ministries of Environment and Defence, the Brazilian Navy and the Brazilian Institute of Geography and Statistics (IBGE), states and municipalities ? to improve monitoring and management of Brazil's 7,367 km of coastline.[30]³⁰

40. The Protection and Integrated Management of Marine and Coastal Biodiversity ? **TerraMar** project of the German Agency for International Cooperation GIZ[31]³¹ (2015-2021) is another initiative that supports an integrated approach to environmental and spatial planning, in the Costa dos Corais and Abrolhos regions of the country. These regions were selected based on their unique ecosystems as well as their importance for the conservation and sustainable use of coastal and marine biodiversity. The initiative works to strengthen local stakeholders' capacity for the sustainable management of coastal and marine resources. More than 500 specialists from ICMBio, the Ministry of Environment, states and local governments as well as civil society have received training related to environmental management in marine and coastal regions.

3) Proposed alternative scenario with a brief description of expected outcomes and components of the project and the project's Theory of Change

41. The Theory of Change for the project includes, as building blocks, the sound management and sustainability of the existing MCPA system, protection of the natural capital for a Blue Economy, adoption of technological innovations at the local level, and strengthening of institutional capacity for better management of marine resources while simultaneously ensuring local livelihoods and the sustainable growth of economic sectors across the Blue Economy. Strengthening the sustainable

management of MCPAs while enhancing the sustainability of productive sectors including fisheries, tourism and other marine-related sectors, in ways that balance environmental protection and economic development, will create the enabling environment for Brazil's transition to a Blue Economy. These actions combined will put Brazil on a path towards reaping the benefits of its vast coastal and ocean resources in a sustainable manner, while conserving globally important biodiversity and ecosystems and improving local livelihoods (Figure 4).

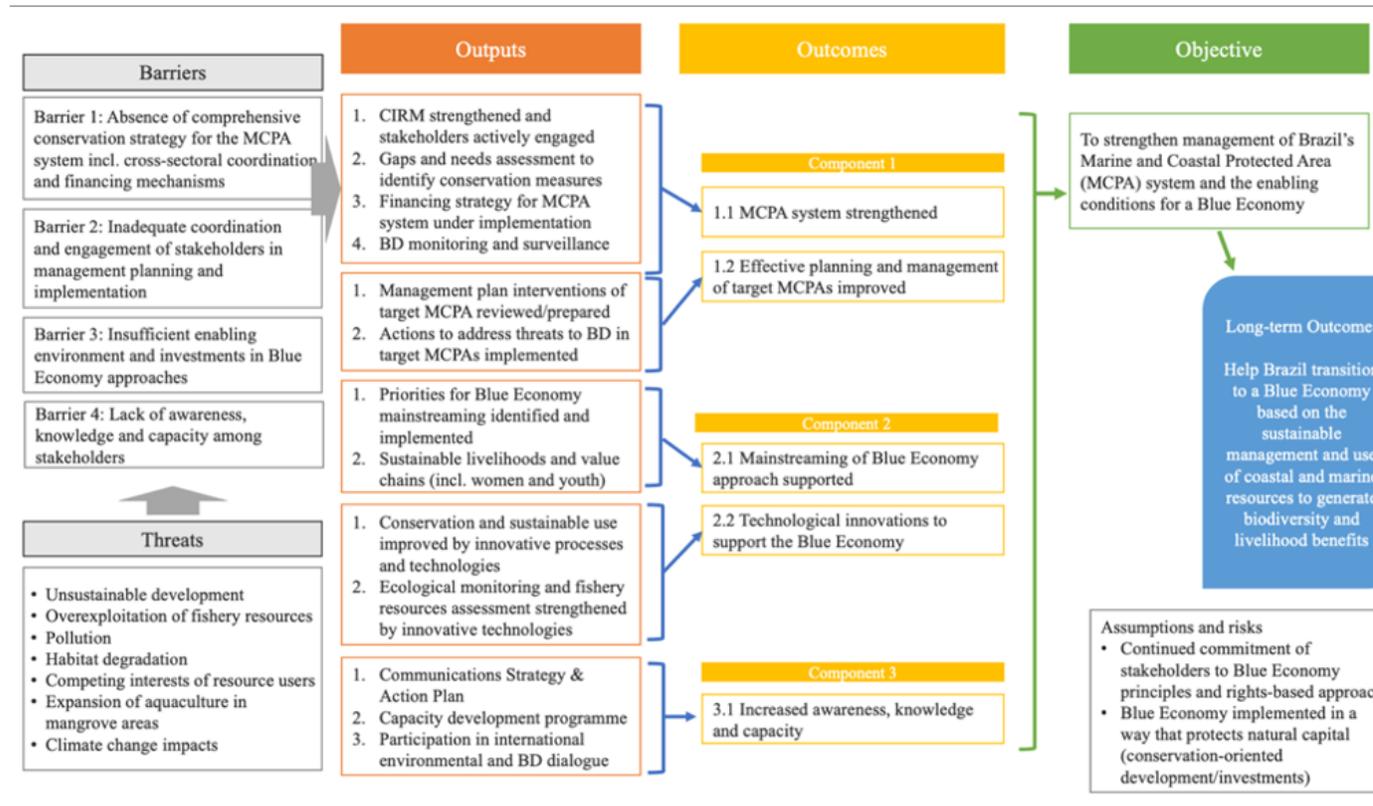


Figure 4: Theory of Change

42. The proposed project will build upon the achievements of the GEF MAR1 project by harmonizing improved protected area management with existing and new policy frameworks; and through new activities to create the enabling conditions for a Blue Economy. The project will seek to reinforce and expand current efforts to protect and manage Brazil's extensive coastal and marine environments and the rich biodiversity and ecosystem services that they support. In this way it will foster the emergence of a sustainable and equitable Blue Economy based on this natural capital. More specifically, the project will scale up efforts to consolidate the management and sustainable financing of the national MCPA system, identify and implement priorities for Blue Economy mainstreaming, and promote sustainable livelihoods for local communities living in and adjacent to MCPAs. Technological innovations and innovative, ecosystem-based approaches will reinforce this Blue Economy approach.

In addition, the project will support local, national, and international knowledge exchange and collaboration. This will help build Brazilian stakeholders' capacity in effective management and sustainable use of coastal and marine resources that underpin the Blue Economy.

43. The implementation of actions in protected areas will occur through the analysis of opportunities and needs observed in each one. In the target units, models will be created for initiatives to be tested, such as the development of financing mechanisms for the MCPA system; payment for environmental services, conversion of fines, concession of Conservation Units; and finally, strengthening of sustainable production chains and socioenvironmental impact businesses. These initiatives will be validated, and replication evaluated in other MCPAs that present opportunities and the possibility of implementation / adaptation. Actions to strengthen the environment and the effectiveness of MCPAs, the assessment of fish stocks and the innovation in combating socioenvironmental threats are actions that will support the whole system and the total number of PAs. Training and knowledge management activities will be planned for implementation in all Conservation Units, and may eventually be applied to more than 21 Units present in the original proposal.

44. The Theory of Change is based on a number of assumptions. First, it assumes the continued ownership and commitment of stakeholders from all sectors to Blue Economy principles and a rights-based approach. Furthermore, it is assumed that the Blue Economy in Brazil can be implemented in ways that protect natural capital, meaning that the proposed development and investments are conservation-oriented, including sustainable use, and are not offset by uncontrolled unsustainable development. Finally, it is assumed that the project outputs will create sufficient incentives in the long term for local people to participate in and sustain community-based conservation efforts.

45. The project will be funded by a GEF Trust Fund grant amounting to USD 14.5 million. In addition to GEF funding, Government partners will co-finance the project with a total of USD 86.8 million, and FAO with an additional USD 1 million. The project will directly support improvements in management effectiveness of 13.4 million hectares spanning across 21 MCPAs, measured against the pre-established METT baseline defined under GEF MAR1. In line with the Theory of Change, the project will comprise the following components, outcomes and outputs:

46. **Component 1: Strengthening the management and sustainability of the Marine and Coastal Protected Area (MCPA) system.** Building on achievements of GEF MAR1, this Component will target the existing MCPA network of 96 million hectares and directly support improvements in effectively managing 13.4 million hectares (14%) of this network, measured against the pre-established METT baseline defined under GEF MAR1. Overall, the aim of this Component will be three-fold: (1)

strengthen the management effectiveness and biophysical connectivity of the MCPA system; (2) strengthen governance and financial sustainability of the MCPA system; and (3) improve biodiversity monitoring and surveillance capacity in order to address key human pressures such as overfishing, pollution and habitat degradation as well as climate risks, which are key threats to biodiversity and to a Blue Economy approach. Project activities will seek to bring together human and financial resources, infrastructure investments, local governments, political support; as well as strategic planning and management capacity, to ensure the long-term sustainability and resilience of the MCPAs.

47. **Outcome 1.1: MCPA system strengthened.** This Outcome will ensure that the protected area system is effectively and equitably managed, ecologically healthy, well-connected and integrated into the wider seascape. It will support cross-cutting initiatives to strengthen conservation and management in the MCPA system led by the MMA and relevant partners to promote integration and knowledge exchange among the states and its MCPAs. More specifically, Outputs under this Outcome will:

- (1) Strengthen the Interministerial Commission for Marine Resources (CIRM) and support active engagement of stakeholders (*Output 1.1.1*);
- (2) Identify gaps and assess needs periodically to update strategies and plans that underpin the national system's representativeness, effectiveness, equity, and biophysical connectivity^[32], thus addressing the vulnerability of species, ecosystems and protected areas both to human pressures and to climate change; as well as enhancing social, economic, and ecological adaptation strategies (*Output 1.1.2*);
- (3) Update the financing strategy for the MCPA system and support its implementation to ensure the MCPAs' long-term financial sustainability (*Output 1.1.3*); and
- (4) Implement coordinated, participatory biodiversity monitoring, research and surveillance strategies, including community-based monitoring (*Output 1.1.4*).

48. Sustainable financing options developed as part of the financing strategy include innovative mechanisms that will complement the achievements of the existing Marine Fund, including the use of environmental compensation and fines; Payment for Environmental Services (PES) schemes; and private sector financing/concessions. These schemes will be tested in four focal MCPAs, and for replication in a further 17 MCPAs. Existing systems of biodiversity monitoring, including SISBio, Monitora and SAMGe, will be strengthened and training will be provided to protected area managers and other stakeholders. Additionally, local communities will be engaged in participatory/community-based biodiversity monitoring, while also linking these efforts to SISBio and SAMGe. Globally important biodiversity elements, including mangroves, coral reefs, seagrass, sea turtles and marine

mammals, will be regularly evaluated in terms of their conservation status. An important aspect of this Component will be to enhance the coordination of data collection and sharing of information among various institutions with regard to biodiversity monitoring, as a basis for timely intervention actions.

49. **Outcome 1.2: Effective planning and management of target MCPAs improved.** This Outcome will improve management effectiveness of MCPAs supported by GEF MAR1, focusing on four selected focal MCPAs^[33]³³ and promoting replication in an additional 17 MCPAs. **In line with Core Indicator 2 definition, an increase in METT score is expected across all 21 MCPAs (in different aspects for each MCPA depending on their individual strengths and weaknesses).**

50. Activities to be supported under Output 1.2.1 include:

- (1) Establishment and functioning of Management Councils to enable active participation of a representative selection of key stakeholders in the planning and management of respective MCPAs;
- (2) Application of the Threat Reduction Assessment (TRA) tool to respective MCPAs at the outset of reviewing/preparing each MCPA plan to prioritise threats and assess the extent to which they will be addressed by project interventions;^[34]³⁴ and
- (3) Preparation of the management plan,^[35]³⁵ which will be informed by the TRA, in an inclusive, participatory manner that provides the opportunity for all stakeholders to engage in the planning process at an appropriate time via the most appropriate mechanism

Note that management plans have been developed under GEF MAR1 for three of the four selected MCPAs and, therefore, will be subject to minor revision under Activity (1) to include provisions and responsibilities of their respective Management Council, if not yet in place; and under Activity (3) to accommodate the prioritised interventions resulting from the TRA.

51. Activities supported under Output 1.2.2 are focused on implementation of the respective MCPA Management Plans in a participatory manner, with responsibilities and timeframes among the relevant sector agencies, businesses, NGOs, local government administrations and communities identified in the accompanying Action Plan. They include:

- (1) Biodiversity protection, sustainable ecosystem services and harvesting (e.g. sustainable fisheries, tourism, ecosystem-based aquaculture);
 - (2) Visitor management, including experiential education and facilities;
-

- (3) Design/implementation of environmental education, research and awareness raising programs;
- (4) Sustainable waste management, addressing marine litter and Ghost Fishing;
- (5) Implementation of programs to address threatened, endangered, or exotic species/ecosystems, including responses to climate change impacts;
- (6) Emergency preparedness and contingency planning for risk mitigation against climate, human impacts such as oil spills, disease crises (i.e. COVID-19 pandemic);
- (7) Monitoring and surveillance to prevent illegal practices/sea accidents;
- (8) Demarcation of protected areas, installation of signage in artisanal fishing areas and no-take fishing zones;
- (9) Provision of basic infrastructure (through co-financing) and equipment.

Together these activities will support the long-term conservation and sustainable management of these MCPAs.

Management Councils

Conselhos Gestores are the individual Protected Area's councils. These councils are provided by national law (SNUC[36]³⁶), and aim to promote shared management of the PA, with broad participation from society. These councils are chaired by the body that administers (manages) the PAs, such as the ICMBio. The Councils must comprise representatives of society and federal, state and municipal public bodies. Some Councils' competencies are drawn up in bylaws and action plans: such as monitoring the preparation, implementation and review of the PA Management Plan, and seeking the integration of the PA with the other protected areas and with its surroundings.

In some areas, these councils are **deliberative** with regard to decision making (Sustainable Development Reserve, Extractive Reserve), and in some areas they are **consultative** (National Park, Biological Reserve, Ecological Station). In Environmental Protection Areas (APAs), the National Protected Area System (SNUC) does not specify the type of Management Council. ICMBio is working on updating the regulation of the category and, until then, most APAs have been treating their Councils as consultative.

52. **Component 2: Developing a pathway for a Blue Economy.** This Component, comprising two outcomes, will open the way to a Blue Economy by promoting the sustainable use of coastal and marine assets in alignment with MCPA objectives, while fostering sustainable economic growth, innovation, and better livelihoods and jobs. The aim will be to establish and consolidate a

vision for Brazil's coastal and marine zones as a source of new opportunities for sustainable, equitable, and diverse economic development. More specifically, this Component will (1) foster an enabling environment for mainstreaming Blue Economy principles into new or existing public policies and strategies pertaining to the conservation and use of coastal and marine resources; (2) promote investments in sustainable livelihoods and enhanced related value chain models in support of the Blue Economy; and (3) promote technological innovation in support of the sustainable use, management, and monitoring/surveillance of the marine and coastal areas under national jurisdiction. Activities will be divided into two outcomes.

53. Outcome 2.1: Mainstreaming of a Blue Economy supported. This Outcome will underpin development of an enabling environment for a Blue Economy and Blue Growth in Brazil. Policies, strategies, models, and partnerships that promote the integrated management of coastal and marine resources will be supported, reinforced more specifically by an inclusive, participatory process to identify, and implement, priorities for Blue Economy mainstreaming (*Output 2.1.1*). This may involve review of sectoral policies or strategies and incentive systems, marine spatial planning/integrated coastal zone management, research studies, rights-based approaches to coastal and marine resources management and supporting implementation of existing policies such as the Blue Initiative and National Plan for Sea Resources.

54. A key principle of the Blue Economy will be to ensure that the project and any planned and future investments will not cause any negative impacts on coastal and marine resources by stimulating the use of these resources. Investments in line with the Blue Economy are to be conservation-oriented, including sustainable use, and will either have a net positive impact or, at the least, will not have a negative impact on natural resources and biodiversity, as well as on GHG emissions. Climate change impacts will also be considered in the development of plans and policies, as well as livelihood options. Additionally, realizing the full potential of the Blue Economy requires mainstreaming the inclusion of women, young people, local communities, indigenous peoples and marginalized or vulnerable groups.^[37] Thus, the project will support mainstreaming of the Blue Economy principles through a rights-based, inclusive approach. Finally, the project and the Blue Economy/Blue Growth initiatives will align well with national and local COVID-19 response and recovery plans by enhancing the livelihoods of coastal communities and improving the resource base upon which they depend.

55. Secondly, the Outcome will directly promote and enhance sustainable livelihoods and improve or develop value chains in line with Blue Economy and Blue Growth principles (*Output 2.1.2*). Specifically, the outcome will identify and support economic opportunities for communities living in and adjacent to MCPAs through interventions designed to improve management of the coastal

and marine environment and reduce pressure on these resources. Community-based livelihoods will be enhanced using innovative models of business development, marketing, and diversification of income generation, so that value-addition and benefits are maximized and realized at the community level. To this end, strategies will be developed for selected value chains, for example, in fisheries and aquaculture or community-based tourism, identifying the necessary investments and low environmental technology to maximize job creation and value addition while preserving ecosystems and biodiversity. Initiatives will also include ecotourism/community-based tourism, filter-feeding aquaculture, beach reclamation, small-scale fishery landings monitoring, monitoring of coral reefs, innovative businesses to combat marine litter, value addition to traditional fisheries/aquaculture products, etc. An overarching principle of these interventions will be improving living conditions while informing collective action and responsibility to protect MCPAs and their resources. Environmental impact business initiatives will be developed and/or strengthened, focused on combating threats to the ecosystem and generating income and benefits for the community. Climate change impacts and resilience across the value chains will be taken into account when designing the livelihood and value chain interventions.

56. A diverse group of stakeholders, including social organizations such as the women's networks within the MCPAs, will take part in collaborative planning, monitoring, and learning, so that improved practices will complement rather than displace traditional activities. Women's groups, women-led enterprises or enterprises with at least 50% women members will be supported to promote women's empowerment and ensure that they benefit equally from project interventions. The good practices resulting from this outcome will inform new policies and strategies in support of the transition to the Blue Economy.

57. **Outcome 2.2: Blue Economy supported through technological innovations.** This outcome will promote innovative processes and technologies to support the conservation and sustainable use of marine and coastal resources (*Output 2.2.1*). For example, participatory fisheries management plans will be developed and local communities will be supported to implement an ecosystem approach to fisheries or aquaculture^[38]³⁸. Innovation may be required for fishing gear modification, catch safeguards and limits, habitat conservation, filter feeders in native oyster culture and seaweed culture. Technologies will be selected using participatory consultative processes, based on proposals from stakeholders such as government, local community groups and the private sector. Technological innovations will also be applied to reduce pollution and solid waste. In developing innovative and sustainable technologies, the project will take into consideration both climatic and anthropogenic drivers of ecosystem change and biodiversity loss.

58. Secondly, the Outcome includes innovative technologies to monitor the health of ecosystems and assess the status of fishery resources (*Output 2.2.2*), thereby tracking the sustainability

of managing coastal and marine resources. It will identify and utilize innovative technologies to support the sustainable management of the coastal and marine space. The importance of ocean observations is growing in Brazil as economic activities increase in its vast coastal and marine area. The country needs to improve monitoring and technology communications to tackle threats, such as illegal fishing, habitat degradation and marine pollution, and support improved data collection for fisheries, mangroves, seabed mining, shipping and transportation, in collaboration with the private sector. Sustained marine observations will also improve scientific evidence for better decision making and stimulate improvements in efficiency and productivity in various ocean-related sectors. More specifically, this outcome will identify and deploy a wide array of technological tools and instruments across open ocean to coastal areas. Tools may include, for example, satellite-based transponders to support the monitoring of Illegal Unreported and Unregulated fisheries (IUU), drones to aid in assessments of stocks and pollution, and technology to support sustainable fisheries and aquaculture and to improve safeguards. Such tools will also facilitate surveillance of fishing vessels, monitoring and management of incidental captures and by-catch in fisheries, phantom fishing gear, and pollutants including plastics and spilled oil. They will provide new real-time understanding of conditions in large and remote MPAs and islands in the ocean: for example, by making use of the SMART platform. Developments stemming from the UN Decade of Ocean Science (2021-2030) and advancements in oceanographic sciences, nationally and globally, may further inform the use and potential of new technologies.

59. **Component 3: Increasing awareness, knowledge and capacity.** The objective of this Component will be to strengthen knowledge and enhance Brazilian stakeholders' capacity to recognize the value of and effectively manage the natural capital which sustains the Blue Economy. This Component will (1) strengthen knowledge and awareness of the value of protected areas and of the Blue Economy approach among cross-sectoral stakeholders including by forging new partnerships targeting conservation and economic activities alike, with a particular focus on women's participation, (2) support capacity building for stakeholders at multiple levels including local communities (including schools), MCPA institutions, ICMBio research center, CIRM members and representatives, through activities such as targeted workshops, training, voluntary work, virtual learning, and environmental education, and (3) foster knowledge exchange and learning opportunities with countries that are facing similar challenges so as to improve Brazilian institutional capacity.

60. **Outcome 3.1: Awareness, knowledge and capacity enhanced cross-sectorally from national to local levels.** This outcome will include the following:

- (1) Design of a Communications Strategy and Action Plan immediately following the onset of the project to enable its implementation to begin in Year 1, with the Action Plan reviewed annually thereafter. The Strategy will focus on awareness raising, targeting of knowledge and sharing of best practices and lessons learnt during implementation. It will also foster networking, particularly at community levels, coordination, collaboration and multi-media access to information (*Output 3.1.1*).

- (2) Design of a modular capacity development programme for conservation management and sustainable use of coastal and marine resources, targeted appropriately, delivered across relevant sectors from national to community levels and institutionalised. Topics will include training for fishermen and women, community-based tourism, conservation of species (e.g. turtles, migratory birds, fish, aquatic mammals) and environmental education. Apart from training modules delivered through workshops and training-on-the-job, the programme will include study tours and exchange visits; and the establishment of a national MCPA managers support network (*Output 3.1.2*).

61. **Component 4: Project monitoring and evaluation.** This Component will support monitoring and evaluation of the project's implementation, including its independent review at mid-term and terminal evaluation prior to closure. It will track the project's progress in accordance with the annual work plans and, importantly, the mid-term and end-of-term targets in the Project Results Framework (Annex A1), ensuring that all activities are carried out in a timely manner and, as appropriate, providing the basis for adaptive management and learning.

62. **Outcome 4.1: Project implementation and its adaptive management informed by M&E system.** The M&E system will be implemented in alignment with the project's gender mainstreaming strategy and the 'One Health' approach that embraces human, wildlife and ecosystem health in the face of further COVID-19 pandemic threats (*Output 4.1.1*).

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

63. The project supports the GEF-7 Programming Directions, by contributing to the long-term protection of Brazil's globally important marine ecosystems and biodiversity. Specifically, the project targets the Biodiversity focal area. In line with the goal of the GEF-7 Biodiversity focal area strategy, the project will maintain globally significant biodiversity in coastal and marine habitats and contribute to the two focal area objectives of 1) Mainstreaming biodiversity across sectors as well as landscapes and seascapes, and 2) Addressing direct drivers to protect habitats and species.

64. More specifically, the project contributes to biodiversity mainstreaming in priority sectors, namely the fisheries, aquaculture, tourism and other sectors operating in the coastal and marine space. This will be done through several outputs, including by mainstreaming principles of Blue Economy into sectoral policies and plans or supporting implementation of existing plans, by enhancing cross-sectoral coordination, by investing in conservation-based livelihoods as well as technological

innovations. The project contributes to maintaining globally significant biodiversity within production seascapes by improving policies and decision making informed by biodiversity and ecosystem values.

65. Furthermore, the project helps address direct drivers to protect habitats and species and improve financial sustainability, effective management, and ecosystem coverage of the global protected area estate through its Component 1 on strengthening MCPA system and improving management effectiveness of individual PAs. This will help reduce pressures on coral reefs, mangroves and other vulnerable coastal and marine ecosystems and biodiversity as well as resources including fisheries.

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

66. GEF financing is necessary to support the Brazilian Government in protecting globally significant biodiversity through strengthening the sustainable management of the country's Marine and Coastal Protected Areas (MCPA) network. Given the complexity involved in the management of coastal and marine ecosystems, without GEF's additional support, Brazil's MCPA system (built under GEF MAR1 resources) would be at risk of underperforming and failing to effectively balance biodiversity conservation with sustainable use of resources. The long-term benefits of the project are dependent upon this extra push to fully strengthen management capacity of protected areas across the country, along with strengthening their financial sustainability by supporting piloting and adoption of innovative financing mechanisms.

67. Moreover, with the GEF financing, this project will not only strengthen the management and sustainability of the MCPA system in the country, but it will also build the enabling conditions for transitioning to a Blue Economy thus adding a dimension of sustainable economic and livelihood opportunities in balance with biodiversity conservation. Not making a concerted effort to invest resources in effective management of the MCPA system would jeopardize the economic opportunities that are dependent upon a healthy and well managed coastal and marine environment. In other words, investing in stronger management means investing in future sustainable economic opportunities that will benefit local communities and aid in maintaining strong management arrangements of the MCPA system over the long-term. In summary, GEF financing will secure the future status of the MCPA management for biodiversity conservation and it will also incubate the critical enabling conditions necessary for transitioning to a Blue Economy.

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

68. The main global environmental benefits to be achieved as a result of the project are:

- 1) Conservation and sustainable use of globally significant biodiversity in coastal marine areas of Brazil, as well as globally important coastal and marine ecosystems including mangroves, wetlands, estuaries, dune fields, and coral reefs.
- 2) Improved management (measured by METT) of 13.4 million ha in 21 protected areas for which resource management plans are developed and implemented. (Core Indicator 2)
- 3) Improved capacity of at least 3,000 people (50% women) in communities prioritized for the conservation and sustainable use of coastal and marine ecosystems. (Core Indicator 11)
Capacity building activities will take place in all targeted protected areas and landscapes.

69. These benefits will translate into direct benefits to threatened species, many of which are of global significance, including, but not limited to: migratory species, including **sea turtles** such as the Green Turtle (*Chelonia mydas*) EN, Loggerhead Turtle (*Caretta caretta*) VU, Hawksbill turtle (*Eretmochelys imbricata*) CR and Olive Ridley Turtle (*Lepidochelys olivacea*) VU; **crabs** such as the Guaiamun crab (*Cardisoma guanhumi*), Aratu-do-mangue crab (*Goniopsis cruentata*), Caranguejo-u?? (*Ucides cordatus*); **fish species** such as the groupers (*Epinephelus morio*, *Epinephelus itajara*) VU, snappers (*Lutjanus cyanopterus*) VU, Bigeye tuna Albacora-bandolim (*Thunnus obesus*) VU, Black Grouper/Sirigado (*Mycteroperca bonaci*) NT, Yellowmouth Grouper (*Mycteroperca interstitialis*) VU, Blue-dark Parrotfish/Budi?o-azul (*Scarus trispinosus*) EN, Atlantic blue marlin (*Makaira nigricans*) VU; **shrimp species**, such as sete-barbas shrimps (*Xiphopenaeus kroyeri*); **shark species** such as Silky Shark (*Carcharhinus falciformis*) VU, Reef Shark (*Carcharhinus perezi*) NT, Sandbar Shark (*Carcharhinus plumbeus*) VU, Scalloped Hammerhead (*Sphyrna lewini*) CR, Shortfin mako shark/Tubar?o-anequim (*Isurus oxyrinchus*) EN; **marine mammals** including the Southern right whale (*Eubalaena australis*) LC, Franciscana dolphin (*Pontoporia blainvillei*) VU, Humpback whale (*Megaptera novaeangliae*) LC, Minke whale (*Balaenoptera acutorostrata*) and Bryde?s whale (*Balaenoptera edeni*) LC; **birds** such as South American tern (*Sterna hirundinacea*) LC, Red Knot (*Calidris canutus*) NT, Magnificent Frigatebird (*Fregata magnificens*) LC, Brown Booby/Atobas (*Sula leucogastre*) LC, and manatee (*Trichechus manatus*) VU; **fish species of great economic and cultural importance** such as the Brazilian Sardine (*sardinella brasiliensis*) DD and Mullet/Tainha (*Mugil cephalus*) LC; **terrestrial mammals** such as the red-handed howler (*Alouatta belzebul ululate*) VU, Black-faced Lion Tamarin/mico-le?o-da-cara-preta (*Leontopithecus caissara*) CR, jaguar (*Panthera onca*) NT, and puma (*Puma concolor*) LC; **land and seabirds** including the Atlantic petrel (*Pterodroma incerta*) EN and the Channel-billed toucan (*Ramphastos vitellinus*) VU; and **reptiles** such as the Caiman (*Caiman latirostris*) LC.

70. Finally, as mentioned above, the project interventions, in particular conservation of remaining mangrove forests will help reduce emissions of blue carbon (carbon in coastal and marine ecosystems) and mitigate climate change.

7) Innovativeness, sustainability, potential for scaling up and capacity development³⁹

71. **Innovativeness.** The project is innovative in a number of ways. First, it will support piloting and adoption of innovative financing mechanisms such as environmental compensation, Payment for Environmental Services (PES), and private sector financing/concessions. Second, innovative technologies and approaches will be promoted to improve management of coastal and marine environments, including ecosystem- and rights-based approaches. Finally, the project will support mainstreaming of the Blue Economy principles and related investments in the conservation and sustainable use of coastal and marine resources. Local communities ? as individuals or organized bodies through their Civil Society Organizations (CSOs) ? play a key role in the effective day-to-day management and monitoring of protected areas that are part of the project. In close collaboration with other project stakeholders, local communities will take an active role in the management and conservation of their resources, the enhancement of their livelihoods by adopting Blue Economy principles and in adopting innovative technologies. Among others, project innovations will cover areas such as sustainable fisheries, tourism, clean-up of waste, monitoring and surveillance, incentive systems, marine spatial planning, fishing gear modification, oyster or seaweed culture, and technologies to support improved data collection.

72. **Sustainability.** The project will foster a long-term process of establishing an effective and sustainable MCPA system. It will employ the following strategies: (1) biodiversity protection with compatibility and integration with other coastal activities, (2) development of a financing strategy to promote the financial sustainability of MCPAs, (3) creation of an enabling environment for a Blue Economy vision that supports the health of the marine and coastal ecosystems with direct ownership by resource users who will experience the benefits, and (4) strengthening of institutional coordination mechanisms, including fostering partnerships with private sector, to build long-term capacity for management of the MCPA system and the vision of the Blue Economy. Under Output 1.1.3 the project will develop an updated financing strategy for the MCPA system and support its implementation to ensure the MCPAs? long-term financial sustainability. Sustainable financing options developed as part of the financing strategy include innovative mechanisms that will complement the achievements of the existing Marine Fund, including the use of environmental compensation and fines; Payment for Environmental Services (PES) schemes; and private sector financing/concessions. The financing

strategy will open the way for private sector financing for MCPAs over the long term. Additionally, activities under Outcome 1.2 may also contribute to improving financial sustainability of the target MCPAs, such as through improving visitor management, leveraging of co-financing to address main gaps identified, etc. Improvements in sustainable financing will be measured by the SAMGe system and its Inputs (financial resources) indicator. Likewise, sustainability will be ensured as local communities benefiting from the Blue Economy lens take up 'ownership' of the project. The design and adoption of an environmental monitoring system, engaging new technologies, will also be a critical instrument for MCPA system sustainability. The collaborative nature of a Blue Economy approach as outlined in this project, will enable wide participation from private and public stakeholders to build a vision for the future and take ownership of outcomes beyond Project closing.

73. **Potential for scaling up.** The project aims at scaling up efforts for the consolidation and strengthened management of the national MCPA system; as well as identifying and implementing improved sustainable livelihoods for local communities living in and adjacent to MCPAs. In parallel, the project will support actions to mainstream Blue Economy principles into overarching policy and institutional frameworks and support innovative approaches and technologies for MCPA surveillance and management. In addition, the project will support local, national, and international knowledge exchange and collaboration. This will help build Brazilian stakeholders' capacity for effective management and sustainable use of coastal and marine environments as the foundation for the Blue Economy. In this way, it is anticipated that the project's impacts will be sustained and replicated even after the project ends, both within the target MCPAs and beyond. Once the grant mechanisms related to environmental compensation are in place, these can be scaled up beyond the project area. Additionally, it is anticipated that the PES and other financing mechanisms, once successfully piloted, will be replicated in other MCPAs in order to enhance their sustainability.

74. **Capacity development.** The project's outcomes and outcomes are intended to develop capacity of national institutions and stakeholders. Under Outcome 1.1, the project will enhance institutional capacity for coordination, sustainable financing and monitoring of the MCPA system. Under Outcome 1.2, it will enhance the capacity of local stakeholders and institutions to implement actions in line with the MCPA management plans that benefit both biodiversity and local livelihoods. Outcome 2.1 will develop systemic capacity by enhancing the enabling environment for Blue Economy mainstreaming. Outcome 2.2 will help enhance capacity of local stakeholders and institutions for innovative technologies and approaches. Finally, Outcome 3.1 will contribute to capacity development through a capacity building programme and communications and awareness activities.

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

75. Some changes were made during the project development phase in close consultation with key stakeholders and partners, as described below.

Topic	Main changes from PIF
1) Implementing agency	As per request from Government dated 1 February 2021, the project was transferred from World Bank to FAO.
2) Executing partners	The Ministry of Environment (MMA) and Instituto Chico Mendes de Conserva??o da Biodiversidade (ICMBio) continue to be the main executing partners of the project. Additionally, Funda??o Get?lio Vargas (FGV) has been designated as the main executing agency to administer the GEF grant.
3) Objective statement	The objective statement has been adjusted slightly to make it clearer and more focused, from ?To strengthen governance and management of the MCPA system and build Brazil?s capacity to transition to a blue economy in targeted areas.? to ?To strengthen management of Brazil?s Marine and Coastal Protected Area (MCPA) system and the enabling conditions for a Blue Economy.?
4) Core Indicators	Core Indicator 2 target has been adjusted from 1.6 million hectares from PIF to 13.4 million hectares at CEO Endorsement Request stage. This is based on baseline assessments and consultations with key stakeholders during project preparation.

<p>5) Components, outcomes and outputs</p>	<p>The component wording from the PIF has been adjusted slightly. Project Management has been removed from Component 4 as this is covered by the separate PMC line.</p> <p>Initial Outcome 1.1 from the PIF, "Additional capital secured for the MCPA sustainable financing mechanism "Marine Fund" has been changed to "MCPA system strengthened", which involves not only sustainable financing mechanisms, but also other elements of strengthening the MCPA system. In turn, the initial Outcome 1.2 "MCPA system strengthened" has been changed to "Effective planning and management of target MCPAs improved" to emphasize that this outcome focuses on strengthening the management of individual PAs.</p> <p>Initial Outcome 2.1 "Policy, legislative and institutional framework for fostering emergence of a blue economy strengthened" has been changed to "Mainstreaming of a Blue Economy supported" in order to account for the fact that important policies, laws and institutions supporting the Blue Economy already exist; the main focus of the project will be on identifying priorities for further sectoral mainstreaming and implementation of the Blue Economy approach. Moreover, the notion of Blue Growth, the ecosystem approach to fisheries/aquaculture and the rights-based approach have been incorporated. Also, sustainable livelihood and value chain aspects have been included in this outcome on Blue Economy mainstreaming, while Outcome 2.2 focuses on innovations and innovative technologies.</p> <p>Outputs and activities under these outcomes were elaborated in more detail during the project design phase, and are included in Annex A1 and Annex H of the ProDoc.</p>
<p>6) Budget per component</p>	<p>The exact budget figures per component have been adjusted based on the detailed budget elaborated during the project design phase.</p>

[1] *Biomass and Coastal-Marine System of Brazil* (2019). IBGE

[2] *Biomass and Coastal-Marine System of Brazil* (2019). IBGE

[3] Marengo et al. (2017). "Impacto, vulnerabilidade e adapta??o das cidades costeiras brasileiras "s mudan??as clim??ticas: Relatório Especial do Painel Brasileiro de Mudan??as Clim??ticas".

[4] IBGE (2017). *Regi??es Metropolitanas, Aglomera??es Urbanas e Regi??es Integradas de Desenvolvimento*.

[5] FAO (2016). "The State of World Fisheries and Aquaculture: Contributing to food security and nutrition for all."

Rome (Italy): Food and Agricultural Organization of the United Nations. Available at:
<http://www.fao.org/3/a-i5555e.pdf>

[6] V.M. de Freitas VM, and L.I.F. Ximenes L.J.F. (2016). Carcinicultura no Nordeste: velhos desafios para gera??o de emprego e de renda sustent?veis, at? quando? Caderno Setorial ETENE 1(1): 41-45.

[7] The expansion involved the announcement of two large offshore MCPAs?the S?o Pedro-S?o Paulo and the Trindade-Martin Vaz archipelagos?which increased protected area coverage in the marine realm from 1,57% to 26,34% of Brazil?s national waters.

[8] IUCN Protected Areas Categories: <https://www.iucn.org/theme/protected-areas/about/protected-area-categories>.

[9] The project developed a system for marine biodiversity monitoring which was applied to the 1.6 million hectares under enhanced protection.

[10] Ministry of Environment Decree no. 261, from 29 June 29, 2018.

[11] <http://documents1.worldbank.org/curated/en/208211602008242559/pdf/Brazil-Marine-Protected-Areas-Project.pdf>

[12] Abbreviations: UF = Unidades Federativos (States), OG = Organiza??o governante (Governing Body), APA = ?rea de Prote??o Ambiental (Environmental Protection Area), NGI = N?cleo de Gest?o Integrada (Integrated Management Unit), PARNA = Parque Nacional (National Park), PEM = Parque Estadual Marinho (Marine State Park), REBIO = Reserva Biol?gica (Biological Reserve), RESEX = Reserva Extrativista (Extractive Reserve), REVIS = Ref?gio de Vida Silvestre (Wildlife Refuge).

[13] Note: An Extractive Reserve is an area used by traditional communities whose livelihoods are based on extraction, subsistence agriculture and small-scale animal raising. Its basic objectives are to protect the livelihoods and culture of these communities and to ensure sustainable use of natural resources.

[14] Guia Participante (2019)

<http://bioteia.com.br/apadelta/wp-content/uploads/DocumentosAPA/GuiaParticipante/Guia%20do%20Participante%20APA%20Delta%20do%20Parnaiba.pdf>

[15] <https://rsis.ramsar.org/ris/2337> and <https://uc.socioambiental.org/en/arp/1150>

[16] <https://rsis.ramsar.org/ris/2310>

[17] Plano de Manejo (2016).

https://www.icmbio.gov.br/portal/images/stories/DCOM_plano_de_manejo_Apa_Canancia_Iguape_Pe ruibe_03032016.pdf

[18] Plano de Manejo Participativo (2010).

<https://www.icmbio.gov.br/portal/images/stories/imgs-unidades-coservacao/Plano%20Manejo%20Mandira%202010.pdf>

[19] Management Analysis and Monitoring System (Sistema de Análise e Monitoramento de Gestão). <http://samge.icmbio.gov.br/>

[20] Explanation of scores: 0 = There is no secure budget for the protected area and management depends entirely on external or highly variable financing; 1 = There is very little safe budget and the protected area could not function properly without external financing; 2 = There is a reasonably secure basic budget for the regular operation of the protected area, but many innovations and initiatives depend on external funding, and 3 = There is a safe budget for the protected area and its management needs.

[21] World Bank and United Nations Department of Economic and Social Affairs (2017). The Potential of the Blue Economy: Increasing Long-term Benefits of the Sustainable Use of Marine Resources for Small Island Developing States and Coastal Least Developed Countries.

[22] <http://www.fao.org/fisheries/blue-growth/en/>

[23] FAO (2018). "The State of World Fisheries and Aquaculture 2018 - Meeting the Sustainable Development Goals." Rome.

[24] Only between 14 and 46 percent of Brazil's sewage is treated, according to *Ministério de Cidades Brazil 2014*.

[25] do Val Simardi Beraldo Souza (2017).

[26] <https://www.in.gov.br/en/web/dou/-/decreto-n-10.544-de-16-de-novembro-de-2020-288552390>

[27] World Bank (2020). COVID-19 in Brazil: Impacts and Policy Responses. <https://reliefweb.int/report/brazil/covid-19-brazil-impacts-and-policy-responses>

[28] World Bank (2020).

[29] <https://www.greenclimate.fund/sites/default/files/document/funding-proposal-fp100-undp-brazil.pdf>

[30] <http://www.brazil.gov.br/about-brazil/news/2018/03/government-programme-to-offer-more-accurate-data-on-the-brazilian-coast>

[31] <https://www.giz.de/en/worldwide/40145.html>

[32] Including identification of potential areas for community co-management, ecological mosaics, ecological corridors, Ramsar sites.

[33] The four focal areas are: APA Delta do Parna?ba; RESEX Marinha do Delta do Parna?ba; APA Canan?ia-Iguape-Peru?be; RESEX do Mandira.

APA = ?rea de Prote??o Ambiental (Environmental Protection Area). RESEX = Reserva Extrativista (Extractive Reserve).

[34] Margoluis, R. and N. Salafsky. 2001. *Is our project succeeding? A guide to Threat Reduction Assessment for conservation*. Washington, D.C.: Biodiversity Support Program. (<https://fosonline.org/wp-content/uploads/2011/08/TRA.pdf>) A version of this work was published in *Conservation Biology* 13 (4): 830-841.

[35] Among the four focal MCPAs, this is mostly required for Reserva Extrativista Marinha do Delta do Parna?ba, which does not yet have a management plan.

[36] Sistema Nacional de Unidades de Conserva??o da Natureza (National Protected Area System).

[37] World Bank and United Nations Department of Economic and Social Affairs (2017). *The Potential of the Blue Economy: Increasing Long-term Benefits of the Sustainable Use of Marine Resources for Small Island Developing States and Coastal Least Developed Countries*.

[38] An Ecosystem Approach to Fisheries (or Aquaculture) strives to balance diverse societal objectives, by taking account of the knowledge and uncertainties about biotic, abiotic and human components of ecosystems and their interactions and applying an integrated approach to fisheries within ecologically meaningful boundaries. <http://www.fao.org/3/y4470e/y4470e.pdf>

[39] 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.

1b. Project Map and Coordinates

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

Please refer to Annex D

1c. Child Project?

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

N/A

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

If none of the above, please explain why:

Please provide the Stakeholder Engagement Plan or equivalent assessment.

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

Stakeholder analysis

1. A stakeholder analysis was prepared by the project design team (led by MMA with technical support of the World Bank), together with a stakeholder engagement plan, with the objective of mapping the various stakeholders and developing a strategy on how to ensure participatory space. This includes the sharing of project information (including relevant environmental and social issues and risks), strategies to mitigate possible social conflicts and/or perceptions about impacts and benefits of the project, as well as strategies to request and receive feedback on the project.

2. The project involves a range of beneficiaries and stakeholders at the national and community levels, given the large scale of the country's coastal and marine environment. In particular, direct beneficiaries include ministries from various sectors, protected area management agencies and ICMBio Research Centers, local populations and resource users living inside the MCPAs system, non-governmental organizations (NGOs), Civil Society Organizations (CSOs), scientific community and the national and international societies. Project activities will be targeted to these stakeholders to enhance their capacity and provide the foundation needed to drive the Blue Economy agenda. More specifically, local populations living near or adjacent to the MCPAs, including local fishers, fishing communities and some indigenous communities, will benefit from improved resource management and conservation, community empowerment and increased access to public policies. The project will support their participation in Management Councils, elaboration and updating of Management Plans for PAs, including through more active participation of women. The tourism industry will benefit from improved public use management, infrastructure, environmental education and conservation. The fishing industry will benefit from improved sustainability of their activities. Local, state, and federal stakeholders will be strengthened through participation in project activities and targeted capacity

building initiatives. The national and international community, as secondary beneficiaries will benefit from the implementation of a globally representative system of marine and coastal PAs in Brazil ? better protected ecosystems and transboundary biodiversity. Critical information will be generated to scientists and policymakers on the achievement of CBD and Ramsar Convention targets.

3. The Ministry of Environment (MMA) will carry out overall project coordination, management and communication activities at the strategic level, evaluating and updating, as needed, project objectives and targets in the project results matrix. It will monitor performance against project goals and supervise the project's Operational Partner (OP) (FGV). MMA will also be responsible for the development of national policies related to conservation and sustainable use of marine and coastal biodiversity. Partnerships with other ministries will be critical for the Blue Economy, as well as partnerships with research institutions for carrying out biodiversity and environmental monitoring. In addition, the project will work, through close supervision and timely actions, to improve implementation capacity in the ministry. The monitoring of project progress in the MCPAs will be carried out by MMA in close coordination with the ICMBio, states and municipalities.

4. ICMBio ? Chico Mendes Institute for Biodiversity Conservation: ICMBio is responsible for all aspects of federal PAs, ranging from managing the consolidation process for existing PAs, preparing Annual Operating Plans for PAs, and ensuring implementation of management actions (including surveillance and control), to providing counterpart resources and implementing biodiversity and environmental monitoring. The Department of Planning, Administration, and Logistics (Diretoria de Planejamento, Administra??o e Log?stica - DIPLAN) within ICMBio will oversee project actions by the Institute and will coordinate with MMA and the Project Coordination Unit in FGV.

5. Funda??o Get?lio Vargas: This agency has been designated by MMA as the project's Executing Agency (Operational Partner, OP) and recipient of the GEF's grant resources. As such, the OP will hold overall executing and fiduciary responsibilities for the project. It will conduct procurement, financial management, and monitoring.

6. State and Municipalities (Environmental Secretariats and Agencies): The state and municipal environmental secretariats and agencies will be responsible for (1) managing the process of consolidating new and existing state/municipal PAs, (2) preparing the Annual Operating Plans (POAs) for state/municipal PAs, and (3) ensuring implementation of management actions (including surveillance and control) in state and municipal PAs.

7. The Ministry of Science, Technology, Innovation, and Communication (MCTIC): The Ministry will be responsible for (1) developing scientific research, technology, and innovation related to conservation and sustainable management of marine and coastal assets under the Blue Economy approach, (2) preparing Annual Operating Plans (POAs) for these activities, and (3) ensuring implementation of research and technological and innovation actions.

8. The Ministry of Agriculture/Secretary of Fisheries and Aquaculture: The Ministry will be responsible for (1) development and implementation of policies, measures, monitoring, and regulations related to fisheries management at the national level, (2) preparing biannual Operating Plans (POs) for these activities, and (3) ensuring implementation of sustainable measures for fisheries management at the national level.

9. NGOs and the scientific community also play a key role providing analytical input during formal consultations. Throughout the life cycle of the project, working within their circles of influence, these stakeholders will continue their engagement providing knowledge in the overall status of biodiversity conservation and enhanced ecosystem management. The scientific community can additionally be a key resource for the project to identify new technologies and research methodologies applicable to marine ecosystem management.

10. Community individuals or as organized bodies through their Civil Society Organizations (CSOs), play a key role in the effective day-to-day management and monitoring of protected areas part of the project. In close collaboration with the other project stakeholders, communities will take an active role in the enhancement of livelihoods by adopting Blue Economy principles and adopting innovative technologies as appropriate.

11. Additionally, private sector stakeholders, such as local fisherfolk, fishing companies, tourism operators, shipping, transportation and oil and gas companies, play an important role in the conservation and sustainable use of coastal and marine resources, as outlined in *Section 4. Private Sector Engagement*.

Stakeholder consultations during the project design phase

12. During project preparation, consultations were conducted with key stakeholders, beneficiaries, and affected people and these meetings will be continued during implementation. GEF MAR1 had developed and applied a strategy of engagement with local communities, especially indigenous peoples. The current consultations have taken advantage of channels already established by

convening representatives of civil society, NGOs, academia, and local community leaders. The consultations address the findings of social and environmental assessments and evaluate impacts and benefits of project activities as well as measures to avoid or mitigate adverse impacts. Special consideration was given to impacts and benefits for vulnerable social groups.

13. Two virtual meetings were held for interested parties in the project: one geared to the members of the GEF MAR1 Project Council and the other geared for representatives of traditional communities engaged in the execution of the project. The contributions from these meetings were included in the Environmental and Social Assessment documents, and can be accessed in the separate Consultation report. In addition, a General Consultation was held in a virtual environment, by making the documents of the Environmental and Social Assessment accessible to the general public on the GEF MAR1 Project website.

14. Consultation was widely disseminated by e-mail to stakeholders, involving federal and state government agencies, non-governmental organizations, governmental organizations, traditional community organizations and subproject executors, managers of the Conservation Units included in the project, academy, among others. The contributions from this consultation were received by email using a specific spreadsheet and totalled 100 contributions to the text of the document. Due to the COVID-19 pandemic, it was not possible to perform the consultation face-to-face with Indigenous Peoples, and two face-to-face consultations are planned before the start of activities in the MCPAs. After the start of the project, meetings will be held with traditional communities and indigenous peoples involved in the project, in line with the potential impacts and corresponding prevention and mitigation mechanisms identified in the Environmental and Social Assessment, so that the project complies with the established Environmental and Social Framework.

Stakeholder Engagement Plan

15. The project will utilize a highly participatory approach, including gender dimensions, that emphasizes consensus and community participation in MCPA management, improving MCPA design to consolidate mosaics avoiding conflict with local people while maximizing conservation benefits. Consultations will provide specific comments on how to facilitate the participation of women and of young people in the project, especially in community subprojects. All of this information must be disseminated in a language that is accessible and culturally appropriate, taking into account the needs of the groups interested in the project, or of groups populations that have specific information needs (such as disability, literacy, mobility, language differences or accessibility).

16. The main stakeholders and their anticipated role in the project are summarized below.

Recipient	Type of organization	Role in the project
1. Ministry of Environment (MMA)	Federal public administration	National Project Director, Chair of Technical Forum and oversight of Project Coordination Unit
2. Other Ministries of the Federal Executive Branch such as Ministry of Agriculture, the Ministry of Science, Technology, Innovation, and Communication (MCTIC), and the Ministry of Agriculture, Livestock, and Supply (MAPA)	Federal public administration	Engaged as stakeholders
3. UC[1] Management Bodies (ICMBio and OEMAs) and Secretariat of the Commission Interministerial for Sea Resources (SECIRM)	Federal and State public administration	Focal points for the execution of the project
4. ICMBio Research Centers	Federal public administration	Project executing units
5. Federal UCs (ICMBio)	Federal public administration	Project executing units
6. State environmental agencies	State public administration	In charge of state MCPA management
7. Beneficiary communities in selected UCs (resident or not), including women, indigenous peoples and vulnerable groups	Community	Participation in management councils of UCs and main project beneficiaries

8. Community-based organizations and associations	Community	Support to community members in participation in management councils of UCs and social influence
9. Non-governmental organizations (NGOs)	Civil society	Support for different project activities and social influence
10. Civil Society Organizations (CSOs)	Civil society	Support for different project activities and social influence
11. Scientific community	Academia	Support for different project activities and social influence
12. Private companies	Private sector	Support and co-financing of different activities

Table 2: Main beneficiaries identified for the project and their roles

17. Additional stakeholders interested in the project may be identified during project implementation, such as local community organizations, unions and associations, private companies, local governments, non-governmental organizations and others not yet mapped. The interaction with these actors contributes to the strengthening of the project's actions, provides space for negotiation and conflict resolution in a participatory manner, in addition to improving the interinstitutional dialogue and between population and governments. Additional stakeholders also include:

- ? Brazilian Navy: linked to the Ministry of Defense, it participates in the co-management of large UCs that have recently been created (NGI S?o Pedro and S?o Paulo and NGI Trindade-Martim Vaz).

- ? Local governments: can be involved in specific activities of the selected UCs, according to their operational plans.
- ? Universities and educational institutions
- ? Private entities

18. The consultation process carried out within the scope of the project will be duly documented, in order to provide transparency to the process in a way that can be consulted throughout the life cycle of the project. Likewise, the consultation procedures, as well as their deadlines and schedule, will be disseminated by the project coordination to the different stakeholders through the established communication channels.

19. Consultation with indigenous peoples will be differentiated, in person format, in order to follow the guidelines of Convention 169 of the International Labor Organization - ILO on Indigenous and Tribal Peoples, promulgated by Decree No. 5051/2004, especially in terms of its article 6 and FAO's Environmental and Social Management guidelines. In this sense, the elaboration of the methodological proposal for conducting public consultation with the indigenous peoples will be carried out through articulation between the SBIO / MMA team, ICMBio, National Indian Foundation (FUNAI), and indigenous organizations. The methodology should be validated by indigenous and indigenist organizations in the regions to be consulted, with a view to ensuring Free, Prior and Informed Consent (FPIC) with representation of indigenous representatives, and with format, communication tools and language appropriate for this audience. As described above, this consultation will be carried out after the start of the project, considering the current restrictions imposed by the COVID-19 pandemic.

20. The table below summarizes the main methods for consultation and engagement of different stakeholder groups during project implementation, at both national and local levels. In addition, a grievance mechanism has been defined for project stakeholders (see [Annex I2](#)).

Stakeholder group	Methods for consultation and engagement	Periodicity
1. National and State government	<p>The following methods will be the main channels for communication with government stakeholders.</p> <ul style="list-style-type: none"> ? Email, phone and virtual/face-to-face meetings. ? Workshops. ? Project knowledge products. 	At least quarterly
2. Local communities and community groups, including women, Indigenous Peoples and vulnerable groups	<p>The project will communicate with local communities mainly through the project's staff, partners and local government. The main channels used will be meetings and phone calls, as well as flyers/posters.</p>	Continuously
3. Civil society and academia	<p>The main channels used for communication with civil society (including community-based organizations and NGOs) and academia are the following:</p> <ul style="list-style-type: none"> ? Email, phone, meetings. ? Workshops. 	At least bi-annually
4. Private sector	<p>Private sector actors will be engaged primarily through meetings, workshops, and phone calls.</p>	At least bi-annually
5. Regional and international organizations, development partners	<p>Regional and international organizations and development partners will be kept informed through the project's knowledge products, as well as workshops and participation in events.</p>	At least annually

Implementation, monitoring and reporting

21. The Project Coordination Unit (PCU) will be responsible for implementing the stakeholder engagement as outlined in the Stakeholder Engagement Plan. Budget for stakeholder engagement has

been allocated through the meeting, training and travel budget lines in **Annex A2**. Relevant activities have been included in the work plan (**Annex H**). The PCU will also be responsible for monitoring and reporting on stakeholder engagement through the annual project implementation reports (PIRs).

In the annual PIRs, the PCU will report on the following indicators:

- >Number of government agencies, civil society organizations, private sector, vulnerable groups and other stakeholder groups that have been involved in the project implementation phase.
- >Number of engagements (such as meetings, workshops, official communications) with stakeholders during the project implementation phase.
- >Number of grievances received and responded to/resolved.

[1] UC = Units of Conservation (Protected Areas)

Select what role civil society will play in the project:

Consulted only;

Member of Advisory Body; Contractor;

Co-financier;

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.

1. Women play an important role in smallholder families in fishing and indigenous communities. Their contribution to the Blue Economy is likewise substantial. However, they do not always reap the full financial benefits of their labour. There is little data on the exact extent of these gaps across sectors of the Blue Economy and beyond. Research in urban areas, for example, indicates gaps in remuneration and time spent on domestic activities and care of children. The project will address this shortage of information by explicitly incorporating gender analysis into the formulation and implementation of project actions. In order for no one to be left behind, the project incorporates

specific interventions to address identified gaps, particularly regarding equality of opportunities. These will include institutional strengthening of direct support and improvement of women's participation in MCPA capacity- and knowledge-building activities. To this end, the project has developed a gender analysis and action plan to improve the productive opportunities and organization of women in MCPAs that the project supports.

I. Gender Analysis

2. **Context.** In recent decades, Brazil has presented significant improvements in promoting equality between men and women. The country has been globally recognized by the achievements of the federal government in the promotion of gender equality through actions of the Secretariat of Policies for Women and the Secretariat of Policies for Promoting Racial Equality.[1] Important progress has been made, in particular, in achieving gender equality in health and education, with women's education rates now higher than those of men.[2] The National Plan of Policies for Women takes into consideration the participation of women at the various levels of social control on public policies targeting socio-environmental development and recognizes the role of rural and forest populations in the management, use and conservation of natural resources. In 2017, the Brazilian Government adopted its first National Action Plan on Women, Peace, and Security. Gender equality is also a relevant subject for the environmental sector. Since 2012, the Ministry of Environment has a Gender Committee, which is in charge of discussing and proposing actions to ensure gender equality in programs and policies, specifically those as they relate to Sustainable Development Goal 5 (SDG 5). On the other hand, despite the gradual increase in the collective mobilization of women in all social levels, in which they have been gaining confidence and skills to guarantee their rights of access to resources and power in different arenas, important challenges still persist, especially with regard to equality of opportunities. A reversal in progress occurred in 2018 when the disparity between men and women rose to its highest level since 2011. Brazil ranked 79 out of 189 countries in the 2019 Gender Inequality Index (GII).[3] Female participation in the labour force is low, and wage and income inequalities persist.[4] Moreover, national statistics indicate that the number of women living in poverty in Brazil is higher than the number of men, and that the inequality between genders has increased in the last decade.[5] This is particularly true with regard to people who are active in marine and coastal areas. Brazil needs to continue efforts to reduce gender inequality and increase women's economic participation and opportunities. GEF MAR1 has made considerable progress addressing gender gaps and this dimension will continue to be a priority for the proposed project.

3. **Gender roles in the management of coastal and marine resources.** Women and men play different roles in the management of coastal and marine resources. For example, a study of 'Gendered livelihoods, identities and perspectives of artisanal fisheries in eastern Brazil' showed that, while the majority of men engage in offshore fisheries, women conduct activities such as preparing seafood products for the market, and extracting shellfish from nearby shore habitats.[6] These activities

enable them to simultaneously take care of their children. Another study of women involved in fishing at the Corumbau Marine Protected Area (MPA) found that women participated at various levels of the fishing production chain, on catching shellfish, adding value to shrimp and selling products. However, they were either not paid or received fewer wages compared to men, which means that they often stay in a dependent position within the family and communities. The study also noted that this traditional division of tasks probably also leads to women possessing different knowledge about marine, coastal and estuarine biodiversity than men.^[7]

4. **Women's participation in management and decision making.** Among the participants in the consultative processes for the creation of MCPAs or in the MCPA Councils, phase 1 of the GEF MAR project was attended by a total of 7,325 people, among which 4,353 were men (58%) and 2,972 were female participants (42%). This is also reflected in the study of Corumbau MPA, which showed that the attendance rate of women in the MPA meetings was significantly lower than that of men, in part because women had to take care of children, along with traditional cultural views that result in inequality in participation.

^[1] Di Ciommo, R. C., and Schiavetti, A. (2012).

Participants	Total number	%
Women	2,972	41%
Men	4,353	59%
Total	7,325	100%

Table 3: Participation in consultative processes for the creation of MCPAs or in MCPA councils. GEF MAR1

Source: World Bank (elaboration based on data contained in minutes and attendance lists at meetings and execution reports)

5. These figures demonstrate still an unequal participation between men and women in participatory and decision-making spaces, reflecting and reinforcing traditional gender roles, in which men occupy public spaces and productive functions, while women are relegated to the private space and the reproductive function inside households.

6. Despite this, in the last years, an increase in the establishment of women's network associated specially to productive organization within MCPAs has been observed. However, there is still a lack of information on the number and composition of these networks and on the associations they are linked to. The gathering and systematization of information on these networks would be useful to the design and implementation of relevant actions to technically and institutionally strengthen them so they can act more effectively to identify and meet the demands of these groups. It would also allow designing strategies to promote a wider female participation in decision-making spaces and their political and economic empowerment, depending on the socio-cultural context of each region/sub-region. Furthermore, engaging these networks would help to ensure that women's specific needs and priorities are identified and taken into consideration in planning and decision making.

7. **Engaging the youth and girls.** An unbalanced participation in decision making spaces is also observed among the youth. Community organization often raise their concerns on the exodus of their young population, who leave their communities in search for better opportunities. The implementation of youth inclusive actions, guaranteeing equal participation between boys and girls, can contribute to the promotion of their autonomy, positively impacting the local economy and guaranteeing the intergenerational sustainability of extractive activities. When focused on young girls, the impact may be even more relevant to produce structural changes in traditional cultural norms that are perpetuated generation after generation and hinder the productive inclusion of these young women in the future.

8. **Employment and women's ownership and control of assets.** There is currently no available data on the proportion of women in productive associations, especially in those productive chains traditionally composed by men. Also, relevant information on the community-based entrepreneurship led by women is lacking, such as extractive activities and shell-fish and crustacean processing. The lack of such information makes it difficult to design and implement actions and initiatives aimed at strengthening productive associations and chains mostly composed and led by women with the objective of promoting their economic and social empowerment. **Within the Marine and Coastal Protected Areas, effective co-management requires that both local women and men have consistent and equitable participation in the decision-making related to resource use. The co-management is expected to enable fisherwomen to participate in the control and management of natural resources, such as fishery resources.**

[1] Di Ciommo, R. C., and Schiavetti, A. (2012).

II. Gender Action Plan

9. In line with these identified priorities, the Gender Action Plan was prepared, as shown below. It presents the measures to be implemented by the project to narrow inequalities observed between men and women in MCPAs supported by the project.

Action	Indicator	Target	Monitoring & evaluation	Timeline
Objective 1.1: To promote a more equal participation between men and women in participatory and decision-making spaces.				
Action 1.1: To carry out a diagnosis on women's networks and other initiatives that promote women's political and economic empowerment in productive activities in the MCPAs supported by the project, with emphasis on the existing ones, and aiming at identifying priority actions to strengthen these networks and/or to support the creation of women's network.	Indicator 1.1: Diagnosis on women's networks and other initiatives that promote women's political and economic empowerment in productive activities in the MCPAs supported by the project	Target 1.1: Diagnosis delivered and publicized	Monitoring of the partial deliverables of the diagnosis and its final version	End of Year 1
Action 1.2: Strengthen existing and/or support the creation of new women's networks in the target MCPAs through capacity building and other tasks.	Indicator 1.2: Number of women's networks supported.	Target 1.2: 10	List of attendance of events and meetings	Throughout project implementation

Action	Indicator	Target	Monitoring & evaluation	Timeline
Action 1.3: Ensure participation of women in the management of target MCPAs and in the implementation of management plans. Actions 1.2 and 1.3 are anticipated not only to enhance women's participation in decision-making, but also their access to and control over natural resources, such as, for example, in extractive areas for sustainable harvesting of shell-fish and crustaceans.	Indicator 1.3a: Percentage participation of women in MCPA meetings. Indicator 1.3b: Number of women's groups and women enterprises with enhanced access to extractive areas for sustainable harvesting of coastal/marine resources.	Target 1.3a: 50% Target 1.3b: Target to be established during project inception	List of attendance of events and meetings Project M&E survey	Throughout project implementation
Objective 2.1: To increase the involvement and leadership of young people in decision-making spaces.				
Action 2.1: Training and awareness-raising activities for young people, encouraging the participation of at least 50% of girls, in topics such as youth representation and leadership, social technologies, structuring and administration of productive associations. The trainings should also be associated with topics of interest of this groups, such as sports and social media, among others.	Indicator 2.1: Number of young people trained, guaranteeing a balanced participation between boys and girls.	Target 2.1: 50 boys and girls trained, with at least 25 female participants.	List of participants that attended the training sessions on youth leadership disaggregated by sex.	End of Year 2
Objective 3.1: To promote a wider participation of women in productive inclusion activities and associations				

Action	Indicator	Target	Monitoring & evaluation	Timeline
<p>Action 3.1: Carrying out a study/survey to identify the productive chains in which there is an increased demand for women's participation and the activities that are more often led by women within these chains. The study will also include gender-related information on resource use and access.</p>	<p>Indicator 3.1: Study to identify the productive chains in which there is an increased demand for women's participation and the activities that are more often led by women within these chains.</p>	<p>Target 3.1: Study completed and publicized</p>	<p>Monitoring of the partial deliverables of the study and its final version.</p>	<p>End of Year 2</p>
<p>Action 3.2: Increasing the number of women participating in productive chains supported by the project by setting gender criteria into calls for proposal for productive projects to be supported by the project.</p>	<p>Indicator 3.2a: Percentage of calls for proposal including gender criteria</p> <p>Indicator 3.2b: Percentage of initiatives supported as part of Output 2.1.2 (on sustainable livelihoods and value chains) that are implemented by women's groups, women-led enterprises or enterprises with at least 50% women members</p>	<p>Target 3.2a: 30% of all calls for proposal including gender criteria</p> <p>Target 3.2b: At least 46% (7 out of 15)</p>	<p>List of calls for proposal to support productive projects with gender criteria compared to the total number of calls for proposal.</p>	<p>Throughout project implementation</p>

Action	Indicator	Target	Monitoring & evaluation	Timeline
Action 3.3: Including mechanisms to incentivize the participation of women in technical trainings supported by the project.	Indicator 3.3: Percentage of technical trainings supported by the project with mechanisms to incentivize the participation of women	Target 3.3: 100% of the trainings with mechanisms to incentivize the participation of women	List of the total number of technical trainings supported by the project with information on mechanisms to incentive women?s participation.	Throughout project implementation

The PCU will be responsible for implementation of the Gender Action Plan, as well as monitoring and reporting. The following items have been included in the budget to support implementation of the plan.

The budget for the implementation of the Gender Action Plan is summarized below.

Budget item	Timeline	Amount
? National Safeguards and Gender Specialist (50%)	Throughout project implementation	? USD 75,000
? Other items budgeted as part of the project interventions (assessments, plans and sub-project activities)	Throughout project implementation	? Budgeted under outputs
Total		USD 75,000

[1] Ministry of the Environment (2017). National Biodiversity Strategies and Action Plan (NBSAP).

[2] Instituto Brasileiro de Geografia e Estatística (IBGE, 2021).

https://biblioteca.ibge.gov.br/visualizacao/livros/liv101784_informativo.pdf

[3] <http://data.un.org/DocumentData.aspx?q=Gender+Inequality+Index&id=415>

[4] World Economic Forum (2019). Global Gender Gap Report 2020. http://www3.weforum.org/docs/WEF_GGGR_2020.pdf

[5] NBSAP, 2017.

[6] Santos, A. (2015). <https://doi.org/10.1016/j.marpol.2015.09.007>

[7] Di Ciommo, R. C., and Schiavetti, A. (2012). Women participation in the management of a Marine Protected Area in Brazil. *Ocean Coast. Manag.* 62, 15?23.

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.

1. Private sector stakeholders, such as local fisherfolk, fishing companies, tourism operators, shipping, transportation and oil and gas companies, play an important role in the conservation and sustainable use of coastal and marine resources. The project will foster involvement of the private sector through their engagement in MCPA management, and by strengthening selected value chains in line with the principles of Blue Economy and Blue Growth. It will promote sustainable use of and adding value to productive chains associated with the local traditional communities that rely on coastal and marine resources for their livelihoods. The project will target increasing the value addition and diversifying fishers' livelihoods to reduce poverty and pressure on the country's fisheries, improving the business climate, enabling the private sector productivity and investment in conservation and sustainable use, and supporting public investments critical to a viable private sector. The private sector, including the fisheries cooperatives, will benefit from a more sustainable resource base and decreased risks for their investment.

2. Furthermore, the project will aim to make current investments more sustainable and aligned with the Blue Economy, in sectors such as fisheries and aquaculture, tourism and recreation, oil and gas, and shipping and transportation. This will also involve engagement of financial institutions

and investors in the dialogue on mainstreaming Blue Economy, to ensure that future investments are conservation-oriented, including sustainable use, and will have a net positive impact (or, at the least, will not have a negative impact) on natural resources and biodiversity. Finally, the private sector will be engaged in sustainable financing mechanisms of MCPAs including through environmental compensation, PES and concessions.

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):

Section A: Risks to the project

In the section below, elaborate on indicated risks **to the project**, including climate risks[1], potential social environmental, political or fiduciary 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 [2]	Probability of occurrence ³	Mitigation actions	Responsible party
Institutional. Changes in public policies and staff of public institutions may impact project schedule and successful implementation of management plans	H	M	For good governance and interinstitutional relations a management matrix will be constructed for each component and instruments will be elaborated, such as cooperation agreements between the executing agency and partners. This process will link tasks to responsible entities and financial resources, and will facilitate monitoring and reporting with lessons learnt	PCU, MMA
Stakeholders. Difficulty in engagement of managers and community organizations impacts continuity of management plans	H	L	The project will work with managers and community organizations that have expressed support to develop and implement management plans. To engage new managers capacity building activities will use participatory teaching and mapping tools	PCU, MMA
Gender. Difficulty in achieving gender equality goals, limited women and youth participation	M	M	The project has specific targets for women-led activities and women participation. Vacancy in all project activities will be made available for women, and training will be adapted to respect social contexts where women are expected to participate	PCU, MMA

<p>Technical. Illegal extraction and low prices of illegal products may impact the success of sustainably managed biodiversity products</p>	M	H	<p>The project will map bottlenecks in the target value chains for marine and coastal resources and develop a mitigation plan to increase value of sustainably extracted products.</p>	PCU, MMA
<p>Climate change. Mangrove and coral reef restoration and conservation activities, as well as fish stocks, can be seriously affected by the adverse consequences of climate change.</p>	M	H	<p>A climate risk analysis has been conducted and is uploaded as a separate document in the Portal.</p> <p>Climate change considerations have been incorporated into the project design. Among others, climate change will be an integral part of the threats assessments conducted under Component 1. The effects of climate change on coastal and marine ecosystems will be a theme of discussion during courses and the technical support for implementation of management plans. Strategies for adaptation of management plans will be defined. Responses to climate change impacts will also be considered in the development of plans and policies, as well as livelihood options.</p> <p>While the project is rated as having moderate climate risk, in order to enhance resilience of marine biodiversity and reduce the vulnerability of communities that depend on them for livelihoods, the project must account for historical observations, short, mid, and long-term climate projections to integrate climate risk management and identify specific impacts on marine and coastal social and ecological systems. In this regard, climate monitoring and information should be integrated at multiple levels of governance, in order to enable different stakeholders to prepare for and prevent climatic impacts and increase resilience. Anthropogenic impacts on the local environment and society, which are detected to exacerbate the effects of climate change, must be constantly identified, monitored, and reduced as well.</p>	PCU, MMA

COVID-19 Risk analysis:

Possible impacts and mitigation actions during project design

1. During the initial stages of project implementation, the ongoing COVID-19 pandemic is likely to affect travel, meetings and consultations. Appropriate risk mitigation measures include the identification of remote tools and methodologies to develop meetings and consultations. Travel will be limited to the minimum essential, and virtual meetings will be held whenever possible. Only when necessary, face-to-face meetings will be held strictly following national guidance to prevent transmission of the virus. During the entire duration of project implementation, the evolution of the pandemic will be monitored to include mitigation measures in the design of the project.

Risk analysis and mitigation strategies in the project

2. The project will start implementation in the second half of 2021. Even though vaccination rates are expected to increase in the country, the evolution of the virus will be monitored continuously and project activities will consider risk mitigation measures related to the availability of technical experts and capacities, stakeholder engagement process and the complexities associated with working with local communities and indigenous populations in isolated locations. This will be reflected in the project's Annual Work Plans.

3. The business models, partnerships and market articulation mechanisms considered by the project under Component 2 could be affected by the evolution of the COVID-19 pandemic or the emergence of other future diseases of zoonotic origin by the closure of roads, markets and quarantine measures that can hinder economic activity. The project will take the lessons learned from the ongoing COVID-19 pandemic into account in the design of the business models under outputs 2.1.2 and 2.2.2. Measures could include, for example, the support with digital transformation processes or the provision of financial support to increase liquidity among smallholders.

Opportunities to mitigate impacts, deliver GEBs and contribution to green recovery and building back better

4. As discussed in section 1, transitioning to a Blue Economy can help mitigate the risks of the COVID-19 outbreak. With recessions looming in the United States, China, and Europe, Brazil's largest export markets, these risks will materialize as a major slowdown in the global economy. Well-managed natural capital, through a blue lens, will incentivize local coastal economies to continue productive trends including supplying the country with nutritious seafood during this time of crisis. This project will take the lessons learned from the MAR1 experience and the REBYC project (Sustainable Management of Bycatch in Latin America and Caribbean Trawl Fisheries (REBYC-II LAC), GEF ID 5304) and build on them to promote conservation of coastal areas as well as sustainable practices and business models for the target marine and coastal protected areas.

Section B: Environmental and Social risks from the project.

Corresponding to section 11 in CEO Endorsement module of the GEF Portal

[1] GEF-STAP guidance on climate risk screening: <https://www.stapgef.org/stap-guidance-climate-risk-screening>

[2] 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.a Institutional arrangements for project implementation.

1. The Ministry of Environment (MMA) will have the overall executing and technical responsibility for the project, with FAO providing oversight as GEF Agency as described below. On behalf of MMA, Fundação Getúlio Vargas (FGV) will act as the lead executing agency and Operational Partner (OP) and will be responsible for the day-to-day management of project results entrusted to it in full compliance with all terms and conditions of the Operational Partnership Agreement (OPA) signed with FAO. As OP of the project, FGV is responsible and accountable to MMA and FAO for the timely implementation of the agreed project results, operational oversight of implementation activities, timely

reporting, and for effective use of GEF resources for the intended purposes and in line with FAO and GEF policy requirements.

2. The GEF Operational Focal Point (OFP) in the Secretariat for International Affairs (SEAIN, in Portuguese) of the Ministry of Economy (ME) has endorsed the project and will monitor the annual Project Implementation Reviews (PIR). He/she will be part of the Project Steering Committee (PSC) and will be invited to the mid-term and terminal evaluations of the project.

3. The Brazilian Agency for Cooperation of the Ministry of Foreign Affairs, hereinafter referred to as "ABC/MRE", is the institution at the Government level responsible for the coordination, monitoring of the activities envisaged within the framework of the present Executive Agreement.

4. The project will be coordinated by MMA and FGV, in partnership with the following key agencies: Chico Mendes Institute for Biodiversity Conservation (Instituto Chico Mendes de Conservação da Biodiversidade, ICMBio), the Ministry of Agriculture/Secretary of Fisheries and Aquaculture, and state and municipality agencies. FGV has been designated as Executing Agency and recipient of the GEF resources responsible for carrying out the Project's coordination, administrative, procurement and financial management tasks, accounting and disbursements for all project components. FGV will constitute the Project Coordination Unit (PCU), under the oversight of and in close collaboration with MMA, and receive technical guidance from the government partners.

5. MMA's Secretariat of Protected Areas will retain overall policy-level and technical leadership for the Project. MMA will be responsible for the overall coordination of the four Components. Its functions will include (1) overseeing the preparation of annual work plans and budgets (AWP/B), (2) preparing supervisory and other reports as required by FAO, (3) monitoring and evaluating project activities, (4) confirming the technical cooperation agreements, (5) securing project safeguard compliance in collaboration with ICMBio and state environment agencies, and (6) conducting communication and information dissemination programs.

6. FGV will be responsible for overall coordination, procurement and financial management and monitoring, including approving and tracking the distribution of funds. Monitoring of the Project's progress will be carried out in close coordination with MMA-assigned National Project Director and his/her team of analysts. A multi-institutional Technical Forum (TF), comprised of key implementing and executing agencies, will oversee Project implementation. The TF will be supported by the FGV and the MMA. The Project Implementation Manual (PIM) will detail the roles and responsibilities of each of these institutional structures as well as the agencies involved in the Project's implementation.

7. Partners Overview: Overall political and technical responsibility for the project will lie with the Secretariat of Protected Areas at MMA. However, day-to-day execution will be undertaken in partnership with various agencies, as follows:

Coordination and Supervision

- ? Secretariat of Protected Areas at MMA. This will be the lead government implementing agency. The MMA will assign a National Project Director and a team of analysts and will be responsible for coordination, supervision, and monitoring of Project implementation.

Technical Implementation

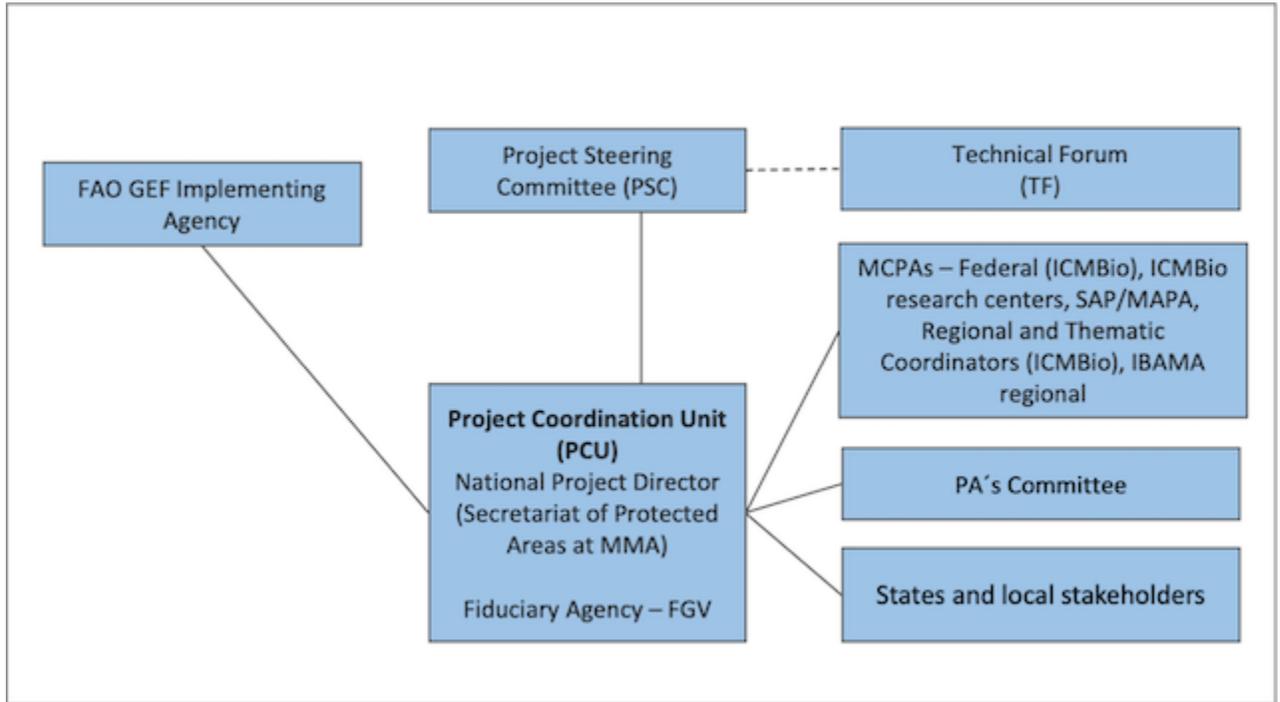
- ? Secretariat of Protected Areas at MMA. Technical teams from Secretariat of Protected Areas will also be responsible for proposing, monitoring, analysing, developing and evaluating policies, projects and strategies for the preservation of conservation units.
- ? Chico Mendes Institute for Biodiversity Conservation (ICMBio). This government agency is responsible for management of federal PAs, threatened species, and research and monitoring of biodiversity associated with the federal PAs in Brazil.
- ? Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA). This government agency is responsible for environmental inspection and the application of administrative penalties in the project areas and will support the establishment of actions to combat environmental threats and emergencies. It will also support the establishment of criteria for the management of the use of wildlife, fishing, and forest resources, according to its legal attributions.
- ? State and municipal agencies. Where relevant, project activities will be coordinated with state/municipal agencies for coordination with state/municipal PAs.
- ? The Ministry of Agriculture/Secretary of Fisheries and Aquaculture (MAPA). It will be responsible for policies, measures, monitoring, and regulations related to fisheries management at the national level.

Grant recipient

- ? Fundação Getúlio Vargas (FGV). FGV will be responsible for Project coordination, procurement, financial management, and monitoring. **Note:** The identified Operational Partner

(OP), results to be implemented by the OP and budgets to be transferred to the OP are non-binding and may change due to FAO internal partnership and agreement procedures which have not yet been concluded at the time of submission.

The project organization structure is as follows:



8. **Financial Reporting:** FGV will ensure the timely production of quarterly financial reports, prepared in Brazilian Reals (BRL) and U.S. dollars, to be submitted to FAO at the end of each semester. A specific ledger will be created in the system to record all grant transactions and will be aligned with the structure of the budget table to record transactions by category and component, and any co-financing contribution (in-kind or grants) supporting the related activities which will be reflected in the financial reports. On a six-monthly basis, the MMA will consolidate and report to FGV, the total of co-financing contributions. The reports will be prepared in local currency and US dollars, based on the information provided by FGV.

9. The government will designate a National Project Director (NPD). Located in the Ministry of Environment (MMA), the NPD will head the PCU and will be responsible for coordinating the activities with all the national bodies related to the different project components, as well as with the project partners. He/she will also be responsible for supervising and guiding the National Project Coordinator (see below) on the government policies and priorities. The NPD will chair the Project Steering Committee (PSC) which will be the main governing body of the project. The PSC will approve Annual Work Plans and Budgets on

a yearly basis and will provide strategic guidance to the Project Management Team and to all executing partners.

10. **Project Steering Committee (PSC):** A PSC comprised of MMA, the Secretariat of International Affairs (SEAIN) of the Ministry of Economy, the Brazilian Cooperation Agency (ABC) of the Ministry of Foreign Affairs, and FAO will provide policy-level and strategic guidance to the project. The PSC can be expanded to include other representatives upon mutual agreement among the parties. The PSC will ensure linkages to relevant sectorial policies and programs, assisting in the resolution of any inter-sectorial debates and suggesting improvements regarding coastal and seascape management challenges, and integration of Blue Economy principles into the project. The PSC will meet at least once a year, conducting at least one meeting in person, and more frequently on an *ad hoc* basis as needed.

11. The PSC will ensure: i) Oversight and assurance of technical quality of outputs; ii) Close linkages between the project and other ongoing projects and programmes relevant to the project; iii) Timely availability and effectiveness of co-financing support; iv) Sustainability of key project outcomes, including up-scaling and replication; v) Effective coordination of governmental partners work under this project; vi) Approval of the Annual Work Plan and Budget; vii) Making by consensus, management decisions when guidance is required by the National Project Coordinator of the PCU.

12. In its inception meeting, the PSC should establish operating rules to be approved by its members. In particular, the PSC will:

- Review the strategic planning and technical and financial results of the project and send proposals for review and feedback to the Technical Forum.
- Review the technical and financial results of the project and compile the considerations and/or questions for the implementation support mission that FAO will carry out every six months/annually.
- Encourage exchange of good practices between the PSC and TF institutions related to management and protection of the environment.
- Recommend tools for effective management of the project.
- Seek synergies in actions developed by the institutions to optimize the initiatives and reduce overlaps in the implementation of environmental programs.
- Solicit advice from the Ministry of the Environment (MMA), implementing partners, and the Executing Agency on issues that might arise from PSC meetings.

13. **Technical Forum (TF):** The TF is consultative body that will provide technical guidance to the project. It functions to ensure compliance with the proposed results indicators considering PSC guidance. To this end the TF will (1) define operational procedures and guidelines, (2) analyze and approve the budget for the Project's Annual Operating Plans, (3) review implementation progress and budgets for each Component on a semester basis and resolve any problems and bottlenecks that are identified, (4)

analyze and issue opinions on technical and financial reports, as well as on strategic recommendations made by other Project groups, (5) establish criteria for the signing of agreements and contracts envisioned under the Project, and (6) establish technical committees to assess technical issues.

14. The TF will meet at least twice a year. It will be chaired by a representative from MMA and will consist of the following members. Additional representatives such as from state/local institutions, civil society, the private sector and local communities will be engaged on an ad hoc basis.

- 1 representative of MMA (Chair)
- 1 representative of the Ministry of Science, Technology, Innovation, and Communication
- 1 representative of the Secretariat of the Interministerial Commission for Sea Resources (SECIRM)
- 1 representative of the Secretary of Ports (SEP) part of the Ministry of Infrastructure
- 1 representative of the Ministry of Agriculture (Secretary of Fisheries and Aquaculture)
- 1 representative from ICMBio
- 1 representative from the Executing Agency (OP) ? FGV
- 1 representative from FAO

15. The members of the Technical Forum will each assure the role of a Focal Point for the project in their respective agencies. Hence, the project will have a Focal Point in each concerned institution. As Focal Points in their agency, the concerned PSC members will: (i) technically oversee activities in their sector; (ii) ensure a fluid two-way exchange of information and knowledge between their agency and the project; (iii) facilitate coordination and links between the project activities and the work plan of their agency; and (iv) facilitate the provision of co-financing to the project.

16. **Technical Working Groups:** The TF may periodically establish specific Technical Working Groups to analyze and provide technical guidance on particular issues (such as the Blue Economy) that may arise during implementation. These groups will typically include technical experts drawn from government, universities, research institutions, NGOs, and stakeholders relevant to the question at hand.

17. **National Project Director:** The NPD will be assigned by the government from the Secretariat of Protected Areas within MMA. She/he will serve as a link between the Technical Forum, the PCU, the focal points, and articulate with other technical areas at MMA, Ministry of Agriculture and Ministry of Science and Technology. The NPD will be supported by technical specialists and administrative staff of MMA. She/he will also act as the chair of the TF and executive secretariat for the PSC.

18. **Project Coordination Unit (PCU):** The PCU will be overseen by the NPD and housed in FGV. The main functions of the PCU, following the guidance of the Project Steering Committee, are to ensure overall efficient day-to-day management, coordination, implementation and monitoring of the project through the effective implementation of the annual work plans and budgets (AWP/Bs). This will include (1) coordinating, supporting, executing, and supervising the implementation of activities under each Component by the executing agencies, (2) ensuring the PCU has adequate technical and administrative staff for the coordination of activities, (3) promoting the integration of partners into the Project and ensuring effective communication among all stakeholders, (4) formulating and systematizing documents for analysis and approval by the TF, (5) receiving Annual Operating Plans, (6) collating and consolidating the physical execution reports from all executors, (7) preparing biannual Project Progress Reports (PPRs) and annual Project Implementation Review (PIR) reports, (8) preparing the consolidated Annual Work Plan and Budget (AWP/B) for the Project and the general progress report to be reviewed and approved by the FT and FAO's Lead Technical Officer (LTO) and Budget Holder (BH), and (9) ensuring compliance with the FAO's Environmental and Social Management (ESM) guidelines, jointly with ICMBio and state agencies.

19. Within the PCU, FGV will have a financial management unit. This unit will ensure sound fiduciary management of project resources. Its responsibilities will include financial management, procurement, implementation, and M&E of the project, and preparation of quarterly financial execution reports as described in detail in the PIM. FGV will ensure that its unit has qualified staff in adequate numbers to secure sound fiduciary management of project resources until completion of the project in accordance with the terms set forth in the PIM. The financial management unit will work under the supervision of and in close collaboration with the National Project Coordinator to ensure smooth coordination on questions related to finances and procurement.

20. **Focal points.** Focal points are groups in each Executing Agency that will ensure the execution of the Project's operating and procurement plans according to targets established for each Component. Focal points will follow TF decisions, integrated with PCU day-to-day guidance, to ensure compliance with the FAO's ESM guidelines, in cooperation with other executing agencies.

Key Project Executing Agencies

21. The roles and responsibilities assigned to each key Executing Agency will be described in detail in the PIM. Table below provides an overview of the key agencies and partners for each of the four Components.

Table 4: Agencies and Partners

Components	Executors	Administrator	Potential Partners
1. Strengthening the management and sustainability of the MCPA system	ICMBio, MMA, and where relevant, states and municipalities	FGV	Sectoral ministries (federal/state), IBAMA, NGOs, research institutes, academic institutions, grassroots organizations, private sector
2. Developing a pathway for a Blue Economy	MMA, ICMBio, FGV	FGV	Sectoral ministries, IBAMA, NGOs, research institutes, MCTIC, Ministry of Agriculture (fisheries), SECIRM, ports, academic institutions, grassroots organizations, private sector
3. Increasing awareness, knowledge and capacity	ICMBio, MMA, and, where relevant, states and municipalities	FGV	Sectoral ministries, states, NGOs, research institutes, academic institutions, grassroots organizations, private sector
4. Project monitoring and evaluation	MMA	FGV	ICMBio, states and municipalities

22. The **National Project Coordinator (NPC)**, housed at the PCU in FGV, will oversee daily implementation, management, administration and technical supervision of the project, on behalf of MMA, and within the framework delineated by the PSC. S/he will be responsible, among others, for:

- i) Coordination with relevant initiatives;
- ii) Ensuring a high level of collaboration among participating institutions and organizations at the national and local levels;
- iii) Ensuring compliance with all Operational Partners Agreement (OPA) provisions during the implementation, including on timely reporting and financial management;
- iv) Coordination and close monitoring of the implementation of project activities;
- v) Tracking the project's progress and ensuring timely delivery of inputs and outputs;
- vi) Providing technical support and assessing the outputs of the project national consultants hired with GEF funds, as well as the products generated in the implementation of the project,;

- vii) Approving and managing requests for provision of financial resources using provided format in OPA annexes;
- viii) Monitoring financial resources and accounting to ensure accuracy and reliability of financial reports;
- ix) Ensuring timely preparation and submission of requests for funds, financial and progress reports to FAO as per OPA reporting requirements;
- x) Maintaining documentation and evidence that describes the proper and prudent use of project resources as per OPA provisions, including making available this supporting documentation to FAO and designated auditors when requested;
- xi) Implementing and managing the project's monitoring and communications plans;
- xii) Organizing project workshops and meetings to monitor progress and preparing the Annual Budget and Work Plan;
- xiii) Submitting the six-monthly Project Progress Reports (PPRs) with the AWP/B to the PSC and FAO;
- xiv) Preparing the first draft of the Project Implementation Review (PIR);
- xv) Supporting the organization of the mid-term and terminal evaluations in close coordination with the FAO Budget Holder (BH) and the FAO Independent Office of Evaluation (OED);
- xvi) Submitting the OP six-monthly technical and financial reports to FAO and facilitate the information exchange between the OP and FAO, if needed;
- xvii) Providing draft terminal report for BH two months before the ending date of the OPA or the project;
- xviii) Informing the PSC and FAO of any delays and difficulties as they arise during the implementation to ensure timely corrective measure and support.

23. The **Food and Agriculture Organization (FAO)** will be the GEF Implementing Agency (IA) for the project, providing project cycle management and support services as established in the GEF Policy. As the GEF IA, FAO holds overall accountability and responsibility to the GEF for delivery of the results. In the IA role, FAO will utilize the GEF fees to deploy three different actors within the organization to support the project (see [Annex K](#) for details):

- ? The Budget Holder, which is usually the most decentralized FAO office, will provide oversight of day to day project execution;

- ? The Lead Technical Officer(s), drawn from across FAO will provide oversight/support to the projects technical work in coordination with government representatives participating in the Project Steering Committee;
- ? The Funding Liaison Officer(s) within FAO will monitor and support the project cycle to ensure that the project is being carried out and reporting done in accordance with agreed standards and requirements.

24. FAO responsibilities, as GEF agency, will include:

- ? Administrate funds from GEF in accordance with the rules and procedures of FAO;
- ? Oversee project implementation in accordance with the project document, work plans, budgets, agreements with co-financiers, Operational Partners Agreement(s)and other rules and procedures of FAO;
- ? Provide technical guidance to ensure that appropriate technical quality is applied to all activities concerned;
- ? Conduct at least one supervision mission per year; and
- ? Reporting to the GEF Secretariat and Evaluation Office, through the annual Project Implementation Review, the Mid Term Review, the Terminal Evaluation and the Project Closure Report on project progress;
- ? Financial reporting to the GEF Trustee.

6.b Coordination with other relevant GEF-financed projects and other initiatives.

25. Critical lessons from the GEF MAR1 Project include the need to involve multiple public and private partners in the mobilization of resources, to effectively manage and monitor, and to create a sustainable financing mechanism. GEF MAR1 established strategies and plans for monitoring and capacity building, as well as the governance structure of MCPAs, and these will guide GEF MAR2 toward effective use of resources and achievement of results. GEF MAR2 will also develop initial assessments of priority policies, technologies, and communication in addition to strengthening the multi-sectoral governance structure. The advantages of frontloading these assessments and governance structure was a lesson learned from GEF MAR1.

26. The strong community participation and prompt response to local needs and emergencies by the GEF MAR1 team facilitated success of that project. GEF MAR1 engaged communities across the MCPA system, delivering training and capacity for better management and ecosystem protection. Most notably, GEF MAR1 included an "integration with traditional communities" focus to enhance participation of and sharing of knowledge and benefits with these groups. The prompt response to the 2019 oil spill which contaminated portions of all nine states of Brazil's Northeastern Region strengthened community links. GEF MAR1 supported emergency actions aimed at containing the impacts of the spill and protecting the communities affected. GEF MAR1 prompt response and successful outcome-oriented execution, in great part can be attributed to its agile implementation arrangement which delegated authority to FUNBIO "an NGO" for real-time planning and execution of project activities. This experience gained over the years and rapport built with communities are key strategic assets for GEF MAR2 to build upon. They will further prevent risks and provide support, including during the aftermath of the COVID-19 pandemic.

27. The GEF MAR2 project will closely coordinate with the FAO GEF-7 project currently under preparation, **Strengthening participatory natural resource management processes for sustainable economic development, conservation of biodiversity and maintenance of carbon stocks in Amazon Wetlands** (GEF ID 10706). The project is executed by the Mamirauá Sustainable Development Institute. Its objective is to conserve and sustainably use biodiversity and maintain carbon stocks in varzea floodplain forests and mangroves wetlands of Amazonia. In addition, the project will coordinate with the Amazon Sustainable Landscapes Program - Phase II (ASL-II; GEFID No. 10198, with World Bank as IA). This project seeks to improve integrated landscape management and conservation of ecosystems in targeted areas in the Amazon region. In Brazil, the project is expected to (i) improving protected area financial sustainability and management effectiveness of roughly 11.9 million ha; (ii) bringing 8.2 million hectares of landscapes under improved practices, (iii) restore 1,200 ha of land, and (iv) enhance technical support and financial incentives for adoption of sustainable land and water management. Similarly, the project will coordinate with the "Unlocking Private Capital for Biodiversity through the Bioeconomy in Amazon Basin Countries" project (GEFID No. 10660 (with IADB as IA), which aims to de-risk and enable private investments in the bioeconomy in up to three Amazon's countries. This will be done by demonstrating innovative and replicable financing models which will enable the pooling and blending of capital from different sources with varying risk appetite with a view of mobilizing private investments in the bioeconomy and meet the multiple financing needs of this still nascent market. The project will contribute to preserve and enhance target Amazon countries' natural capital by addressing the root causes of deforestation and land degradation and halting biodiversity loss, while boosting their sustainable recovery from the COVID-19 crisis.

28. The project also builds on the lessons learned and capacity developed under the FAO GEF-5 International Waters project, **Sustainable Management of Bycatch in Latin America and Caribbean Trawl Fisheries** (REBYC-II LAC, GEF ID 5304). In Brazil, the project promoted Bycatch Reduction Devices (BRD) and Turtle Excluder Devices (TEDs) in shrimp trawl fisheries in four pilot sites (Parnaíba-PI, Vitória-ES, Arraial do Cabo- RJ, Ubatuba- SP). From July 2019 to June 2020, more than 1,000 stakeholders participated in over 50 meetings, involving about 156 fishing communities along the Brazilian

Coast. The initiative to discuss the National Management Plan involved close to 100 different fishing communities in 15 coastal States, becoming the largest participatory process in the history of Brazilian fisheries management. The project recommended promoting the ecosystem approach to fisheries as a methodology to be applied in strengthening the national fisheries sector.

29. Regarding recent interventions, the **Ilha Grande Bay Ecosystem Management Project** (GEF ID 3848) stands out, implemented from 2012 to 2019, in cooperation with the Rio de Janeiro Environmental Institute and with support from the GEF. This project was based on a broad approach that integrated the management of protected areas, the sustainable management of fisheries and mariculture, the development of productive activities in communities surrounding Conservation Units and combating the greatest threats to the ecosystem (exotic species, garbage in the sea, pollution) based on the incentive to develop innovative solutions. Incentive-based mechanisms have been developed, leading to the emergence of collaborative solutions for the recovery of ecosystem goods and services, aiming at environmental health in the region, while also enabling the strengthening of an inclusive economy (Blue Economy) and the development of socioenvironmental impact businesses in that coastal stretch. The project also resulted in the launch of the BIG 2050 Initiative^[1]. The project leveraged GIS and related technologies to strengthen resilience and foster knowledge-sharing. Information collected under the RADAR platform (the initiative's monitoring system) was made open and accessible to the public online, providing a data-driven basis for the BIG 2050 Challenge component. The Challenge was designed to crowdsource solutions and approaches to ensure the sustainable management of the bay's natural environment and resources. The GEF MAR2 project will build on the knowledge and good practices developed by this project, in particular with regard to the connectivity between protected areas and buffer zones.

Finally, the project will also coordinate and exchange closely with the World Bank GEF-7 "Brazil Amazon Sustainable Landscapes Project - Phase 2" (GEF ID 10749), a child project under the Amazon Sustainable Landscapes Program. The project aims to expand the area under legal protection and improve management of Protected Areas, and increase the area under restoration and sustainable management in the Brazilian Amazon.

[1] <https://inec.maps.arcgis.com/apps/MapSeries/index.html?appid=91caaba01e15465fb6c4466e8c19af82>

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.

1. As mentioned above, the project is aligned with the Brazilian Blue Initiative. The Initiative supports the following national and international goals:

- ? Conserve biodiversity and its marine and coastal ecosystems
- ? Contribute to mitigation and adaptation to climate change
- ? Sustainable development
- ? Protect the Brazilian coastal and marine jurisdictional areas beyond the minimum of 10% following Aichi Target 11 criteria
- ? Consolidate protected areas in 5% of the coastal and marine zones in 5 years (3-fold increase) and 10% in 10 years (6-fold increase) and support management in the long term
- ? Promote zero species extinction, following Aichi Target 12 criteria
- ? Promote sustainable and equitable economy, integrate conservation with economic activities, and support specifically the organization, empowerment and sustainable use by traditional peoples
- ? Enhance the role of coastal and marine ecosystems in climate change adaptation, maintain blue carbon (particularly in mangroves) and maintain other ecosystem services provisions (including sustainable fisheries)
- ? Raise at least US \$140 million in the first 5-year phase, and promote innovative fundraising for long-term sustainability

2. The Blue Initiative is in line with Brazil's international commitments, such as the 2030 Sustainable Development Goals (particularly Goal 14), the Paris Agreement of the UN Framework Convention on Climate Change (particularly concerning its provisions on adaptation, but also mitigation), the UN Ocean Conference of 2017, and the IUCN World Parks Conference 2014. It also advances rights recognition and support for local and traditional communities. Through this Blue Initiative, Brazilian social actors have an excellent basis to support engagement on this strategy, placing the country among those leading to advance ocean protection and sustainability. This Initiative supports the country's transition to a more sustainable society and marine-based economy, including ecological and cultural elements, providing social and economic benefits for current and future generations. It means to restore, protect and maintain the diversity, productivity, resilience, core functions and intrinsic value of coastal and marine ecosystems.

3. Importantly also, the project is in line with Brazil's National Biodiversity Strategies and Action Plan (NBSAP, 2017) under the UNCBD.^[1] In particular, it is aligned with the following strategies and targets:

- ? **Strategic Objective A** ? Address the underlying causes of biodiversity loss by mainstreaming biodiversity considerations across government and society.
 - ? National Target 2: By 2020, at the latest, biodiversity values, geo-diversity values, and socio-diversity values have been integrated into national and local development and poverty reduction and inequality reduction strategies, and are being incorporated into national accounting, as appropriate, and into planning procedures and reporting systems.
 - ? National Target 4: By 2020, at the latest, governments, private sector and stakeholders at all levels have taken steps to achieve or have implemented plans for sustainable production and consumption to mitigate or prevent negative impacts from the use of natural resources.

- ? **Strategic Objective B** ? Reduce the direct pressures on biodiversity and promote sustainable use.
 - ? National Target 5: By 2020, the rate of loss of native habitats is reduced by at least 50% (in comparison with the 2009 rate) and, as much as possible, brought close to zero, and degradation and fragmentation is significantly reduced in all biomes.
 - ? National Target 6: By 2020 all stocks of any aquatic organism are managed and harvested sustainably, legally and applying ecosystem based approaches, so that overharvesting is avoided, recovery plans and measures are in place for depleted species, fisheries have no significant adverse impacts on threatened species and vulnerable ecosystems, and the impacts of fisheries on stocks, species and ecosystems are within safe ecological limits, when scientifically established.

- ? **Strategic Objective C**: To improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity.
 - ? National Target 11: By 2020, at least 30% of the Amazon, 17% of each of the other terrestrial biomes, and 10% of the marine and coastal areas, especially areas of particular importance for biodiversity and ecosystem services, are conserved through protected areas foreseen under the SNUC Law and other categories of officially protected areas such as Permanent Protection Areas, legal reserves, and indigenous lands with native vegetation, ensuring and respecting the demarcation, regularization, and effective and equitable management, so as to ensure ecological interconnection, integration and representation in broader landscapes and seascapes.
 - ? National Target 12: By 2020, the risk of extinction of threatened species has been significantly reduced, tending to zero, and their conservation status, particularly of those most in decline, has been improved.

- ? **Strategic Objective D**: Enhance the benefits to all from biodiversity and ecosystem services.
 - ? National Target 14: By 2020, ecosystems that provide essential services, including services related to water, and contribute to health, livelihoods and well-being, are restored

and safeguarded, taking into account the needs of women, traditional peoples and communities, indigenous peoples and local communities, and the poor and vulnerable.

4. Finally, the project aligns with the Ramsar Convention and the Convention on Migratory Species (CMS), to which Brazil is a party. More specifically, it aligns with Ramsar's Caring for Coasts Initiative and complements Ramsar Resolution Xiii.14 on 'Promoting conservation, restoration and sustainable management of coastal blue-carbon ecosystems'. The project also supports implementation of Ecologically or Biologically Significant Marine Areas (EBSAs) established under the CBD, the United Nations Convention for the Law of the Sea (UNCLOS), and Areas Beyond National Jurisdiction (ABNJ).

[1] <https://www.cbd.int/doc/world/br/br-nbsap-v3-en.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.

1. Under Outcome 3.1, the project will develop and implement a communications and awareness raising programme, built from a Communications and Knowledge Management (KM) Strategy that will identify and explicate knowledge management and communications objectives, target audiences, dissemination channels, and knowledge sharing opportunities. The Communications and KM strategy will be designed to support the achievement of all project outcomes by targeting and systematically addressing knowledge gaps that are crucial for the success of the project.

2. Aligned with the stakeholder analysis and stakeholder engagement plan, the Communications and KM Strategy will account for different stakeholders at different levels and identify strategic channels and opportunities to disseminate knowledge, tailored to different groups (e.g. workshops, field visits between pilot sites, international fora, technical conferences, multimedia channels, web-based tools and databases, and printed material). The Communications and KM Strategy will account for COVID-19 limitations and include digital and remote methods of knowledge capture and dissemination among its approaches.

3. As explained in *Section 6.b*, the project builds on important lessons learned of the GEF MAR1 project. It also builds on capacity and knowledge developed under this and other projects mentioned in the above section. The Ministry of Environment has on its website a specific page of the GEF MAR1 project to publicize news and successes from the project and serve as an accessible central knowledge hub for documents and reports about the project, on the following link:

<https://antigo.mma.gov.br/areas-protegidas/programas-e-projetos/projeto-gef-mar.html>

4. Based on the experience of the GEF MAR1, a periodic newsletter will be produced by the executing agency, in coordination with MMA and Focal Points, which aims to disseminate the main project actions and highlights of executing units in actions within the project that contribute to positive and effective changes at the local level. The content will count on the collaboration of managers of Conservation Units and Research Centers, scholarship holders, researchers, community members and other actors involved in the GEF MAR2 project.

5. The knowledge approach will expand the footprint of the knowledge generated from this project through relevant platforms and networks, leveraging existing platforms and networks of partners and direct and indirect stakeholders, including the MMA, ICMBio research centers, and FGV. Knowledge and communications activities will also utilize international platforms offered by the UN Decade of Ocean Science and UN Decade of Ecosystem Restoration, both from 2021?2030, and aim to secure opportunities during regional and international events to share knowledge with broader stakeholders (e.g. UN Oceans Conference). In particular, the knowledge approach will create or leverage opportunities for South-South Cooperation among other countries and projects that have implemented Blue Economy approaches.

6. Along with the MCPA financing strategies, KM will aim to build foundations for the sustainability and scale-up of project successes through the codification of successes and sharing of information, best practices, and lessons learned to encourage the replication or future improvements of project activities within Brazil and in other coastal contexts with Blue Economy potential. The Communications and KM Strategy will also contribute to the implementation of the Gender Action Plan, in particular by sharing lessons learned of women involved in coastal and marine resources conservation and sustainable use, and by raising awareness among women and young people in topics such as women and youth representation and leadership. Moreover, information generated from innovative monitoring tools and will be disseminated to inform stakeholders, decision-makers, and related projects and initiatives, and knowledge derived the deployment of innovative tools, including financing mechanisms, will inform future activities through their replication. As the project benefitted from lessons learned from past projects outlined in *Section 6.b*, knowledge will be used to inform and build upon relevant ongoing and future GEF Biodiversity, International Waters and marine and coastal biodiversity conservation initiatives.

7. The communications strategy will extend from the foundations of the Communications and KM Strategy with a focus on generating awareness and visibility of the project to bolster political will and enhance the likelihood of scale-up and sustainability. The communications strategy will set core key messages and a visual identity for the project to align with throughout the duration of the project to build brand awareness. It will outline channels and opportunities to broadcast successes to a wider, non-technical public once the project begins to generate tangible positive results (e.g. media field visits, print and web

articles, national events, social media), and the strategy will maintain the flexibility to adapt and respond to circumstances through a yearly review of messages, audiences, and channels.

8. Finally, the coordinated data collection and information sharing among various institutions will be an integral part of the biodiversity monitoring, research, and surveillance strategies implemented under Output 1.1.4.

9. The KM budget, key deliverables and timeline are shown below.

Knowledge Management Plan

Key Deliverables	Responsible Parties	Timeframe	GEF Budget (USD)
Design Communications and KM Strategy & Action Plan (Output 3.1.1)	Project Coordination Unit (PCU)	End of Year 1	USD 25,000 (Design of strategy)
Implement Strategy & Action Plan (including KM events, knowledge products, KM platform, communication pieces, newsletter, etc.)	PCU	Throughout project implementation (annual targets to be defined in strategy)	USD 150,000 (Communications and KM Expert) USD 325,000 (knowledge products and communications activities)
Total Budget			USD 500,000

9. Monitoring and Evaluation

Describe the budgeted M and E plan

1. Project oversight will be carried out by the PSC, FAO GEF Coordination Unit and relevant technical units in FAO headquarters. Oversight will ensure that: (i) project outputs are produced in accordance with the project results framework and leading to the achievement of project outcomes; (ii) project outcomes are leading to the achievement of the project objective; (iii) risks are continuously identified and monitored and appropriate mitigation strategies are applied; and (iv) agreed project global environmental benefits/adaptation benefits are being delivered. The FAO GEF Coordination Unit and HQ Technical Units will provide oversight of GEF financed activities, outputs and outcomes largely through the annual Project Implementation Reports (PIRs), periodic backstopping and supervision missions.

2. Project monitoring will be carried out by the PCU and the FAO Budget Holder (BH). Project performance will be monitored using the project results matrix, including indicators (baseline and targets) and annual work plans and budgets. At project inception, the results matrix will be reviewed to finalize identification of: i) outputs; ii) indicators; and iii) any missing baseline information and targets. A detailed

M&E plan, which builds on the results matrix and defines specific requirements for each indicator (data collection methods, frequency, responsibilities for data collection and analysis, etc.) will also be developed during project inception by the Knowledge Management/M&E Officer appointed at the PCU.

Project Monitoring and Evaluation Plan

M&E Activity	Responsible Parties	Timeframe	GEF Budget (USD)
Inception Workshop	Project Coordination Unit (PCU)	Within two months of project document signature	5,000
Project Inception Report	PCU	Within two weeks of inception workshop	No extra costs
Annual PSC meetings and bi-annual TF meetings	PCU	Annually	Covered by co-financing
Data collection for reporting	PCU	Annually	16,500
Project Progress Reports (PPRs)	PCU	Annually	M&E Expert 120,000
Project Implementation Review report (PIR)	PCU	Annually in July	Covered by above
Co-financing Reports	PCU	Annually	No extra costs
Mid-term Review	PCU and BH	In the 3 rd quarter of the 3 rd year of the project	40,000
Impact Assessment	PCU and BH	Six months before the end date of the project	78,521
Terminal Evaluation	BH, FAO Office of Evaluation	Three months prior to the project end date	50,000
Final Workshop	PCU	Within 1-2 months before the end date of the project	5,000
Terminal Report	PCU, BH, LTO	Two months before the end date of the project	6,550

M&E Activity	Responsible Parties	Timeframe	GEF Budget (USD)
Total Budget			321,571



3. Specific reports that will be prepared under the M&E program are: (i) Project inception report; (ii) Annual Work Plan and Budget (AWP/B); (iii) Project Progress Reports (PPRs); (iv) annual Project Implementation Review (PIR); (v) Technical Reports; (vi) co-financing reports; and (vii) Terminal Report. In addition, assessment of the relevant GEF-7 Core Indicators against the baselines will be required at mid-term and final project evaluation.

4. **Project Inception Report.** It is recommended that the PCU prepare a draft project inception report in consultation with the LTO, BH and other project partners. Elements of this report should be discussed during the project Inception Workshop and the report subsequently finalized. The report will include a narrative on the institutional roles and responsibilities and coordinating action of project partners, progress to date on project establishment and start-up activities and an update of any changed external conditions that may affect project implementation. It will also include a detailed first year AWP/B, and a detailed project monitoring plan. The draft inception report will be circulated via e-mail to the PSC for review and comments before its finalization, no later than one month after project start-up. The report should be cleared by the FAO BH, LTO and the FAO GEF Coordination Unit and uploaded in FAO's Field Program Management Information System (FPMIS) by the BH.

5. **Results-based Annual Work Plan and Budget (AWP/B).** The draft of the first AWP/B will be prepared by the PCU in consultation with the FAO Project Task Force and reviewed at the project Inception Workshop. The Inception Workshop inputs will be incorporated and the PCU will submit a final draft AWP/B within two weeks of the workshop to the BH. For subsequent AWP/B, the PCU will organize a project progress review and planning meeting for its review and adaptive management. Once PSC comments have been incorporated, the BH will circulate the AWP/B to the LTO and the FAO GEF Coordination Unit for comments/clearance prior to uploading in FPMIS by the BH. The AWP/B must be linked to the project's Results Framework indicators so that the project's work is contributing to the achievement of the indicators. The AWP/B should include detailed activities to be implemented to achieve the project outputs and output targets and divided into monthly timeframes and targets and milestone dates for output indicators to be achieved during the year. A detailed project budget for the activities to be implemented during the year should also be included together with all monitoring and supervision activities required during the year. The AWP/B should be approved by the Project Steering Committee, LTO and the FAO GEF Coordination Unit, and uploaded on the FPMIS by the BH.

6. **Project Progress Reports (PPR):** PPRs will be prepared by the PCU based on the systematic monitoring of output and outcome indicators identified in the project's Results Framework (Annex A1). The purpose of the PPR is to identify constraints, problems or bottlenecks that impede timely implementation and to take appropriate remedial action in a timely manner. PPRs will also report on projects risks and implementation of the risk mitigation plan. The Budget Holder has the responsibility to coordinate the preparation and finalization of the PPR, in consultation with the PCU, LTO and the FLO. After LTO, BH and FLO clearance, the FLO will ensure that project progress reports are uploaded in FPMIS in a timely manner.

7. **Annual Project Implementation Review (PIR):** The PCU (in collaboration with the BH and the LTO) will prepare an annual PIR covering the period July (the previous year) through June (current year) to be submitted to the FAO GEF Coordination Unit Funding Liaison Officer (FLO) for review and approval no later than (check each year with GEF Unit but roughly end June/early July each year). The PCU will submit the PIR to the FAO GEF Coordination Unit as part of the Annual Monitoring Review report of the FAO-GEF portfolio. PIRs will be submitted to the GEF and uploaded on the FPMIS by the FAO GEF Coordination Unit.

8. **Technical Reports:** Technical reports will be prepared by national, international consultants (partner organizations under Letters of Agreement) as part of project outputs and to document and share project outcomes and lessons learned. The drafts of any technical reports must be submitted by the PCU to the BH who will share it with the LTO. The LTO will be responsible for ensuring appropriate technical review and clearance of said report. The BH will upload the final cleared reports onto the FPMIS. Copies of the technical reports will be distributed to project partners and the Project Steering Committee as appropriate.

9. **Co-financing Reports:** The BH, with support from the PCU, will be responsible for collecting the required information and reporting on co-financing as indicated in the Project Document/CEO Endorsement Request. The PCU will compile the information received from the executing partners and transmit it in a timely manner to the LTO and BH. The report, which covers the period 1 July through 30 June, is to be submitted on or before 31 July and will be incorporated into the annual PIR. The format and tables to report on co-financing can be found in the PIR.

10. **Terminal Report:** Within two months before the end date of the project, the PCU will submit to the BH and LTO a draft Terminal Report. The main purpose of the Terminal Report is to give guidance at ministerial or senior government level on the policy decisions required for the follow-up of the project, and to provide the donor with information on how the funds were utilized. The Terminal Report is accordingly a concise account of the main products, results, conclusions and recommendations of the

project, without unnecessary background, narrative or technical details. The target readership consists of persons who are not necessarily technical specialists but who need to understand the policy implications of technical findings and needs for ensuring sustainability of project results.

Evaluation Provisions

11. Two independent project evaluations, a Mid-Term Review (MTR) in the 3rd quarter of project year 3 and a Terminal Evaluation (TE) three months prior to the project end date, will be carried out. The BH will arrange an independent MTR in consultation with the PSC, the PCU, the LTO and the FAO-GEF Coordination Unit. The MTR will be conducted to review progress and effectiveness of implementation in terms of achieving project objective, outcomes and outputs. The MTE will allow mid-course corrective actions, if needed. The MTE will provide a systematic analysis of the information on project progress in the achievement of expected results against budget expenditures. It will refer to the Project Budget (see Annex A2) and the approved AWP/Bs. It will highlight replicable good practices and key issues faced during project implementation and will suggest mitigation actions to be discussed by the PSC, the LTO and FAO-GEF Coordination Unit.

12. The GEF evaluation policy foresees that all medium and large size projects require a separate terminal evaluation. Such evaluation provides: i) accountability on results, processes, and performance; ii) recommendations to improve the sustainability of the results achieved and iii) lessons learned as an evidence-base for decision-making to be shared with all stakeholders (government, execution agency, other national partners, the GEF and FAO) to improve the performance of future projects.

13. The Budget Holder will be responsible to contact the Regional Evaluation Specialist (RES) within six months prior to the actual completion date (NTE date). The RES will manage the decentralized independent terminal evaluation of this project under the guidance and support of OED and will be responsible for quality assurance. Independent external evaluators will conduct the terminal evaluation of the project taking into account the "GEF Guidelines for GEF Agencies in Conducting Terminal Evaluation for Full-sized Projects". FAO Office of Evaluation (OED) will provide technical assistance throughout the evaluation process, via the OED Decentralized Evaluation Support team ? in particular, it will also give quality assurance feedback on: selection of the external evaluators, Terms of Reference of the evaluation, draft and final report. OED will be responsible for the quality assessment of the terminal evaluation report, including the GEF ratings.

14. After the completion of the terminal evaluation, the BH will be responsible to prepare the management response to the evaluation within four weeks and share it with national partners, GEF OFP, OED and the FAO-GEF Coordination Unit.

Disclosure

15. The project will ensure transparency in the preparation, conduct, reporting and evaluation of its activities. This includes full disclosure of all non-confidential information, and consultation with major groups and representatives of local communities. The disclosure of information shall be ensured through posting on websites and dissemination of findings through knowledge products and events. Project reports will be broadly and freely shared, and findings and lessons learned made available.

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 (LDCF/SCCF)?

16. Well-managed marine and coastal protected areas (MCPAs) can generate a suite of ecological benefits by reducing catch pressure on marine species and increasing habitat protection and ecosystem resilience. Similarly, ecological benefits within MCPAs can include increased diversity, abundance, size, and biomass of species, which can be 2-5 times higher in MCPAs compared to fished areas. MCPAs can also bring about improvements in ecosystem health. More generally, MCPAs may help marine ecosystems adapt to climate change impacts, including ocean acidification, sea-level rise, storm intensification, and shifts in species distributions that lead to "climate invaders." Finally, another important benefit is the reduction of carbon emissions.

17. Ecological benefits translate into socio-economic benefits and resilience to shocks, including public health related shocks. Market benefits are the economic value of goods or services that are observed through market transactions. Marine protected area market benefits potentially include increased fisheries profitability, which can arise through increased recruitment of juveniles and the spillover of fish biomass from MCPAs into fished areas. Marine protected areas can also provide market benefits through increased tourism, or the provision of ecosystem services (e.g., conserved reef systems can protect coastlines from severe weather). Non-market benefits are the economic value of goods or services that cannot be observed through market transactions. These include the benefit to people from knowing that a threatened species is protected, or that an ecosystem is in good condition. Furthermore, the project supports substantial improvements in biodiversity and water quality.

18. Initiatives to develop a pathway to a Blue Economy create long-term benefits of the sustainable use of coastal and marine resources. If managed well, the goods and services produced from coastal and marine ecosystems could make a much greater contribution to reducing poverty, building resilient communities, fostering strong economies, and feeding a global population that is projected to grow to more than 9 billion by 2050. For example, the World Bank's 2016 Sunken Billions Revisited report shows that properly managed fisheries, with a reduction in overcapacity and overfishing, could provide additional benefits to the global economy in excess of US\$80 billion each year (World Bank, 2016). That is almost 30 times the annual net benefits currently accruing to the fisheries sector in spite of the currently prevalent overfishing.

19. Management for conservation and sustainable use in MCPAs is expected to improve and enhance understanding in local communities of the importance of MCPAs and the Blue Economy. Additional benefits will arise in the form of better public service delivery resulting from capacity building in coastal and marine ecosystem administration and specialized training of beneficiaries.

Specifically, the project will create direct socio-economic benefits for an estimated 3,000 beneficiaries, including women (50% of beneficiaries), indigenous peoples and vulnerable groups. By doing this, the project also promotes full and productive employment and decent work in rural areas, aiming at the progressive realization of their right to Decent Rural Employment. More indirectly, the project is expected to generate socio-economic benefits for Brazil's coastal and marine communities more widely by securing the conservation and sustainable use of their resources.

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
High or Substantial			

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.

1. The project design team conducted a screening of the environmental and social risks and impacts of the project, taking into consideration the proposed outputs and activities as well as the extensive experience with other projects implemented by MMA in Brazil. The GEF MAR2 project is essentially an environmental project intended to positively affect the following types of ecosystems, through enhanced protection: marine environments, small coastal and oceanic islands, coral reefs, beaches, estuaries, restinga forests, mangrove systems, coastal lagoons, wetlands and possibly coastal Atlantic forest. It is also expected to have positive impacts on local livelihoods and related economic sectors such as fisheries and tourism.

2. All potential risks and impacts of project activities are expected to be small, localized, and reversible. The main aspects to assess and provide for in the project implementation documents are (1) sustainability of small-scale natural resource-based economic activities and value chains, (2) prevention and mitigation of impacts from alteration or construction of small infrastructure (visitation trails and administrative buildings, for example) as well as larger facilities for sustainability objectives such as renewable energy and water reuse, (3) environmental and social sustainability facilities to be integrated into project policies and strategies; (4) prevention and mitigation of potential impacts from sub-projects due to technological innovation and Blue Economy activities, (5) procedures regarding potentially benefited indigenous communities as well as potential access restrictions resulting from conservation activities, and (6) procedures regarding potential chance findings of cultural or archeological heritage, and prevention of impacts on known heritage sites. Support to sustainable livelihood options and the strengthening of sustainable-use protected areas will benefit local communities whose livelihoods depend on the natural resources protected within those areas.

3. In line with this, the project design team prepared an Environmental and Social Impact Assessment (ESIA) and draft Environmental and Social Management Framework (ESMF), taking into consideration the World Bank Environmental and Social Policy and the World Bank Environmental and Social Standards (ESS). The ESMF provides contributions to strengthen the environmental and social sustainability of the activities supported by the project. The first ESMF draft was subject to a virtual consultation process. The ESMF includes Labor Management Procedures; Stakeholder Engagement Plan, Indigenous Peoples Planning Framework and Process Framework (for access restrictions). The ESMF was prepared in Portuguese language and is summarized in this section. Additionally, it was assessed and mapped against FAO's Environmental and Social Standards (ESS) by FAO's Lead Technical Officer (LTO). The project is classified as high risk project due to the presence of Indigenous Peoples and because the target sites include Protected Areas.

The Environmental and Social Assessment document includes the following sections:

- 1) Environmental and Social Assessment
- 2) Social and Environmental Checklist (Annex 1.4)
- 3) Labor Management Procedures (Annex 2)
- 4) Process Framework (Annex 3)
- 5) Indigenous Peoples Plan (Annex 4)
- 6) Stakeholder Engagement and Information Disclosure Plan (Annex 5)
- 7) Environmental and Social Commitment Plan (Annex 6)

4. The project is expected to have a significantly positive environmental outcome as it will improve the conservation and management of ecologically important areas through the creation of new and consolidation of existing marine and coastal protected areas, and strengthen the Marine and Coastal Protected Areas (MCPA) System. The project may support small-scale investments in the existing PAs such as demarcation of protected areas; installation of signage in artisanal fishing areas and no-take fishing zones; preparation and implementation of management, visitation or other plans; provision of basic small-scale infrastructure and equipment, etc. The project may also support the strengthening of small-scale economic activities and/or value chains involving the sustainable use of natural resources or sustainable production by local traditional communities.

5. Furthermore, it is expected that this project will bring significant social benefits to vulnerable social communities, such as increased sustainability of natural resource-based livelihoods. Potential adverse social risks and impacts will be limited and manageable, mostly related to potential access restriction. Potentially, the creation or improved management of coastal and marine protected areas may cause communities or groups within communities to lose access to coastal and marine environments and resources where they have traditional or customary tenure, or recognizable usage rights. In addition, the project includes two areas with indigenous peoples. Thus, a Process Framework (for access restrictions) and an Indigenous Peoples Plan were prepared and are included as Annex 3 and 4 of the ESMF.

Social & Environmental Risks and Impacts	Mitigation measures	Responsibility	Cost	Timeline
ESS 1: Natural Resource Management				
Would this project permanently or temporarily deny or restrict access to natural resources to which they have rights of access or use?	<p>The project will follow a rights-based approach to support blue growth. It will support local communities to sustainably manage their natural resources.</p> <p>To avoid any negative impacts from potential access restrictions, a Process Framework was prepared and is included as Annex 3 of the ESMF.</p>	PCU	<p>No extra costs</p> <p>Community consultations included in meeting and travel budget lines</p>	<i>Throughout project implementation</i>
ESS 2: Biodiversity, Ecosystems and Natural Habitats				
Would this project be executed in or around protected areas or natural habitats, decrease the biodiversity or alter the ecosystem functionality, use alien species, or use genetic resources?	<p>The project will support the implementation of management plans for the target marine coastal protected areas (MCPAs). The project follows an approach where local communities will actively participate in the management of the protected area and at the same time improve their livelihoods by sustainably using biodiversity. This project will follow proven experiences to implement a successful models of natural resource management in Conservation Units and landscapes.</p> <p>An Environmental and Social Impact Assessment was prepared and is available for this project (summarized in the above section).</p>	PCU	No extra costs	<i>Throughout project implementation</i>
ESS 3: Plant Genetic Resources for Food and Agriculture				
n/a				

ESS 4: Animal - Livestock and Aquatic - Genetic Resources for Food and Agriculture				
n/a				
ESS 5: Pest And Pesticide Management				
n/a				
ESS 6: Involuntary Resettlement and Displacement				
n/a				
ESS 7: Decent Work				
Would this project operate in sectors or value chains that are dominated by subsistence producers and other vulnerable informal agricultural workers, and more generally characterized by high levels of working poverty??	<p>The project will create direct socio-economic benefits for an estimated 3,000 beneficiaries, including women (50% of beneficiaries), indigenous peoples and vulnerable groups. By doing this, the project also promotes full and productive employment and decent work in rural areas, aiming at the progressive realization of their right to Decent Rural Employment.</p> <p>Labor Management Procedures are included as Annex 2 of the ESMF to address any potential health and safety risks related to the project.</p>	PCU	No extra costs	<i>Throughout project implementation</i>
ESS 8: Gender Equality				
Addressed in Section 3. Gender Equality and Women's Empowerment				

ESS 9: Indigenous Peoples and Cultural Heritage

<p>Would this project have indigenous peoples living outside or in the project area where activities will take place?</p>	<p>The project will take place in protected areas where Indigenous Peoples (IPs) and local communities are known to live. The project will follow national and FAO guidelines on Free, Prior and Informed Consent (FPIC). The project is based on the premise that local communities will support the management and monitoring of natural resources. The project will dedicate resources for training and capacity building in the management of natural resources.</p> <p>An Indigenous Peoples Plan has been prepared and is included as Annex 4 of the ESMF.</p> <p>Among the marine and coastal protected areas (MCPAs) that will be supported by the GEF MAR2 project, the following have indigenous populations located within the PA and/or in their surroundings and that use fisheries resources: RESEX Marinha do Corumbau (BA) and Environmental Protection Area Canan?ia, Iguape and Peru?be - APACIP (SP). The actions foreseen by the project will also cover other traditional communities whenever they are related to the project?s areas of activity. Sub-projects to be financed by the project that can serve indigenous communities will be identified by the communities themselves in the CDD (Community-driven development) format. The selection notices, criteria and support areas will be discussed with the representation of indigenous peoples. The selected sub-projects must demonstrate that they have consulted with relevant communities and leaders. The project?s technical and administrative team will ensure that FPIC consultations are carried out on sub-project proposals in line with national and FAO guidelines[1].</p>	<p>PCU</p>	<p>No extra costs</p>	<p><i>Throughout project implementation</i></p>
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Would this project be located in an area where cultural resources exist?	In the event of presence of historical or cultural heritage in areas supported by the project, activities that may affect them will be halted and the procedures determined by the responsible agency (IPHAN) regulations will be applied. When necessary, specific guidance will be sought from IPHAN on procedures to be adopted.	PCU	No extra costs	<i>Throughout project implementation</i>
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[1] <http://www.fao.org/3/i6190e/i6190e.pdf>

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
ESS Risk Certification	CEO Endorsement ESS	
Annex I2_Stakeholder Engagement Matri_Grievance Redress Mechanism_and Discosure	CEO Endorsement ESS	
Annex I1_Environmental and social risk annexes	CEO Endorsement ESS	

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).

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
Objective: To strengthen management of Brazil's Marine and Coastal Protected Areas (MCPAs) system and the enabling conditions for a Blue Economy							
Component 1: Strengthening the management and sustainability of the Marine and Coastal Protected Area (MCPA) system							
Outcome 1.1: MCPA system strengthened	Percentage of indicators of the Management Monitoring and Analysis System (SAMGe) that present an increase, for respective MCPAs	0 Baseline values in SAMGe system	20% (1 out of 5)	40% (2 out of 5)	SAMGe system	Project impacts are not offset by external, uncontrolled factors that lead to a decrease in the SAMGe indicators	PCU
1.1.1 Interministerial Commission for Marine Resources (CIRM) strengthened and stakeholders actively engaged	Number of meetings per year where stakeholders participate in the CIRM	0	2	2	CIRM meeting documents	CIRM mechanism allows for engagement with multiple stakeholders	PCU
1.1.2 Gap and needs assessment undertaken to strengthen management and sustainability of MCPAs system	Number of gap analyses and needs assessments performed	0	1	3	Reports and documents		PCU
	Number of mosaics/ecological corridors between protected areas identified and for which conservation measures have been proposed	0	1	3	Reports and documents		PCU
1.1.3 Updated financing strategy for MCPA system under	Updated financing strategy endorsed by MMA/ICMBio and under implementation	0	1	1	MMA/ICMBio documents		PCU

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
implementation	Number of development and conservation projects funded with extra-budgetary resources supporting the MCPA system	0	At least 4, depending on the size of the projects	At least 8, depending on the size of the projects	IBAMA documents	Continued commitment of Government to environmental compensation mechanisms	PCU
	Number of Payment for Environmental Services (PES) schemes piloted	0	0	At least 1	MMA/ICM Bio documents	Marine PES regulated in the second year of the project	PCU
	Number of concession models/private sector financing models defined	0	1	1	MMA/ICM Bio documents		PCU
	Percentage point increase in Inputs area of SAMGe (financial resources)	0.75 (2020)	0.77*	0.8* * Targets to be validated with stakeholders at inception	SAMGe system	Continued commitment of Government to current levels of budget allocation to MCPAs	PCU
1.1.4 Biodiversity monitoring, research, and surveillance strategies implemented (including community-based monitoring)	Number/extent of coastal and marine species/habitats with conservation status newly evaluated (e.g., mangroves, coral reefs, seagrass, sea turtles, marine mammals)	0	20	40	Biodiversity monitoring system (Monitora or PAN)		PCU
	Percentage and number of pillars of the biodiversity monitoring system (SISBio) that are operational	0 Five pillars are Mangrove, Reef, Beach, Island, and Continental Margin and Ocean Basin	20% (1 out of 5)	40% (1 out of 5)	Biodiversity monitoring system (Monitora)		PCU

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
	Number of participatory/ community-based biodiversity monitoring mechanisms under implementation	0	2	5	Project progress reports	Communities are willing to engage in BD monitoring	PCU
Outcome 1.2: Effective planning and management of target MCPAs improved	Area of MCPAs under improved management as per METT scores (million hectares)	0	tbd	13.4 Of which 4 focal areas: 540,094 ha	METT	Project impacts are not offset by external factors that lead to decrease in METT scores	PCU
1.2.1 Management plan interventions of target MCPAs reviewed/prepared in alignment with priorities from threat reduction assessment	Percentage of key selected initiatives/ activities in respective management plans implemented by full spectrum of stakeholders, including women and vulnerable groups	0	At least 50%	At least 50%	Action Plans (updated annually) of respective Management Plans		PCU
1.2.2 Actions to address threats to biodiversity in target MCPAs implemented	Progress towards end-of-project overall threat reduction target, determined by Threat Reduction Assessment.	0	tbd	tbd	TRA reports		MCPAs / PCU facilitates
Component 2: Developing a pathway for a Blue Economy							
Outcome 2.1: Mainstreaming of a Blue Economy supported	Number of policies/strategies developed or under improved implementation that support principles of Blue Economy and Blue Growth	0	1	3	Project progress reports	Blue Economy is conservation-oriented development that protects natural capital	PCU

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
2.1.1 Priorities for creating an enabling environment for a Blue Economy identified through an inclusive, participatory process and implemented	Number of priorities identified and percentage implemented	0	tbd	tbd	Project progress reports		PCU
2.1.2 Sustainable community-based livelihoods promoted and associated value chains enhanced through investments	Number of initiatives implemented that promote sustainable livelihoods and value chain development in line with the principles of Blue Economy and Blue Growth.	0	7	15	Project progress reports		PCU
	Of which implemented by women? s groups/women-led enterprises/ enterprises with at least 50% women members.	0	3	7			
Outcome 2.2: Blue Economy supported through technological innovations	Number of sustainable technologies adopted	0	2	4	Project progress reports	Continued commitment of stakeholders to blue economy principles and rights-based approach	PCU
	Number of target fisheries that either increase their stocks or remain stable	0	2	4	Monitoring reports		
	Number of communities supported to maintain access to their resources based on a rights-based approach	0	At least 5	At least 5	M&E survey		

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
2.2.1 Conservation and sustainable use of marine and coastal resources improved by innovative processes and technologies	Number of participatory fisheries management plans developed and percentage under implementation	0	2 At least 50%	5 At least 60%	Project M&E		PCU
	Number of local communities implementing an ecosystem approach to fisheries or aquaculture (such as fishing gear modification, catch controls, habitat conservation, filter feeders for oyster culture, seaweed culture, etc.)	0	2	5	Project M&E		
	Number of technological innovations implemented (such as to reduce pollution/ solid waste).	0	2	5	Project M&E		
	Metric tons of marine litter avoided (Sub-Indicator 5.3)	Pilot baseline and target to be established in Year 1	tbd	tbd	Project M&E, local monitoring plans		PCU
2.2.2 Ecological monitoring and fishery resources assessment strengthened by Innovative technologies	Number of technologies implemented	0	1	2	Project M&E		PCU
Component 3: Increasing awareness, knowledge and capacity to safeguard the Blue Economy							

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
Outcome 3.1: Awareness, knowledge and capacity enhanced cross-sectorally from national to local levels	Number of organisations* (with total number of women and men) regularly connected with project via its communications *Government, NGO, private, public, community	0	25 1,000 (50% women)	50 2,500 (50% women)	Project M&E		PCU
3.1.1 Communications Strategy & Action Plan designed and implemented to effectively raise awareness, target knowledge and share best practices and lessons learnt	Number of communication pieces (quarterly newsletter, videos, brochures, publications, manuals, guides, among others) prepared and disseminated	0	tbd by Strategy	tbd by Strategy	Project M&E		PCU
3.1.2 Modular capacity development programme for conservation and sustainable use of marine and coastal zones updated, implemented and institutionalized	Number of people (women and men) trained in integrated management of MCPAs/Marine Spatial Planning and Blue Economy principles/ecosystem-based management; and percentage who have applied their training.	0	150 trained: 50% applied (50% women, 25% youth)	400 trained: 75% applied (50% women, 25% youth)	Project M&E		PCU
Component 4: Monitoring & Evaluation							
Outcome 4.1: Project implementation and its adaptive management informed by M&E system	Project executed in line with results-based management principles	-	Project follows RBM	Project follows RBM	Project progress reports	ProDoc reviewed at inception, indicators, base-lines in place	PCU
4.1.1 Project M&E system established and	Project M&E system established and implemented	0	1	1	Project progress reports		PCU

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
implemented in alignment with gender mainstreaming and adoption of a 'one health' approach	Mid-Term Review and Terminal Evaluation carried out on time		MTR in Year 3	TE in Year 5	MTR and TE reports		
	Percent PPRs and PIRs submitted on schedule		100%	100%	PPRs and PIRs		

[1] The effectiveness evaluation in SAMGe is calculated based on the indicators of territorial impact (Results, Products and Services and Context) and management (Planning, Inputs and Processes).

[2] Including identification of potential areas for community co-management, ecological mosaics, ecological corridors, Ramsar sites.

[3] APA Delta do Parnaíba; RESEX Marinha do Delta do Parnaíba; APA Cananóia-Iguape-Peruibe; RESEX do Mandira. APA = Área de Proteção Ambiental (Environmental Protection Area). RESEX = Reserva Extrativista (Extractive Reserve)

[4] Note: Interventions may cover areas such as monitoring and surveillance, emergency preparedness and contingency planning (such as for oil spills, waste at sea, conservation of endangered species), addressing marine litter, Ghost Fishing, etc.

[5] Note: Stakeholders may include government institutions, civil society, community groups and private sector. Initiatives/activities may cover areas such as sustainable fisheries, tourism, clean-up of waste, environmental education and awareness, demarcation and zoning, provision of basic infrastructure and equipment.

[6] The Blue Economy approach seeks to promote economic growth, social inclusion, and the preservation or improvement of livelihoods while at the same time ensuring environmental sustainability of the oceans and coastal areas. At the core of the Blue Economy concept is the decoupling of socioeconomic development from environmental degradation. Blue Growth is a strategic, innovative approach to improving the use of aquatic resources while simultaneously increasing social, economic and environmental benefits for communities dependent on fisheries and aquaculture.

[7] Note: This may involve review of sectoral policies or strategies and incentive systems, marine spatial planning/integrated coastal zone management, research studies, rights-based approaches to coastal and marine resources management, and supporting implementation of existing policies (including Blue Initiative and National Plan for Sea Resources).

[8] Note: Initiatives may cover areas such as ecotourism/community-based tourism, aquaculture, beach reclamation, monitoring of coral reefs, innovative businesses to combat marine litter, sustainable fisheries/aquaculture and product development, etc. Environmental impact business initiatives will be developed and/or strengthened, focused on combating threats to the ecosystem and generating income and benefits for the community.

[9] An Ecosystem Approach to Fisheries (or Aquaculture) strives to balance diverse societal objectives, by taking account of the knowledge and uncertainties about biotic, abiotic and human components of ecosystems and their interactions and applying an integrated approach to fisheries within ecologically meaningful boundaries.

[10] Note: This may include technologies to support improved data collection for fisheries, mangroves, seabed mining, shipping and transportation, etc., remote sensing data, improvement of databases in collaboration with private sector and local communities, etc.

[11] Ecosystem-based territorial management is an integrated approach to coastal and marine management that considers all sectors/users of a certain resource. Its goal is to ensure the sustainable utilization of natural resources by maintaining the productivity and capacity for adaptation and renewal of ecosystems that produce that resource.

[12] Aged 15-24.

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).

Council comment	Responses
<p><i>Canada Comments</i></p> <p>? This project aligns with Ramsar's Caring for Coasts Initiative which Canada supported at COP13. This project also complements Resolution Xiii.14 regarding blue carbon but with an emphasis and mention only on blue economy.</p>	<p>A reference to the Caring for Coasts Initiative and Resolution Xiii.14 has been added in <i>Section 7. Consistency with National Priorities.</i></p>
<p><i>Germany Comments</i></p> <p>Germany welcomes the proposal, which aims to strengthen management of the Marine and Coastal Protected Areas and the enabling conditions for blue economy in Brazil. At the same time, Germany has the following comments that it suggests be addressed in the next phase of finalizing the project proposal:</p> <p>Suggestions for improvements to be made during the drafting of the final project proposal:</p> <p>? This project spans across a considerable area of Coastal and Marine Protected Areas Systems where mechanisms for coordination and information sharing will be crucial for project success. Germany suggests that the project should indicate areas of cooperation and information sharing among administrative entities.</p> <p>? The proposal would benefit from clearly stating how the innovative technologies to improve management of coastal and marine environments will be identified under component 2.</p>	<p>? The coordinated data collection and information sharing among various institutions will be an integral part of the biodiversity monitoring, research, and surveillance strategies implemented under Output 1.1.4, as well as the project's Communications and Knowledge Management strategy.</p> <p>? Details on the innovations and technologies identified during the project preparation have been added in Component 2 description, as well as in the project's results framework. It has also been specified that the technologies will be selected in a participatory process and based on proposals from stakeholders from government, local community groups and private sector.</p>

<p><i>United Kingdom Comments</i></p> <p>? DFID couldn't identify any reference to risk assessment and contingency measures, especially when dealing with a current climate challenging Ministry of Environment, mainly to mainstream blue economy principles into the overarching policy, legislative and institutional frameworks. It would be interesting to understand how GEF perceives the work at the sub-national level and what opportunities GEF has identified thus far for Project implementation and governance.</p>	<p>The comment from the United Kingdom was provided prior to the Council meeting. An initial agency response was provided and can be found in the list of documents specific to the project in the GEF Portal.</p> <p>A more detailed risk analysis was conducted during PPG and is included in <i>Section 5. Risks</i>.</p>
<p><i>United States Comments</i></p> <p>? Technical comments. The United States supports many of the STAP's comments on this project, including concern about the lack of clarity on what ?blue economy principles? or the ?blue economy agenda? are, what specific activities will be undertaken to offer incentives to engage in a ?blue economy? as opposed to business as usual, what ?mainstreaming Blue Economy principles? into policy will practically entail, and ultimately how these activities would result in reduced/reversed threats to the coastal and marine environment.</p>	<p>Please refer to the responses in the following section.</p>

STAP comment	Responses
<p>1. Overall the MPA component of this is good, but the transition to a blue economy component is poorly specified.</p>	<p>The links between Components 1 and 2 have been made clearer, and the Theory of Change is described in more detail in <i>Section 3) Proposed alternative scenario</i>.</p> <p>Strengthening the sustainable management of MCPAs while enhancing the sustainability of productive sectors including fisheries, tourism and other marine-related sectors, in ways that balance environmental protection and economic development, will create the enabling environment for Brazil's transition to a Blue Economy. These actions combined will put Brazil on a path towards reaping the benefits of its vast coastal and ocean resources in a sustainable manner while conserving globally important biodiversity and ecosystems and improving local livelihoods.</p> <p>The objective of Component 2 will be to open the way to a Blue Economy by promoting the sustainable use of coastal and marine assets in harmony with MCPA objectives while fostering sustainable economic growth, innovation, and better livelihoods and jobs. The aim is to support policies, strategies, models, and partnerships that promote the integrated management of coastal and marine resources to further drive sustainable development along the Brazilian coast. More specifically, the project will support a participatory process to identify priorities for Blue Economy mainstreaming. It will then support implementation of these priorities. This may involve review of sectoral policies or strategies and incentive systems, marine spatial planning/integrated coastal zone management, research studies, rights-based approaches to coastal and marine resources management, and supporting implementation of existing policies (including the Blue Initiative and National Plan for Sea Resources).</p>

<p>2. First, the project characterizes itself as the 'extra push' needed to bolster existing ongoing activities (e.g. the Caribbean and Northern Shelf Large Marine Ecosystem) which gives the reader a sense that this project in and of itself is not new or innovative; rather a means of providing additional support to further capitalize the Brazilian Marine Fund, as stated under Component 1. Perhaps the activities related to technological innovation such as remote monitoring and surveillance of illegal fishing in the Marine and Coastal Protected Area (MCPA) are what make this project more than just an 'extra push' but necessary to ensure that existing efforts are not reversed. These elements should be emphasized and expanded upon.</p>	<p>The project's intervention strategy is described in more detail in <i>Section 3) Proposed alternative scenario</i>.</p> <p>Given the complexity involved in the management of coastal and marine ecosystems, without GEF's additional support, Brazil's MCPA system (built under GEF MAR1 resources) would be at risk of underperforming and failing to effectively balance biodiversity conservation with sustainable use of resources. The MAR2 project will promote innovative financing mechanisms that will complement the achievements of the Marine Fund, including environmental compensation and fines; Payment for Environmental Services (PES) schemes; and private sector financing/concessions. Furthermore, it will promote technological innovations as explained in Component 2 description. GEF financing will secure the future status of the MCPA management for biodiversity conservation and it will also incubate the critical enabling conditions necessary for transitioning to a Blue Economy.</p>
<p>3. Second, it speaks of "blue economy principles" or the "blue economy agenda" without ever clarifying exactly what these are, or how implementing them will help achieve GEBs (rather than just boost economic growth).</p>	<p>A definition of the Blue Economy approach is provided in the baseline section of the CEO Endorsement Request.</p> <p>The Blue Economy concept seeks to promote economic growth, social inclusion, and the preservation or improvement of livelihoods while at the same time ensuring environmental sustainability of the oceans and coastal areas. At its core it refers to the decoupling of socioeconomic development through oceans-related sectors and activities from environmental and ecosystems degradation.</p> <p>Linked to the concept of Blue Economy is that of Blue Growth. Blue Growth is a strategic, innovative approach to improving the use of aquatic resources while simultaneously increasing social, economic and environmental benefits for communities dependent on fisheries and aquaculture.</p> <p>This approach will contribute to global environmental benefits, in particular the conservation of globally threatened coastal and marine ecosystems and biodiversity, as well as curbing GHG emissions such as through mangrove conservation.</p>
<p>4. Third, a clear theory of change (TOC) that clarifies the logical steps from each of the sets of activities to the overall impact is missing. A clear TOC would help identify critical assumptions and risks, which are also missing.</p>	<p>A detailed Theory of Change has been developed and is included in <i>Section 3) Proposed alternative scenario</i>, including a description of assumptions.</p>

<p>5. Fourth, it may potentially be risky to pursue a 'blue economy' approach in a few select areas along the coast as opposed to a larger, more comprehensive project that encompasses the entire coastal economy. Is there not a risk of leakage and cheating if some areas are included and others are not? See for example the quote from Winder and Le Heron (2017) below.</p>	<p>The reference to 'localized marine spatial plans' has been removed and the Blue Economy approach made clearer in <i>Section 3) Proposed alternative scenario</i>. Indeed, the relevant policies and strategies highlighted under Component 2 encompass the entire coastal/marine economy. Also, under Component 1, emphasis is placed on coordination beyond the MCPAs, including for biodiversity monitoring, gaps and needs assessments, as well as mosaics/ecological corridors between protected areas.</p>
<p>6. Fifth, in order to ensure that the blue economy promotes conservation in the long term, a strategy of enhancing public-private partnerships is recommended that includes improved data collection for fisheries, seabed mining, shipping and transportation, etc. which can be integrated with existing open access data sets such as Ocean Biodiversity Information System (OBIS), remote sensing data by the GEOBON, and the emerging Marine Biodiversity Monitoring Network (MBON). See Golden et al (2017) Making sure the blue economy is green. <i>Nature Ecology & Evolution</i> 1: 16-17.</p>	<p>A reference to improved data collection for fisheries, mangroves, seabed mining, shipping and transportation, etc. in collaboration with the private sector has been added in Component 2, Outcome 2.2 description.</p>

7. Finally, this project presents a broad overview of the main elements. It is less clear what specific activities will be undertaken to offer incentives for fisherfolk, tourism operators, local communities, etc. to engage in a green "blue economy" as opposed to business as usual.

The activities have been elaborated in more detail in *Section 3) Proposed alternative scenario*.

Under Outcome 2.1, the project will look into sectoral policies or strategies and incentive systems that support the Blue Economy.

The outcome also supports promotion of sustainable livelihoods and improved value chain development in line with the principles of Blue Economy and Blue Growth. Specifically, the outcome will support economic opportunities for communities living in and adjacent to MCPAs through sub-projects designed to improve management of the coastal and marine environment and reduce pressure on these resources. The outcome will support the development of community-based livelihoods using innovative models of business development, marketing, and diversification of income generation, so that value-addition and benefits are maximized and recognized at the community level. To this end, strategies will be developed for selected value chains, for example, in fisheries and aquaculture or community-based tourism, identifying the necessary investments to maximize job creation and value addition. Initiatives will also cover areas such as ecotourism/community-based tourism, aquaculture, beach reclamation, monitoring of coral reefs, innovative businesses to combat marine litter, sustainable fisheries/aquaculture and product development, etc. Environmental impact business initiatives will be developed and/or strengthened, focused on combating threats to the ecosystem and generating income and benefits for the community. It is anticipated that this will help create market/economic incentives for local communities for sustainable coastal and marine resources management.

<p>8. Component 1 seeks to improve MCPA management and capitalize the Brazilian Marine Fund. This is clearly linked to objectives, although how this will affect threats beyond overfishing (it is stated this will reduce pollution and habitat degradation too) is unclear.</p>	<p>As explained above, it has been clarified that the MAR2 project will promote innovative financing mechanisms that will complement the achievements of the Marine Fund, including environmental compensation and fines; Payment for Environmental Services (PES) schemes; and private sector financing/concessions.</p> <p>This will contribute to the financial sustainability of the MCPA system. Together with the Blue Economy approach, this will help address threats to biodiversity in the MCPAs and coastal and marine resources more broadly. Key threats are mentioned in the baseline section, including unsustainable development, overexploitation of fishery resources, pollution, habitat degradation, competing interests of resource users, expansion of aquaculture in mangrove areas, and climate change impacts.</p>
<p>9. Currently, economic activities and population pressures are seriously threatening coastal areas through overfishing, pollution (aquaculture, sewage etc), and coastal development, with climate change another threat. Threats set to escalate as e.g. shrimp aquaculture set to expand substantially. Presumably potential threats from oil/gas also. The problem statement spends considerable time making a case for economic growth in Brazil, rather than articulating how this projected growth as (without intervention) will be likely to significantly intensify negative impacts on the coastal/marine areas, which would seem to be in line with experience.</p>	<p>The baseline section has been revised and additional information has been added on threats to the coastal and marine environment from development, including aquaculture.</p>
<p>10. A monitoring system is described as part of the project but no details on what this would look like and what it will measure (illegal fishing perhaps)</p>	<p>Details on monitoring are included in <i>Section 3) Proposed alternative scenario</i> and in the Results Framework. In particular, the project will strengthen existing monitoring systems including SAMGe, SISBio, and Monitora. Furthermore, it will support technological innovations for ecological monitoring and fishery resources assessment, increased data collection for fisheries and other marine sectors, and surveillance.</p>
<p>11. Several executing partners listed (MMA, ICMBio, FUNBIO) and States). No detail regarding communities, sectors, etc. for each of the different geographical areas. In terms of the private sector, the blue economy is intended to 'de-risk' the ocean economic sectors and increase investor confidence to drive economic development. Not clear at all that this development will be conservation-oriented. If it will be, how?</p>	<p>More details have been added in the baseline and alternative scenario sections.</p> <p>In particular, it has been specified that a key principle of the Blue Economy will be to ensure that the project and any future investments will not cause any negative impacts on coastal and marine resources by stimulating the use of these resources. Investments in line with the Blue Economy are to be conservation-oriented, including sustainable use, and will have a net positive impact on natural resources and biodiversity.</p>

**ANNEX C: Status of Utilization of Project Preparation Grant (PPG).
(Provide detailed funding amount of the PPG activities financing status
in the table below:**

If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake exclusively preparation activities (including workshops and finalization of baseline, when needed) up to one year of CEO Endorsement/approval date. No later than one year from CEO endorsement/approval date. Agencies should report closing of PPG to Trustee in its Quarterly Report.

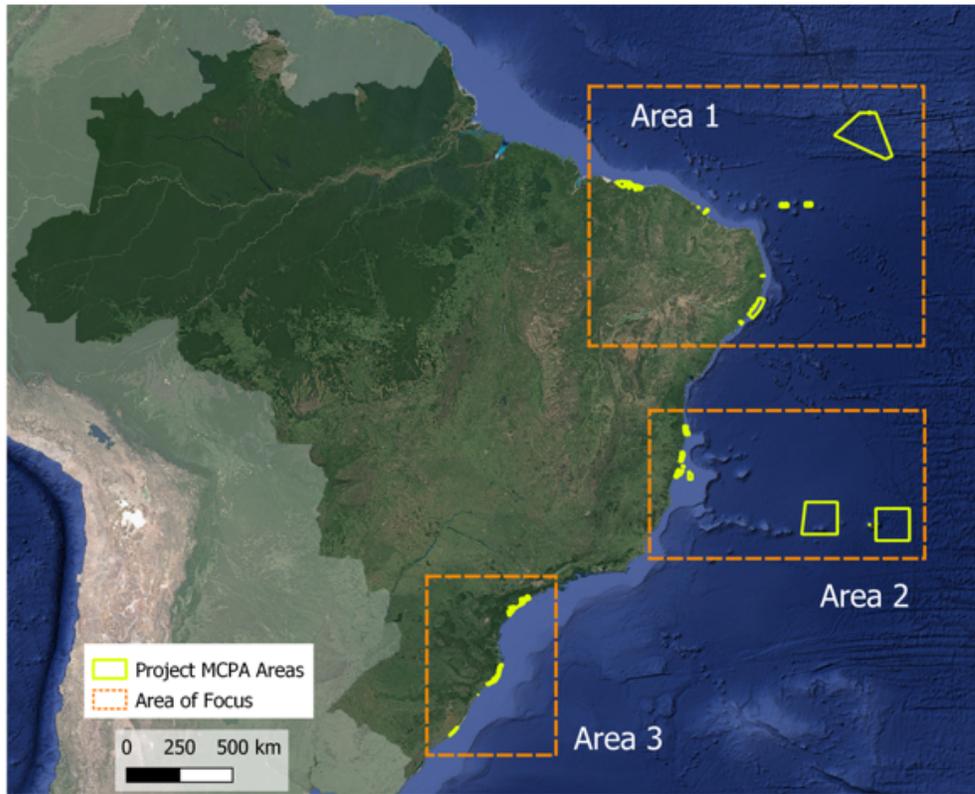
PPG Grant Approved at PIF: \$200,000			
<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent to date</i>	<i>Amount Committed</i>
Draft PAD preparation (includes assessments) by World Bank	200,000	50,781	0
Drafting of FAO project document		10,200	17,300
Additional baseline assessments on climate change, coastal protected areas and GIS assessment			85,719
GIS mapping			6,000
Consultations with MMA to finalize detailed work plan			20,000
Fiduciary assessment			10,000
Total	200,000	60,981	139,019

ANNEX D: Project Map(s) and Coordinates

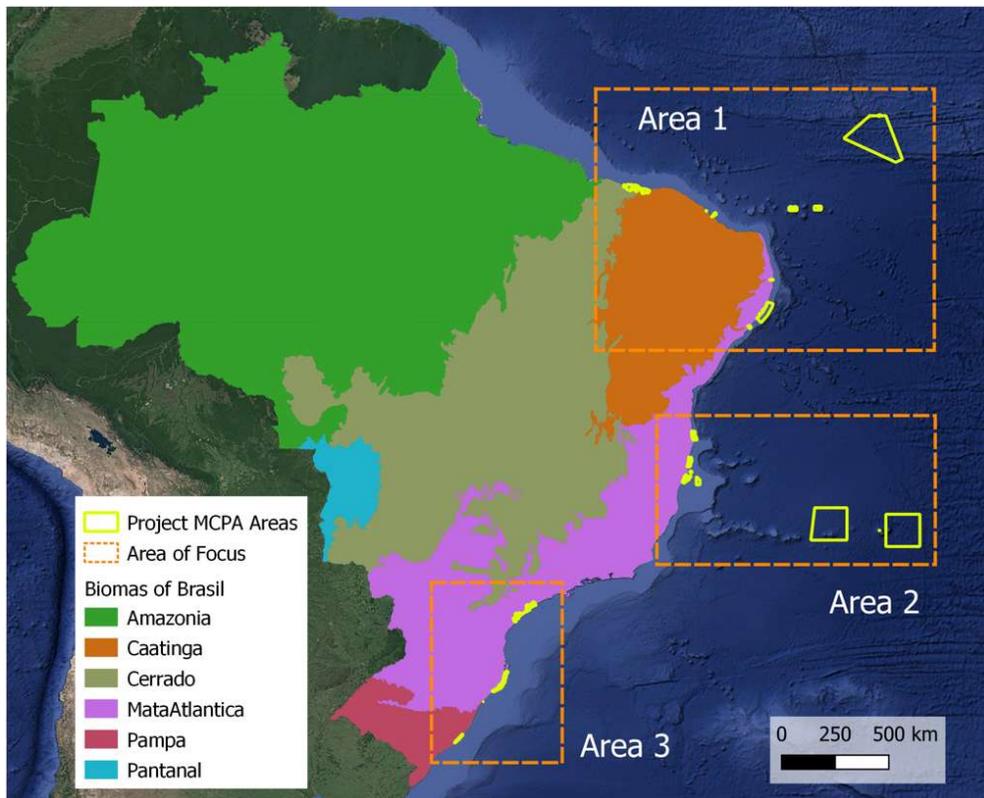
Please attach the geographical location of the project area, if possible.

Project location can be seen online at: <https://projectgeffao.users.earthengine.app/view/brazil-costal-project>

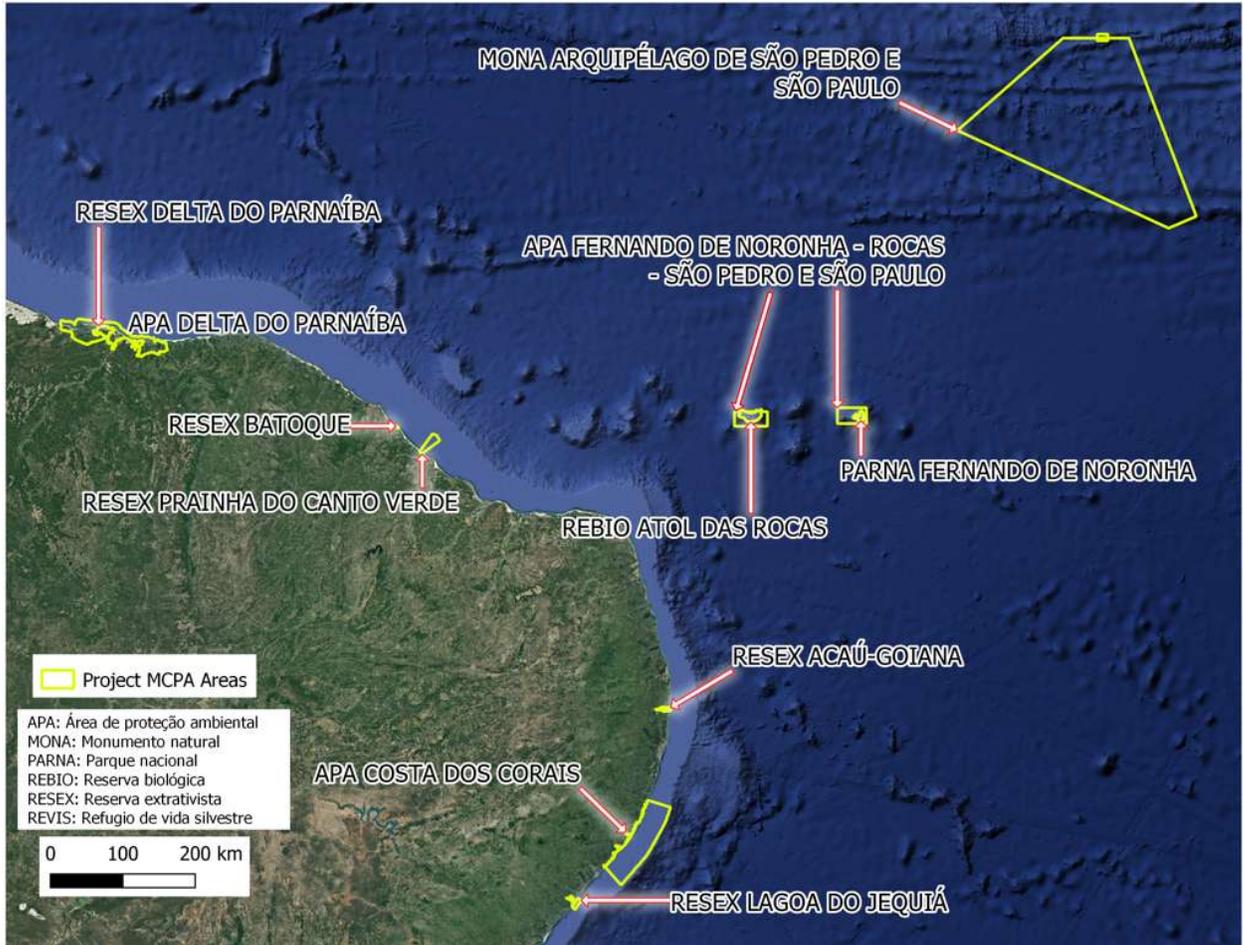
Location of the 21 target MCPAs



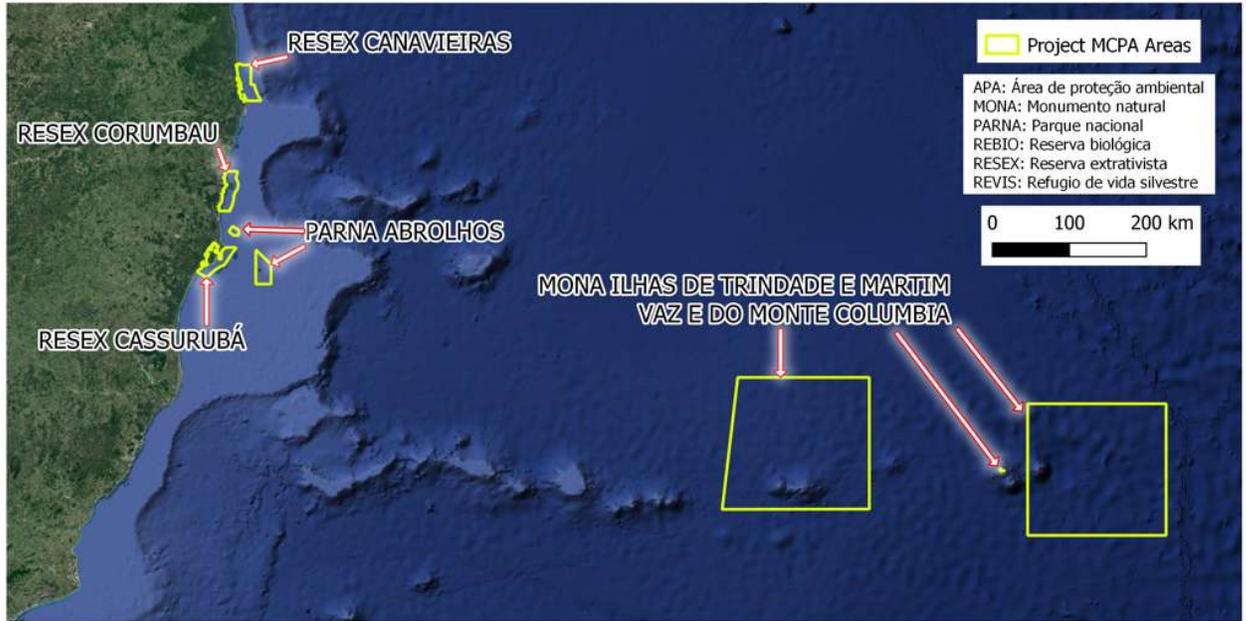
Location of the 21 target MCPAs in relation to the Biomes of Brazil



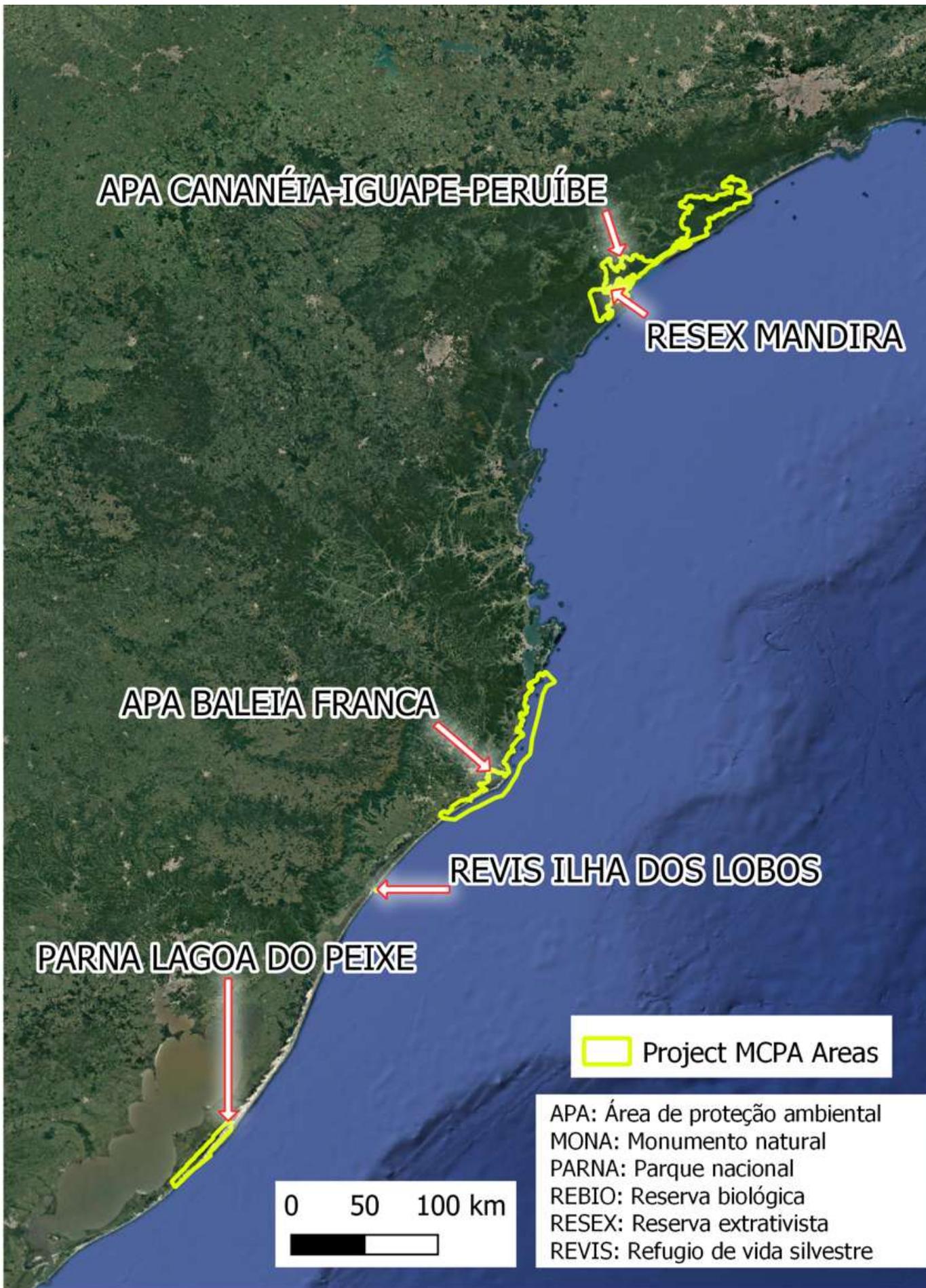
Details for Area 1



Details for Area 2



Details for Area 3



ANNEX E: Project Budget Table

Please attach a project budget table.

Please refer to uploaded excel document under "Documents" section, **and the table below.**

FAO Cost Categories	Unit	Unit cost	No. of units	Component 1		Component 2		Component 3		Component 4 (M&E)		PMC	FGV managed	FAO managed	Total GEF	Year 1	Year 2	Year 3	Year 4	Year 5		
				1.1	1.2	Total	2.1	2.2	Total	3.1	Total										4.1	Total
5011 Salaries professionals				0	0	0	0	0	0	0	0				0							
5011 Sub-total salaries professionals				0	0	0	0	0	0	0	0				0					0		
5013 Consultants																						
Sub-total international Consultants				0	0	0	0	0	0	0	0				0					0		
National Project Coordinator (NPC)	Month	5'000	60	105 000	105 000	105 000	105 000	0	0	0	0	90 000	300 000	300 000	60 000	60 000	60 000	60 000	60 000	60 000		
National Biodiversity and Protected Area Specialist (1.2.2)	Month	3'500	60	210 000	210 000	0	0	0	0	0	0	0	210 000	210 000	42 000	42 000	42 000	42 000	42 000	42 000		
National Blue Economy and Livelihoods Specialist (2.1.2)	Month	3'500	60	0	0	210 000	210 000	0	0	0	0	0	210 000	210 000	42 000	42 000	42 000	42 000	42 000	42 000		
Safeguards and Gender Specialist (50%)	Month	2'500	30	37 500	37 500	20 000	17 500	37 500	0	0	0	0	75 000	75 000	15 000	15 000	15 000	15 000	15 000	15 000		
Communications and KM Expert (3.1.1)	Month	2'500	60	0	0	0	0	150 000	150 000	0	0	0	150 000	150 000	30 000	30 000	30 000	30 000	30 000	30 000		
M&E Expert (project team) (4.1.1)	Month	2'000	60	0	0	0	0	0	0	120 000	120 000	0	120 000	120 000	24 000	24 000	24 000	24 000	24 000	24 000		
Design of ecological corridors (1.1.2) - covered from co-financing, TBD	Assessment	19'000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Financing strategy design (1.1.3)	Lumpsum	50'000	1	50 000	50 000	0	0	0	0	0	0	0	50 000	50 000	25 000	25 000	0	0	0	0		
Consultant to prepare projects and submit to IBAMA (1.1.3)	Project/dossier	3'000	30	90 000	90 000	0	0	0	0	0	0	0	90 000	90 000	30 000	30 000	30 000	30 000	30 000	30 000		
Researchers for BD monitoring/research (1.1.4)	LOA	130'000	1	130 000	130 000	0	0	0	0	0	0	0	130 000	130 000	26 000	26 000	26 000	26 000	26 000	26 000		
Consultant to lead the process to assess priorities for Blue Economy, design of strategy (2.1.1)	Month	5'000	6	0	0	30 000	30 000	0	0	0	0	0	30 000	30 000	15 000	15 000	0	0	0	0		
Consultant to design investment plans per initiative - sustainable livelihoods and value chains (2.1.2)	Lumpsum	3'000	15	0	0	45 000	45 000	0	0	0	0	0	45 000	45 000	22 500	22 500	0	0	0	0		
Local consultants to support design of investment plan (3 months each for 15 initiatives) (2.1.2)	Month	1'500	45	0	0	67 500	67 500	0	0	0	0	0	67 500	67 500	22 500	22 500	22 500	22 500	22 500	22 500		
Consultant to lead the development of the participatory fisheries management plan, 6 months @4000 per 5 fisheries and 5 other initiatives (2.2.1)	Fishery Mgmt Plan	24'000	10	0	0	240 000	240 000	0	0	0	0	0	240 000	240 000	80 000	80 000	80 000	80 000	80 000	80 000		
Consultant to design investment plan for adoption of new technologies (from FIMP), 3 months @4000 per technology (2.2.2)	Investment plan	12'000	2	0	0	24 000	24 000	0	0	0	0	0	24 000	24 000	12 000	12 000	0	0	0	0		
Sub-total national Consultants				270 000	352 500	622 500	372 500	386 500	759 000	150 000	150 000	120 000	120 000	90 000	1 741 500	0	1 741 500	279 000	446 000	406 000	371 500	239 000
5013 Sub-total consultants				270 000	352 500	622 500	372 500	386 500	759 000	150 000	150 000	120 000	120 000	90 000	1 741 500	0	1 741 500	279 000	446 000	406 000	371 500	239 000
5050 Contracts																						
Evaluation and monitoring of the MCPA system (CNUC and SAMGe) (1.1.1)	LoA	100'000	1	100 000	100 000	0	0	0	0	0	0	0	100 000	100 000	20 000	20 000	20 000	20 000	20 000	20 000		
Gaps and needs assessments (1.1.2) - covered from co-financing, TBD	Assessment	20'000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Establish a legal / technical and operational basis for the implementation of the financial strategy designed (1.1.3)	Project/dossier	3'000	1	3 000	3 000	0	0	0	0	0	0	0	3 000	3 000	3 000	3 000	0	0	0	0		
Strengthen MCPAs to access different sources of finance (penalty conversion system and others). Map opportunities and train for access. (1.1.3)	Project/dossier	1'000	5	5 000	5 000	0	0	0	0	0	0	0	5 000	5 000	5 000	5 000	2 500	2 500	0	0		
Implement monitoring system for projects presented (1.1.3)	Project/dossier	7'000	1	7 000	7 000	0	0	0	0	0	0	0	7 000	7 000	7 000	7 000	0	0	0	0		
LOA to design PES scheme (economic valuation of services, economic assessment, technical elements, lead discussions with community), based on the analysis of past and ongoing initiatives in the light of the new PES policy and possibilities for implementation in new areas (1.1.3)	Project/dossier	30'000	2	60 000	60 000	0	0	0	0	0	0	0	60 000	60 000	30 000	30 000	0	0	0	0		
Design pilot activities in MCPAs aimed at testing the projected model (defining type of incentives and supported ecosystem service) for PES (1.1.3)	LoA	10'000	5	50 000	50 000	0	0	0	0	0	0	0	50 000	50 000	25 000	25 000	0	0	0	0		
Seed investment to support local beneficiaries (or technical support/services) for PES (1.1.3)	LoA- Services	401'000	5	2 005 000	2 005 000	0	0	0	0	0	0	0	2 005 000	2 005 000	668 334	668 333	668 333	668 333	668 333	668 333		
Preparation of dossier for concessions, including community-led concessions and private sector financing (1.1.3) - covered from co-financing, TBD	Project/dossier	100'000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Assessment of conservation status of threatened, exotic and invasive species (1.1.4)	LOA	150'000	1	150 000	150 000	0	0	0	0	0	0	0	150 000	150 000	75 000	75 000	0	0	0	0		
Community-based biodiversity monitoring mechanisms, lumpsum per community, includes training, equipment, and travel (1.1.4)	Lumpsum	10'000	5	50 000	50 000	0	0	0	0	0	0	0	50 000	50 000	10 000	10 000	10 000	10 000	10 000	10 000		
Monitoring Programme (including equipment)- To be defined (1.1.4)	Lumpsum	820'728	1	820 728	820 728	0	0	0	0	0	0	0	820 728	820 728	164 146	164 146	164 146	164 146	164 146	164 146		
Elaboration / update of the management plans of the targeted PA (NGI Delta do Parnaíba (PI) - APA Delta do Parnaíba e Resex Marinha do Delta do Parnaíba) (1.2.1), including threat reduction assessments	Management Plan	50'000	1	50 000	50 000	0	0	0	0	0	0	0	50 000	50 000	16 667	16 667	16 666	0	0	0		
Design of investment plan for each subproject - to support implementation of management plans (1.2.1)	Subproject	30'000	10	300 000	300 000	0	0	0	0	0	0	0	300 000	300 000	50 000	100 000	100 000	50 000	50 000	50 000		
Investment for subproject (1.2.1)	Lumpsum	2 000'000	10	2 000 000	2 000 000	0	0	0	0	0	0	0	2 000 000	2 000 000	200 000	400 000	400 000	600 000	600 000	400 000		
Design of investment plan for each subproject - to address threats to biodiversity (1.2.2)	Subproject	3'000	10	30 000	30 000	0	0	0	0	0	0	0	30 000	30 000	5 000	10 000	10 000	5 000	5 000	5 000		
One pilot per area in Oil spills contingency planning (incl. monitoring, training, environmental sensitivity analysis, purchase of equipment) (1.2.2)	Lumpsum	50'000	8	400 000	400 000	0	0	0	0	0	0	0	400 000	400 000	40 000	80 000	120 000	80 000	80 000	80 000		
One pilot per area in combating marine litter (can include ghost fishing, incl. monitoring, training, environmental sensitivity analysis, purchase of equipment and actions) (1.2.2)	Lumpsum	98'486	5	492 429	492 429	0	0	0	0	0	0	0	492 429	492 429	49 243	98 486	147 729	98 486	98 486	98 486		
Other necessary plans and emergency actions (1.2.2)	Lumpsum	50'000	5	250 000	250 000	0	0	0	0	0	0	0	250 000	250 000	25 000	50 000	50 000	75 000	50 000	50 000		
Investments per initiative - sustainable livelihoods and value chains (2.1.2)	Lumpsum	96'000	15	0	0	1 425 000	1 425 000	0	0	0	0	0	1 425 000	1 425 000	396 250	396 250	396 250	396 250	396 250	396 250		
Investments per Fishery Mgmt Plan (2.2.1)	Initial investment	75'000	5	0	0	375 000	375 000	0	0	0	0	0	375 000	375 000	93 750	93 750	93 750	93 750	93 750	93 750		
Investments in other initiatives (2.2.1)	Initial investment	75'000	5	0	0	375 000	375 000	0	0	0	0	0	375 000	375 000	93 750	93 750	93 750	93 750	93 750	93 750		
Monitoring of fish stocks (2.2.1)	Initial investment	400'000	1	0	0	400 000	400 000	0	0	0	0	0	400 000	400 000	80 000	80 000	80 000	80 000	80 000	80 000		
Investment per technology (2.2.2)	Lumpsum	265'000	2	0	0	530 000	530 000	0	0	0	0	0	530 000	530 000	265 000	265 000	0	0	0	0		
LOA to design and implement training programme (3.1.2)	Lumpsum	1 260'000	1	0	0	1 260 000	1 260 000	0	0	0	0	0	1 260 000	1 260 000	315 000	315 000	315 000	315 000	315 000	315 000		
Design of Communications and KM Strategy and Action Plan	Strategy	25'000	1	0	0	25 000	25 000	0	0	0	0	0	25 000	25 000	25 000	25 000	0	0	0	0		
Investment in communication, KM activities and products per year (to implement the strategy) (3.1.1)	Lumpsum	25'000	13	0	0	325 000	325 000	0	0	0	0	0	325 000	325 000	65 000	65 000	65 000	65 000	65 000	65 000		
Data collection for reporting (4.1.1)	Per year	3'300	5	0	0	0	16 500	16 500	0	0	0	0	16 500	16 500	3 300	3 300	3 300	3 300	3 300	3 300		
Impact Assessment (4.1.1)	Lumpsum	78'521	1	0	0	0	78 521	78 521	0	0	0	0	78 521	78 521	78 521	78 521	0	0	0	0		
Lumpsum	40'000	1	0	0	0	0	40 000	40 000	0	0	0	0	40 000	40 000	40 000	40 000	0	0	0	0		
Mid-Term Review (MTR) (4.1.1)	Lumpsum	59'550	1	0	0	0	59 550	59 550	0	0	0	0	59 550	59 550	59 550	59 550	0	0	0	0		
Final Evaluation and Terminal Report (4.1.1)	Lumpsum	59'550	1	0	0	0	59 550	59 550	0	0	0	0	59 550	59 550	59 550	59 550	0	0	0	0		
Audited checks (PMC)	Per year	14'080	8	0	0	0	0	0	0	0	0	0	70 400	70 400	14 080	14 080	14 080	14 080	14 080	14 080		
5050 Sub-total Contracts				3 250 728	3 522 429	6 773 151	1 425 000	1 680 000	3 105 000													

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.

N/A

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.

N/A

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).

N/A