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

GEF ID:	**5429**		
Country/Region:	**Chile**		
Project Title:	**Mainstreaming the Conservation, Sustainable Use and Valuation of Critically Threatened Species and Endangered Ecosystems into Development-frontier Production Landscapes of the Arica y Parinacota, and Biobio Regions**		
GEF Agency:	**FAO**	GEF Agency Project ID:	
Type of Trust Fund:	**GEF Trust Fund**	GEF Focal Area (s):	**Biodiversity**
GEF-5 Focal Area/ LDCF/SCCF Objective (s):		**BD-2;**	
Anticipated Financing PPG:	**$100,000**	Project Grant:	**$2,411,416**
Co-financing:	**$6,610,611**	Total Project Cost:	**$9,222,027**
PIF Approval:	**February 05, 2014**	Council Approval/Expected:	**March 21, 2014**
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	**Sarah Wyatt**	Agency Contact Person:	**Hivy OrtizChour**

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**?	May 20, 2013 Yes.	July 28, 2016 Yes.
	2. Has the **operational focal point** endorsed the project?	May 20, 2013 Yes in a letter dated April 20, 2013.	July 28, 2016 Yes.
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the **resources available** from (mark all that apply):		
	• the STAR allocation?	May 20, 2013 Yes.	July 28, 2016 Yes.

*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.

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		August 2, 2013 No. Please see note below about remaining funds in the STAR allocation. Climate Change is over-utilized by 410,999 and Land Degradation is over-utilized by 89,163, for a total over-utilization of 500,162. However, Chile has an allowed marginal adjustment of 1,000,000, so this excess of 500,162 must come from the unused resources of the Biodiversity focal area, which will in turn reduce its available funds. Remaining funds available for programming, for Biodiversity are 4,532,773. FAO has submitted two biodiversity projects (PMIS #5429 and #5506) in Chile that together would exceed the total available allocation by $685,228. We request that the Chilean government and FAO work together to make a decision about how to proceed. August 30, 2013/IG As at 08/30/13 BD STAR remaining is $5,922,935. Sufficient funds are available. Cleared.	
	• the focal area allocation?	May 20, 2013 Yes.	July 28, 2016 Yes.
	• the LDCF under the principle of equitable access	May 20, 2013 NA	July 28, 2016 NA
	• the SCCF (Adaptation or Technology Transfer)?	May 20, 2013 NA	July 28, 2016 NA

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	• the Nagoya Protocol Investment Fund	May 20, 2013 NA	July 28, 2016 NA
	• focal area set-aside?	May 20, 2013 NA	July 28, 2016 NA
Strategic Alignment	4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF **results framework and strategic objectives**? *For BD projects: Has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track progress toward achieving the Aichi target(s).*	May 20, 2013 Yes the project is well aligned with the biodiversity strategy objectives.	July 28, 2016 Yes, it is well aligned with the biodiversity strategy.
	5. Is the project consistent with the recipient **country's national strategies and plans** or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?	May 20, 2013 Yes.	July 28, 2016 Yes, it is aligned with the NBSAP.
Project Design	6. 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?	May 20, 2013 Yes.	July 28, 2016 Yes.
	7. Are the components, outcomes and outputs in the **project framework** (Table B) clear, sound and appropriately detailed?	May 20, 2013 The description presented of the barriers and the response of the project to the barriers and threats to biodiversity requires more details and specifics. Therefore, please improve the PIF in response to the issues raised below.	July 29, 2016 No, many of the issues raised during the PIF approval remain as the weaknesses of this proposal. 1. Please provide a theory of change that relates the activities of this project to the

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		First, please more explicitly describe the impact of current agricultural and forestry practices on biodiversity at species and ecosystem level in the areas that the project will intervene. This is not clear in the text. Please then describe what the project proposes to do to change these practices such that biodiversity conservation is achieved. Please also pay attention to the impact that current practices have on the nine species that the project seeks to protect and how the project intervention will result in stabilizing their populations. Second, please provide more specific evidence that the "lack of integrated landscape approaches" is the reason that biodiversity degradation is occurring in the project area. As presented, the strategy appears to be a solution-driven and supply-driven approach. Third, please discuss more expliclity which policies and regulations are contributing to the biodiversity degradation occuring in the project area and how the project will go about changing the current policy and regulatory framework. Fourth, please identify in the text the population sizes of each of the 9 target species and include in the results framework a population number that the project will seek to achieve for each species. Please also clarify why in	outcomes it seeks. There continues to appear to be a disconnect between educational and awareness raising activities and the actual implementation of planning and on-farm activities. A significant portion of the resources are being spent on awareness raising and education, so there needs to be good logic for how those activities will address the specific threats facing the target species and result in improved outcomes. 2. The public information system is not very clear in how it will achieve desired results. What information will be there? What will make people want to go to it? What will make people want to implement the information they find there? 3. Please include a threat assessment as part of the theory of change to ensure that the major threats are being addressed. For example, the IUCN Red List page for both the Darwin's fox and Chilean huemul list free dogs (dogs with owners that are not kept on leashes) as significant threats through direct killing and competition, not just disease. If the project is not going address a major threat, please explain why not. 4. Please clarify what the difference is between the different kinds of reserves being proposed for declaration. Is the documentation for the biosphere reserve for "Man and the Biosphere" or for a

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		component one, 9 species are the target, but in component three, only four of the nine are the target. Fifth, please clarify what labeling and certification systems will be used for the 300,000 hectares of sustainably managed landscapes. It is not clear if the project proposes to develop these or if current systems will be applied. Once this point is clarified, we may have further comments on this component in subsequent reviews of the PIF. Sixth, the component on awareness raising seems very expensive, more than $2.5 million to produce training manuals and information sharing mechanisms. Please provide better justification for the cost of this component. Seventh, please clarify what is meant by "valuating" the species as part of the outputs of component three. Eighth, please provide more explicit details with regards to the project's intention to "include valuation of biodiversity and ecosystem services" into landscape management plans and how this will address the direct threats to biodiversity in the project area. This is currently very vague in the text of the PIF. Ninth, as noted immediately above, the same holds true for the description of outputs in component three that aim to	national program? Have these reserves already been approved in concept? We would expect that the reserves are declared by project end, not just proposed. Is there a reason that they can't be declared during the life of the project? 5. Please clarify the strategy around the development of a labeling system and how the results of that will lead to biodiversity outcomes. Please use the STAP advisory document on the subject for guidance. Also, 2.1.3 states that the project will develop two different practices recognition schemes. Will they be competing against each other? Would it not make more sense to come up with a single system that potentially has different tiers or revises standards depending on the crop? 6. The population size numbers used as targets in 2.1 are welcome indicators that look at actual biological information. However, the absolute numbers are a bit confusing. Are these estimated population size within a certain area? What about population growth or structure? For instance, the IUCN Red List conservatively estimates the number of mature Darwin's foxes as over 500, with the project indicator as 50 specimens. What is the relationship between those two numbers? 7. It is unclear what the target for 2.15 means. Shouldn't the implementation be

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		"incorporate sustainable use and valuation of ecosystem services" into seven policies, regulations and or protocols (what kind of protocols?). Please clarify what this exactly means in practice, what seven policies have been identified, and why these seven policies are the critical ones for the project. August 2, 2013 Thank you for the many significant clarifications and improvements to the PIF. By focusing the project in a more area and on fewer species, there is the potential for more significant impact. With a reduction in focus, we expect a reduction in budget as well, thus, please clarify this point in a revised PIF. With regards to the weaknesses previously identified in the first review of the project, please take note of the following and revise the PIF accordingly. 1. This description still lacks an explanation of what will be done to change the unsustainable natural resource management practices that are driving species loss. The current explanation relies on the good will of companies, raised awareness, and the development of policies, regulations and plans which does not seem sufficient to make the large scale changes required. Please clarify concisely the theory of change regarding incentives that will lead the private sector (from companies to	the focus of that outcome? Additional small issues: 1. Darwin's fox has since been changed to being listed as Endangered by the IUCN. Please revise the text accordingly. 2. The use of the term 'specimen' is confusing, such as in Table B. Specimens are usually dead, but from the text it appears to mean "population size" or "number of individuals". 3. Please clarify the locations of the different target species. It was not until deep into the Prodoc that it was clear that the Chilean woodstar is located in Arica and Parinacota. October 11, 2016 Thank you for a number of good changes, including the nice diagram on theory of change. There are a few remaining issues that remain to be addressed. 1. The GEF does not support the preparation of documents for MAB or similar activities. Please clarify that these activities will be undertaken with co-finance. 2. For 2.1.5, please clarify that the conservation methodologies will actually be implemented not just proposed as part of the project. Also, please ensure that the language in the Pro Doc matches the language in the

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		individual actors) to change their behavior. For example, there is no indication that a market exists for labelled products that will provide sufficient premiums for a change in land-use practices that will result in species conservation. 2. The identified strategy of developing a "sustainable" labelling system still requires more elaboration. Given the variety of land use practices in the area, these standards could be quite complex to develop, apply, implement, and market in the 3 years of this project. What types of agriculture or other land uses will be covered under these systems? Will small or large land holder farmers be targeted? What analysis has been done of the premium that they will receive that will incetivize a change in practice leading to species conservation? This is a very significant assumption that is not explicitly described and analyzed, thus undermining the rationale for the intervention. Please clarify completely in a revised PIF. 3. The PIF has yet to clarify how biodiversity valuation will provide an incentive for a change in behavior. Typically, biodiversity valuation puts a price on a biodiversity good or service. Some entity provides this good or service, which others benefit from and thus pay for. This entails a transfer between a buyer and seller. The project focuses abstractly on the importance of	CEO Endorsement document. 3. Please revise the language in the CEO Endorsement document and throughout the Pro Doc for the species population indicators for both the word "specimens" as well as that the population numbers are for a specific area. December 15, 2016 Cleared. Thank you.

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		biodiversity valuation in policies and regulations and in business operations as part of CSR or community relations. This is not a convincing argument nor a very clear one. Valuation alone will not result in a change of any kind. Please clarify this aspect of the project design in a revised PIF. 4) Please provide a threat assessment ranking for these species to ensure that this project focuses on the most immediate and important threats for each of these species. August 30, 2013/IG 1,2,3) The details of both achieving minimum standards and promoting best practice through voluntary certification are appreciated. The process for larger forest related certification and the incentive mechanism particularly for export oriented products is identified. For small scale and medium operations with non-forest products, by time of CEO endorsement please ensure a full assessment of the incentive potential of certification is available. Please ensure the advice of STAP on certification measures are included. 4) Sufficient details for PIF included. At CEO Endorsement full assessment will be expected.	
	8. (a) Are global environmental/ adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?	May 20, 2013 Yes.	July 28, 2016 Yes, the global benefits have been identified along with the incremental reasoning.

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	9. 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?		July 28, 2016 No, please provide more information on how this project will incorporate gender considerations beyond collecting disagreggated data. October 12, 2016 Yes, thank you for the changes.
	10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?	May 20, 2013 Yes.	July 28, 2016 No, this project does a good job of engaging with CSOs; however, there is no discussion of engagement with Indigenous Peoples as part of this project. It may not be relevant in the areas targeted but that information should be included. October 11, 2016 Yes, this has been cleared.
	11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)	May 20, 2013 Yes. By the time of CEO endorsement, please include more detailed justification and rationale for the activities that will enhance survivability of the target species.	July 28, 2016 No, please address how this project will ensure the connection between project activities and the survival of the species. October 11, 2016 Yes, thank you for the clarifications.
	12. Is the **project consistent and properly coordinated** with other related initiatives in the country or in the region?	May 20, 2013 A list of GEF investments is presented and opportunities for coordination presented. By the time of CEO endorsement, provide greater details and	July 28, 2016 Yes. Good information has been provided about coordination at the different sites.

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		options for coordination as appropriate in the site-based work of the project.	
	13. Comment on the project's **innovative aspects, sustainability, and potential for scaling up**. • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention.	May 20, 2013 The project presents a multi-pronged strategy of direct protection activities, and more systemic policy and land-use planning interventions, and certification incentives to ensure sustainable conservation results from the investment. The multiple entry points and the diverse stakeholders involved is indeed innovative and is likely to enhance the project's outcomes and medium-term sustainability.	July 28, 2016 No. Please address the questions of the innovation, sustainability (of outcomes and activities), and potential for scaling up. October 11, 2016 Yes. Cleared.
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		July 28, 2016 Yes. The justification for moving locations is logical.
	15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?		July 28, 2016 Yes. This project is using a cost effective approach.
Project Financing	16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?	May 20, 2013 Yes.	July 28, 2016 Yes.
	17. At PIF: Is the indicated amount and composition of co-financing as indicated in Table C adequate?	May 20, 2013 Yes.	July 28, 2016 Yes.

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	Is the amount that the Agency bringing to the project in line with its role? At CEO endorsement: Has co-financing been confirmed?		
	18. Is the funding level for **project management cost** appropriate?	May 20, 2013 Yes.	July 28, 2016 Yes.
	19. At PIF, is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? At CEO endorsement/ approval, if PPG is completed, did Agency report on the activities using the PPG fund?	May 20, 2013 PPG request is within norms.	July 26, 2016 Yes.
	20. If there is **a non-grant instrument** in the project, is there a reasonable calendar of reflows included?	May 20, 2013 NA.	July 28, 2016 NA
Project Monitoring and Evaluation	21. Have the appropriate **Tracking Tools** been included with information for all relevant indicators, as applicable?		July 28, 2016 Please submit the tracking tool as an excel file. October 11, 2016 Yes. Thank you. December 19, 2016 No, upon careful inspection of the tracking tool it appears that numbers have been entered incorrectly. The numbers in the tracking tool do not seem match the numbers in the PIF (such as

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			C39). It's also worth noting the cell C43 should be blank as that is a number for mid-term. January 3, 2017 Yes, thank you for the resubmission. This is now cleared.
	22. Does the proposal include a **budgeted M&E Plan** that monitors and measures results with indicators and targets?		July 28, 2016 Yes.
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		July 28, 2016 Some issues remain in regards to the certification program as discussed in question 7. October 11, 2016 Yes, thank you for the revisions on this issue.
	• Convention Secretariat?		July 28, 2016 NA
	• The Council?		July 28, 2016 Please make sure to address how smallholders will be supported to make the changes discussed in this project. Awareness is insufficient to change behavior, especially when livelihoods are involved (as per the comment by Germany). October 11, 2016

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			It still remains unclear how the project is supporting smallholder farmers to shift activities beyond a certification system (which depends on a price premium from consumers and occurs after activities have been implemented).
	• Other GEF Agencies?		July 28, 2016 NA
Secretariat Recommendation			
Recommendation at PIF Stage	**24. Is PIF clearance/approval being recommended?**	May 20, 2013 No. Please revise PIF as indicated above. August 2, 2013 No. Please address issues above. In the future, please do not submit track changes documents to the GEF Secretariat. August 20, 2013 Issues addressed. This PIF is technically cleared and may be included in a future work program.	
	25. Items to consider at CEO endorsement/approval.	1. For operations with non-forest products a full assessment of the incentive potential of certification should be available. 2. Full assessment will be expected for ranking species and threats. 3. Detailed justification and rationale for the activities that will enhance	

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		survivability of the target species. 4. Details and options for coordination as appropriate in the site-based work of the project.	
Recommendation at CEO Endorsement/ Approval	**26. Is CEO endorsement/approval being recommended?**		July 28, 2016 No, please address the issues discussed here and resubmit. October 11, 2016 No, thank you for the revisions but a few issues remain. Also, please submit all documents as a pdf or word documents and not scanned documents (with the exception of letters of endorsement). December 16, 2016 No, please resubmit the tracking tool as communicated here and by email to the team at FAO. January 3, 2017 Yes, this project is being recommended for CEO Endorsement.
Review Date (s)	First review*	May 20, 2013	July 28, 2016
	Additional review (as necessary)	August 02, 2013	October 12, 2016
	Additional review (as necessary)	August 30, 2013	December 16, 2016

* **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.**