



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS* THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	5091		
Country/Region:	Brazil		
Project Title:	Mainstreaming Biodiversity Conservation and Sustainable Use into NTFP and AFS Production Practices in Multiple-Use Forest Landscapes of High Conservation Value		
GEF Agency:	UNDP	GEF Agency Project ID:	4659 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-2; Project Mana;		
Anticipated Financing PPG:	\$91,324	Project Grant:	\$5,479,452
Co-financing:	\$27,800,000	Total Project Cost:	\$33,370,776
PIF Approval:	February 21, 2013	Council Approval/Expected:	April 12, 2013
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ian Gray	Agency Contact Person:	Helen Negret

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	August 31, 2012 Yes, CBD signed 1992.	October 09, 2014 As at PIF stage.
	2. Has the operational focal point endorsed the project?	August 31, 2012 Yes, letter dated August 20, 2012 from Rodrigo Martins Vieira provided.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	August 31, 2012 Yes, UNDP has experience of BD and forest conservation as well as production and marketing functions. UNDP also has experience within the country.	October 09, 2014 As at PIF stage.
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	August 31, 2012 There is no NGI.	October 09, 2014 As at PIF stage.

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 11-22-2010

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	5. Does the project fit into the Agency's program and staff capacity in the country?	August 31, 2012 Yes, the project is aligned with the UNDAF. Technical staff are available within the country office.	October 09, 2014 As at PIF stage.
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	August 31, 2012 Yes.	October 09, 2014 All figures remain as at PIF stage.
	• the focal area allocation?	August 31, 2012 Yes, the BD FA allocation remaining to be allocated stands at \$13,232,755. The OFP letter included identification of an additional sum of \$100,000 for PPG.	October 09, 2014 As at PIF stage.
	• the LDCF under the principle of equitable access	N/A	
	• the SCCF (Adaptation or Technology Transfer)?	N/A	
	• Nagoya Protocol Investment Fund	N/A	N/A
	• focal area set-aside?	N/A	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	August 31, 2012 Yes the project is generally aligned with the FA strategy. However component 2 of the project deals mainly with market based elements, see Q14 and 24. September 19, 2012 Addressed in Q14 and 24.	October 09, 2014 Yes, remains aligned with FA strategy.
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	August 31, 2012 Yes, the project is focused on one FA Objective - BD-2. Please identify the the likely number of policies and regulatory frameworks in	October 09, 2014 As at PIF stage. Objectives clear.

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		Table A. September 19, 2012 Cleared.	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	August 31, 2012 Yes, the project is aligned with the NBSAP and CBD National Targets for 2020. Also aligned with specific programs related to the protection and management of the Amazon, Caatinga and Cerrado.	October 09, 2014 As at PIF stage.
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	August 31, 2012 Yes, capacity building included largely in Component 1 including activities with Government technical staff, decision makers and also local communities through proposed extension work.	October 09, 2014 Institutional capacities at EMBRAPA, knowledge on management guidelines among producers and improved extension services will all contribute. Sustained outcomes will however be built on the improved capacities to manage NTFPs and market them efficiently which is at the core of the project.
Project Design	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	August 31, 2012 Baseline activities of EMBRAPA, MMA, MDA and MAPA are identified, however these are largely national in application. Please focus baseline activities to identify their impact on the identified project areas. September 19, 2012 Estimates of the focus of baseline initiatives in the project areas have been provided. Cleared.	October 09, 2014 Baseline and core problems revealed at PIF stage remain relevant. Additional detail provided through project documentation.
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to		October 09, 2014 The project offers a means through which to reduce and prevent further forest loss by increasing the value of

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	alternative approaches to achieve similar benefits?		maintained forest through the access point of NTFPs. The NTFPs offers one of the few resource bases upon which sustainable development can be anchored in these regions. This operates in addition to and augments the Brazil protected area network which is already extensive. This project moves forward the issue of sustainable management of productive landscape matrices.
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	<p>August 31, 2012 The project is based on the premise that existing efforts have not mainstreamed BD-sensitive practices within high BD value forest areas largely due to knowledge and capacity. See Q14 relating to Component 2.</p> <p>September 19, 2012 Additional details on the Food Acquisition Program (PAA), Policy of Guaranteed Minimum Prices (PGPMBio) and the National School Food Program (PNME) have been provided. At CEO Endorsement please include how the project will link to these programs.</p>	October 09, 2014 Incremental reasoning is valid.
	14. Is the project framework sound and sufficiently clear?	August 31, 2012 The need for both production and market based elements of the project is acknowledged however please explain why it is necessary for GEF funding for 2.1 and 2.2 which appear to be more related to supply chain management rather than the management of natural resources and would appear to be more of an issue for buyers in the market to	October 09, 2014 Project framework is simple and clear.

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		<p>address if there is a BD-sensitive market for these products.</p> <p>If there is no existing BD-sensitive market that can offer the market demand with appropriate compensation for implementing the improved management measures for these products, please explain the ability of the project to assess and develop new products and markets within the lifetime of the project.</p> <p>Within Component 1 given the likely immaturity of BD-sensitive markets to encourage uptake of improved management practices, what short-term incentives will initiate changes in ground-level management by local communities during the project life.</p> <p>September 19, 2012 Thank you for the additional information which clarifies how the market elements are expected to operate. We are comfortable with the activities related to mechanisms developing links along the supply chain actors and the development of products' management methods. However we feel the development of value-added products (2.1) and product advertising (2.2) is more the mandate of the private sector and other partners. We would request that co-finance is dedicated to these elements rather than GEF funds and ask for the framework and the text</p>	

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		<p>to be amended to reflect this.</p> <p>September 26, 2012 Cleared.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>August 31, 2012 Issues around security of tenure or use rights is identified as a barrier to mainstreaming BD-sensitive practices in Section B1, but does not seem to be addressed in either of the components. Please explain if this is being addressed though the project or another initiative.</p> <p>NTFP and AFS are generally low input production systems. Please explain the rationale for developing credit and finance mechanisms for NTFP and AFS management in 2.3, or are these for supply chain and processing activities?</p> <p>September 19, 2012 Additional information on tenure and use rights provided. Additional information on credit and finance mechanisms provided. Cleared.</p>	<p>October 09, 2014 Incremental reasoning valid.</p>
	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?</p>	<p>August 31, 2012 Yes, the socio-economic benefits are expected through the improved management practices but also market links as markets become established.</p>	<p>October 09, 2014 The project documentation acknowledges the potential for gender imbalance in NTFP harvesting but has included means through which to address these. As the project is aiming to develop sustainable supply of NTFPs the socio-economic benefits are clear.</p>
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>August 31, 2012 Local communities will be involved in both Components through capacity building and supply chains, however</p>	<p>October 09, 2014 Roles for local communities, CSOs and groups such as cooperatives, municipalities, unions and associations</p>

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		<p>please explain how communities are likely to be involved in developing policy and safeguard proposals and the formation of market links. CSOs are already active in NTFPs in Brazil for example in development of FSC certified Brazil nuts. Please explain how is this experience being capitalized.</p> <p>September 19, 2012 Additional information provided. Cleared.</p>	<p>are identified and their engagement in planning as well as participation defined.</p>
	<p>18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)</p>	<p>August 31, 2012 Please provide further information on how the project will ensure sustainability of proposed new markets and products post project.</p> <p>Supply chains for NTFP products often have many small sellers and few large purchasers who can exert great influence on the sellers. How is the project proposing to ensure this influence is both BD and socio-economically beneficial.</p> <p>September 12, 2012 Additional information provided and additions to text. Cleared.</p>	<p>October 09, 2014 Major risks are identified and appropriate mitigation measures proposed.</p>
	<p>19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>August 31, 2012 Generally yes. Please explain how the project is linking to existing market based approaches such as FSC and Fair Trade. Also please explain how the project is coordinating with the recently approved GEF project 4859 related to SNUC.</p>	<p>October 09, 2014 Project seems well aligned.</p>

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		September 19, 2012 Additional information provided and text amended. Cleared.	
	20. Is the project implementation/ execution arrangement adequate?	August 31, 2012 EMBRAPA is the lead executing agency, at time of CEO Endorsement a fuller description of how the project will involve the other actors particularly Government bodies in the development and implementation of policies and regulations. Private sector involvement seems essential for the market side of the project please provide additional information on how these actors will be incorporated as there seems limited involvement. September 12, 2012 Additional information provided. Activities to develop links to and involvement of private sector entities are expected within the PPG phase with details of wider involvement of the private sector expected at CEO Endorsement.	October 09, 2014 Roles and responsibilities sufficiently detailed.
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		October 09, 2014 Few changes have been made but those that have been are supported with adequate rationale.
	23. Is funding level for project management cost appropriate?	August 31, 2012 PMC is 5%.	October 09, 2014 As at PIF stage.

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Project Financing	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>August 31, 2012 GEF funding between the two components is roughly 2:3. While the need for production and market side elements is acknowledged the rationale for the majority of funds used in the market side requires further explanation. We would expect the GEF finance to be much more concentrated in the production side dealing with the management of natural resources and other funds including from the private sector to be used for the market elements such as supply chain logistics, processing, commercialization and advertising.</p> <p>September 19, 2012 Thank you for the explanation of funding the components this is appreciated. As expressed in Q14 we feel the development of value-added products and supply chain logistics is more the mandate of the private sector and other partners and we would request that co-finance is dedicated to these elements and GEF funds are not used. We note further attempts will be made to increase the contribution of the private sector and will be expected to be included at CEO Endorsement.</p> <p>September 26, 2012 Cleared.</p>	<p>October 09, 2014 Funding and co-finance appears appropriate and adequate.</p>
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if	<p>August 31, 2012 Cofinance stands at \$27,800,000, which equates to a ratio of 1:5.1.</p>	<p>October 09, 2014 Co-finance sources have altered since PIF stage but overall co-finance levels</p>

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	confirmed co-financing is provided.		remain the same. Confirmation for all co-finance is available.
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	August 31, 2012 UNDP is providing \$300,000, 5% of GEF Project Amount.	October 09, 2014 As at PIF stage.
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		October 09, 2014 BD TT is available.
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		October 09, 2014 STAP comments on safeguards and community participation responded to adequately.
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	August 31, 2012 Not at the moment. Please address the issues above. September 19, 2012 Please address issue in Q14. September 26, 2012 This PIF has been technically cleared and may be included in an upcoming work program. 2/2013. PIF has been cleared for the	

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		April 2013 Work Program.	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		October 09, 2014 Details of PPG finance status included.
	33. Is CEO endorsement/approval being recommended?		October 09, 2014 Yes. CEO Endorsement recommended.
Review Date (s)	First review*	August 31, 2012	October 09, 2014
	Additional review (as necessary)	September 26, 2012	
	Additional review (as necessary)		
	Additional review (as necessary)		
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* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	December 20, 2012 Yes the proposed activities are in line with the required tasks for project preparation: i) Technical assessments for selection of project sites ii) Technical selection of non-timber forest products and agroforest systems to focus on iii) Assessments of policy, legislative and capacity building needs iv) Development of feasibility analysis, project budget and project design.
	2. Is itemized budget justified?	December 20, 2012 Yes budget provided is justified for the tasks included.
Secretariat Recommendation	3. Is PPG approval being recommended?	December 20, 2012 Yes. The PM recommends the PPG for CEO approval. Please note that PPG approval

		is pending CEO clearance of the PIF.
	4. Other comments	
Review Date (s)	First review*	December 20, 2012
	Additional review (as necessary)	

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