



REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Mainstreaming conservation and valuation of critically endangered species and ecosystems in development-frontier production landscapes in the regions of Arica y Parinacota and Biobío			
Country(ies):	Chile	GEF Project ID: ¹	5429
GEF Agency(ies):	FAO (select) (select)	GEF Agency Project ID:	623646
Other Executing Partner(s):	Ministry of Environment - MMA, Ministry of Agriculture – MINAGRI (National Forest Corporation- CONAF, Livestock and Agriculture Service – SAG)	Submission Date:	27/06/16
		Resubmission Date:	13/09/16
		Resubmission Date:	16/11/16
GEF Focal Area (s):	Biodiversity	Project Duration(Months)	36
Name of Parent Program (if applicable):		Project Agency Fee (\$):	229,084

A. FOCAL AREA STRATEGY FRAMEWORK²

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
BD-2	Outcome 2.1: Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation.	Output 2. National and sub-national land-use plans that incorporate biodiversity and ecosystem services valuation, covering 501,200 hectares	GEF TF	1,929,237	5,744,291
BD-2	Outcome 2.2: Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks.	Output 1. Five (5) policies and regulatory frameworks for production sectors.	GEF TF	482,179	866,320
Total project costs				2,411,416	6,610,611

¹ Project ID number will be assigned by GEFSEC.

² Refer to the Focal Area Results Framework and LDCE/SCCF Framework when completing Table A.

B. PROJECT FRAMEWORK

Project Objective: Mainstreaming conservation criteria of four critically endangered species (Darwin's fox, Chilean huemul, keule and Chilean woodstar) into the management of main "development border" territories in Arica y Parinacota and Biobio regions						
Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
I. Awareness and development of capacities to support the protection of four endangered species in Arica y Parinacota and Biobio Regions	TA	<p>1.1 Strengthened capacity of local actors to implement best forestry, farming and cattle and forest practices including the conservation of the endangered species habitat (Chilean woodstar, Chilean huemul, Darwin's fox and keule).</p> <p><i>Targets:</i> 2250 school students and 750 people from municipalities sensitized about the importance of conservation of the four endangered species.</p> <p>1500 civil servants and 350 farmers from municipalities trained in the implementation of best farming, forestry and cattle and forest practices that consider the conservation of the four endangered species</p>	<p>1.1.1. Mechanisms to disseminate updated and permanent information on the status of the four species that trigger the commitment of stakeholders, productive sectors and government, to biodiversity conservation at local scale.</p> <p><i>Target: 4 mechanisms to disseminate information on the status of the four species</i></p> <p>Output 1.1.2 Environmental education programmes on the conservation of endangered species for civil servants in charge of agricultural extension, schools and civil society</p> <p><i>Targets:</i> a) One (1) environmental education programmes for municipal schools b) 60% of municipal schools' students of communities selected trained. c) One (1) environmental education programme for general population d) 3000 people participating in the programme</p> <p>Output 1.1.3. Tools for the implementation of best agricultural, stock farming, forest and tourist practices at community level.</p> <p><i>Targets:</i> a) Six (6) best agricultural practices manuals for the use of</p>	GEF TF	704,742	1,724,276

			<i>chemicals and farm, livestock, forest and tourist management</i> <i>b) 300 people trained (40% women)</i>			
2. Integrated territorial management based on best forestry, farming and cattle and forest practices aimed at the recovery of four endangered species habitats in Arica y Parinacota and Biobio regions.	Inv	2.1. The populations of the four endangered species are stabilized by reducing pressure on their habitats, on account of planning and management of the territory with due consideration to biodiversity conservation. <i>Targets:</i> <i>a) 300.000 ha under management plans and 10% of this total area will be implementing best practices implementation</i> <i>b) Number of individuals of the endangered species population: Darwin's fox: 50</i> <i>Chilean huemul: 80</i> <i>Keule: 5000</i> <i>Chilean woodstar: 400</i>	2.1.1. Planning tools for managing protected areas and their zones of influence according to ecological corridors, including criteria for biodiversity conservation into productive forestry, farming and cattle and forest sectors. <i>Targets:</i> <i>a) One (1) management plan of the Cordillera de Nahuelbuta proposed Biosphere Reserve and its zone of influence</i> <i>b) One (1) management plan of the zone of influence of the RBNCHLL approved</i> <i>c) One (1) Proposal of a Micro-Reserves Network of the Chilean woodstar with the management plan of its zone of influence</i> <i>d) Two (2) Proposals to create a Nature Sanctuary (in Caramávida Gorge and Santa Gertrudis river basin in the Cordillera Nahuelbuta).</i> 2.1.2. Best forestry, farming and cattle conservation and biodiversity tourism practices, implemented by local stakeholders in the zones of influence of protected areas, habitats of the four endangered species. <i>Targets:</i> <i>a) Ten (10) best practices that incorporate the conservation of the four endangered species and reduce pressure on its habitats</i> <i>b) 300 farmers implementing best</i>	GEF TF	1,151,310	2,859,260

			<p><i>practices (40% women).</i></p> <p>2.1.3. Best practices recognition systems that contribute to biodiversity conservation.</p> <p><i>Target: Two (2) practices recognition systems for the conservation of endangered species.</i></p> <p>2.1.4. Public-private partnerships that support the implementation of best practices based on recognition systems and biodiversity conservation.</p> <p><i>Target: Two (2) public-private agreements, one per region.</i></p> <p>2.1.5. <u>Proposal of protocols and census for Darwin's fox in Chiloe Island (Los Lagos Region), keule (Maule Region) and Chilean woodstar (Tarapacá Region).</u></p> <p><i>Target: Three (3) conservation methodologies reproduced.</i></p>			
3. Mainstreaming conservation criteria of endangered species in public policies and municipal regulatory frameworks in Biobio and Arica y Parinacota regions.	TA	<p>3.1. Public policies and regional regulatory frameworks incorporate conservation criteria of the four endangered species from territorial management experiences of component 2.</p> <p><i>Target: 4 RECOGE plans and 5 municipal ordinance proposals make reference to biodiversity conservation criteria.</i></p>	<p>3.1.1. RECOGE plans designed (Darwin's fox and Keule), updated (Chilean huemul and Chilean woodstar) and under execution.</p> <p><i>Target: Four (4) RECOGE plans designed and under execution</i></p> <p>3.1.2. Five municipal ordinances that incorporate the conservation of endangered species into the management of its territory.</p> <p><i>Target: Five (5) ordinance proposals designed.</i></p> <p>3.1.3. Funding proposals</p>	GEF TF	282,179	575,302

			for the conservation of endangered species in land management. <i>Target: Four (4) funding proposals ready for submission to FNDR and other financing mechanisms.</i>			
4. M&E and information dissemination	TA	4.1. Project outcome-based management approach <i>Target: Project outcomes achieved and proving sustainability</i>	4.1.1 Monitoring and evaluation (M&E) system in operation, generating constant information on progress in meeting the goals of the project outcomes and outputs. 4.1.2 Mid-term and final evaluation and implementation and sustainability strategies adjusted to recommendations. 4.1.3 Best practices and lessons learned published	GEF TF	158,356	916,751
Subtotal					2,296,587	6,075,589
Project management Cost (PMC) ³				GEF TF	114,829	535,022
Total project costs					2,411,416	6,610,611

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Co-financing	Co-financing Amount (\$)
Central government	MMA	Cash	358,070
Central government	MMA	In kind	1,282,851
Central government	SAG	Cash	30,000
Central government	SAG	In kind	170,319
Central government	CONAF	In kind	1,623,447
NGO	AUMEN	Cash	61,400
NGO	AUMEN	In kind	160,000

³ PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

NGO	Fundación KEULE	Cash	3,000
NGO	Fundación KEULE	In kind	25,000
NGO	Ética en los Bosques	Cash	24,000
NGO	Ética en los Bosques	In kind	277,000
NGO	Aves Chile	Cash	1,047,636
NGO	Aves Chile	In kind	403,636
Private	Forestal Arauco	In kind	397,242
Private	DuPont Pioneer Chile Ltda.	In kind	416,010
GEF Agency	FAO	Cash	31,000
GEF Agency	FAO	In kind	300,000
Total Co-financing			6,610,611

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
FAO	GEF TF	Biodiversity	Chile	2,411,416	229,084	2,640,500
Total Grant Resources				2,411,416	229,084	2,640,500

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

² Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	-	-	0
National/Local Consultants	838,402	-	838,402

G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF⁴

A.1. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.

This section has been updated to reflect Project's alignment with the Fifth National Report of the Government of Chile to the CBD (2014). Kindly refer to FAO-GEF Project Document, Sub-section 1.5.2 for further details

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities.

No changes from the PIF. Kindly refer to FAO-GEF Project Document, Sub-section 1.5.3 for further details.

A.3. The GEF Agency's comparative advantage:

No changes from the PIF.

A.4. The baseline project and the problem that it seeks to address:

The baseline project and barriers that the project seeks to address have been further analyzed and detailed during project preparation. FAO-GEF Project Document Sub-sections 1.2.1 Threat to Global Environment Benefits and 1.2.2 Baseline initiatives for further details.

Remaining barriers to address threats on GEB

There are three main barriers that should be addressed in order to integrate the conservation of those critically endangered species and ecosystems into these three development border areas:

Barrier 1: Weak capacities and lack of knowledge to incorporate biodiversity conservation into productive practices. The lack of awareness and social and cultural valuation of the species and their habitats, as well as weak capacities of the civil society, private sector and government institutions operating at local and regional level, generate practices against the protection of the four species selected and the ecosystem services that need their vulnerable habitats in Arica y Parinacota and Biobio.

The National Government has implemented some technical assistance programmes for individual farmers, in order to promote consistency between farming practices and productivity policies; however, there is no integrated approach considering biodiversity conservation. At regional level, training tools and information resources are insufficient to reach the target audience and leverage efforts through the dissemination of experiences and lessons learned. Many local producers do not have enough knowledge on how to maintain or increase land productivity, while preserving endangered habitats of endangered species. Local knowledge about species life cycle is limited. Landowners have few skills and knowledge about the adoption of ecological wisdom principles (e.g., good water management and preservation of connectivity). Pro-sustainability activities are isolated and scattered. The approach to transfer and improve best agricultural and forestry management practices remains inconsistent and

⁴ For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter "NA" after the respective question.

fragmented. Although there is no lack of motivation, it is required to have the knowledge and ownership to adopt these practices and sustainable systems before reaching a critical point. Innovative processes do not advance quickly enough to avoid permanent loss of biodiversity.

Barrier 2: Widespread use of unsustainable forestry, farming and cattle production means incompatible with biodiversity. Unsustainable extractive mentality, in forestry, farming and cattle activities on a large scale and small and medium-sized rural properties, causes change in land use, conversion or degradation of native forests, farming intensification and competition for natural resources, posing growing environmental threats, leading to habitat loss and fragmentation and reducing connectivity between protected areas. Chile has safeguarded some of its most valuable and pristine ecosystems through the declaration of Protected Wild Areas (ASP – acronym in Spanish), mainly in remote areas where population dynamics and economic development are less intense due to harsh living conditions. The most densely populated and intensely used ecoregions, as well as areas of high agricultural and forestry value in the development border, as those located in Arica y Parinacota and Biobío have been neglected. ASP here face the risk of becoming relatively small and isolated islands of good quality habitat in a wider landscape devoid of significant biodiversity. The connectivity between existing suitable habitats and protected areas is particularly limited.

Moreover, the national prioritization of agriculture and forestry for export (to change the focus on mining in the national economy) have undermined the attainment of the status of protection of other vulnerable ecosystems and species of global and local importance in Arica y Parinacota and Biobío. Agriculture and forestry are the main sources of income in Biobío: 32.4% of the population of Arauco province (where Cordillera de Nahuelbuta is located), and 23.9% of people living in Ñuble province (where BR Nevados de Chillan is located) depend on these two sectors. Although in Arica this figure is lower (only 9.7% of the population works in agriculture), high mechanization and commercial approach of the two sectors generate amplified impacts and threats to fragile ecosystems in the region.

This narrow approach on exports has fuelled an unsustainable extractive mentality in areas of Chile with greater availability of natural resources and/or suitable climatic conditions for forestry, farming and large scale stock farming. As explained before, unsustainable extraction is also practiced by micro, small and medium-sized producers who are excluded in an unregulated market, dominated by the high volume of the agro-industry and the mining sector, which set the cost of capital and expected profitability at high levels.

In Arica y Parinacota and Biobío, the unsustainable extractive mentality (along with a purely sectoral normative intended to regulate high-impact activities, described below in Barrier 3) is causing to unsustainable increase in productivity, depletion of agro-ecosystems services and weakening of the local socio-environmental resilience. This approach on production has spread over these regions, preventing long-term global and local environmental benefits, and the understanding of sustainable agriculture/forestry models. In the light of this, there is little motivation to establish public-private partnerships that take the approach "more production / more environment" where everyone benefits. The commercialization of non-traditional products and services, certified agricultural products or other goods produced in a sustainable manner, is rarely implemented in these areas, limiting the ability of economies of scale to market these products.

Barrier 3: Lack of policies and coordination between government institutions to implement mechanisms for biodiversity conservation in the in the forestry, farming and cattle sector. Regional and national bodies responsible for land management and related public policies and regulations have only a sectoral approach regarding high-impact activities (i.e.: intensive farming, forest industry), and indirectly undermine actions aiming at including the valuation of biodiversity and sustainable production incentives in the regions of Arica y Parinacota, and Biobío.

Sectoral legislation in Chile concentrates in each activity within a property, but it does not have specific tools to manage ecosystems in large land extensions. This limited approach creates incentives for unsustainable land management and all processes that degrade biodiversity described above. In general, public agencies responsible for land management apply sectoral regulations to high-impact activities (i.e., intensive farming, forest industry) that indirectly undermine actions aiming at including the valuation of biodiversity and sustainable production

criteria. This also reduces the capacity to create alliances among experts, private sector and NGOs and establish mechanisms for mutual benefit.

In Arica y Parinacota and Biobío, sectoral government agencies favour an isolated and limited land tenure approach to improve agricultural/forest productivity, leaving aside the interactions with the landscape. Municipalities have very limited capacity to influence policy formulation processes at the national level. Regional policies and regulatory frameworks are weak to identify and promote the adoption of sustainable practices and production systems in landscapes of high biodiversity value or vital for generating ecosystem services. Coordination mechanisms are insufficient to get more economic benefits and carry out activities that generate sustainable income. Participatory planning has not been implemented. Both, regional and municipal governments have not developed public policies to explicitly integrate the valuation of biodiversity and ecosystem services, productivity and demand for development. There are many contradictions between sectoral policies at regional and national level (e.g., agriculture-biodiversity, forestry-water, biodiversity conservation-economic development, among others) and municipal policies (more complete from the sectoral point of view but more limited in terms of geographical outreach) that need to be evaluated and reduced.

A.5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

The objective of the project is to integrate conservation criteria of four) critically endangered species (Darwin's fox, Chilean huemul, keule and Chilean woodstar) into the management of main "development border" territories in Arica y Parinacota and Biobio regions, through the implementation of best production practices for sustainable forestry, farming and cattle and forest production and conservation of biodiversity, through the development of local capacities and awareness and inclusion of conservation into local policies and regulatory frameworks, in order to avoid extinction and reduce pressure on the ecosystems they inhabit.

To remove Barrier 1, Component 1 seeks to publicize and raise awareness of threats from poor forestry, farming and cattle practices to the four endangered species and build capacities for the implementation of best practices in the productive sectors to reverse this situation. The incremental GEF financing for an amount of USD 704,742 will serve to design a Public Information System, standardize monitoring systems, training tools with their respective dissemination material and training workshops. Co-financing from MMA (USD 337,500), SAG (USD 61,875), CONAF (USD 350,001), AUMEN (USD 158,400), Fundación Keule (USD 6,000), Ética en los Bosques (USD 169,500), Aves Chile (USD 160,000), Forestal Arauco (USD 150,000), Pioneer (USD 300,000) and FAO (USD 31,000) will include access to the platform SINIA, the participation of staff from public and private institutions that will support the capacity building processes, methodologies for monitoring by species and the logistical support and personnel for environmental education programs.

To remove Barrier 2, the project aims to implement field interventions from capacities installed in component 1, in order to reduce pressure and promote the restoration of the four endangered species habitats, in order to reduce the ecosystem fragmentation, and thereby, contribute to the stabilization of the four species populations. Likewise, the provision of ecosystem services of habitats that have been degraded due to unsustainable forestry and agricultural practices will be guaranteed. The incremental GEF funding amounts to USD 1,151,310 and covers the design of management plans for zones of influence of protected areas, with their respective consultation and validation workshops, technical assistance for best practices implementation, the definition of the methodology for best practices recognition systems and private-public mechanisms. Co-financing from MMA (USD 675,000), SAG (USD 101,250), CONAF (USD 592,858), AUMEN (USD 48,400), Fundación Keule (USD 22,000), Ética en los Bosques (USD 116,500), Aves Chile (USD 690,000), Forestal Arauco (USD 247,242), Pioneer (USD 116,010) and FAO (USD 250,000) includes methodological framework for planning and terrestrial management, support for the implementation of good practices, land and inputs, as surveillance equipment, vehicles and other similar.

To overcome Barrier 3, the component 3 aims at ending the RECOGE plan design and update process in support of the MMA, and will provide technical assistance to local governments to adapt their regulatory frameworks, to include considerations of biodiversity conservation, based on the results of the experiences developed in component 2. The inclusion of the endangered species conservation into the legal frameworks, eases the resources allocation from the national and local budget or the prioritization in regional and municipal financing mechanisms as the FNDR. The GEF incremental financing of USD 282,179 will cover technical assistance for the design of plans, ordinances and funding proposals, participatory workshops for validation and approval of the final documents. Co-financing for this component will be provided by MMA (USD 267,921), SAG (USD 11,250), CONAF (USD 277,731), Ética en los Bosques (USD 9,000), and NGO Aumen (USD 9,400) and will cover the participation of the personnel for the design and updating of RECOGE plans, coordination with the municipalities for the Ordinances, activities of monitoring and oversight and SIG needs.

The objective of Component 4 is to monitor and evaluate project progress and indicators compliance, monitor risk mitigation measures and identify new measures to deal with unforeseen risks, and draw lessons learned (including successes and failures) resulting from project implementation, which will be disseminated at the level of the region and the rest of the world, and will serve for projects to be implemented in similar regions. GEF financing of USD 158,356 will focus on M&E activities, including monitoring of project progress and indicators compliance, mid-term and final external evaluations, project systematization and preparation of outreach materials. Co-financing from MMA (USD 260,500), SAG (USD 17,194), CONAF (USD 202,857), AUMEN (USD 5,200), Ética en los Bosques (USD 6,000), Aves Chile (USD 400,000), and FAO (USD 25,000) includes support to the dissemination of project results, partial and final, and outputs, in order to build capacity and promote replication of successful measures implemented through the project. This includes staff time for conservation of biodiversity.

Changes from PIF

There was a change in component 2, output 2.1.5 "Replication actions supported in Chiloe Island (Darwin fox), Maule Region (queule) and Tarapacá (Arica hummingbird)" relative to the original PIF. During PPG implementation, it was recognized that there will not be enough funds, time and personnel to implement action in other regions, therefore this output was modified as Output 2.1.5. "Proposal of protocols and census for Darwin's fox in Chiloe Island (Los Lagos Region), keule (Maule Region) and Chilean woodstar (Tarapacá Region)".

Global Environmental benefits

The Project will deliver the following GEBs: i) at least four (4) critically threatened species (Darwin's fox, Chilean huemul, keule and Chilean woodstar) conserved and their population stabilized ; ii) at least 50,120 hectares of land sustainably managed, reducing pressures on globally important species; iii) at least five (5) policies and regulations governing regional, municipal (*ordenanzas*) or sectorial activities that integrate biodiversity valuation and 4 RECOGE plans finalized; iv) 501,200 hectares under management plan, including 1200 hectares in Arica y Paranicota, 300,000 hectares in Nehuelbuta, and 200,000 un Nevados de Chillan. Ten percent of the total area (i.e. 50,120 hectares) will implement good agricultural and forest practices, integrating biodiversity considerations in their production systems. v) local recognition of good practices are locally integrated in production systems associated to the four species, as recorded by the GEF tracking tool.

This proposed project will also generate GEBs by contributing to Aichi Targets #2, 3, 5 and 12 through the outputs outlined in the table below. Kindly refer to Sub-section 1.3.4 of the FAO-GEF Project document for further details on GEBs.

Aichi Biodiversity Target	Related Project Outputs
<p>Target 2. By 2020, at the latest, biodiversity values have been integrated into national and local development and poverty reduction strategies and planning processes and are being incorporated into national accounting, as appropriate, and reporting systems.</p>	<p>Output 3.1.2. Five municipal ordinances that incorporate the conservation of endangered species into the management of its territory.</p> <p>Output 2.1.1. Planning tools for managing protected areas and their zones of influence according to ecological corridors, including criteria for biodiversity conservation into productive forestry, farming and cattle and forest sectors.</p>
<p>Target 3 - By 2020, at the latest, (...) positive incentives for the conservation and sustainable use of biodiversity are developed and applied, consistent and in harmony with the Convention and other relevant international obligations, taking into account national socio economic conditions.</p>	<p>Output 2.1.3. Best practices recognition systems that contribute to biodiversity conservation.</p> <p>Output 2.1.4. Public-private partnerships that support the implementation of best practices based on recognition systems and biodiversity conservation.</p>
<p>Target 5 - By 2020, the rate of loss of all natural habitats, including forests, is at least halved and, where feasible brought close to zero, and degradation and fragmentation is significantly reduced.</p>	<p>Output 2.1.1. Planning tools for managing protected areas and their zones of influence according to ecological corridors, including criteria for biodiversity conservation into productive forestry, farming and cattle and forest sectors.</p> <p>Output 2.1.2. Best forestry, farming and cattle conservation and biodiversity tourism practices, implemented by local stakeholders in the zones of influence of protected areas, habitats of the four endangered species. Output 2.1.5. Proposal of protocols and census for Darwin's fox in Chiloe Island (Los Lagos Region), keule (Maule Region) and Chilean woodstar (Tarapacá Region).</p>
<p>Target 12 - By 2020 the extinction of known threatened species has been prevented and their conservation status, particularly of those most in decline, has been improved and sustained.</p>	<p>Output 3.1.1. RECOGE plans designed (Darwin's fox and Keule), updated (Chilean huemul and Chilean woodstar) and under execution.</p> <p>Output 2.1.5. <u>Proposal of protocols and census for Darwin's fox in Chiloe Island (Los Lagos Region), keule (Maule Region) and Chilean woodstar (Tarapacá Region).</u></p>

A.6. Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:

Risks and related mitigation measures have been further assessed during project preparation, kindly refer to Sub-section 2.2 and Annex 4 of the FAO-GEF Project Document for a full analysis of risks assessment and management.

A.7. Coordination with other relevant GEF financed initiatives

Coordination with other relevant GEF financed initiatives has been further analyzed. Kindly refer to Sub-Section 3.1 of the FAO GEF Project Document.

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1. Describe how the stakeholders will be engaged in project implementation.

B.1.1 Project implementation and management arrangements

The Project management structure will ensure the participation of key stakeholders.

A **Project Steering Committee (PSC)** will be established to work on strategic decisions and will be composed of the MMA (which convenes and chairs and is represented by the Head of the NR and BD Division), the Heads of the SEREMIs of the Environment of Biobío and Arica and Parinacota, CONAF (represented by its Director), SAG (represented by its Director), the Operational Focal Point for the GEF and the National Project Director, representing the Government and the Chilean Representative of FAO. Its main task is to guide the implementation of the project, review and approve the annual operating plan, approve financial and technical reports and provide strategic guidance to the execution of the project (see Section 4.2.3 with detailed SC functions).

Regional Technical Committees (RTC), will also be established and composed of: SEREMI of the Environment (which convenes and chairs), SEREMI of Agriculture, Regional Office of SERNATUR, Regional Office of SAG, Regional Office of CONAF, Regional Managers of NR and BD of the MMA (Regional Technical Director), National Director of the Project and representatives of private co-executors, governing bodies in charge of project supervision in each region selected for the project (Biobío and Arica and Parinacota).

The MMA will appoint a professional of the Natural Resources and Biodiversity Division as **National Project Director (NPD)**. The NPD shall supervise and advice regarding project's policies and priorities. The NPD shall also be responsible for coordinating activities with all institutional bodies related to the different components of the project and the participant institutions and for requesting the timely disbursement of GEF grants, which will enable the execution of project activities, in accordance with the budget and the Annual Work Plan and Budget (AWP/B) approved for the current year.

On each region, a **Project Management Unit (PMU)** formed by a **Project Team (PT)** funded by the GEF, the Regional Project Director and the National project Director will be established. The main function of the PT, following the guidelines of the Steering Committee (see 4.2.3 below), is to ensure the coordination and execution of the project through the effective implementation of annual work plans. This Unit will be installed in the central offices of the Ministry of Environment in Santiago and SEREMIs of the Environment of Arica and Parinacota and Biobío, and will be composed of: a Regional Coordinator in each region, a Project Assistant in each region, a part-time national Communicator and a part-time national Administrative Assistant (shared with GEFID 5506 project), who may be located at any office of the MMA.

B.1.2 Stakeholder involvement

The role of main stakeholders is summarized in the following table:

Stakeholder	Interest/role in the project
Ministry of Environment - MMA	<p>Responsible for the general execution of the project. As national environmental authority responsible for environmental regulations and compliance of international agreements in Chile, it shall be responsible for the general management of the project and, in particular, the design and implementation of RECOGE plans for Darwin's fox, Chilean huemul, keule and Chilean woodstar (component 1) and develop environmental education and dissemination activities (component 3).</p> <p>The MMA leads the Project Steering Committee. The Regional Ministerial Secretariats (SEREMI) of the MMA will chair the Regional Technical Committees. The Project Management Unit will work in the MAA offices.</p>
National Forestry Corporation (CONAF)	Co-executing partner. It offers native tree nurseries for reforestation in Arica y Parinacota and keule in Biobío (component 2) and will participate in environmental education activities (component 3) and monitors species (component 1). Co-financer and member of the Steering Committee.
Livestock and Agricultural Service (SAG)	It will be permanent member of the Project Steering Committee. It will participate in regional Technical Committees through the Regional Offices. Project co-financer.
National Service for Tourism (SERNATUR)	Strategic actor in the awareness programme and dissemination of information on endangered species. It will participate in the Regional Technical Committees.
Agricultural Development Institute (INDAP)	It will coordinate with the MMA so best practices of component 2 can be financed with PRODESAL's bidding funds to maintain improvements to farming production and stock farming systems.
Ministry of National Assets of Chile (MBN)	Its role is to facilitate bailment of fiscal land that may go under some category of conservation areas. Depending on the area, the loan would be delivered to the national system of Protected Areas, municipality or private.
Regional Governments (GORE) of Arica y Parinacota and Biobío	They will coordinate with the MMA actions for institutional strengthening, so they can have a key role in the prioritization of regional regulations and investment projects for the conservation of endangered species, through their respective assignments.
Municipalities of Contulmo, Los Álamos, Curanilahue and Cañete (Cordillera de Nahuelbuta), Antuco, Pinto and San Fabián (Biosphere Reserve Nevados de Chillán), Talcahuano, Tomé and Curanipe (area of distribution of keule) (in Biobío Region), and Arica y Camarones (Region of Arica y	This project represents an opportunity for the municipalities of Arica y Parinacota and Biobío to strengthen their role and technical capacity of its environmental teams, to ensure best practices sustainability.

Stakeholder	Interest/role in the project
Parinacota)	
NGOs AUMEN, Ética en los Bosques, Fundación Keule, Fundación Aves Chile	They will participate in the Regional Participation Committees. They will also make available their monitoring methodologies to unify the procedure, and will support project outputs through letters of agreement.
Private sector Pioneer (Du Pont Group) and Forestal Arauco	Within the framework of the FAO's Principles and Guidelines for cooperation with the private sector, where this cooperation is aimed at making more effective interventions and, based on responsibilities, risks and resources sharing criteria to ensure benefits for all parties involved in the process, companies of the private sector will support the implementation of best practices pilots and outreach programmes.
Local agricultural communities of Contulmo, Los Álamos, Curanilahue and Cañete (Cordillera de Nahuelbuta), Antuco, Pinto and San Fabián (Biosphere Reserve Nevados de Chillán), Talcahuano, Tomé and Curanipe (area of distribution of keule) (in Biobío Region), and Arica y Camarones (Region of Arica y Parinacota)	In Chile, the small farmer is who has the following requirements (i) s/he exploits an area less than or equal to 12 hectares of basic irrigation, regardless of their tenure regime, (ii) assets must not exceed the 3,500 U.F, (iii) income must come mainly from the farming ⁵ . Smallholders and local communities are the social base of the beneficiaries of the project, since the small property is a characteristic of the intervention areas, which relate to the project through partner NGOs. These groups have implemented unsustainable production practices, so the project will foster the use of best production practices by all members (component 2).
Academia	Universidad de Concepción, Universidad de Biobío, Universidad de Tarapacá, Universidad Santo Tomás, among the ones that work directly in the areas, Universidad Andrés Bello, Universidad Católica de Temuco or Universidad San Sebastián.

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

The project will develop a participatory strategy aimed at strengthening the role of local communities and local organizations in the activities, building institutional capacities and monitoring. Specifically, the project will support:

- **Food security.** The project will support local communities to implement good agriculture practices, thus contributing to the local and national food security, given that the population will have better physical, social and economic access to safe and nutritious food and availability of products from agriculture to meet their nutritional requirements and food preferences.

⁵ <http://www.indap.gob.cl/como-puedo-acceder-los-servicios-de-indap>
GEF5 CEO Endorsement Template-February 2013.doc

- The use of a **gender sensitive approach** at every decision making stage and activities in the project. The project will emphasize the participation of women, empowering them to take part in planning, making decisions and to improve their productivity, incomes and livelihoods.
- The active participation and empowerment of **local communities** in the expansion and accreditation of best practices and its application;
- The active participation of the communities in the development of local regulations (regional and municipal);
- Building local institution's capacities; and
- Access to direct support and existing programmes in connection with project activities.
- The active participation of organizations and private companies in the project outputs will allow them to take ownership of techniques and methods and disseminate them among peers.

In addition, the project will seek to identify local socioeconomic benefits in terms of incentives and sustainability of the activities after project implementation.

B.3. Explain how cost-effectiveness is reflected in the project design:

The project completes and expands capacities and operational frameworks at the local level in communities, institutions and private sector. Good production practices will be institutionalized and integrated in national extension programmes in both regions. Environmental education and aware raising are integrated at local level. These capacities remain installed at that level, ensuring the continuity of activities with input from participating institutions in co-financing outputs and tasks, thereby ensuring that project investments will be continued by the institutions at the end of the project.

Good practices incorporated in production systems including biodiversity and environmental considerations are cost effective by reducing the use of chemicals, efficiency in water use, conservation and restoration of soils, increasing scenic areas for tourism.

The system of recognition of biodiversity conservation will promote the implementation of GAP and will promote trading of products under the recognition systems. The analysis of the consumers shows that more than 50% of respondents express their willingness to pay more for products bearing a seal. The project will contribute to the participatory design of a recognition system that will enable the environment for increase in the income generation, and will coordinate with the baseline activities such as INDAP's "Sello Manos Campesinas".

C. DESCRIBE THE BUDGETED M & E PLAN:

Monitoring and evaluation of progress in achieving project outcomes and objectives will be done based on the Targets and indicators established in the Project Results Framework (Appendix 1 of the FAO GEF Project Document). The project monitoring and evaluations has been budgeted at USD\$137,350. Monitoring and evaluation activities will follow FAO and GEF monitoring and evaluation policies and guidelines. The table below summarizes the Project Monitoring and Evaluation Plan. For further details please see the FAO-GEF Project Document, Section 3.5.

M&E Activities	Responsible institutions	Period /Periodicity	Budget
Inception workshop	PMU; FAO (GO with the support of the LTO, BH and the FAO-GEF Coordination Unit)	Three months as of project inception	3,500
Project inception report	PMU and FAO GO approved by the LTO, BH and the FAO-GEF Coordination Unit	15 days after project inception	3,000
Monitoring of 'field' impact	PMU; institutions and organizations participating in the project	Continuous	21,600
Supervisions and progress assessment in PIR	PMU; FAO (OG, LTO, la FAO-GEF Coordination Unit)	Annual, or as requested	3,600
Project Progress Report (PPR)	PMU, with inputs from the institutions participating in the project	Quarterly	14,400
Annual Project Execution Review/ Report (PIR)	FAO (LTO and GO) with the support of the PMU. Approval and submission to the GEF by the FAO-GEF Coordination Unit	Annual	3,450
Evaluation of technical reports	PMU; FAO (LTO, GO)	As appropriate	n.c.
Co-financing reports	PMU with inputs from co-financing institutions	Annual	1,800
Mid-term Independent Evaluation (MTE)	External consultant, project team, including the GEF Coordination Unit and other stakeholders	Halfway through the project implementation	40,000
Final Independent Evaluation (FIE)	External consultant, FAO Independent Evaluation Unit in consultation with the project team, including the FAO-GEF Coordination Unit and other stakeholders	At the end of the project implementation	40,000
Final report	PMU; FAO (GO, LTO, FAO-GEF Coordination Unit, the Report Unit TSCR)	Three months before the end date of the Execution Agreement	6,000
TOTAL			137,350


PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):**
 (Please attach the Operational Focal Point endorsement letter(s) with this form. For SGP, use this OFFP endorsement letter).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Ximena George-Nascimento	GEF Operational Focal Point	MINISTRY OF ENVIRONMENT	04/22/2013

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Gustavo Merino Director Investment Centre Division Technical Cooperation and Programme Management FAO Viale delle Terme di Caracalla 00153 Rome, Italy TCL- Director@fao.org		16/11/16	Hivy OrtizChour Forestry Officer Regional Office for Latin America and the Caribbean (RLC)	+56 2 29232137	Hivy.OrtizChour@fao.org
Jeffrey Griffin Senior Coordinator, GEF Coordination Unit Email: GEF- Coordination- Unit@fao.org Tel: +3906 5705 5680			Hernan Gonzalez Technical Officer, GEF Unit, TCID	+39 0657055382	Hernan.Gonzalez@fao.org

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).

Outcomes chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions
Objective: Mainstreaming conservation criteria of the four critically endangered species (Darwin's fox, Chilean huemul, keule and Chilean woodstar) into the management of main "development border" territories in Arica y Parinacota and Biobio regions						
Component 1: Awareness and development of capacities to support the protection of four endangered species in Arica y Parinacota and Biobio Regions.						
Outcome 1.1. Strengthened capacity of local actors to implement best forestry, farming and cattle and forest practices including the conservation of the endangered species habitat (Chilean woodstar, Chilean huemul, Darwin's fox and keule).	Number of people sensitized about the importance of conservation of the four endangered species. Number of people trained in the implementation of best farming, forestry and cattle and forest practices that consider the conservation of the four endangered species	Isolated conservation and environmental education activities that inform on the species from the environmental perspective. There is no intersectoral coordination. There are no programmes that link the conservation of the four endangered species with the forestry, farming and cattle and forest sectors' management.	1000 school students, 500 people from municipalities selected. 700 civil servants, 100 farmers from municipalities selected.	2250 school students, 750 people from municipalities selected. 1500 civil servants, 350 farmers from municipalities selected.	Annual Project Implementation Review (PIR) Mid-term and final evaluations GEF monitoring tool	Political will of public-private institutions and civil society to improve their capacities, coordinate and collaborate to achieve the conservation of the four endangered species.
Output 1.1.1. Mechanisms to disseminate updated and permanent information on the status of the four species, that trigger the commitment of stakeholders, productive sectors and government, to biodiversity conservation at local scale.	Mechanisms to disseminate information on the status of the four species: 1. Public Information System 2. Monitoring of Darwin's fox 3. Monitoring of Chilean huemul 4. Chilean woodstar website	National System of Environmental Information with no specific data on the four species. No standardized Darwin's fox and Chilean huemul monitoring initiatives. Absence of Chilean woodstar monitoring.	4		System platform. Interface with SINIA. Standardized monitoring manuals per species. Chilean woodstar Website. PPR	

Outcomes chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions
Component 2. Integrated territorial management based on best forestry, farming and cattle and forest practices aimed at the recovery of four endangered species habitats in Arica, Parinacota and Biobio regions.						
Outcome 2.1. The populations of the four endangered species are stabilized by reducing pressure on their habitats, on account of planning and management of the territory with due consideration to biodiversity conservation.	Zones of influence under best practices implementation # number of individuals of the endangered species population	0 ha Darwin's fox 50 Chilean huemul 80 Keule 5000 Chilean woodstar 400		300.000 ha Darwin's fox 50 Chilean huemul 80 Keule 5000 Chilean woodstar 400	Annual Project Implementation Review (PIR) Mid-term and final evaluations. Species monitoring report GEF monitoring tool	Local stakeholders are aware of the impact that forestry, farming and cattle activities have on the four species habitats and participate actively in the best practices implementation. Pressure on habitats decreases.
Output 2.1.1. Planning tools for managing protected areas and their zones of influence according to ecological corridors, including criteria for biodiversity conservation into productive forestry, farming and cattle and forest sectors.	Management plan of the proposed Cordillera de Nahuelbuta Biosphere Reserve and its zone of influence Management plan of the zone of influence of the RBNCHLL Proposal of a Micro-Reserves Network of the Chilean woodstar with the management plan of its zone of influence Proposals to create a Nature Sanctuary (in Caramávida Gorge and Santa Gertrudis river basin in the Cordillera Nahuelbuta).	Nahuelbuta National Park within Cordillera de Nahuelbuta, with a small extension (6,832ha) RBNCHLL approved without management plan. Properties with presence of Chilean woodstar with no status of conservation. Two areas in productive zones have been identified in Cordillera de Nahuelbuta.		1 Management plan approved 1 Management plan approved 1 2	Plan documents Validation workshops annual reports Participants' record PPR	

Outcomes chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions
Output 2.1.2. Best forestry, farming and cattle conservation and biodiversity tourism practices, implemented by local stakeholders in the zones of influence of protected areas, habitats of the four endangered species.	# of best practices that incorporate the conservation of the four endangered species and reduce pressure on its habitats # of farmers implementing best practices (40% women).	0 0		10 300	Field activities reports Photographic record Participants' record Disaggregated data by gender PPR	
Output 2.1.3. Best practices recognition systems that contribute to biodiversity conservation.	# of best practices recognition systems for the conservation of endangered species.	Organic certification Seal "Manos Campesinas" 0 mechanisms that incorporate the conservation of the four species.		1	Seals design and use manual Mechanisms validation workshops Participants' record (disaggregated by gender) Proposal submitted to the MMA PPR	
Output 2.1.4. Public-private partnerships that support the implementation of best practices based on recognition systems and biodiversity conservation.	# of public-private agreements, one per region.	Participation of NGOs and private companies in isolated species conservation activities in some zones. Little coordination with government institutions.		2	Documents of the agreement Working meeting minutes PPR	

Outcomes chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions
Output 2.1.5. . Proposal of protocols and census for Darwin's fox in Chiloe Island (Los Lagos Region), Keule (Maule Region) and Chilean woodstar (Tarapacá Region).	# of conservation methodologies adapted and validated in three regions.	0		3	Field activities reports Darwin's fox monitoring document Chilean woodstar prospecting activity document Mechanisms validation workshops Participants' record (disaggregated by gender)	
Component 3. Mainstreaming conservation criteria of endangered species in public policies and municipal regulatory frameworks in Biobío and Arica y Parícuta regions.						
Outcome 3.1. Public regulatory and regional frameworks incorporate conservation criteria of the four endangered species from territorial management experiences of component 2.	# of regional public policies that make reference to biodiversity conservation criteria.	Outdated conservation plans that provide additional information on the status of the species. New regulations for the classification of wild species.		4 RECOGE plans 5 municipal ordinance proposals	Annual Project Implementation Review (PIR) Mid-term and final evaluations GEF monitoring tool	Political will of regional and local authorities to incorporate conservation criteria of the four endangered species in the political framework from the implementation of best practices.
Output 3.1.1. RECOGE plans designed (Darwin's fox and Keule), updated (Chilean huemul and Chilean woodstar) and under execution.	# of RECOGE plans designed and under execution	0		4	Plan documents Plans validation workshops Participants' record (disaggregated by	

Outcomes chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions
Output 3.1.2. Five municipal ordinances that incorporate the conservation of endangered species into the management of its territory.	# of ordinance proposals designed.	0		5	gender) Ministerial decree on RECOGE plans PPR Ordinances document Ordinances validation workshops Participants' record (disaggregated by gender) PPR	
Output 3.1.3. Funding proposals for the conservation of endangered species in land management.	# of funding proposals ready for submission to FNRD and other financing mechanisms.	0		4	Proposal documents Proposal validation workshops Participants' record (disaggregated by gender) PPR	

Outcomes chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions
Component 4. M&E and information dissemination						
Outcome 4.1. Project outcome-based management approach	Project outcomes are achieved and show sustainability	Project Framework indicators, baseline and outcome and output goals validated with key stakeholders.	30-40% progress in achieving project outcome target	Project outcomes achieved and prove sustainability	Mid-term and final evaluations PIR PPR documents	M&E system of the designed project, including monitoring of activities, verification mechanisms of outcome and output indicators compliance and M&E responsibilities, deadlines and budget.
Output 4.1.1 Monitoring and evaluation (M&E) system in operation, generating constant information on progress in meeting the goals of the project outcomes and outputs.	# of semi-annual Project Progress Reports (PPR).		3	3		
Output 4.1.2 Mid-term and final evaluation and implementation and sustainability strategies adjusted to recommendations.	Mid-term evaluation report Final evaluation report		1	1	Evaluations report	
Output 4.1.3 Best practices and lessons learned published	Systematization Best practices manuals for field officials in: eradication, control, early warning and restoration.		Experience systematization	Publications and manuals	Published texts	

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).

Responses to GEF SEC Comments

Comment	FAO response
<p>1. For operations with non-forest products a full assessment of the incentive potential of certification should be available.</p>	<p>An analysis of the incentive potential of certification system is included in output 2.1.3 of the FAO GEF Project Document. A good practice recognition system is to be designed. This output aims to encourage the implementation of good practices of output 2.1.2 by designing a recognition system of biodiversity conservation, that certifies that communities' forestry, farming and cattle and forest production does not threaten the Darwin's fox, Chilean huemul, Keule and Chilean woodstar habitats, on the contrary, it promotes their conservation.</p> <p>To this effect, the census of farmers willing to participate in the system, who would be the beneficiaries of training activities of component 1 ends in year 1: An analysis of the efficiency of current productive systems is done within the framework of training activities and in a participatory manner, to determine their impact on the endangered species habitats and the capacity gaps. During year 2, within the framework of output 2.1.2, farmers who are implementing good practices are registered and participate in workshops to define the most appropriate recognition system at local level in a participatory manner. Three avenues are foreseen: (i) replicate baseline activities, incorporating conservation criteria of the four endangered species, (ii) define a mechanism for new municipal recognition, or (iii) a community recognition mechanism, which could be based on the experiences of Participatory Guarantee Systems in the region. The system is implemented in year 3.</p>
<p>2. Full assessment will be expected for ranking species and threats.</p>	<p>The RECOGE plan (recovery, conservation and management, not separately) that involve agencies according to their competencies on relevant species. Although these are national plans, they should not necessarily include the whole range of distribution of endangered species because they can be applied to part of the population in a specific territory. They consider the direct participation of the central level through the Council of Ministers for Sustainability that approves the plans, the Ministry of Environment and the regions involved with active citizens' participation. One major difference with existing Conservation Plans is that they are not only indicative but must have real impact on threats affecting the species, although they cannot violate constitutional rights (a limitation to establish regulations or restrictions). Processes undertaken by the MMA regarding design and implementation of RECOGE plans have been coordinated in detail with this project during the design phase. The mapping of the four species conservation activities, 1.1.1 FAO GEF project is the first step for the preparation of the RECOGE plans. Project will establish an information system that will contribute directly to the monitoring of the species.</p>

<p>3. Detailed justification and rationale for the activities that will enhance survivability of the target species.</p>	<p>Threats to the four species of interest are associated to the loss of their habitat due to unsustainable food and agriculture, livestock and forestry production in the areas. To guarantee the conservation of the species and ecosystem, there is a need to increase awareness by producers and consumers of the negative impact of non-sustainable production practices; increase local capacities to adopt sustainable food and production systems that guarantee biodiversity conservation; local recognition for producers applying good practices; monitoring of the species.</p> <p>The project's strategy is to promote the conservation of four emblematic species and their habitats by building capacities for the implementation of good agricultural and livestock practices and sustainable forest management in order to reduce pressure on the ecosystems in which they live. When analyzing the impact of poor agrosilvopastoral practices on the survival of these endangered species, attention is drawn to the conservation of their habitat and the need to adapt the way natural resources are used to avoid their impact. Raising awareness of the urgency of implementing sustainable production of these species ensures that these good practices are maintained.</p>
<p>4. Details and options for coordination as appropriate in the site-based work of the project.</p>	<p>Project structure described in section 3.2.1 was agreed with the MMA central and regional level. National Project Director is to be designated by the head of NR and BD from the MMA. In order to guarantee project ownership at regional level, it was decided to have representatives of the SEREMI in Arica y Parinacota and Biobío and two Regional Project Coordinators for the implementation, project coordination and will act as liaison with Regional SEREMI, National Project Director and FAO team.</p>

Responses to STAP comments

Comment	FAO response
<p>One must question whether the sustainable use of critically threatened species really ought to be part of the project's objective. Conservation, yes, but sustainable use (e.g. hummingbirds)? All four species, particularly the three animals, are present in such low numbers (according to the project document) that "sustainable use" does not appear as a reasonable strategy in the short term. Similarly one wonders if the delivery of ecosystem services such as water regulation and pollination, typically dependent on the abundance of species, and their valuation, are a reasonable approach here. If the species are present in such low numbers, their capacity to provide economically important ecosystem services at the moment is likely to be low, with perhaps the exception of the aesthetic and touristic value. The avoidance of the extinction of four unique species, that is, an objective more explicitly and directly based on the protection of biodiversity as a global environmental</p>	<p>Points well taken, the project will focus during its implementation on avoiding the extinction of these species.</p> <p>Regarding sustainable use and restoration of the landscape, incorporating good practices in production system will guarantee biological corridors, and habitat protection of the four species, thus avoiding their extinction. Labelling is associated to sustainable agriculture production (mainly in Arica y Paranicota), and ecotourism in protected areas.</p> <p>No direct use of species is to be promoted during the project implementation just ad flag species/symbol for promotion of ecotourism activities, environmental education and awareness for biodiversity conservation as sense of regional identity.</p> <p>The only exception to this approach is the sustainable use of keule fruits, which have a traditional use for jams/marmalades, and ornamental purposes. They will be sustainably used as local production for self-consumption and local markets. It</p>

<p>benefit, appears as a more realistic and credible approach; rather than one based on valuation of ecosystem services.</p>	<p>does not represent significant income for local communities but it has a traditional value.</p> <p>Regarding ecosystem services, the project seeks to support processes that improve the generation of ecosystem services. But the services would come from the habitats where species live, not the species itself.</p>
<p>Throughout the text as well, the terms critically threatened and critically endangered appear to be used interchangeably, whereas they are not descriptive of the same level of threat and thus management prescription. This inconsistency should be addressed.</p>	<p>Agreed, the inconsistency has been addressed and the level of threat of the selected species is referred in the project document as follows:</p> <ul style="list-style-type: none"> - Chilean woodstar (<i>Eulidia yarrellii</i>) critically endangered - Darwin's fox (<i>Pseudalopex fulvipes</i>):critically endangered - Chilean heumul (<i>Hippocamelus bisulcus</i>): endangered - Keule (<i>Gomortega keule</i>): endangered according to the UICN red list
<p>Outcome indicators will be required for Component 1. For the other Outcomes, the indicators should be changed to indicate what will be measured. The targets indicate what will be achieved.</p>	<p>Agreed. This has been addressed in the revised log-frame</p>
<p>The titles of the Components could certainly be shortened. The problem, threats, root causes and barriers are well defined and described. Barrier 2, referred to as a "gold-rush mindset" is noted but it is an unspecific umbrella term and thus not particularly useful in terms of focusing on specifics which define this term. The key aspect(s) of this mindset that is/are driving change should be teased out and clearly defined. The wording of Barrier 3 could also be refined somewhat. Paragraphs 33-39 really describe the baseline but are presented under Barrier 3. On p. 7, the last word should be either promoting or increasing rather than favoring.</p> <p>The anticipated GEBs could be fleshed out and presented more effectively using a table which presents the baseline, alternative and resulting GEBs.</p>	<p>The term "gold-rush mindset" has been removed from the text and barriers analysis has been further refined during project preparation. All the baseline-related information has been reorganized under Sub-section 1.2.2 <i>Baseline initiatives</i>.</p> <p>Agreed. A table has been added in pg. 38 of the FAO GEF Project document.</p>
<p>The use of some additional headings would be useful in organizing the presentation, for example in par. 40. Headings for Incremental cost reasoning, Innovation, Sustainability and Replicability or Scaling-up would also be useful. These subjects are summarily addressed in the text but they are somewhat dispersed and it would be advisable to use the headings and rearrange the text accordingly.</p>	<p>This is clearer in the FAO GEF Project Document, each of the items is described in a dedicated Sub-section.</p>
<p>Mention is made of the scaling up potential of the results but more details would be appreciated. This will require more attention during the PPG, as will sustainability for the same reason.</p>	<p>Agreed. Additional text on sustainability and scaling up potential provided in Section 4 of the FAO GEF Project Document.</p>

<p>The listing of stakeholders does not include the national government, research institutions, NGOs/CSOs for some reason whereas they would have important contributions to the project. More details will be required on local communities' and indigenous groups' participation. Likewise, more specifics will have to be provided on how gender considerations will be addressed.</p>	<p>National government, research institutions, NGOs/CSOs are indeed key stakeholders. A complete list of stakeholders is included in the FAO GEF Project Document under Sub-section 1.1.3 <i>Stakeholders involved</i>.</p>
<p>Considering the importance given to labelling and certification in the project, more detail on precisely what products are expected to have good potential for these types of schemes should be given. In addition, we recommend considering the STAP Advisory Document on Environmental certification (http://www.thegef.org/gef/sites/thegef.org/files/documents/C.39.Inf_15%20STAP%20-%20Environmental%20Certification.pdf).</p>	<p>Point taken. Additional information is provided in Sub-section 1.3.2 of the FAO GEF Project Document.</p>
<p>The primary risks are adequately defined and the proposed mitigation measures are reasonable. Both should be reassessed in the future stages of project development though.</p>	<p>Risks have been reassessed. A full analysis of risks and related mitigation measures is included as Appendix 4 to the FAO GEF Project Document</p>
<p>Coordination with other projects and initiatives is presented in a general manner but the specific mechanisms or structures and processes to be employed should receive more consideration during the PPG.</p>	<p>A full description of coordination with other projects and initiatives is included in Sub-section 3.1 of the FAO GEF Project document.</p>
<p>Finally, the project's proposed 3 year timeframe may prove to be too short to achieve the desired outcomes and could be reconsidered.</p>	<p>The project has been designed taking into consideration efficiency criteria. It is estimated that the set-up of appropriate measures and mechanisms for the protection of the four species can be achieved in three years period. Having additional project time will imply additional funding with no relevant additional results. These measures will be institutionalized and applied in the long term to guarantee that the four species are protected. MMA, CONAF, SAG are the government agencies responsible for the enforcement and supervision that these are applied.</p>

Response to Council comments

Canada's comments	
<p>We appreciate the inclusion of Table in paragraph 70, page 20 and note that it provides a good example of how PIFs can clearly show the link between a GEF project and the Aichi Targets under the CBD. To improve the proposal, Section B1 should further detail the link between the proposed project and specific priorities highlighted in Chile's NBSAP / domestic plan for contributing to the Aichi Targets.</p>	<p>Point taken. Section 3 of the FAO-GEF Project provides more information regarding NBSAP alignment with Aichi Targets.</p>
<p>In addition, we note that the level of co-financing, particularly from the private sector, for the project seems low (4:1 overall), given the focus on sustainable use within a country with a relatively high level of</p>	<p>Confirmed co-financing from the Government of Chile and the private sector amounts to USD 6,610,611. The Chilean Government provides funding through this fund on a competitive basis. Regional and municipal governments need</p>

<p>economic development. We believe that participation from the private sector could be strengthened, especially given the inclusion of public-private partnerships in the project.</p>	<p>to apply for the fund, specific proposals are to be developed and presented to the authorities for approval. Competitive funds requests will be prepared as part of the project strategy (Output 3.1.3) and will be presented to approval commission following the official guidelines. Actual co-financing is thus expected to increase during project implementation. Although the Chilean Government is strongly committed to support this project through the regional competitive funds of territorial management, co-financing letters cannot be provided at this stage due to the very nature of this financing sources.</p> <p>Regarding the private sector, the project strategy is to institutionalize the use good production practices in the region, more than the establishment of pilot sites in specific areas. Project is aiming that the private production sector integrates these practices in their daily activities as part of their production system. The project will promote cooperation agreements among companies which is expected to raise additional co-financing.</p>
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Germany's comments

<p>Clarification on selection of project region: Paragraph 3 states that individual conservation efforts have been made to preserve the species under consideration, which were unsuccessful because of the very extensive habitat requirements that call for an interregional conservation approach. The project proposal should analyze and state more clearly if the selected demonstration sites are big enough to realistically maintain the current number of individuals of each species (outcome 2.1).</p>	<p>The project aimed to cover approximately 500,000 hectares under management plans, creating corridors, creating reserves, nucleus areas and appropriate management categories that guarantee a suitable area to maintain the four selected species. This area is considered appropriate to maintain the current number of individuals for the target species.</p>
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<p>At this stage, the PIF does not sufficiently consider the economic risk of smallholders experiencing short to medium term income losses due to biodiversity conservation regulations and improved enforcement of these regulations. This risk and strategies to manage it should be included in the final project document.</p>	<p>Table 1.2 of the PRODOC provides detail information of threats by specie and discusses the links with smallholders. Section 1.3.3 discusses the roles of smallholders (among other stakeholders) and the risks they face in the project as conservation practices are supported/enforced. The project will work with this group of stakeholders to improve their production practices (under Component 2) in order to reduce pressures over target species while at the same time ensuring they are not negatively affected. Some safeguards have been taken into account, for instance: territorial planning tools will be designed with smallholder participation, training on good practices will take into account livelihoods at the community</p>
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levels.

The key issues by region are:

Arica y Parinacota

In the northern valleys ecoregion, where the selected demonstrative site is located within the region of Arica y Parinacota, change in land use is linked to unsustainable intensification of crop production and changes in related agricultural practices. This region is characterized by transverse valleys that extend from east to west, against the normal arrangement of geographical features in Chile, parallel to the Andes, crossing one of the driest deserts in the world, what features them as longitudinal oasis. The area for agricultural or industrial forestry use in both regions more than doubled during the twentieth century and the population has intensified the use of resources in available areas, increasing threats to vulnerable ecosystems, such as change in land use, forest degradation and construction of infrastructure with impact on ecosystems connectivity. Today, this situation is critical and requires effective changes to reduce pressure on densely populated areas (the central third of the country, where at least ten of the seventeen million inhabitants live). In these development border areas, environment and development are commonly seen as complementary concepts, even opposed. Concerns about biodiversity are second after short-term economic achievement. The lack of understanding of the dynamics of species, ecosystems and their interaction with sustainable livelihoods has prevailed in selected landscapes.

Another root cause of this problem is the lack of awareness and mutual trust between local economic agents, that is, medium-size and big companies engaged in forestry exports and agri-businesses, small and medium-size enterprises (SMEs) engaged in domestic markets in the same sectors in Biobio, and Arica y Parinacota regions.

Biobio

Darwin fox: The main threat is the limited availability of related habitat which is also decreasing due to the implementation of productive practices that do not take into account aspects of biodiversity conservation. That is, land use change, competitors in a small habitat, and diseases passed on by stray dogs (distemper, parvovirus and others). Small livestock producers identified this specie as a threat for their own production system.

Chilean huemul: The MMA performed an analysis of threats in 2013 using the methodology recommended by *Conservation International* and concluded the following threats: development and urbanization (hydroelectric developments and roads), stock farming, habitat substitution; competition with alien species (red deer, wild boar), fires, hunting,

	<p>diseases; change in land use (from native forest to grassland and/or commercial crops); Incidental hunting with a bias against females should also be considered since they are easily found</p> <p>Keule: Threats to the species are those of the native forest: change in land use from native forest to commercial crops, forest degradation due to illegal logging and forest fires, overexploitation of firewood and fruit, grazing livestock for regeneration, climate change and less precipitation and water availability in the northern part of the distribution and poor sexual reproduction of the species, probably due to the combination of stress and few/absence of pollinators. The map of threats to keule is attached to Appendix 7. Therefore, the project will focus on nursery production, recovery of areas and corridors, and raising awareness programmes to know the importance of the species, prevent logging, and protect seedlings.</p>
<p>Even though using market mechanisms, especially certification of agricultural and forestry products, is one of the central concepts of the project, the PIF is not sufficiently clear on the feasibility of certified production, especially for small and medium size producers. The full project document should be based on a thorough market analysis, including the demand for certified products of the domestic as well as the international market, the estimated additional costs especially for small and medium size producers, and the income effects expected from certification. If this analysis shows that income losses are likely, additional measure of income loss compensation should be elaborated.</p>	<p>The project targets small local horticultural producers, small forest owners, small/domestic livestock producers, local agro/ecotourism under the certification schemes. Full details are provided in section 4.4 of the PRODOC.</p>
<p>The National Institute of Agricultural Development (INDAP), responsible for technical assistance and agricultural extension, will be one of the implementation partners. The problem description states that INDAP does not consider biodiversity-related aspects in its decisions until now. We recommend a more thorough capacity building needs assessment as a necessary first step to implement and sustain the proposed inter-institutional cooperation.</p>	<p>Project activities include the integration of sustainable production practices, capacity building and raising awareness of the importance of conservation of threatened species and ecosystems. A capacity needs assessment has been carried out during project preparation and has informed the design of capacity building activities</p> <p>The Agricultural Development Institute (INDAP – acronym in Spanish) under the Ministry of Agriculture, focuses on improvement of agricultural practices in the management units, covering the regions of Arica y Parinacota and Biobío and intends to implement incentives to promote best agricultural practices. INDAP extension personnel was identified as major target project capacity building activities.</p>

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS⁶

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF:			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Activity 1: Design of Project component 1: Awareness-raising and capacity-building	14,167	7,482	
Activity 2: Design of Project Component 2: Integrated landscape management based on good agricultural and forestry practices and the valuation of biodiversity and ecosystem services	23,277	20,735	
Activity 3: design of Project Component 3: Mainstreaming the conservation and sustainable use of threatened species and endangered ecosystems, including valuation, into policies and regulatory frameworks in Arica y Parinacota, and Bio bío	23,054	19,530	
Activity 4: Design of Project Component 4: Project progress monitoring and information dissemination	14,166	14,735	
Activity 5: Analysis and definition of execution arrangements	15,668	14,100	
Activity 6: Detailed description of full project and preparation of project documents	9,668	20,640	2,778
Total	100,000	97,222	2,778

⁶ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A

