Global Environment Facility

Monique Barbut
Chief Executive Officer
and Chairperson

1818 H Street, NW
Washington, DC 20433 USA
Tel: 202.473.3202
Fax: 202.522.3240/3245
E-mail: mbarbut@TheGEF.org

August 20, 2007

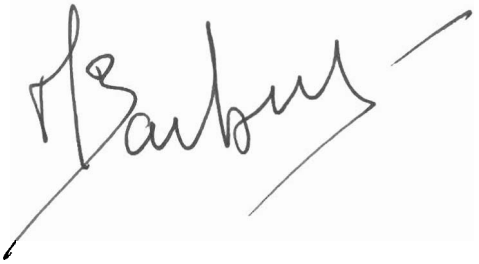
Dear Council Member,

UNDP, as the Implementing Agency for the project, ***Chile: Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest***, has submitted the attached proposed project document for CEO endorsement prior to final approval of the project document in accordance with UNDP procedures.

The Secretariat has reviewed the project document. It is consistent with the proposal approved by the Council in March 2006, and the proposed project remains consistent with the Instrument and GEF policies and procedures. The attached explanation prepared by UNDP satisfactorily details how Council's comments and those of the STAP have been addressed. I am, therefore, endorsing the project document.

We have today posted the proposed project document on the GEF website at www.theGEF.org. If you do not have access to the Web, you may request the local field office of the World Bank or UNDP to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

Sincerely,



cc: Alternates, Implementing Agencies, STAP

REQUEST FOR CEO ENDORSEMENT

GEF

GEFSEC PROJECT ID: 1859
IA/EXA PROJECT ID: 1207
ATLAS PROJECT ID: 00051310
COUNTRY: Chile
PROJECT TITLE: Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest
GEF IA/EXA: UNDP
OTHER PROJECT EXECUTING AGENCY(IES):
DURATION: 5 years
GEF FOCAL AREA: Biodiversity
GEF STRATEGIC OBJECTIVES: SP1 Catalyzing sustainability of protected area systems
GEF OPERATIONAL PROGRAM: OP3: Forest Ecosystems
COUNCIL APPROVAL DATE: March 31, 2006
COUNCIL APPROVED AMOUNT*: 4,707,000
CEO ENDORSEMENT AMOUNT*: 4,707,000
EXPECTED AGENCY APPROVAL DATE: September 2007
EXPECTED SUBMISSION DATE OF MID-TERM REPORT: March 2010
EXPECTED GRANT CLOSING DATE: December 2012
EXPECTED SUBMISSION DATE OF TERMINAL EVALUATION/ PROJECT COMPLETION REPORT: October 2012

FINANCING PLAN ($)		
	PPG**	Project*
GEF Total	334,000	4,707,000
Co-financing	(provide details in Section d): Co-financing)	
GEF IA/ExA		
Government	90,000	4,042,767
Others		11,569,000
Co-financing Total	90,000	15,611,767
Total	424,000	20,318,767
Financing for Associated Activities If Any:		

* For multi-focal area projects, indicate agreed split between focal area allocations
** May refer also to previous PDF grants
***Projects that are jointly implemented by more than one IA or ExA

FOR JOINT PARTNERSHIP***		
GEF PROJECT/COMPONENT ($)		
(Agency Name)	(Share)	(Fee)
(Agency Name)	(Share)	(Fee)
(Agency Name)	(Share)	(Fee)

Approved on behalf of the *United Nations Development Programme* . This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for CEO endorsement.

Bo Lim
UNDP/GEF Officer-in-Charge

Date: July 31, 2007

Helen Coles de Negret
UNDP-GEF Regional Technical Advisor
Project Contact Person
Tel. and email:(507) 302 - 4508
helen.negret@undp.org

1. **FINANCING** (for all the tables, expand or narrow table items as necessary)

a) PROJECT COST

Project Components/Outcomes	Co-financing ($)	*GEF ($)*	**Total ($)**
1. Regional protected area structures in place, including appropriate and sustainable policy, financing and institutions	1,302,065	1,089,500	2,361,565
2. Sustainable and replicable models of NGO stewardship of protected areas in place	7,040,000	430,000	7,470,000
3. Sustainable and replicable models of collaborative buffer zone management are in place (IUCN I-IV)	4,646,778	980,000	5,626,778
4. Sustainable and replicable models for private and indigenous management resources PA are in place (UICN V-VI)	1,602,968	882,000	2,484,968
5. Institutions and individuals involved in the RAPS have the necessary knowledge and skills to function affectively	752,539	1,005,000	1,757,539
6. Project Management budget/cost*	267,417	320,500	617.917
Total Uses of Funds/project costs	15,611,767	4,707,000	20,318,767

* This item is the aggregate cost of project management; breakdown of this aggregate amount should be presented in the table b) below: The PM cost has been disaggregated here and in the TBWP for reporting and operational purposes but does not form an Outcome of the logical framework. In the original budget this cost is included in Outcome 1

b) **PROJECT MANAGEMENT BUDGET/COST**[1] (see below for summary of roles and responsibilities)

Component	Estimated Consultants weeks	GEF($)	Other Sources ($)	Project Total ($)
Locally recruited consultants*-	1,200	213,000	235,417	448,417
Internationally recruited consultants*	-	-	-	-
Office facilities, equipment, vehicles and communications		25,000	22,000	47,000
Travel		50,000	10,000	60,000
Miscellaneous		12,500		12,500
Total		300,500	267,417	567,917

* Local and international consultants in this table are those who are hired for functions related to the management of project. For those consultants who are hired to do a special task, they would be referred to as consultants providing technical assistance. For these consultants, please provide details of their services in c) below:

National Project Director (NPD) This is a high-level staff member of the Implementing Partner (CONAMA) who will manage the political aspects of the project, including relations with other government agencies and UNDP; as well as other relevant GEF projects in Chile. The Project Director will be in permanent contact with the National Project Coordinator in order to ensure coordination of activities and information mechanisms to enhance project implementation. The NPD will provide overall guidance and supervision of the project, ensure the timely provision of Government inputs and be ultimately responsible to the Government and UNDP for the achievement of results and outputs. The NPD will report to the PSC.

[1] For all consultants hired to manage project or provide technical assistance, please attach a description in terms of their staff weeks, roles and functions in the project, and their position titles in the organization, such as project officer, supervisor, assistants or secretaries.

National Project Coordinator (NPC) The National Project Coordinator is responsible for the main execution of project activities, the follow-up and monitoring of performance indicators, and the project strategy and timing pursuant to its overall fulfillment. This includes the co-funding activities and/or those activities developed by other entities collaborating in the project. Likewise, it should ensure that the associated work plans and budgets will be executed within the parameters described within the project's logical framework and on schedule. Full terms of reference available in Section IV, Part II PRODOC

Administrative Assistant The **Administrative Assistant** will be under the supervision of the National Project Coordinator (NPC), and will be in charge of providing him/her with administrative and financial support for the implementation of the project. This will imply supporting the NPC in the financial planning and follow-up of the activities in the Annual Operational Work Plans; preparing meetings, minutes of meetings; following-up and evaluating contracts and sub-contracts; keeping budgetary expenses information; supporting the preparation of reports, and in general, assisting the NPC in the administrative and financial management of the project. For more details please refer to Section IV, Part II PRODOC.

c) CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Estimated Consultant Weeks	GEF($)	Other Sources ($)	Project Total ($)
Personnel (*contracting services individual*)	493	213,500	90,000	303,500
Local consultants*	1,079	490,499	200,000	690,499
International consultants*	121	223,000	20,000	243,000
Total	1,693	926,999	310,000	1,236,999

d) CO-FINANCING

Regional Government

Name of Co-financier (source)	Classification	Type	At Concept	At Work programme	At CEO endorsement
Regional Government	Government	Cash	3-4,000,000	924,052	924,052
Regional Government	Government	In-kind		62,724	62,724
CONAMA	Government	Cash		86,207	86,207
CONAMA	Government	In-kind		162,284	162,284
INDAP	Government	Cash		1,469,224	1,469,224
SAG	Government	Cash		196,552	196,552
CONAF	Government	Cash		105,172	105,172
SENCE	Government	Cash		96,552	96,552
CORFO	Government	Cash		690,000	690,000
INFOR	Government	In-kind		250,000	250,000
TNC	NGO	Cash		10,500,000	10,500,000
WWF	NGO	Cash		1,010,000	1,010,000
GIA	NGO	In-kind		26,000	26,000
Red PFNM	NGO	In-kind		30,000	30,000
Corporacion Vertientes	NGO	In-kind		3,000	3,000
Others	Others	In kind/Cash	2-3,000,000		
Sub-Total Co-financing			**5-7,000,000**	**15,611,767**	**15,611,767**

2. RESPONSE TO REVIEWS

a) COUNCIL

There were no Council observations on the project

b) GEF SECRETARIAT

The following table includes those comments received at WP inclusion prior to CEO for consideration prior to CEO endorsement.

GEF Sec comment	Responses dated April 2007
Sustanability: Finalize specific actions to be undertaken within or outside the project to address factors that will influence continuation of project benefits after completion.	Actions that will be undertaken to address institutional, economic, social and environmental sustainability of the project are described in pages 47-48 of the Prodoc.
Replicability: Finalize actions, work plan and budget for knowledge transfer.	Knowledge transfer will be achieved largely through the Mechanism to be developed as part of Output 1.4. The main actions to conform this Knowledge Transfer Mechanism (KTM) are provided on page 27 of the Prodoc together with the budget. The design of the KTM will be contracted to local consultants following UNDP procedures and as part of the Inception Phase of the project. The ToR for this will be prepared by the National Coordinator and fine-tuned during the Inception workshop. The total budget for the KTM US $407,930 of which GEF will contribute $325,000 and non-GEF sources $82,930. Additional replication and knowledge transfer is expected through the enabling framework (Outcome 1) and training components in Outcome 5 as indicated in page 49 of Prodoc under replication.
Stakeholders: Finalize roles and responsibilities of all stakeholders including public participation strategy	Section IV (Prodoc), pages 83-88, provides with a detailed stakeholder involvement plan that includes decision making, capacity building and communication. It also includes specific actions for stakeholder participation in each outcome and all beneficiary groups, particularly those more vulnerable. Further, Annex E provides a detailed stakeholder analysis.
Monitoring and Evaluation: Finalize M&E plan including budget and arrangements for M&E implementation.	Part IV (Prodoc), pages 57-59, provides a description of the monitoring and evaluation plan and associated budget. Annex H provides additional **information on the monitoring and evaluation plan.**
Finalize financial plan	Section III (Prodoc), pages 74-79, provides a detailed financial plan and project budget

The following table includes the comments from the GEF Sec Review of the CEO Endorsement Request that require response.

GEFSec Comment	Response
Stakeholder involvement : The project involves large number of indigenous landowners in project activities and we would like to make sure that adequate consultation and planning have been conducted during project preparation there is an adequate plan and strategy to work with indigenous people under the relevant	In the long term the proposed Regional PA system will bring under protection sites that have high biodiversity value and that are currently under represented in the Valdivian ecoregion in existing public protected areas. These could include indigenous lands. As such from the start of project preparation care was taken to involve indigenous landowners and their representatives in project design and implementation. The Stakeholder Analysis that identified key stakeholders and assessed their mandates, roles, importance and influence on the project includes 6 indigenous stakeholder groups (Table 2 of the Stakeholder Analysis provided in Annex E of PRODOC (p.142). Consultations with indigenous owners were undertaken in compliance with the *UNDP policy on Indigenous Peoples* that requires the free and prior informed consent of indigenous peoples to "development planning and programming that may affect them" [VA.28, UNDP Policy "UNDP and Indigenous Peoples - a policy of engagement"]. A number of consultations were held from January 2005 through January 2007: Prodoc Section IV

IA and GEF policies there is prior consent to work on the initiative. There seems to be some relevant document attached under the commitment for pilot activities however it is in Spanish. Please kindly provide relevant information on English that adequately responds to the above comment.	Part III page 91-99 has been adjusted to include more details of these consultations and Annex K Commitment letter has had the English translation of records of some meetings along with the list of participants where relevant. As a result of these consultations and in agreement with these indigenous stakeholders the final project design identified an indigenous area to pilot the *Sustainable and replicable models of indigenous managed resource protected area* in the Trafunco Los Bados community in the Coastal Range (details see PRODOC, Annex D3, p.132-141). Official confirmation of commitment from the two communities in the pilot area (Comunidad Melillanca Huanqui and Comunidad Trafunco Los Bados) and one indigenous association (Asociación Indígena Mujeres Follajes San Juan) is indicated in the original letters in the Prodoc in Spanish. These have now been included in Prodoc **Annex K** in English and underline: • **The commitment and willingness of the two indigenous communities with lands** within the potential PA area to take part in the participatory design of the project for the Regional System which would include the implementation of a PA in their lands • Upon final approval by GEF of the project they groups also indicate their commitment to: i) Support implementation allowing access to their lands, providing information and computing contribution made by the communities as an economic contribution to this project; (ii) To participate in the zoning process and make administration plans for the future Protected Area, (iii) Participate in the legal figure selected for administration of this future Protected Area to ensure ancestral rights and customs will be protected according to the current legislation. To **safeguard** indigenous participation and protection during the project several specific activities and approaches are included (more details Annex D.3, Prodoc, p.132-141): • Territorial land use planning will be carried out with indigenous owners for the whole indigenous land property of the community including the identification of which areas are the most bio-diverse within the overall reserve. • Conservation set-asides selected within this land planning exercise will be delimited within the overall reserve. • Sustainable livelihood activities will be designed with indigenous groups and implemented around the conservation set-asides to boost these families' incomes. • Indigenous families will be trained in the key aspects related to PA management, including the business planning needed for the sustainable uses • Support will be provided to the communities in obtaining official recognition of the entire Reserve and establishing it as a legally defined Managed Use PA as per the IUCN Category V and to ensure that the new PA is receiving preferential treatment for regional land use incentives • A representative from the involved communities will become member of the Project Steering Committee, which will initially be in charge of the Regional PA System. • The involved communities will be included in the management structures of the Regional PA System Furthermore, all interventions will be undertaken with the participation of community leaders and local families including young people, women and men. The beneficiaries (indigenous land owners) through the respective community leaders and associations, will be responsible for the *ex ante* assessment and *ex-post* monitoring to determine the adaptation, ownership and coherence of the project actions including the co-funding sources from public agencies and NGOs involved. This will include an evaluation of achievement of goals and technical processes associated with the intervention.
Monitoring and Evaluation The tracking tool for the Valdivian Coastal Reserve seems to be	The Management Effectiveness Tracking Tool (METT) for the Valdivian Reserve has been included and the one for Rio Cruces and Puyehue has been separated. Please refer to Tracking Tool file. A summary table with the individual PA METT scores has also been included in the Tracking Tool file for easy reference.

missing. Moreover, the tracking tool for the Rio Cruces and the Puyehue seems to be combined. Please explain the reason for this.	
Financing Plan Further explanation and revision if appropriate, are required for financing equipment and furniture under GEF budget, particularly for Outcome 2 and 5. GEF is not in a position to "co-fund" such items and the incremental reasoning for such expenses under GEF finance should be further clarified and justified, particularly for the vehicles and office equipments for project management. GEF encourages project partners to further review the budget and ensure GEF finance is focused on incremental activities while co-financing is further mobilized for project management related costs, particularly considering large involvement from NGOs and others	The globally significant eco-region of the Valdivian Temperate Rainforest is made up of a mosaic of different forest ecosystems a number of which are underrepresented in existing public protected areas. The land tenure regime in the region is such that to increase representativity of these ecosystems protected areas will need to be added on private lands. This includes private farms and indigenous lands. The project will remove barriers that impede the expansion of protected areas on private lands, model co-management approaches and strengthen buffer zone management in public PA. This includes capacity building and field demonstrations of cost-effective management models and sustainable uses in buffer areas. Barrier removal activities are incremental and thus eligible for GEF funding; however, in the recognition that the demonstrations will also incur local benefits the Government of Chile and NGOs have mobilised significant amounts of co-financing to contribute to these incremental costs in the ratio of 4 to 1 other sources: GEF. This involved extensive negotiations and detailed planning. The cost of a given incremental activity cannot be broken down into which inputs are incremental or not given that it is the entire action required to produce an incremental result. Rather the allocation of resources to different inputs varied according to funding opportunities in a given area or theme. The result is an integrated package-or financing plan- that maximises the contribution of all parties to the capture of global benefits by covering actions essential to achieve the project Outcomes. Thus, GEF resources to specific items should be viewed in the context of this integral financing plan and the incrementality of the project and its Outcomes. **With regard to equipment and furniture:** In order to successfully undertake capacity activities and field demonstration in remote areas of this geographically large region a series of equipment is required. They include inputs for the demonstrations of alternative livelihoods (see Annex D), setting up basic infrastructure and trials in the new areas and supporting monitoring and enforcement activities to reduce pressure to the PA. In addition to basic equipment for the pilots this budget line had included the purchase of five vehicles necessary for undertaking activities in the remote areas such as the buffer zones pilots and in the Coastal Range PAs. The GoC has specific regulations regarding vehicles that impede the use of their resources for purchasing this vital equipment. Each Government institution has quotas for the number of vehicles on their fleet. In the Los Lagos region CONAMA has only one vehicle and this fills its quota. This vehicle is used almost continuously in regular functions of this institution. Other Government services that are involved in the project activities, such as INDAP and SAG, also have their quotas full and their vehicles similarly are fully engaged in the provision of routine extensions services over this large geographical area. The use of Government vehicles for project related activities will thus be very limited. In addition, Chilean legislation obliges all Government vehicles to be driven by public employees. Although the Government is providing public employees for the project these will also be limited to specific times and will not be sufficient to provide the constant transportation that would be needed to under take the different pilot projects in remote areas. For this reason GEF resources had been requested to cover vehicles needed to support all field activities while the GoC provided substantial resources for other inputs. However, given the evolving policies of GEF regulations regarding acquisition of vehicles, the Chilean Government has made great efforts to explore alternative strategies to cover basic transport needs. It has also held extensive negotiations with other funding partners. The result has been a redistribution of budgets between funding partners and a reduction of the overall inputs of GEF to equipment.

With regards to TA consultants, we note that the international consultants' expense is all under GEF finance with no cofinance. Please kindly provide further explanation and justification.	Despite this in addition to the use of the limited Government vehicles for providing extension services to implementation of demonstration pilots, it is estimated that a vehicle would be required by the project for at least 10 days a month to provide effective oversight and technical support to field activities. The cost of leasing a vehicle for this amount of time per month for the duration of the project would be 3 times higher than the cost of purchasing, and insuring a vehicle. If the vehicle were to be sold at project end and assuming an estimated devaluation of 30% over the project duration, the cost effectiveness of leasing would be *ten times lower* than purchasing and later selling a vehicle. Therefore, given the exceptional circumstances governing acquisition of vehicles in Chile, the high levels of cofunding mobilized for this project and the high costs of leasing a vehicle, a request is being made to purchase one vehicle with GEF resources. This would guarantee effective monitoring of the different geographic zones of the project (with an average distance of 200 km with regard to the Project headquarters) providing an independence to this critical function of the project. It would also facilitate project oversight at the level required to ensure cost effective use of resources in the field and coherence of activities across sites and with project objectives. The resources for this represent 0.12% of the total project cost and 0.53% of the GEF resources. It is proposed that if the GEF requires, this vehicle would be sold towards project end and the resources channeled to other project activities. If this is not acceptable, the alternative would be to lease the vehicle as needed with the above mentioned losses in cost-efficiency. Please see Budget Notes pages 78-82 PRODOC for further explanation on equipment. **Regarding TA international consultants.** The CONAMA has redistributed its cash co-finance in order to cover 20,000 of international consultant's expenses.

c) REVIEW BY EXPERT FROM STAP ROSTER (IF REQUIRED)
Please refer to Annex 1 (below)

3. JUSTIFICATION FOR MAJOR CHANGES IN THE PROJECT, IF ANY[2]

There are no major changes in the project

4. REQUIRED ATTACHMENTS are attached

a) Project Appraisal Document – UNDP Prodoc
b) Report on the Use of Project Preparation Grant
c) Confirmed letters of commitments from co-financiers (with English translations)

[2] Provide justifications for any major amendments in the project, including an increase of project amount exceeding 5% from the amount approved by the Council. Justification for such amendments and the project document will be circulated to the Council for a four-week review period. For procedures to the approval for major amendments, refer to the Council paper: *Project Cycle Update: Clarification of Policies and Procedures for Project Amendment and Drops/Cancellations, GEF/C.24/Inf.5*

Annex 1: STAP Review responses

STAP Review
Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest, Chile

STAP Reviewer: Julian Caldecott
27 August 2005

1. OVERVIEW

This project is within the GEF Biodiversity Focal Area, is relevant to GEF Operational Programmes 3 (Forest Ecosystems), 4 (Mountain Ecosystems) and 12 (Integrated Approach to Ecosystem Management), and it appears to comply with all GEF criteria. The project aims to take maximum advantage of what seem to be favourable political circumstances in the target area, in which the leadership and parts of public opinion are apparently now in favour of environmentally sustainable development and biodiversity conservation. This target area, Region X (*Los Lagos*) of Chile, contains an exceptionally diverse range of ecosystem types and high levels of species richness and endemism, adding up to a biodiversity resource of global significance.

The Region X protected area system is already extensive but there are weaknesses in institutional arrangements and management capacity, and the system is divided amongst publicly-, privately- and community-owned lands with no mechanism for overall leadership and coordination that would be accountable to all stakeholders. The system also does not yet include viable and representative samples of all ecosystem types, and some areas are too small to maintain viable populations of certain endangered mammals. They are insufficiently linked to one another, have no buffer zones, and are not embedded within a landscape in which land use is supportive of conservation. This is particularly important in the area, unique in Chile, where a natural forest corridor traverses the Central Valley between the Andean and Coastal zones of the region, thus linking two biogeographically distinctive systems. Ongoing threats to biodiversity in the target area include over-harvesting of native forests for timber and fuel-wood, and land conversion for farming and ranching.

The project is comprehensive and ambitious but is well designed and responds to considerable local input over several years, as well as lessons learned from Chile and elsewhere. Potential weaknesses lie in:

- The very broad range of activity, including institutional and legislative change, capacity and partnership building, and piloting of new arrangements with a variety of private and indigenous community land-owners (this risk may be more apparent than real, if regional political will and public support is indeed adequate);
- over-optimistic assumptions about the amount of funding that might be generated from the proposed Stewardship Fund for the NGO Valdivian Reserve (i.e. a 5% annual return on a $4 million endowment – this weakness may be corrected by increasing the capitalisation through the fund-raising efforts of the NGO partners, WWF and TNC); and
- an under-emphasis on the process of establishing secure conservation status for a contiguous tract of native forest across the Central Valley, which alone would seem to be a major, challenging and extremely important objective (which could be corrected as the project is developed further).

Nevertheless, this important and innovative project, with its great potential for generating global environmental benefits, should proceed to the next phase of its development.

2. Observations in relation to key GEF issues

2.1 Scientific and technical soundness

From the project documents it seems that the central issues to be addressed by this project in Region X of Chile are:

- A lack of inclusiveness and flexibility that could allow publicly-, privately- and community-owned conserved lands to be included within one coherent conservation system, with common standards of excellence for protecting ecosystems and biodiversity and sharing equitably the benefits arising from doing so.
- A lack of officially or legally established buffer zones around existing protected areas, and of established arrangements for protected area managers to collaborate with surrounding communities.
- A lack of consideration for protected area management needs within land use planning tools and development plans at all levels.
- A lack of staff, equipment and financial resources available to manage public protected areas, and a lack of knowledge and management capacity among those managing private protected areas.
- Weak capacity of regional and municipal authorities and local communities to plan, implement, enforce or monitor conservation management, and a lack of experience and knowledge on how to administer co-management arrangements and agreements in public and private domains.
- Low awareness among stakeholders at all levels on the role of protected areas, ecosystems and biodiversity in maintaining the environmental services and processes that underpin their livelihoods, and of the options for sustainable land uses that are available for use around protected areas.

These issues are present nationally, but because of Chile's increasing decentralisation they must increasingly be addressed at regional and local level. This is also the case because conservation challenges must usually be addressed and overcome for the most part at the local level – where real-life social and economic systems interact with real-life ecosystems – albeit guided and facilitated by higher-level policy and law. This project has therefore been at pains to select one region where a combination of favourable factors coexist both with extremely valuable biodiversity resources and with a selection of problems, opportunities and stakeholder groups representative of those present in the country as a whole.

Hence the aim is to establish and field-test in Region X a set of processes by which win-win conservation and sustainable development outcomes can be achieved consistently, with an emphasis on forums, dialogue, partnerships, incentives and education as ways forward. The strategic aim is to demonstrate how to establish a Regional Protection Area System (RPAS) in Chile that will support regional development goals and conserve biodiversity. This is envisioned as one operational branch of a future national protected area system that contributes to national development objectives, and which therefore enjoys stable political support nationwide. Crucially, it is envisioned to be made up of numerous local initiatives that all contribute to local development objectives, and which are therefore supported by local populations. It is understood that the four project components will focus respectively on:

1) Establishing regional structures and policies to develop and manage a multi-stakeholder, multi-use RPAS, by:

- Designing the RPAS through dialogue with stakeholders informed by conservation principles, and building social and political consensus in support of an action plan for implementing it.
- Facilitating the creation of a regional Public-Private Entity that will manage, coordinate and monitor the RPAS as a strategic component of the regional development strategy.
- Providing legal, technical and financial support for a multi-stakeholder Task Force to explore ways and means to institutionalise the RPAS and finance it sustainably.
- Designing and implementing a training programme for the regional Public-Private Entity in charge of the RPAS and other stakeholders.
- Designing and establishing a mechanism for managing information and knowledge about the RPAS and its management, and for disseminating best practices and lessons learned.
- Designing and operationalising a monitoring and evaluation system for the project and for the RPAS itself.
- Designing and implementing a communication strategy targetting decision makers, and an environmental education programme aimed at stakeholders in the target field sites, including the NGO Valdivian Reserve.

2) Increasing management capacity at selected protected areas within the RPAS, by:

- Designing and implementing an adaptive training programme on protected area establishment, management and conflict resolution for various stakeholders, including a park guard training curriculum for staff of the NGO Valdivian Reserve.
- Establishing a sustainable financing mechanism (a Stewardship Fund) for the NGO Valdivian Reserve, including the establishment and testing of its legal, financial and administrative mechanisms and the design of a 10-year financial plan. The aim is to endow the fund with US$4 million, 75% raised through private contributions by local stakeholders and a levy on revenues from logging exotic *Eucalyptus* plantations and native forests within the protected area (thus establishing "a model for the integration of forestry harvest in a conservation area"), and from other concessions in the protected area. The balance of US$1 million would be raised internationally by TNC and WWF.
- Establishing an NGO Stewardship Entity (or some equivalent), and in the process establishing the NGO Valdivian Reserve which it will manage, and a multi-year training and institutional capacity-building programme focussing on the "training of staff related to the entity and the parallel administration with TNC and WWF in order to ensure a gradual handover of responsibilities to the new Entity").

3) Establishing co-management agreements for buffer zones around selected protected areas, by:

- Working with private land owners and local communities around two publicly-owned protected areas (i.e. Alerce Andino National Park and Llanquihue National Reserve in the Andean zone) and one privately-owned protected area (i.e. the NGO Valdivian Reserve in the Coastal zone), with the aim of finding ways to reduce pressures on the protected areas and the costs of managing them. This will be accomplished through participatory management planning, and the identification and encouragement of alternative livelihood strategies (e.g. bee-keeping, sustainable firewood production, forestry nurseries and eco-tourism). The NGO Valdivian

Reserve will also explore the use of stakeholder co-management agreements, conservation set-asides and conservation easements.

- Developing collaborative agreements for joint surveillance and enforcement in and around the NGO Valdivian Reserve and adjacent publicly-owned protected areas (i.e. the Valdivia National Reserve and the Alerce Costero Natural Monument). The aim is to pool public and private conservation resources and create a large public-private reserve complex that can then be integrated with the RPAS. A detailed protocol between the groups will emphasise action against illegal extraction of the extremely long-lived conifer *alerce* (*Fitzroya cupressoides*, Cupressaceae) and the prevention and control of forest fires.

4) Demonstrating that a new kind of 'managed resource protected area' can be effectively established in Chile and integrated within the RPAS, by:

- Establishing agreements with private land owners (many of whom have already indicated their willingness to participate) to establish a network of conservation set-asides and areas of biodiversity-friendly forestry, ranching and farming activities, guided by the need to secure and connect remnant natural forests in the area between the Andean and Coastal zones, with an initial selection of seven sites.
- Establishing agreements with indigenous communities in the Trafunco-Los Bados area, covering participatory identification of the most biodiverse community-owned lands, setting them aside for conservation use, and establishing sustainable use areas elsewhere, all supported by training, education and legal recognition, as well as by networking and knowledge-sharing among indigenous peoples of Trafunco-Los Bados and elsewhere in Chile.

The project, then, is a large and complex one, that will require considerable and sustained attention to consensus-building, communication, learning, and the sensitivities of the many different stakeholders and stakeholder groups. It is therefore intended to establish a Project Steering Committee with strategic decision-making powers, to help guide the project through an array of institutional jurisdictions, to respond to strong and widespread interest in participating in the project, and to make best use of the potential contribution of resources and leadership that is available. The participation of the Regional Governor as Chair of the Project Steering Committee will help to ensure the contribution of all other public institutions to the development of the project and the SRAP. A National Project Coordinator will serve as Executive Secretary of the PSC and will be in charge of arranging meetings, keeping records of the main decisions and agreements taken, circulating information for its review, preparing minutes and respective reports, while also being responsible for day-to-day implementation of the project through a Project Management Unit.

The project designers assessed the overall project as having medium levels of risk overall, basing this conclusion on an analysis of six key assumptions and potential risks:

- That a new regional governor would be unfavourable to the project (assessed as low risk, because the principles upon which the project is based are now embedded within Region X policy and law).
- That key private and public stakeholders will be insufficient comprehending or interested to become fully involved (assessed as a substantial risk, to be off-set by targetted awareness raising).
- That lessons and achievements from Region X will not be adopted elsewhere in the country (assessed as medium risk, to be off-set by the national mainstreaming of the principles upon which the project is based).

- That the laws and policies needed for replication will lag behind project progress (assessed as a substantial risk, to be off-set by designing the RPAS in such a way that it would be sustainable even if implemented only at the regional level for a time).

  That livelihood alternatives and sustainable businesses established by stakeholders and partners will be unsuccessful, leading to abandonment of participation (assessed as a low risk on the grounds that potential partners in this instance are motivated other than by material gain alone).

- That pilot units of the project are assessed as having unfavourable economic results (assessed as a medium risk, off-set by existing commitments of public investment to research, technical assistance and marketing).

The project document contains an analysis of lessons learned from comparable endeavours, and how these are reflected in the project design. The following themes are mentioned:

- The role of policy support in devolving powers to the local level.
- The role of sound protected area governance as a pre-requisite for successful co-management.
- The role of clarity of purpose amongst all partner institutions, at all levels with respect to on-the-ground protected area planning and management.
- The role of a fair, transparent and clearly articulated distribution of roles, rights and responsibilities, based on a clear sense of security of tenure and use rights.
- The role of diversity, and potential fracture and tension, within stakeholder groups.
- The role of systems for resolving conflicts between and within institutions and communities.
- The role of balanced incentives and disincentives in achieving compliance.

Taking all the above into account, the project seems to be scientifically and technically sound.

2.2 Global environmental benefits.

The project document establishes clearly the global biodiversity significance of an incipient RPAS in Region X of Chile. This is the major part of the Valdivian Rainforest Ecoregion, a large, temperate biogeographical unit that is considered vulnerable and globally outstanding in terms of biological distinctiveness, having endemism rates of up to 90% among vascular plants and being accorded the highest levels of priority for conservation action by the World Bank, WWF and BirdLife International. In particular, by the far the largest area of remnant natural forests of this type occur in Region X, occurring in six major types and 22 distinct ecosystems. East-west topography, geology, soils and land-use define three north-south zones: the Andean (relatively young forests on terrain often disturbed by volcanic and seismic activity), the Coastal (much older forests that were a rain forest refuge during Pleistocene climatic events), and between them the Central Valley (largely cleared of natural vegetation and settled by people). The project will spread its investments across all three zones.

Taking into account the Pleistocene refuge status of the Coastal zone forests at a time of global climate change, and also the fact that Region X contains the only area in the Valdivian Ecoregion in which the Central valley has largely continuous forest cover between the Coastal and Andean zones, global environmental benefits may be expected to follow in this approximate ranked order of importance:

1. from conservation of a large area of Coastal zone forests in the proposed new NGO Valdivian Reserve;

2. from efforts to secure a corridor of residual natural forests in the Central Valley, to provide biological continuity between Andean and Coastal zones;
3. from the mainstreaming of protected area values and priorities within the whole regional development process;
4. from agreements with indigenous peoples to establish set-aside and sustainably managed natural habitats in the Coastal Zone; and
5. from buffer zone agreements among stakeholders around protected areas in the Andean zone.

Global environmental benefits will be amplified greatly if the intention of the project to demonstrate, disseminate and replicate successes (e.g. co-management agreements, buffer zones) is realised (see Section 2.5).

2.3 GEF context.

The project addresses GEF strategic priorities for biodiversity conservation by: catalyzing sustainability of protected areas; mainstreaming biodiversity in production landscapes and sectors; and generating and disseminating best practices for addressing current and emerging biodiversity issues. Project activities will support innovative practical approaches called for by the 7th Conference of the Parties of the Convention on Biological Diversity in its Decisions VII/1 "Forest Biological Diversity", VII/11 "Ecosystem Approach", and VII/28 "Protected Areas". The project follows the GEF Strategic Guidelines and incorporates elements of several GEF Operational Programs, notably the following:

No. 12 (Integrated Ecosystem Management): by emphasizing the creation of an enabling environment for biodiversity conservation, forest and other ecosystem management, the strengthening of institutional capacities at local, regional and national levels as well as investments in sustainable natural resource management.

No. 4 (Mountain Ecosystems): by supporting *in-situ* conservation and sustainable use of biological resources, expanding and improving connectivity of the protected area system in the Valdivian Rainforest Ecoregion, and combining productive, socioeconomic and conservation goals.

- No. 3 (Forest Ecosystems): by supporting *in-situ* protection of ecologically mature temperate forest ecosystems under threat, and combining strict protection and multiple use to achieve sustainable forest management.

The GEF grant would help meet the costs of activities required to achieve global conservation benefits, which would be incremental to the baseline national program undertaken by the Government with support from elsewhere.

2.4 Regional context

The project document provides detailed descriptions of the biology and biogeography of the Valdivian Rainforest Ecoregion, the protected area system in Chile as a whole and within Region X in particular, Region X development strategies and policies, and the Region X socio-economic context and its links to project stakeholders and threats. All these subjects are treated in sufficient detail to ensure that the project design holds together well.

2.5 Replicability.

The project is designed with replicability as an important concern throughout. Specific points include the following:

- An explicit criterion for selecting Region X as the project area was its demonstration value to become a replicable model for advancing the maturation of the National Protected Area System.
- An aim is to demonstrate a strategic, regional approach that is part of an overall integrated regional development strategy, thus facilitating improved protection to other eco-regions in the long term.
- Another aim is to create a model that will facilitate conservation in human-dominated, productive landscapes, setting an example for other eco-regions that can be replicated in the near future.
- It is hoped to establish paradigms for agreements concerning collaborative management arrangements of protected areas, that may be replicated in other protected areas, both within Region X and in other regions.
- A knowledge management or clearing house mechanism will be used to identify protected area and stakeholder needs, and to disseminate and facilitate the replication of best practices, lessons learned and technical assistance.

2.6 Sustainability.

The whole project is oriented towards sustainability – of ecosystems, landscapes, protected areas, communities, institutions and relationships. It is designed to put in place, and make it feasible to maintain indefinitely, processes by which people will become better able to understand why they should conserve ecosystems and biodiversity in their own interests, and better able to discuss and resolve issues that get in the way of that aim. Specific measures relevant to sustainability relate to:

- Sustainable use of ecosystems (e.g. harvesting of fuel-wood, high-value native timber, non-timber forest products such as the fibres of liana *voqui* (*Berberidopsis collarina*), and edible forest fungi).
- Sustainable financing mechanisms (e.g. the use of a Task Force to explore ways and means to institutionalise the RPAS and finance it sustainably, and of a Stewardship Fund and endowment for the NGO Valdivian Reserve).
- Sustainable institutionalisation (e.g. by mainstreaming the conservation processes associated with the RPAS with the regional budget, law and policy).

Of these, the first is perhaps least convincing because of the complexity and scarcity of truly sustainable commercial harvesting operations, and there is the worrying proposal that part of the capitalisation of the Stewardship Fund would be sought from revenue streams obtained by exploiting the protected area. Sustainable financing mechanisms are now at least tried and tested but a body of experience has established a range of challenges that must be overcome and there is no evidence from the project document that the designers are aware of this in any detail. Certainly, a fund of only US$ 4 million is unlikely to generate reliably US$ 200,000 per year after management, accountancy and other fees have been deducted, and if this amount was to be spent it would probably create a sinking fund. This weakness could be corrected through greater attention to the background, alternatives and justification for choosing this particular mechanism, and also by adopting a more ambitious financing target than only a million dollars to be collected over three years by two of the world's largest conservation NGOs. It could also be argued that, if such a Stewardship Fund were to be created, and if it were to be more realistically capitalised, its remit should probably be extended to facilitate the process of constructing a biodiversity 'bridge' between the Andean and Eastern zones. This is bound to be complex and expensive process, and buying and rehabilitating land seems likely to be an important part of it.

3. Observations in relation to secondary GEF issues

3.1 Linkages to other focal areas.

Preventing further deforestation and encouraging forest ecosystem restoration in Region X would provide a link to carbon storage and the reduction of net greenhouse gas emissions.

3.2 Linkages to other programmes and action plans.

Chile ratified the Convention on Biological Diversity in 1994, and in 1995 became actively involved in bringing about the *Santiago Declaration on Criteria and Indicators of Sustainable Forest Management* in the framework of the Montreal Process. This Declaration calls for the sustainable management of temperate and boreal forest ecosystems. These international commitments laid the foundation for designing and implementing the 2002-2006 Country Environmental Agenda, which consists of four lines of action, of which one is biodiversity protection and another modernization of environmental management. In this context, the project will also advance the implementation of the *National Biodiversity Strategy and Action Plan*, with links to three of its six strategic actions: (a) ecosystem conservation and restoration; (b) strengthening inter-institutional and inter-sectoral coordination for the overall management of biodiversity; and (c) establishing formal and informal biodiversity management through public and private legally-recognized agreements, including sustainable use protected area management categories.

The project document explains how the project relates to and will build upon a number of other biodiversity–related activities in Chile:

- The UNDP/GEF National Protected Area System Full-Size Project.
- The UNDP/GEF Marine Full-Size Project.
- The UNDP/GEF Cantillana Medium-Size Project.
- The UNDP/GEF National Capacity Self-Assessment project.
- A cluster of up to five World Bank Medium-Size Projects that are under development to demonstrate specific new partnerships and overcome specific barriers.
- The now-completed World Bank Medium-Size Project entitled "Valdivian Forest Zone: Private-Public Mechanisms for Biodiversity Conservation".

3.3 Other environmental effects.

The overall environmental impact of the project should be favourable if its key outputs are obtained, although the incentivisation of 'sustainable' harvesting of timber and non-timber forest products has the potential to cause local harm.

3.4 Involvement of stakeholders.

Stakeholder input to project design has involved consultations and analysis during the preceding PDF B stage, which: (a) identified key stakeholders in Region X; (b) reviewed stakeholder interests in the project; (c) identified and proposed mitigation measures for possible negative socio-economic impacts on local stakeholders resulting from the project; and (d) identified and developed opportunities for the project to benefit stakeholders. The initial analysis of stakeholders was based on a series of interviews with both public and private institutions, including: ten Regional Representations of Ministries through 17 of their associated Regional branches or services and two of their local representations; relevant national ministries; all eight Autonomous Local Governments; five organizations of small landowners; six indigenous and/or community organizations; 14 NGOs and other associated institutions; a variety of local

TV stations and newspapers; two regional universities; four private sector forestry enterprises; and a protected area concessionaire.

3.5 Capacity-building aspects.

The project will support the establishment of new types of institutional structure, including:

- The very local forums needed to ensure dialogue for establishing and maintaining co-management agreements for buffer zones, protected landscapes and indigenous multiple-use reserves, which will be needed in all areas where the project is active in the field. All will require at least some degree of capacity building.

  In line with the *Regional Strategy for Conservation and Sustainable Use of Biodiversity*, a regional entity variously called a Protected Areas System Institutional Entity, a regional Public-Private Entity, or a Regional Entity, will serve as coordinator, facilitator, implementer and promoter of the appropriate and responsible management of the region's biodiversity. A comprehensive Training Programme will be designed and implemented to meet the needs of the public and private administrative and management employees and institutions in charge of running and/or overseeing the RPAS, especially this Regional Entity. This will include training on: (a) The importance of biodiversity conservation, sustainable use and the role of protected areas; (b) how to promote, build and follow up on partnerships and collaborative agreements; (c) technical and financial management; (d) dispute resolution; and (e) study tours for employees of the institutions involved in the RPAS, such as the Regional Government.

  Establishing a new Stewardship Fund Entity may be envisioned once the interests, capacities, challenges and potential of existing organizations have been assessed as an alternative. Whether a new entity or an existing one is tasked with stewardship of the NGO Valdivian Reserve Stewardship Fund, the process will be accompanied by a multi-year training and institutional capacity-building programme, focusing on training of staff related to the entity and the parallel administration with TNC and WWF in order to ensure a gradual handover of responsibilities to the entity concerned.

3.6 Innovativeness

Chile is currently in a process of deep reform. The project will amplify and participate in this by piloting a number of innovations, including:

- Establishing the first Regional Protected Area System in Chile that supports regional development goals and conserves biodiversity.

  Implementing key parts of the first Regional Clean Production Pact in Latin America, which was signed in December 2004 by the Government and 60 representatives from the public and private sectors.

  Working with indigenous communities to set up the first terrestrial multi-use indigenous protected area in Chile.

  Establishing the NGO Valdivian Reserve Stewardship Fund, the first long-term funding mechanism established for a private reserve in Chile.

- Establishing the first buffer zones in any protected area in Chile.

4. Conclusions

The main reservations that this reviewer has with the project are as follows:

- That the issue of sustainable financing mechanisms, especially the Stewardship Fund, should be addressed more critically and more fully, with a more realistic treatment of its sources of funding and the revenues that it could generate, the way in which it will be organised and managed, and its remit.
- On the last point, I would suggest extending the Stewardship Fund's remit to support environmental education, land acquisition and conservation easements, and forest ecosystem restoration, in the Central Valley, giving greater prominence to responding to a once-only opportunity to link the Andean and Coastal zone forests.
- Related to this, I would suggest greatly increasing the target for capitalising the Stewardship Fund, taking the burden off a levy on 'sustainable' harvesting of local ecosystems and focussing on national and international fund-raising.
- Project designers might also consider whether this one project can realistically contribute to the whole range of proposed activity (including institutional and legislative change, capacity and partnership building, and piloting of new arrangements with a variety of private and indigenous community land-owners), and some simplification and refocusing may be called for.
- A final point is that the project document requires thorough editing, completing, and ideally a significant reduction in length.

That said, in my view this important and innovative project, with its great potential for generating global environmental benefits, should proceed to the next phase of its development.

b) STAP expert review and IA/ExA response

IA ExA Responses to STAP Reviewer
Overall comment: Following the listing of the main reservations regarding the project (see below), the reviewer indicates that "this important and innovative project, with its great potential for generating global environmental benefits, should proceed to the next phase of its development."
We would like to thank the reviewer for a comprehensive and very useful review and will incorporate his suggestions in further project development.
Comment 1 The issue of sustainable financing mechanisms, especially the Stewardship Fund, should be addressed more critically and more fully, with a more realistic treatment of its sources of funding and the revenues that it could generate, the way in which it will be organised and managed, and its remit.
As regards sustainable financing mechanisms, a variety of approaches will be adopted, including the development of mechanisms to increase revenue for PA management; others for improved distribution of resources between PAs in the system; and yet others that will reduce operational costs, thus reducing overall resource requirements. Amongst the approaches to be developed will be the setting up of a Task Force, which will prepare a Financial Strategy and Plan for the System and establish formal procedures for defining and channeling funding to the needs of the System and its constituent PAs. In terms of public PAs, initial assessments have shown that funding gaps are currently in the range of 30%. To close these gaps two approaches will be used. One is to model different collaborative agreements to reduce the overall cost of enforcement and surveillance in PAs (see Outcome 3). The second will include further analysis of financial deficits and the in-depth identification and exploration of feasible options, which will largely focus on mechanisms that can be implemented within the Regional mandate. This will include further exploring the application of System-wide PA entry fees to be collected in constituent PAs. Initial studies indicate this is feasible and preferential to simply increasing current PA entry fees. This is because currently fee resources collected in Public PAs is initially channeled to CONAF centrally and the subsequent re-distribution is not regionally based. Resources from this new fee would be used to support the management of the System, including the setting up of a specialized Technical Unit that would provide targeted support to individual public and private PAs, thus reducing their need for permanent specialized staff. The exploration of other financing mechanisms will be undertaken in close collaboration with the GEF-funded National Protected Areas Project under development, which will place particular emphasis on funding mechanisms that require action from a national level. Finally, the development issue of sustainable financing mechanisms will also draw from a UNDP-GEF Global project that specifically addresses this critical topic. As actions related to sustainable financing initially were somewhat divided between different Outcomes of the project, the structure has now been adjusted to bring all these under Output 2.3, hence increasing their visibility. This is with the exception of the Stewardship Fund that remains in a stand-alone Outcome related to NGO Stewardship models in general As regards the Stewardship Fund, the text appears to have been somewhat confusing and has been improved to clarify several aspects. The appropriateness of a trust fund mechanism for overcoming the funding deficits identified for the operational costs of the Reserve has been assessed, taking into consideration the recommendations arising from the GEF Evaluation of Conservation Trust Funds. The intention is to raise capital from different sources to create an endowment fund that would generate the sufficient annual revenue to cover basic recurrent operational expenditures for the Reserve. The fund will be managed in the long term by the owner/local steward entity that will be established as the final Governance structure for the Reserve (see Output 2.3). The recurrent costs of the Reserve were initially estimated at US$ 200,000, based on projections of optimal staffing and equipment levels. Subsequently, estimates indicated that basic operations costs estimates could be as low as US$140,000, once parallel strategy options to keep operational costs low have been modeled through outcome 3. These are (i) developing collaborative agreements for enforcement with nearby State-owned PAs and a Protocol of Agreement to be modeled as part of Outcome 3 and (ii) developing sustainable use alternatives in buffer zones and supporting community participation in PA management, thus reducing pressures to the Reserve and keeping operational costs low. A Fund with assets of US$ 4,000,000 million would provide income of US$ 240,000 per annum, assuming a rate of return from fixed and variable investments of 6% per annum. Thus, with expected low administrative costs and even with more conservative interest rates, a Fund of this size is expected to cover the estimated recurrent funding needs of running the Reserve. However, during project implementation further studies will be undertaken and the capitalization targets adjusted, if needed. The Fund will be capitalized through two main sources. The first is from the eucalyptus remaining in some parts of the Reserve as a heritage from the previous owner – a commercial logging company. The aim is to remove these plantations where financially and environmentally feasible and over the long-term restore native forest to this part of the reserve. It is the one-time logging and sale of this eucalyptus that will form part of the capitalization strategy. Thus, the logging operation is a prerequisite to restoration, as well as a source of income for the Fund. The planned eucalyptus management is a **one-time harvest only**, not a long-term management. A system of FSC certification will be applied to at least a portion of the

eucalyptus plantations to be harvested, essentially as a tool for planning and executing minimum impact logging within the conservation area. Techniques, such as cable and local community oxen logging, will be used. It should be noted that FSC is not important for the market side of this sale, as there is a strong market for eucalyptus timber in the region and certification has little impact on this. However, it will enable control of potential impacts of the logging in sensitive areas. Based on existing market structure in the region for eucalyptus, a conservative estimate of total resources from this source is 3 million US$ (2006-8: U$1m; and 2009-12: U$2m). In addition to this source of funds - and as noted in the project documentation the second funding source would be a 3-year Fundraising Campaign that would use the experience and established networks of TNC and WWF to raise additional funds. The targets have been set at one million, because this campaign would be in addition to their successful efforts to raise the significant resources needed for the purchase of this land, as the first most basic pre-requisite to build the governance for the Reserve.

Comment 2 Extending the Stewardship Fund's remit to support environmental education, land acquisition and conservation easements, and forest ecosystem restoration, in the Central Valley, giving greater prominence to responding to a once-only opportunity to link the Andean and Coastal zone forests.

While the main focus of the Fund is for the Valdivian reserve, complementary approaches will also be explored to evaluate the expansion of scope of the Fund in the long term to other private reserves. However, this is unlikely to play a predominant role in the Central Valley, where habitat remains are highly fragmented and under considerable pressure from the productive sectors predominant in that area –principally agriculture and forest plantations. This is because the role of Funds as sustainable funding mechanisms are best suited to conservation actions that require small amounts of constant funding. The mechanism in the Central Valley initially selected is that of existing regional incentives and programmes, which can be channeled to private landowners, once the managed resources category has been officially recognized as part of the regional System. However during the project, more in-depth studies and analysis of the suitability of different mechanisms for each types and geographical area of the RPAS will be undertaken through output 2.3 as described above.

Comment 3 Increasing the target for capitalizing the Stewardship Fund, taking the burden off a levy on 'sustainable' harvesting of local ecosystems and focusing on national and international fund-raising.

Please see response 1.

Comment 4 The review questions whether one project can realistically contribute to the whole range of proposed activity (including institutional and legislative change, capacity and partnership building, and piloting of new arrangements with a variety of private and indigenous community land-owners), and some simplification and refocusing may be called for.

Several alternative strategies were discussed and analyzed during preparation to determine the project scope and ensure that objectives were not over-ambitious. Amongst these was the consideration of directing a larger amount of resources and effort to the creation of a Central Valley corridor. This was disregarded in view of the cost involved vis-à-vis the direct global benefits that could be captured, along with the fact that without the institutions and policy-enabling framework in place, the sustainability of such high investments would have been questionable. The selected alternative, on the other hand, focuses a large part on on–site demonstrations in areas that can deliver considerable and immediate protection to sites of outstanding biodiversity value at low costs, while providing models that can be replicated. The setting up of the enabling environment of the System includes the creation of the incentives and regulatory mechanisms for this replication. This also applies to all pilots both in the Central Valley and in the Andean and Coastal Ranges. The sites for the field demonstrations have been determined taking into account the partnerships in each location, thus providing a solid basis on which to build, while reducing the complexity of achieving the objectives of each pilot. Moreover, the selection for areas and themes for pilots was in part guided by regional interest and priorities. This resulted not only in the commitment of high levels of regional co-funding for these demonstrations, but also enables the project to use existing structures for delivery of project actions. Finally, the criteria for selection of the Region X to pilot the regional System included the existence of protected areas, development strategies and political support, facilitating the viability of a broad range of actions that, although ambitious, are all needed to effectively set up a replicable model of a Regional System of Protected Areas. Despite this, it should be noted that monitoring and evaluation systems of both the project and the incipient Regional Protected Areas system will provide systematic data, which will enable adaptive management of the project implementation and the constant determination of where best to focus efforts to achieve the expected objectives.

UNDP Project Document

Government of Chile

United Nations Development Programme

Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest

PIMS 1859
Atlas Project ID: 00051310

The project will set up in the Los Lagos Region (Xth), the first Regional PA System in Chile. This System will support regional development goals and conserve its biodiversity endowment – the Valdivian Eco-region, – which is of high global significance. While focusing primarily on regional-specific barriers, the Regional System will also provide a paradigm for progressive replication elsewhere in Chile, with the aim of advancing in the maturation of a National PA System. The project will adopt an intervention strategy based on two strategic approaches. One will be to create the general enabling environment for the Regional System. The other will be to support on–site demonstrations, which deliver immediate protection to sites of outstanding biodiversity value, while providing models that can be replicated through incentives and regulatory mechanisms developed within the overall framework of the System. The project's long-term goal is that Chile has an effective and representative national system of conservation and sustainable use protected areas, which support national and regional development goals. The project objective is: An effective, multi-stakeholder, multi-use Regional Protected Areas System (RPAS) is modeled in the Valdivian Region. There are five planned outcomes in support of the project's stated objective: (i) Regional protected area structures are in place, including appropriate and sustainable policy, financing and institutions; (ii) Sustainable and replicable models of NGO stewardship of protected areas are in place; (iii) Sustainable and replicable models of collaborative buffer zone management are in place (IUCN II-IV); (iv) Sustainable and replicable models of private and indigenous managed resource protected areas are in place (IUCN V-VI); and (v) Institutions and individuals involved in the RPAS have the necessary knowledge and skills to function effectively.

ACRONYMS **3**

SECTION I: ELABORATION OF NARRATIVE **5**

PART I: SITUATION ANALYSIS 5
Global significance of Chile's biodiversity *5*
Regional Context - Valdivian Ecoregion - Los Lagos Region *9*
PART II: STRATEGY 22
Project Rationale and Policy Conformity *22*
Project Goal, Objectives, Outcomes, Outputs and Activities *23*
Project Indicators, Risks and Assumptions and Lessons Learnt *40*
Expected global, national and local benefits *43*
Country Ownership: Country Eligibility and Country Drivenness *44*
Sustainability *48*
PART III: MANAGEMENT ARRANGEMENTS 51
PART IV: MONITORING AND EVALUATION PLAN AND BUDGET 56
PART V: LEGAL CONTEXT 58

SECTION II: STRATEGIC RESULTS FRAMEWORK AND GEF INCREMENT **59**

PART I. INCREMENTAL COST ANALYSIS 59
PART 11: LOGICAL FRAMEWORK ANALYSIS 69

SECTION III: TOTAL BUDGET AND WORK PLAN **74**

SECTION IV: ADITIONAL INFORMATION **87**

PART I: OTHER AGREEMENTS 87
PART II: TERMS OF REFERENCE OF KEY PROJECT STAFF AND MAIN SUB-CONTRACTS... 87
PART III: STAKEHOLDER INVOLVEMENT PLAN 93

SECTION V: ANNEXES **101**

ANNEX A: BIODIVERSITY AND CHILE'S PROTECTED AREAS 101
ANNEX B: MAPS (REFER TO SEPARATE FILE) 107
ANNEX C: THREATS AND BARRIER ANALYSIS 108
ANNEX D: PILOT PROJECTS 112
ANNEX E: STAKEHOLDERS ANALYSIS 144
ANNEX F: PROPOSED INSTITUTIONAL ARRANGEMENT 165
ANNEX G: SYNTHESIS OF THE ECONOMIC STUDY ON PUBLIC PA LOS LAGOS SNAPSE.. 170
ANNEX H: MONITORING AND EVALUATION PLAN 171
ANNEX I: BIBLIOGRAPHIC REFERENCES 176
ANNEX J: COMMITMENT LETTER (REFER TO SEPARATE FILE) 185
ANNEX K: COMMITMENT LETTERS FOR PILOTS (REFER TO SEPARATE FILE) 185

SIGNATURE PAGE **184**

ACRONYMS

AANP	Alerce Andino National Park
ADI	Área de Desarrollo Indígena (Indigenous Development Area)
APEC	Asia Pacific Economic Conference
APR	Annual Project Report
CACL	Coastal-Andes Conservation Landscape
CAP	Conservation Action Plan
CBD	Convention of Biological Diversity
CCCC	Coalición por la Conservación de la Cordillera de la Costa (Conservation Coastal Mountain Coalition)
CCF	Country Cooperation Framework
CIPMA	Center for Environmental Research & Planning
CITES	International Convention of Trade with Endangered Species
CODEFF	Committee for the Defense of Flora and Fauna
CONAF	Corporación Nacional Forestal (National Forestry Service)
CONADI	Comisión Nacional de Desarrollo Indígena (National Commission for Indigenous Development)
CONAMA	Comisión Nacional del Medio Ambiente (National Environment Commission)
CORMA	Corporación Chilena de la Madera (National Association of Forest Industries)
CO	Country Office
EIA	Environmental Impact Assessment
FDLA	Fund of the Americas
FNDR	Fondo Nacional de Desarrollo Regional (National Regional Development Fund
FPA	Fondo de Protección Ambiental (Fund for Environmental Protection)
GEF	Global Environment Facility
IA	Implementing Agency
IDH	Indice de Desarrollo Humano (Human Development Index)
INDAP	Instituto Nacional de Desarrollo Agropecuario (National Institute of Agriculture and Livestock Development)
INE	Instituto Nacional de Estadísticas (Statistics National Institute)
IUCN	The World Conservation Union
KMS	Knowledge Management System
LNR	Llanquihue National Reserve
NAFTA	North American Free Trade Agreement
NBSAP	National Biodiversity Strategy Action Plan
NBS	National Biodiversity Strategy
NEX	Nationally Executed
NPA	National Protected Area
NPC	National Project Coordinator
NPD	National Project Director
NTFP	Non-Timber Forest Products
MDG	Millennium Development Goals
M&E	Monitoring and Evaluation
METT	Management Effectiveness Tracking Tool
MIDEPLAN	Ministerio de Planificación (Ministry of Planning)
MPA	Marine Protected Area
MSP	Medium-sized Project
NBSAP	National Biodiversity Strategy and Action Plan
NGO	Non-government Organization
PA	Protected Area
PIR	Project Implementation Review
PDF	Project Development Funds
PMU	Program Management Unit
PPA	Private Protected Area
PPCH	Parks for Chile (Parques para Chile)
PSC	Project Steering Committee

RAPP	Network of Private Protected Areas
RG	Regional Government
RPA	Regional Protected Areas
RPAS	Regional Protected Areas System
SAG	Servicio Agrícola y Ganadero (Livestock and Agricultural Service)
SBAA	Standard Basic Agreement
SEIA	Environmental Impact Assessment System
SERNATUR	Servicio Nacional de Turismo (National Tourism Service)
SNASPE	Sistema Nacional de Áreas Silvestres Protegidas del Estado (National System of Wilderness State Protected Areas)
SP	Strategic Program
TNC	The Nature Conservancy
UACH	Universidad Austral de Chile (Chilean Austral University)
UN	United Nations
UNEP	United Nations Environment Program
UCH	University of Chile
UNDP	United Nations Development Program
WB	World Bank
WWF	World Wildlife Fund

SECTION I: ELABORATION OF NARRATIVE

PART I: SITUATION ANALYSIS

Global significance of Chile's biodiversity

1. Located in the southern cone of South America and bordered by Peru, Bolivia and Argentina, Chile is a country of highly significant biodiversity. The country covers an enormous latitudinal range for its territorial area of 756,000 km^2, stretching from 17^0 to 56^0 S latitudes and consisting of 4,080 km of coastline.[1] Encompassing both equatorial and Antarctic regions, this latitudinal range provides an extraordinary diversity of ecosystems and habitats. Chile also has significant altitudinal variation with its two mountain ranges - the Andes Range reaching 6,800 m.a.s.l. and the Coastal 2,300 m.a.s.l., - further increasing habitat diversity. Finally, the country is isolated from other large landmasses by the Andean range in the East, the Atacama Desert in the North, and the Pacific Ocean in the West. This natural isolation, together with the habitat diversity, has resulted in significant beta biodiversity and outstandingly high levels of endemism that are amongst the highest in Latin America and the Caribbean region. However, even though Chile's biodiversity is characterised more by this high level of endemism rather than its species richness, the range of habitats has provided a species endowment, which includes more than 28,450 known native species, of which 34% are insects, 16% higher plants, 11% fungi, and 7% vertebrates.[2]

2. Following the Dinerstein et al. classification of 1995, Chile has three out of the five terrestrial macro-environments of the Latin American and Caribbean (LAC) Region, 33% of its main habitat types and 7% of its eco-regions. Many are exclusive to Chile – such as winter rainforests, the central Chilean scrub and the Atacama Desert – while others are shared with the neighboring countries of Argentina and Peru. Of these eco-regions the **Valdivian Temperate Rainforest** and the Chilean Mediterranean scrub are globally outstanding in terms of biological distinctiveness. In addition, the winter rainforests, the subpolar Nothofagus forest, the central Andean wet and dry punas, along with the Patagonian steppe and grasslands are outstanding regionally. Following the Gajardo 1994 classification of terrestrial ecosystems diversity, the desert systems cover 22% of the territory, followed by evergreen and turberas forests with 18%), high Andean steppe with 17%, sclerophyllous scrub and forest (10%), deciduous forest (8%), Andean Patagonian forest (7%), Patagonian steppe (4%), and laurifolious forest (3%). In terms of fresh water environments, Chile presents 9% of the freshwater eco-regions of LAC classified by Olson et al. (1998) and the extensive coastal areas fall into four different bio-geographical areas.

Threats to the biodiversity endowment

3. Historically, the main threats to biodiversity in Chile have been species depletion, along with fragmentation and loss of habitat. The underlying causes of threats to biodiversity vary within the country from one region to another, ranging from: Extensive deforestation to expand the agricultural frontiers; mineral extraction; urban expansion; agro-chemical use and livestock practices; commercial logging; small-scale firewood extraction; forest fires; forest plantations using exotic species; overgrazing; invasive species; salmon production; and the construction of highways. In recent decades Chile has increasingly strengthened its environmental management and now has a broad range of institutions and norms that protect natural resources, reducing these pressures and the negative impacts of productive sectors.

[1] 2,560 km corresponds to the coast between Arica and the Chacao Canal, and the remaining 1,515 to the fiords and canals in the south.
[2] National Biodiversity Strategy Action Plan.

Chile's Protected Areas

4. Chile also has a long history of protected areas. Large amounts of territory are under some form of protection and some sparsely populated areas still have large blocks of intact habitat. As such, conservation of biodiversity through a protected areas approach is a viable option to protect the country's biological heritage and conserve the services this provides, which has been recognized as a key part of the country's biodiversity strategy (NBDSAP). Chile's protected areas fall roughly into two groups. The first are the public terrestrial protected areas that are grouped into the National System of State Wilderness Protected Areas (SNASPE), which was created in 1984 through the passing of the Law 18.362. While this Law is still to enter into force, the system is *de facto* operational and the constituent PAs are legally recognized by Chile's ratification of the Washington Convention and its PA management categories. There are four such management categories, all essentially for conservation alone and corresponding to the IUCN I-IV categories. Nationally, SNASPE total 94 Protected Areas distributed as 31 National Parks, 15 Natural Monuments and 48 National Reserves. Collectively these cover an area of approximately 14 million hectares – or the equivalent of almost 19 % of the land surface of Chile. For details on geographical location and hectare coverage, please see Annex A Table A-2.

5. The second group are the protected areas that are not included within SNAPSE. Not all of these were created exclusively for biodiversity conservation, but they do offer additional and different alternatives of environmental protection, thereby complementing SNASPE. These non-SNAPSE protected areas also fall into two groups: (a) Publically owned areas established through public or international instruments other than the Washington Convention; and (b) private protected areas established informally as the norm that regulates then under Article 35 of the **General Environmental Law**[3] is still not in force. The *publicly-owned* protected areas include sites that are legally created in public terrains through national public instruments (such as decrees or resolutions[4]) either by virtue of their natural resources or to conserve landscape for its tourism value. They also include others that are legally created by virtue of their biodiversity through international treaties. Some examples are Chile's *Biosphere Reserves* recognized by UNESCO, the 9 Wetlands qualified within the RAMSAR Convention and a small number of natural sanctuaries, marine parks, and multi-use marine and coastal areas. The *private protected areas* (PPAs) are administered by distinct private agents, such as individuals, foundations, enterprises or other organizations. Currently there are approximately 300 PPAs nationally covering an area of more than 1,100,000 ha, with only 11 adding up to almost 1,000,000 ha. According to 2001 figures 118 PPAs covering 386,570 ha formed part of the Privately Protected Areas Network (RAPP), established by the National Committee for the Defense of Flora and Fauna (CODEFF) in 2001.

Deficiencies in the National PA system and barriers to this approach

6. Chile has defined a multi-pronged strategy to address these challenges and enable protected areas to more effectively fulfill their role in biodiversity conservation, while contributing to the attainment of the county's conservation and development goals. One part of this strategy is to develop - *with UNDP-GEF support* - a project for *Building a comprehensive National Protected Areas System* aimed at consolidating and rationalizing existing PAs within a comprehensive National System of

[3] Article 35 of this Law declares "the State will encourage and provide incentives for the creation of privately owned protected wilderness areas, which will be subject to the same taxation, rights, obligations, and responsibilities as those pertaining to SNASPE."

[4] For example, status as a Natural Sanctuary is granted by the National Monument Council and then endorsed by a Decree from the Ministry of Education; other, public territories can be set aside for tourism or scientific value under a Decree by the National Property Ministry. Areas for conservation of ecosystems can also be created under a decree by the Ministry of Agriculture as areas declared to be for restricted use and included into territorial planning by Instruments of Territorial through the Marine Reserves and Parks under the Law of Fisheries.

Public, Private, Terrestrial and Aquatic PAs linked to national development objectives. The proposed *National Protected Areas System* – currently under development with PDF-B funds – will address specific barriers that require action at the national level. It will provide an overarching framework for individual PAs, sub-systems of PAs and their respective regulatory frameworks. It will also develop the mechanisms, through which this new national PA System can be expanded in the short, medium and long term to enhance ecosystem representation and encourage the establishment of new protected areas in strategic locations through innovative approaches to management.

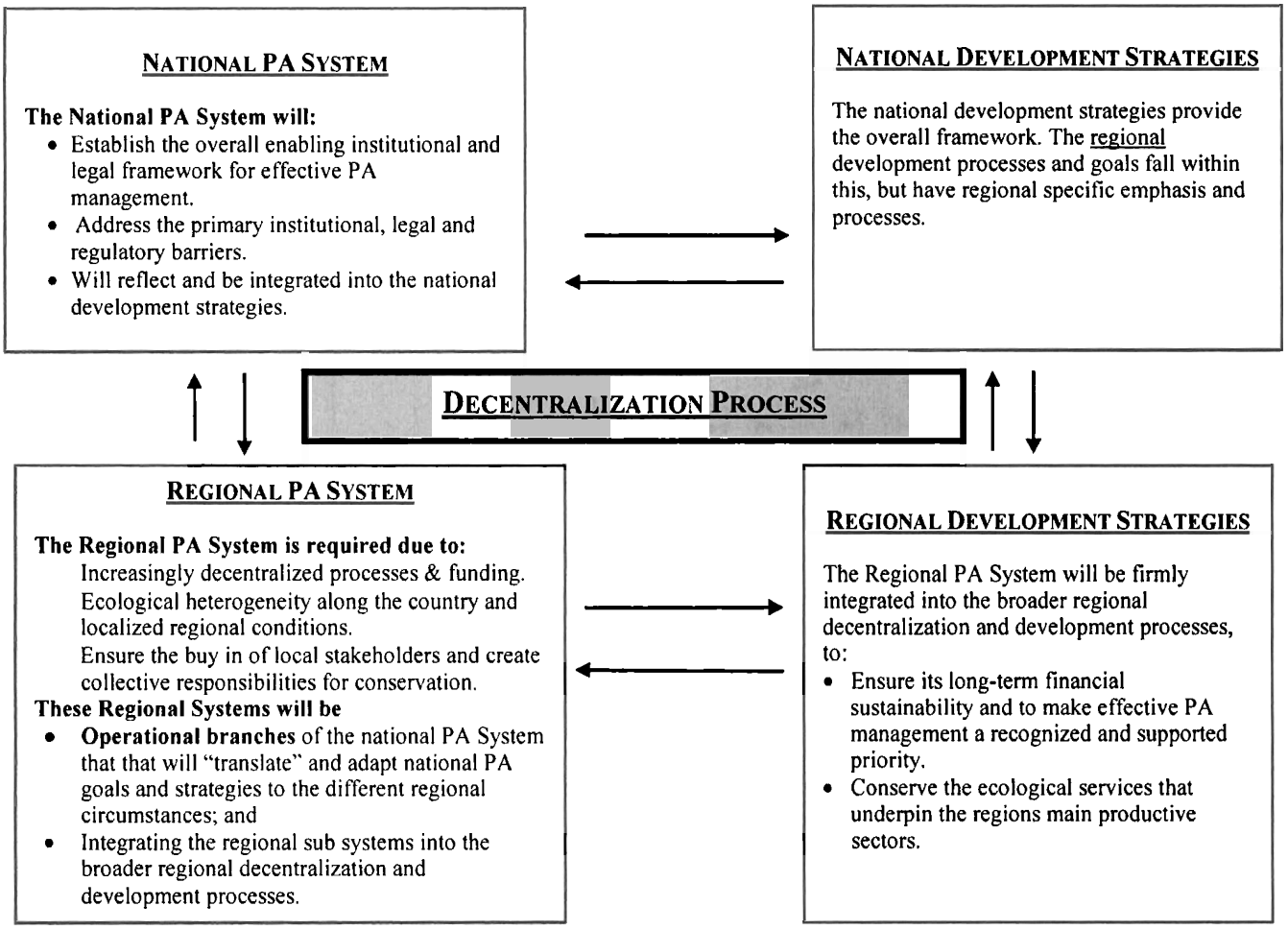
7. A second part of Chile's protected areas strategy is related to the increasing regionalization of the country and the importance the current Government has placed on the process of decentralization and de-concentration of the State as part of its policy of modernization of the Public Administration. Under the *Organic Law of Regional Government and Administration* (Law N° 19.175), Chile's twelve regions became semi-autonomous political and administrative units. Each has a Regional Government with well-defined, decision-making structures and Regional Development Plans with specific goals and targets. Resource-generating and financing strategies for these Plans include funds from Central Government for projects with regional, provincial and local impacts. It is channeled through a National Regional Development Fund (NRDF) and between 1993 and 2000 regionally controlled investment budget doubled. Regional Governments defines how to allocate and use the regional funds for a range of issues that could include conservation and PA management.[5]

8. Within this decentralization process, biodiversity conservation and PA management is increasingly becoming a regional responsibility. This is particularly important for the national effort to conserve its full biodiversity endowment, as Chile is a very heterogeneous country with high diversity along both its north-south and west-east axes. The above national project will provide the overall framework for a National System and this will be tailored to allow for decentralization. Yet there are important barriers to be overcome if Regions are to fully embrace their responsibilities in biodiversity conservation. Many of these cannot be sufficiently addressed and resolved by the national project alone. Other barriers need to be addressed concurrently at both the *national* and *regional* levels. Finally, others are specific to the regional level, as they are connected to the distinct location-specific threats to the given PAs, primarily stemming from the surrounding production landscapes and regional productive sectors.

9. Under the baseline scenario, whilst the process of decentralization will continue, capacity deficiencies will limit advances in PA management and systemic approaches in the regions. This will hamper the contribution of the regions to national conservation biodiversity targets, as well as limit the role PAs could serve in advancing regional development goals. In response, the Government is seeking GEF support through UNDP to advance regional management of clusters and systems of PAs as a second and complementary part of Chile's strategy for biodiversity conservation through a PA system approach that is in alignment with the decentralization process of the country. While nested within the overarching PA systemic framework being developed at the national level with UNDP-GEF support, the regional Systems and clusters will address the challenges at regional levels, be tailored to their specific environmental conditions and developmental goals and have full support and participation of all local stakeholders. The barrier removal project will demonstrate how to establish and pilot the first Regional PA System in Chile that support regional development goals and conserves the regional biodiversity endowment, much of which is of high global significance. This

[5] The Law enabled greater participation by authorities on both regional and local levels in public investment decisions through Regionally Allocated Sectoral Investment (ISAR), Locally Allocated Regional Investment (IRAL) and Programming Agreements (*Convenios de Programación*)..

system will not be a stand-alone entity, but will be established as an integral part – ***as an operational branch*** - of the future national PA System in order to overcome regional-specific barriers. The below diagram illustrates the relationships between the national and regional-level PA Systems and their linkages with Chile's overall development and decentralization process.



Selection of Region for a Regional Protected Area System

10. A number of demonstration value criteria were used to select the most suitable Region, in which the project would focus in order to (i) become a replicable model for advancing the maturation of the National Protected Area System, while also (ii) maximising the capture of global benefits; and (iii) providing useful Lessons Learned for regional, national and global dissemination. These criteria were as follows:

i. Global significance of biodiversity in the Region.
ii. A significant number of existing and well-established PAs – both public and private – on which to build.
iii. Regional development strategies supportive of environmental goals and objectives, along with supportive and pro-active regional authorities and decision-makers.
iv. Potential multi-stakeholder partners (public and private) for intervention strategies and pilots.
v. A "suite" of deficiencies, PA management challenges, and barriers that reflect a range of those found across Chile, hence increasing replicability potential.

11. Region of Los Lagos – known as the Xth Region – fully complies with all these criteria and provides an excellent site to develop and demonstrate a replicable strategy for implementation of the new National Network System of different PA types at a regional level, while providing mechanisms and capacities to align and adapt their management with Chile's decentralization process and policies. At the same time, the Los Lagos Region context is also optimal for improving national bio-geographic representation, by targeting a forested landscape of high biodiversity importance characterized by sub-optimal PA coverage and management effectiveness. The remainder section of the Situation Analysis is therefore focused solely on this region and provides the details for each of the above listed criteria.

Regional Context - Valdivian Ecoregion - Los Lagos Region

Environmental Context: Global Biodiversity Significance of the Los Lagos Region

12. The Los Lagos Region is an administrative region, which geographically represents the major part of the **Valdivian Rainforest Eco-region**. With an original total area of 34.5 million ha, the Valdivian Rainforest Eco-region is the second largest of the seven Eco-regions of Temperate Rainforests that exist globally. It stretches from the Coastal Mountain Range in South-western Chile, across the Central Valley to the Andean Mountain Range in the east. More specifically, it extends from the political boundaries of the Bio Bio to Aysen (35°-55° S) and over approximately 1,600 km in length and from 150-250 km in width. It also occupies a narrow belt of the Andes range in the southern part of Argentina. It is considered vulnerable and globally outstanding in terms of biological distinctiveness, and was placed as highest priority for conservation for Latin America and the Caribbean Region (Dinerstein et al., 1995, 2000). It has also been defined as one of the 25 priority eco-regions to be conserved at global level by the World Wildlife Fund (WWF), and both Bird Life International and the World Bank have considered it as a region of global importance and a priority for conservation due to its extraordinary endemism (Stattersfield et al, 1998; Dinerstein et al, 2000). Thus this region clearly fulfils the first criteria.

13. *Forest ecosystems*: Natural habitat remnants of the Valdivian Rainforest Eco-region are estimated to cover 5.16 million hectares. The vast majority of these are found within Los Lagos Region. Forests cover 57.2% of the region's area, or 3,820,502 ha. Of this area, tree plantations account for 196.356 ha (5.1%), but 94.5% is native forest (3.6 million ha). Although half of this native forest is altered secondary forests, there are still very large areas of pristine habitat that offer outstanding representation of all the Valdivian forest ecosystems. This includes the most extensive and intact stands of exuberant rainforest – with trees up to 50 mts in altitude – that still maintain intact samples of ancient forest ecosystems in large, continuous surfaces along an altitudinal and latitudinal slope. Characterized by an oceanic climate with high precipitation, mild Summers, and Winters not too rigorous to be favorable to the growth of the vegetation, the development of the forests here reaches extremely elevated levels of biomass and productivity, similar to the tropical rainforests. In addition, the area has the second highest level of volcanic activity on a global scale. The fire, the lava floods and the avalanches – or *lahars* – are natural disruptions that play a determinant role in the distribution and variability of the vegetation communities.

14. The wide range of topographical, climatic and edaphic conditions between the extreme points of the Region has resulted in considerable differences in biodiversity and a complex mosaic of forest types that make up the forest eco-region. The forests also exhibit a remarkable structural complexity, in terms of the diversity of woody species, the range of growth forms (trees, shrubs, lianas, epiphytes, and hemiparasites), its vertical stratification, spatial heterogeneity, and the age variations of tree

populations. This structural complexity, which reaches its maximum expression in old-growth primary forests, supports the rich biological diversity of these ecosystems and includes areas with the largest diversity of lichens and bryophytes in the world (Galloway, 1996, in Armesto, 1998).[6]

15. The main forest habitat types within the Valdivian Eco-region are: (i) Temperate Deciduous Forest; (ii) Temperate Laurecea Forest; (iii) Temperate Evergreen Forest; (iv) Temperate Resinous Forest, (v) High Altitude Desert; (vi) Deciduous Scrub; and (vii) Patagonian Scrub. These can be further divided into 22 different ecosystems, each characterised by different species assemblages according to the territorial landscape and biological heritage in three sub-regional areas that dominate the Xth Region. These forest ecosystems and respective characteristic species are listed in Annex A Table A-6, grouped under the three regions. These three sub-regions are: (i) The Coastal Mountain Range; (ii) the Inter-Andean Corridor Area; and (iii) the Andean Mountain Range, all briefly described below:

16. ***The Coastal Mountain Range*** in Los Lagos houses the most pristine and biodiversity-rich forest habitats of the Valdivian Eco-region and has a forest cover of 1 million hectares. These coastal mountain habitats are also older than those of the Andean Range forests, as the latter were devastated repeatedly by the Pleistocene glacial ages. The Coastal Range in central-southern Chile was a Pleistocene refuge during the Pleistocene glaciations, for many of the species which characterize the Valdivian Temperate Rainforest, and many of them are endemic to this area. Several studies have identified an area within the Coastal range known as the "Cordillera Pelada" – as one of the areas of highest biodiversity and endemism within this globally significant eco-region.[7] Over 14 vegetation associations and many unique species can be found in this area largely due to atitudinal and exposure differences changes, and its history as a glacial refuge. It is this area that has been selected to pilot a new private NGO-managed reserve (see Project Management Arrangements).

17. ***The Andean Mountain Range*** in Los Lagos is rugged, with peaks up to 3.000 m. a.s.l., and a large number of volcanoes, many of them active. The soils are volcanic ash-based, highly permeable and rich in organic material, while the area has a mountainous climate that is cold-temperate and rainy, with winter snowfall in the higher elevations. The forests in this region are highly representative of the dynamic of disturbances and volcanic activity of the Andes mountain range in the Valdivian eco-region. Forests of *Nothofagus* dominate the area. This is a type of tree adapted to frequent natural disturbances, volcanic activity, forest fires, landslides and the cold weather of the Andes range. These forests are younger, less structurally complex and less species-rich than the coastal forests, with a greater presence of coniferous species in areas with poor soil and at higher altitudes. They are classified as Laurifolio forests of the Lake Region, characterized by *N. dombeyi* and *Eucriphya cordifolia*, Laurifolio Andean forests, dominated by *N. nítida* and *Podocarpus sp.* (Gajardo,1994), and also Evergreen Andean Forests (Donoso,1995) or Andean *Nothofagus* and Alerce forests (WWF, 2004). Between Lago Ranco and the Relocaví Estuary River, forest is dominated by Coihue (*Nothofagus dombeyi* and *N. nítida*) types that are adapted to the frequent volcanic activity and landslides of the Andes mountains. In better quality soils at lower altitudes these species are intermixed with *Eucriphya cordifolia*, while in poorer soils they are mixed with coniferous species such as *Podocarpus*. Ferns are abundant in these forests, especially *Hymenophyllum* and species of the *Phyllesiaceae* and *Gesneriaceae* families (Gajardo,1994).

[6] Reduced extreme temperature fluctuations, due to the oceanic influence on the Chilean climate, together with high rainfall rates (2,000 to 4,000 mm/year) and tree longevity, create favourable conditions for the development of a rich epiphytic flora.
[7] UACH, 2000; WWF, 2000; CONAMA, 2002.

18. The ***Inter-Andean Central valley*** in Los Lagos was once covered by Valdivian forest habitats. However, as with many other regions of Chile, forests in the Central Depression have practically disappeared, substituted with agricultural and pasturelands, and urban centres. The decrease in size and the increase of the edge effects of remnant forest fragments in the human-dominated central depression, together with the reproductive isolation of populations in remnant fragments, have led to gradual loss of native species. Many of these species are associated with the deciduous forests that dominate the central valley, which possess a high degree of endemism and species richness (WWF, 2004). This process has been largely documented for small birds, mammals, and plants (see Smith-Ramírez et al. 2005).

19. Nevertheless, Los Lagos Region contains the only area in the Valdivian Eco-region, in which the Central Valley has significant patches of primary and secondary native forest, providing largely continuous forest cover between the Coastal and Andean mountain ranges. This is located close to the city of Valdivia and is a mountainous area that cuts across the central valley and links the coastal and Andean mountain ranges (Annex B, Map A-1). It is the only transversal hill system, which crosses the central valley in the south of Chile, and which is geologically similar to the Coastal Range in terms of age and the existence of a substratum of metamorphic rock, but with soils of volcanic ash and reddish clay and *trumaos* (sandy volcanic soil) of different ages. The large extensions of native vegetation in the hill systems, which cross the Central Valley in Valdivia province, creates a natural link between the Coastal forests and the Andean forests, permitting original gene flow and providing the last connecting point between the western and eastern extremes of this eco-region's extension (Gajardo, 1994). This corridor is also a major point of convergence between the Mediterranean-influenced forests of the north and the temperate rainforests of the south, which also explains the high richness of associated species at the lower levels of the oriental slopes of the Coastal range (Smidt-Ramirez, 2004). This West-east corridor has been identified and classified as a priority in different studies.[8]

20. *Endemism in the Valdivian Ecoregion:* The geographic isolation of this Eco-region for millions of years has converted it into a *bio-geographical* island. The forest habitats of the region are completely isolated from other South American forests by the mountainous barriers of the Andes, and the country's arid ecosystems to the north, which has led to extraordinarily high levels of endemism. The level of endemism is as high as 90% for vascular plant species (50% in Chilean territory) and 34% for generic plants, with the majority of forest genera represented by a single species in each case. Among endemic plant species, the conifer *Fitzroya cupressoides* is the second longest-living species on the planet, with specimens as old as 3,000 years, and it has confirmed potential for palaeo-environmental reconstruction in the Southern Hemisphere (Lara & Villalba, 1993). As demonstrated in the table below, among vertebrates, endemism varies from 30% in birds to 80% in amphibians, while knowledge regarding the biodiversity of invertebrates is still incipient.

Class	Endemic Species		Endangered Species*	
	Number	Percentage (%)	Number	Percentage (%)
Fish	13	50	26	100
Amphibians	24	80	19	63
Reptiles	5	36	7	50
Birds	13	30	7	16
Mammals	11	33	19	57

[8] Including those conducted by the WWF (2004), the Universidad Austral de Chile's Instituto de Silvicultura (Lara et al , 2002) and as part of the macro-corridor proposed by the Fundación Senda Darwin, Centro de Estudios Avanzados en Biología y Biodiversidad (Center for Advanced Studies in Biology and Biodiversity) of the Pontificia Universidad de Católica, and Parques para Chile.

Source: Armesto, Rozzi et al, 1995.
* Include species in danger of extinction, vulnerable, rare and inadequately known.

21. *Endangered species in the Valdivian Ecoregion:* With regards to species that are either endangered or facing conservation problems in the Valdivian Rainforest, among the arboreal flora there is first and foremost the Alerce (*Fitzroya cupressoides*), which is a species classified as vulnerable and legally considered a Natural Monument. A major part of the populations of Alerce located in the coastal range has suffered from the effects from fires and are affected by illegal exploitation. Alerce is also found on the lists of the International Convention of Trade with Endangered Species (CITES), just like the Cypress of the Guaytecas (*Pilgerodendron uviferum*). The boldo (*Peumus boldus*) – a species found in very specific locations in the Coastal range in the provinces of Valdivia and north of Osorno – is considered a specie very vulnerable to extinction in Los Lagos Region, even though not in the rest of the country. With respect to fauna, the state of conservation of the vertebrates in the Eco-region is very critical as reflected in the above Table. For instance, in the area of the coastal valdivian forests, both the mammals river nutria or huillín (*Lontra provocax*) and the guina cat (*Oncifelis guigna*) are classified as being in danger of extinction and the pudú (*Pudu pudu*) is considered vulnerable. Among birds, the Carpintero Magallanico (*Campephilus magellanicus*) is classified as vulnerable just like the Torcaza (*Columba araucana*) and the Con-con (Strix rufipes). In the category of rare species are the arboreal marsupial Monito de monte and the rodent *Geoxus valdivianus* (Glade 1993).

Protected Areas in the Los Lagos Region

22. Los Lagos Region has a large number of existing public protected areas which provide strong components to a future regional System. 14 public protected areas in the Region form part of the National System of State Wilderness Protected Areas (SNASPE). Of these, six are National Parks, five National Reserves and three Natural Monuments. These PAs represent 11 percent of the total national territory covered by SNASPE. Regionally, collectively they cover 12% of the Valdivia Eco-region, with a total protected area of 607,557 ha, of which some 70 percent (417,000 ha) consists of native forests. Despite this large area under public protection, they do not sufficiently cover the ecosystems that compose this rich mosaic of forests in a representative form. Thus, as occurs at the national level, the SNAPSE is deficient in ecological representativity of the Valdivian eco-region. This is detailed in paragraph 44 in the barriers section and substantiated with the figures in Table A-4 in Annex A.

23. In addition there are 29 private PAs of more than 40 ha in the Region. Collectively, these represent a total area of 283,000 ha, including Pumalin Park (259,000 ha) – the largest PPA in the country (Mardones, 1999). In terms of private protected areas, Region Ten is the region with the largest number and territory of private Pas with 661,506 ha and 125 owners at the last land survey. In many ways, this is a reflection of the fact that many of the priority areas identified for conservation of the Valdivian forest are outside the PAs of the SNAPSE and fall under private ownership, including indigenous lands – again mirroring the situation at the national level. In addition, over recent years there has been an increased interest in creating private reserves, with the total area under protection through private owners doubling in the past decade. While the motives behind their creation seem to be mixed, the predominant land uses in these areas appear to be compatible with conservation objectives (in other words, strict conservation, education and research, and eco-tourism). The growth in and recognition of PPAs are in part due to the success of a completed WB-GEF MSP entitled *"Public Private Mechanisms for Biodiversity Conservation in the Chilean Valdivian Forest Zone" (CIPMA)* that supported public-private sector co-operation in setting up and managing a number of demonstration private protected areas. Whilst there are deficiencies

associated with PPAs in general, as detailed in later sections, the existence of this large number will facilitate the creation of a multi-stakeholder system in the Xth Region and underlines the demonstration value of this region in line with the above selection criteria.

Los Lagos Region development strategies and policies

24. The Los Lagos Region has a suite of development strategies and policies that are supportive of environmental goals and objectives. This makes the selection of this region for a demonstration site both politically feasible and cost-effective. Amongst these is the *2000-2010 Strategic Development Strategy*, approved in 2002 by the Regional Council. This ten-year strategy recognizes the role of natural resources and the environment as components of the productive processes. It subsequently outlines the need to transform regional production systems and technologies to be compatible with the environment, whilst maintaining competitiveness. It recognizes that biodiversity conservation constitutes a central element of this approach and underlines that ecosystems in the Region are highly diverse, particularly in endemic species, and should be considered national and global heritage, which must be conserved.

25. Indeed, as of September 2002, Los Lagos Region has in place a *Regional Strategy for Conservation and Sustainable Use of Biodiversity*.[9] The general aim of the Strategy is to conserve biodiversity and promote the use of the region's resources, while equitably and fairly distributing all benefits and costs arising from these actions. It has three broad focal areas: (i) protection and conservation; (ii) knowledge and information management; and (ii) diversified use. Furthermore, amongst others the Strategy's mission is to create a Regional Entity to serve as coordinator, facilitator, implementer and promoter of the appropriate and responsible management of the region's biodiversity. According to this document, this entity will coordinate joint action and foster strategic alliances involving different local, national and international actors.

26. More recently, Los Lagos Region became the first in Latin America to have in place a Regional Clean Production Pact. Following a highly participatory process the *"Pact for a Clean and Sustainable Lakes Region for the Bicentenary"* was signed in December 2004 by the Government and 60 representatives from public and private sectors, including the principal productive sectors.[10] Through this Pact the regional authorities and productive sectors pledge to undertake concrete measures to make the region a development model for the country and the continent. More specifically, it states that "the environment, environmental protection and environmental impacts must be taken into account in decision-making by different actors and sectors involved in development;" and that "unsustainable production systems must be eliminated and replaced by clean production systems."

27. The Pact is a collective promise to further the concept of sustainability and identify the region's central challenges for the next six years. It has three guiding principles: (i) Sustainable development is an objective shared by all, and therefore is a right and a responsibility of all of the Region's citizens; (ii) the environment, environmental protection and environmental impacts must be taken into account in decision-making by different actors and sectors involved in development; and (iii) unsustainable production systems must be eliminated and replaced by clean production systems. These guiding principles are to be carried out through four broad strategic thematic areas: (i) sustainable development of productive sectors; (ii) environmental education and capacity building for

Strategy for the Conservation and Sustainable Use of of Biodiversity; Los Lagos Region. September 2002.

[10] Pacto por una Región de Los Lagos limpia y sustentable para el Bicentenario (Pact for a Clean and Sustainable Lakes Region for the Bicentenary). Government of the Lakes Region; Regional Public Private Committee on Clean Production; Clean Production Executive Office. December 2004.

clean production and sustainability; (iii) a society of awareness and sustainable development; and (iv) sustainable local development.

Los Lagos Region socio-economic context and its links to project stakeholders and threats

28. *Stakeholders:* The Xth Region has a wide and diverse range of stakeholders that would form part of the Regional System of protected areas both as participants, practitioners, managers and beneficiaries. As one of the aims of the project is to demonstrate a multi-stakeholder PA system, this multiplicity of active and committed stakeholders further underlines the viability of the Xth Region as a demonstration site. It also bodes well for the social sustainability of the ensuing system and project (see Sustainability section). Los Lagos Region PA stakeholders include supportive and pro-active regional authorities and decision-makers, who have indicated their adhesion both through the suite of regional policies and strategies outlined above, and also through the commitment of substantial co-funding for this project to be allocated from the regional budget and its development programmes. It also include a large number of highly conservation-oriented private land owners, who have committed their lands to form new conservation set-asides as part of the project (support indicated in attached letters in Annex K), in addition to the largest number of already existing private protected areas in country. This includes national and international NGOs, which have formed part of the project design and will be significant partners in the project, including as strong co-funders (see TNC and WWF commitment to co-funding of 11.5 million US$). A further important group for this multi-stakeholder system is the indigenous communities, who have indicated commitment to be partners and to set up the first terrestrial multi-use indigenous protected area in Chile (see Outcome 4 on conformity with the UNDP Policy "UNDP and Indigenous Peoples - a policy of engagement").

29. The main stakeholders to be involved directly in project-relevant activities and initiatives in the Xth Region are described in Annex E. These were identified in the PDF-B stage through a stakeholder analysis that (i) identified key stakeholders in the Region; (ii) reviewed stakeholder interests in the project; (iii) identified and mitigated possible negative socio-economic impacts on local stakeholders resulting from the project; and (iv) identified opportunities for the project to benefit stakeholders. The initial analysis of stakeholders was based on a series of interviews with both public and private institutions. These are listed in Table E-1 of Annex E and include 10 Regional Representations of Ministries through 17 of their associated Regional branches or services, along with 2 of their local representations; relevant national ministries; 8 autonomous Local Governments, 5 Small Landowners Organizations; 6 indigenous organizations / community organizations; 14 NGO's and other associated institutions; a variety of local communication & media TV stations and newspapers; 2 regional universities; 4 private sector forestry enterprises; and PA concessions.

30. These are stakeholders that will form part of the project, which again confirm the high value of the Xth Region for demonstrating the multi-stakeholder nature of a PA system. However, in broader terms the System will benefit the general population of the region, reflect its specific characteristics and underpin the development of the region as a whole and, hence, be intimately linked with their well-being. The general characteristics of this Region's population are described below.

31. Los Lagos Region is located approximately between 39°30' and 43°40' Latitude South and covers both mainland and island territory (including the "Big Island" of Chiloé and insular archipelagos), with a total area of 67,013 Km^2 (6,701,300 ha; INE 2002). The Region is administratively divided into five provinces (Valdivia, Osorno, Llanquihue, Chiloé and Palena), further divided into 42 municipalities. The city of Puerto Montt is the regional capital and is located 1,026 km south of

Chile's national capital of Santiago. The Xth Region has a population of 1,073,135, which represents 7.09% of the total national population (2002 national census). It has an average population density of 16 inhabitants /km^2, equally distributed by gender. Close to 68% of the region's inhabitants are urban dwellers and 32% are rural. While this is the second highest rural population among Chile's regions, this percentage has been dropping steadily from census to census due to urban migration, which has been more intense in this region than in the country overall. Despite this, one of the basic characteristics of this part of Chile is its rural nature.

32. Among the Xth Region's rural population, 19.3% live in poverty and 50.8% are younger than 30.[11] The population living in poverty comes to 21.6%, which is higher than the national average of 18.8%, according to results of the latest 2003 Socioeconomic Characterization Survey. Poverty figures are still higher in the indigenous groups. The Xth Region has the third highest indigenous population of all Chilean regions, mostly of Mapuche-Huilliche ethnicity, representing 17% of the country's indigenous population, and 10.9% of the total regional population. Of this number, 35% live below the poverty line. In general the indigenous population is distributed among four large zones in the region: (i) The North: The communities of Panguipulli, Lanco, and San José de la Mariquina; (ii) The Andes mountain zone: The Ranco lake basin and surrounding areas, including the communities of Futrono, Lago Ranco and Río Bueno; (iii) The Coast: From the southern half of Unión community extending to the northern half of Fresia community. These are ancestral communities inhabiting the Pacific coastal forests; (iv) The South: The southern half of Chiloé Island, including neighboring islands.

33. The Human Development Index calculated by Chile[12], which takes into account income, health and educational levels, places Los Lagos Region eleventh out of 13 regions nationwide. Structurally, the region's inhabitants have poor access to markets, must travel long distances to obtain health and education services and depend heavily on state subsidies. Educational levels in the region are low. More than a third of those of employable age have not completed primary education, and more than seven out of ten have not completed secondary. However, over the years, census data has shown steady growth in educational levels.

34. Outside the State-protected PAs, land ownership in the region is all virtually private. Of the approximately 40,000 landowners engaging in forestry, farming and livestock activities, their structure and uses vary greatly. Around 4,000 are private companies and 35,000 are peasant farmers with plots less than 20 ha. There are also a number of indigenous communities territories. The economy of indigenous communities is based primarily on extraction of native forest products, subsistence farming and livestock activities, while the coastal mountain communities' main source of income derives from the extraction and production of Alerce wood into tiles. The following section details the main characteristics of the regional economy.

35. *Regional economy.* The Los Lagos regional economy is largely based on renewable natural resources – both raw and processed. Natural resources are the region's biggest asset and its development relies heavily on the native forest resources and tree plantations; landscape and tourist attractions; land and its livestock and agricultural potential; water resources of high quality, volume and flow, as well as their suitability for agriculture, human consumption, recreation and hydroelectric generation; richness of fishery resources and aquaculture potential in marine and lake environments; and multi-dimensional complexity of the coastal-marine environment, providing spaces for human

[11] MIDEPLAN, 2000.
[12] MIDEPLAN, 2000.

settlements; habitat for biodiverse hydro biological resources, and the urban-port activities; as well as tourism-related and fishery aspects. This underlines the importance of the earlier mentioned Pact for Clean Production and the urgency for a comprehensive PA system that protects the resources base and environmental services that underpin these sectors.

36. *Fisheries,* including salmon and trout in fish farms and salmon processing plants, have grown extensively in the Region. Between 1991 and 2001 it grew 10 points, reaching 27.9% of regional production in 2002. In parallel the farming forestry sector has dropped in its share of regional production: 10 points from 25.7 to 15.8%. Extractive and processing fishery activity is concentrated in the southern tip of Llanquihue province and in Chiloé province, as is aquaculture production and more recently production of benthonic resources, especially mollusks.

37. *Traditional agricultural and livestock activity* is oriented towards meeting domestic market demands, with Los Lagos Region being the main supplier of meat and dairy products within Chile. There is now a trend towards specialization in these sectors, with a strong interest in technological innovation among local producers to boost the efficiency of their productive processes. Agricultural and livestock activities are concentrated in Valdivia, Osorno and Llanquihue provinces.

38. *The forestry sector*. This includes both plantation production and firewood collection from native forest for fuel. Commercial logging, which is based mainly on the exploitation and processing of exotic species, contributes 10.8% to national timber production, although plantations only cover 5% of the region. This activity is concentrated in the northern zone of the region in the Valdivia province, using the city of Validivia as a service center. Regional industrial-scale production of panels and plywood veneers accounts for 14% of total national production of these products. The northern zone also houses the paper industry.

39. Firewood collection from native forest in the Region makes up half of the national figures for this category[13] with a total extraction of 4.1million m^3/year. Of this, 37% is used for fuel in industry, 37% for rural dwellings, 20% for urban dwellings and 6% for public and commercial consumption.[14] In the Xth Region's urban centers of Puerto Montt, Osorno and Valdivia, firewood from the coastal mountain range accounts for 76, 51 and 90% of all firewood used, respectively. This mountain range is mainly inhabited by small landowners and indigenous communities, who produce and sell firewood as part of their cultural and productive system.[15] Indeed, all firewood consumed in the Los Lagos Region is produced and sold within the region, thus generating local and regional revenues, while having a significant impact on the *campesino* economy. Furthermore, unlike other fuels, the production and sale of firewood is not in the hands of a few large companies, but provide a considerable number of direct and indirect jobs. It is estimated that in this region alone, close to 50,000 people work permanently in this sector, including producers, transporters, loggers and heating equipment cleaners, among others. Consumption of this kind of fuel has more than doubled in the past 18 years and needs to be checked urgently. However, it is the cheapest fuel available in the south of Chile and is the only affordable power source for a large proportion of the urban population.[16]

40. *Tourism:* The Los Lagos Region is the epicenter of Chile's tourism industry, with the beauty of its National Parks being one of the principal attractions. The great diversity of natural attractions – all

[13] Firewood provides 17% of the primary energy supply in Chile and 60% of this is from native forest.
[14] Lara *et al.*, 2002
[15] Saez, 1994; Saez and Scholz, 1998; Reyes, 2000; 2004.
[16] A comparative analysis carried out by the Universidad Austral de Chile indicated that wood-based heating can cost as little as 1/14th of the cost of electrical heating, 1/9th the cost of LPG (gas), and little more than 1/8th the cost of petroleum.

close to major urban centers that facilitate their future tourism-related development – offer a diverse range of geographic and service options, while cultural diversity, such as colonial settlements and indigenous communities, adds to the attractions. The Puerto Montt - Puerto Varas tourism center has very easy access and high quality services, and the demand for this region's attractions is growing among both Chilean and international visitors. In 2003, the region received 46.7% of all visitors to the country. Moreover, tourism to the Xth Region's protected wilderness areas accounted for 51.2% of all visits to such protected areas nationwide. In all, there were a total of 546,803 visitors – 41% being foreign visitors – with Puyehue and Vicente Pérez Rosales National Parks being the most visited. However, there are important natural areas in the coastal mountain range that could also be developed as eco-tourism destinations.[17] Most visitors spend time in Llanquihue province (40%), Valdivia and Osorno (25% each), while Chiloé and Palena together receive only 10% of visitors. Chileans stay an average of 8.5 days in the region and foreign tourists 7.2 days, with 60% of visits occurring between December and March.

41. Los Lagos Region contributes almost 5% of the overall gross domestic product to the national economy, putting it in fifth place among all regions. Exports from the Region represent 6.4% of all exports nationwide. In the 1990s, this Region experienced what was likely one of the strongest export "boom" periods in the country, with exports rising 4.5-fold from 1990 to 2001. The exports are strongly weighted towards processed products, especially food, which accounts for more than 97% of regional exports. These products are made from marine resources, particularly salmon and trout.

Current Use	Thousands of Has	% of total Regional area
Forest	3,820	57.2
Pastureland and thickets	1,785	26.7
Unproductive lands	1,024	15.3
Agricultural lands	18	0.3
Unknown areas	36	0.5
TOTAL REGION	6,681	100%

Source: CONAF-CONAMA-BIRF, Survey and Assessment of Chile's Native Plant Resources, 1994 – 1997.

Threats to the remaining stands of Valdivian Rainforest

42. Pressures on the mosaic of Valdivian forest ecosystems, which make up this extraordinarily rich eco-region, are closely linked to the above past and current socio-economic context. From the early 19th Century onwards agricultural and livestock activities increasingly expanded throughout the fertile inter-cordillera Central Valley, causing extensive habitat loss and fragmentation to the Valdivian forest in the valley. Forest cover was gradually reduced to the inter-cordillera and Andean mountain ranges and to isolated points of connection across the valley. Further land-use changes, including commercial logging of native forest and plantations of exotic species, reduced habitats even more. However, while the agricultural and livestock activities, along with commercial plantations for timber, were the main pressures on remaining habitat in the region, today this is less true. The largest habitat stands are found in the less accessible region in the Coastal Range and in the higher slopes of the Andean Range. These are less exposed to dramatic changes in habitat from large-scale productive action and this, together with the fact that there is already a number of PAs in the area, indicates that a PA approach to conservation of existing remnants is not only viable, but indeed

[17] According to SERNATUR, eco-tourism activities are offered in the following sectors of the Xth Region: Puyehue Lake and Osorno Lake, Llanquihue and Todos los Santos lakes, Panguipulli and Ranco lakes, the southern Puelo-Futaleufú highway, and Valdivia and Chiloé. There are 4 community-based eco-tourism initiatives in the Xth Region, which were funded by the Fondo Bosque Templado (WWF/CODEFF) in 2002-2003: two in the municipality of Corral: Junta de Vecinos N°5 San Juan and Comité de Adelanto Cadillal, and two in the municipality of San Juan de la Costa: Misión de la Costa and Asociación Indígena Mapu-Lahual.

is the selected approach by regional authorities. Despite this, threats in the areas of these larger habitats do present a set of specific management challenges to existing PAs and to new ones, if they are created to protect under-represented ecosystems. The main pressures on these habitat stands in existing an potential protected areas are as follows:

- In the *Coastal Range,* with its small and scattered communities and a large number of indigenous groups and territories, the main pressure is firewood collection for fuel and illegal selective logging for high value species, such as Alerce by local communities. To a lesser degree, these stands are also somewhat pressurized from agriculture, as colonization advances into the coastal range as a result of increased access from newly built roads.

  In the *Andes region* the largest stands are found in the public protected areas of the SNAPSE. Here, the pressures are from firewood collection, livestock activities in adjourning areas, increasing number of tourists and increased risks of fire.

  In the only remaining area of forest representative of the *Inter-Andean valley* forest ecosystems of the Valdivian eco-region, pressures are related to agriculture and livestock that is widely practiced in the area and affecting forest fragments and increasing edge effects.

43. Moreover, there are deficiencies in existing PAs and barriers that impede the adoption of a more comprehensive PA approach as part of the regional development strategy. These are outlined below and underpin the selection of the main elements of the proposed project.

Barriers to Regional Protected Areas System Approach

44. Deficiencies in ecosystem representativity: The existing public PAs in Los Lagos Region cover over 10% of the regional territory, thus, at first sight, meeting national targets for Eco-region coverage in terms of spatial area. However, these PAs do not cover the individual ecosystems within the eco-region in a representative manner. The key characteristic of this eco-region is the complex mosaic of forest habitats and types that it contains. It is this mosaic that accounts for its overall extraordinary diversity. Under-representation of the constituent ecosystems, thus, undermines the ecological sustainability of protection offered by PAs. Of the 22 ecosystems that compose the Valdivian Eco-region forest mosaic, 11 have less than 10% of their areas under protection, including the most bio-diverse of all the ecosystems within the eco-region (Lubert and Plisscoff, 2002). The most significant imbalance is the uneven representativity between the Andean and Coastal zones. 13 of the 14 SNASPE PA units in the Los Lagos Region are primarily situated in the Andes range. The total surface area of these units is 610,598 ha. Of these only 55,092 ha – or 9% - are in the coastal range, including the island of Chiloe, and only 12,035 ha – or 2% - in the continental portion of the coastal range, even though the coastal range is widely considered to be of a higher priority for conservation, as it has the highest concentration of diversity and endemism of the whole eco-region.

45. This is in part due to the history of the regional colonization and in part due to knowledge gaps. The first colonization in Los Lagos Region occurred in the fertile inter-Andean valley. When in 1926 Government authorities showed interest in creating PAs in the region, the lowland areas were completely in private hands. However, at that time large areas of both the Andean and Coastal ranges were still under public domain. The outstanding scenic beauty of the Andean mountains and lakes stimulated the Government to focus the creation of Parks in the Andean range, as opposed to the Coastal range. At that time, there was a sparse understanding of the relevance of the different

composition of the mosaic of forest and contribution to overall diversity.[18] Later, between the 1940s and 60s, with the expansion of the timber market, the interest for acquiring forest increased the requests for legal justification of land titles. This was particularly the case for land in the mountainous regions and in the Coastal Range, which was more forested and had virtually no controlled public territories. At present, there is very little public land in this zone, as virtually all is in the hands of private interests and in some cases of indigenous communities. As a result, only two protected areas were created in this extensive area in the continental part of the coastal range, namely the Valdivia National Reserve and the Coastal Alerce Natural Monument.

46. A new protected area, the public Corcovado National Park (287,000 ha), has recently been created in an area near the coast, but more representative of the Andean ecosystems. This was possible through a donation of the land for conservation from a private landowner to CONAF and this new PA is still to be made operational. Private land owners have also established conservation set-asides in the coastal area. Yet, these are small and although they provide additional protection, this effort is not sufficient to raise coverage to areas that would provide effective conservation.

47. In addition to the disparity between areas under protection in the two mountain ranges, there is an even larger disparity between mountain and lowland ecosystems under protection. No public protected areas are found in the central depression in the study area and less than 1% of the land in the intermediate depression is under some category of protection. Although most of the land has already been converted to agriculture and forestry plantations, there are significant portions of small and scattered native forest, particularly of the deciduous *Nothofagus obliqua* forest, evergreen *Nothofagus dombeyi* forest and evergreen *Eucryphia cordifolia* forest, accounting for nearly 20% of the land and harboring a rich assemblage of species. Furthermore, this forest plays a key role connecting the forest stands and types of the two ranges, allowing genetic flow across the entire range of the original Eco-region extension. The difference percentage of forest ecosystems under some form of protection in the Valdivian forest is shown in Annex A, Table A-4 and Figure A-4.

48. Policy and regulatory deficiencies and barriers. In similarity with other Regions, development planning in the Xth Region has adopted a sector-based approach, in which short-term economic interests prevail over long-term perspectives. The exception is high regional priorities, such as rural electrification, education and the roads and bridges programme. This is in part due to the fact that environmental institutionality is relatively recent in Chile. The National Commission for Environment (CONAMA), which is the entity in charge of coordinating public environmental management, was created only 11 years ago. A large part of CONAMA's work in its first decade concentrated on the design and implementation of the Environmental Impact Assessment System (SEIA). In recent years, partly due to the pressure from international markets distinct, "clean production agreements" were created, along with a Secretariat for Clean Production under the auspices of the Ministry of Economy.

49. As mentioned earlier, Los Lagos Region has shown marked interest in making productive processes more environmentally friendly and for protecting environmental assets on which they rest. This has been illustrated by the *Regional Development Strategy*, the *Pact for Clean Development* and the *Regional Biodiversity Strategy*. This provides an excellent opportunity to link regional inputs to national biodiversity and conservation goals, while supporting regional development goals. However,

[18] In the 1980s with the accumulation of published works on the ecology of different sites, and on endemic flora and fauna a much better understanding of the biodiversity of the region was available and along with this the definition of areas that present a high priority for protection permitted to advance. This was when much further south, on the island of Chiloé, in the insular portion of the coastal range, the Chiloe Park was created in 1982.

these strategies and policies do not provide detailed guidance for application in sector actions and programs, nor do they link this to the role of a regional PA network as an effective mechanism to foster sustainable development and biodiversity conservation in the Region. Likewise, while the *"Pact"* recognizes the importance of the public protected areas for the development of the tourism industry (the regional SNASPE receives 47% of all visits at the national level), it does not include the means to support the maintenance and development of the existing protected areas or the creation of new areas for conservation and sustainable uses, including buffer zones and corridors. Thus, the current conservation and sustainable use efforts are disconnected from each other and in the long term do not lead towards and integrated and efficient protection of the Valdivian forest ecosystems.

50. This is also partly due to the absence of simple planning frameworks for conservation in priority native habitat areas. Yet, it is also due to still low awareness in local governments, and across the public, of the value of Valdivian biodiversity, along with the environmental services that this natural endowment provide and, hence, the consequent long-term cost of forest conversion. As a result, land practices near protected areas and in pristine forest are not conservation-compatible and are increasingly pressuring biodiversity. Communities surrounding existing PAs, or near unprotected large habitat blocks, gain livelihoods from extraction, thereby placing pressures on these PAs. Many do not have the resources or knowledge to employ land uses, which are recognized as compatible with conservation. Many of these communities are also not aware of the benefits that PAs provide to their livelihoods or the full effect of land uses on the PAs, leading to encroachment into PAs.

51. Finally, in similarity to the national level threats, many of the habitats in Los Lagos Region that require protection are in private hands, particularly in the coastal range. Thus, a regional protection strategy must rely on private owners in this area for conservation. This is hindered by the fact that management categories utilized in Chile under the Washington Convention only covers the span from strict preservation (Virgin Area equivalent to IUCN Cat. I), through conservation with non-consumptive use (National Parks and Natural Monuments equivalent to IUCN Cat. II and III), to conservation with consumptive use (National Reserves equivalent to IUCN Cat. IV). Currently there are no management categories for PAs that would allow sustainable use of natural resources. This means that owners need to be not only willing, but also financially able to set aside land from productive purposes, if they wish to form part of the regional conservation effort. This has led to the perception in some sectors that protected areas are obstructing regional development, instead of providing a key instrument to guide land use throughout the region to protect both the regional and national biodiversity heritage, along with the ecosystem services, which form the resources base for much of the productive sectors in the Region.

52. Institutional barriers. Reflecting the overall national situation, Los Lagos Region is characterized by weak capacity of both the regional and municipal authorities, and the local communities with regards to planning, implementing, enforcing and monitoring their conservation management mandate in general. Different types of public and private PAs in the Xth Region are neither coordinated, nor administered under a unified set of criteria for management, permitted uses, relation with authorities, sectors and local communities. There is also a poor delineation of management responsibilities between the different government agencies, the private sector and the local communities, largely due to the incipient institutional framework and weak coordination mechanisms for the PAs in the Region.

53. From an institutional point of view, the SNASPE covers only land-based, public protected areas. While other protected areas exist, these are still not covered under a single framework, but fall under the purview of a wide range of different instructions whose jurisdictions often overlap. To date, no

mechanism exists to effectively coordinate the supervision of the different types of private PAs governed by each institution. This situation results in a confusing web of gaps that must be filled, duplication of efforts and lost opportunities for creating synergies between PAs under different sub-systems. This situation becomes even more complex, when private and indigenous reserves are taken into account, since these are governed under yet other institutional configurations. This institutional complexity is not only at the national level, but common for all Chile's different regions as well.

54. While the earlier mentioned national PA Systems project (see paragraph 6 and 9) will advance on the overall institutional framework at the national level, work is also required to advance institutional arrangements in a regional context. These would be in line with the overarching national scheme, but would need to be tailored to the specificities of regional and local institutional and governance structures. In this regard, Los Lagos Region has determined that they will create a Regional Institutional Entity to serve as coordinator, facilitator, implementer and promoter of the appropriate and responsible management of the region's biodiversity. This is an important commitment and would be advanced in the baseline scenario, particularly with the new legislation approved in July 2005, which will facilitate the creation of Corporations or Foundations meant for partnerships in providing specific services to the Region (Title VII, Articles 98 A to 98 E). However, notably in the baseline scenario there would not be a comprehensive and systemic approach to management of the PAs in the region and the structuring of this entity and the full definition of its functions would be sub-optimal for achieving effective conservation. Furthermore, the buy-in from the constituent sub-systems institutions is unlikely to occur without an agreed upon framework of the Regional System.

55. Operational Deficiencies: A number of operational deficiencies further impede a more effective contribution of existing PAs to biodiversity conservation *in situ*, particularly in those PAs outside the existing SNASPE. An evaluation of the management status of SNASPE's PAs in Los Lagos carried out by CONAF in 1997 found that the situation in three PAs are moderately satisfactory, six moderately unsatisfactory, and three wholly inadequate. As elsewhere in Chile, the management of SNASPE in the Region is severely limited by budget constraints. The staffing, equipment and capacities of these public PAs are low, hampering effectiveness.

56. One of the weakest elements in the PA management is enforcement, primarily due to very limited available funds and on-the-ground experience. General capacity weaknesses are a major determinant of weak management effectiveness in the public PAs. An analysis of Management Effectiveness undertaken during project preparation using the WB/WWF PA Management Effectiveness Tracking Tool (METT) found that overall management effectiveness coefficients ranging from 22 to 63 (see Annex A, Table A-3 for specific METT figures). Moreover, although the management instrument for the PAs in SNASPE is supposed to be a Management Plan, only 9 of the 14 SNAPSE PAs in Los Lagos have an existing Management Plan, and not all of these are in force. In addition, only 50% of these areas have permanent surveillance.

57. Although some of the PAs are in remote and rather inaccessible areas, and as such require less surveillance, others are located in highly vulnerable areas, where productive activities are having an increasing presence, and hence impact. Yet, participation of neighboring communities and shared responsibility agreements between institutions of different types of PAs are rare, placing increased burdens on the limited resources. Moreover, there are no officially created and recognized buffer zones at all in Chile and little know-how on collaborative management arrangements to pool resources and reduce pressures on PAs, exacerbating still further operational constraints.

58. With regards to private PAs, there is currently little information on how these are being managed or monitored, as such areas are not included in the State Systems. It is assumed management effectiveness is low in most, due to their non-alignment with national PA standards. A new regulation for private PAs has been prepared, but not yet endorsed. Yet, when it is endorsed these areas will require Management Plans as a planning instrument and also to ensure that more stringent EIA requirements be undertaken for new interventions in and around these Reserves. However, private reserve owners will require training assistance to develop these and care needs to be taken to ensure they are in alignment with other PAs to increase the contribution of each to the overall conservation goals of Los Lagos Region.

59. In this current heterogeneous operational framework for PAs there are also no clear guidelines outlining the participation of important stakeholders, such as private landowners, private sector, NGOs, indigenous communities, foundations, along with institutions such as universities, in the management of the PAs, which could assist in shared responsibilities and cost of conservation *in situ.* Thanks to the previous efforts of the completed GEF-funded CIPMA project, some progress has been made in this area, though, and the idea is to further strengthen the public-private link and cooperation in the task of protecting both state and private lands with environmental value effectively.

PART II: STRATEGY

Project Rationale and Policy Conformity

60. To address the above challenges, the project proposed herein will set up in the Los Lagos Region the *first Regional PA System in Chile*. This System will support regional development goals and conserve its biodiversity endowment – the Valdivian Eco-region, – which is of high global significance. While focusing primarily on regional-specific barriers, the Regional System will not be a stand-alone entity, but will also provide lessons for the future national PA System. In the long term it will, thus, be an integral part of this National System, but an operational sub-system reflecting Chile's overall development and decentralization process.

61. The project will adopt an intervention strategy based on two strategic approaches. One will be to create the general enabling environment for the Regional System, while the other will be to support on–site demonstrations that will deliver immediate protection to outstanding biodiversity, while providing replicable models. As part of the enabling environment for the System, the project will support the building of the long-term institutional, policy and regulatory structures of the Regional Protected Areas System, which will provide long-term sustainability and the replication mechanisms for the site-specific pilots. This will include financial strategies and incentives that can be developed and adopted at regional levels. It will also consist of training and awareness programs to raise the level of public and private stakeholders' individual capacities to fulfill their role within this System.

62. On-site models will be set up to pilot: (i) buffer zone management, both for public and private protected areas, as a means of reducing encroachment, thereby lowering operational costs of existing PAs, while increasing social participation and sustainability; (ii) NGO Stewardship of a protected area, providing replicable models for the System and bringing under protection a large area of coastal range forest currently under-represented in existing protected areas; and (iii) new indigenous and small-farmer protected areas under new managed resource PA management categories and officially recognized as part of the Regional System, thus facilitating the participation of a broader range of private landowners in the system, as well as increasing the PA coverage of habitats of key Valdivian ecosystems currently under-represented.

63. The Project will, thus, provide a replicable model for how to effectively conserve very heterogeneous biodiversity present within administrative Regions that are increasingly autonomous. The project will also thereby contribute to the ecological sustainability of Chile's new National Protected Area Network System by rationalizing the ecological representativity of the Valdivian Eco-region, both by increasing constituent ecosystems under protection and by increasing the conservation effectiveness of those already adequately represented in the regional PAs.

64. The sites for modeling best approaches and strategies were selected especially to reduce threats to key biodiversity, while providing for advance in PA sustainability and models that could be replicated. Criteria used for selection included the following:

- Potential global benefits to be captured at the site and collectively (i.e. at least one from each ecosystem that is under-represented in the Valdivian Eco-region protected estate).
- Collectively representative of a specific management challenge of PA and system sustainability and, thus, in turn linked to the main threat scenarios in the Region.
- Cost effectiveness (including existing baseline initiatives, potential partnerships and **by** undertaking several demonstrations at the same site).

65. Three of the intervention areas will be in the coastal range given that (a) it is the most biodiverse area of the Valdivian forest, yet the most under-protected; and (b) it presents the best opportunities to model a wide range of management challenges and multiple stakeholders. A fourth intervention area will be in two bordering SNAPSE protected areas that house large areas of ecosystems representative of the Andes Mountain Range. A fifth is the Inter-Andean Central Valley at the specific location, where there are still relatively large fragments of deciduous forests with a high degree of endemism and species richness, which could form the basis of an eventual biological corridor, linking the forests of the two mountain ranges and thus securing the connectivity across the entire eco-region.

Project Goal, Objectives, Outcomes, Outputs and Activities

66. The long-term national **goal** of the full GEF project is: "An effective and representative National System of conservation and sustainable use protected areas is in place and supports national and regional development goals."

67. The **purpose** is that "An effective, multi-stakeholder, multi-use Regional Protected Areas System (RPAS) is modeled in the Valdivian Eco-Region."

68. The purpose contributes to the goal in at least 5 ways: (i) First and foremost, by providing a replicable model for a regional PA System and related institutionality that integrates multiple PA types and ownerships into one coherent whole, which is further embedded in and integrated into the overall regional development planning process. Other ways include: (ii) Expanding PA coverage, especially through an emphasis on the establishment of new private PAs; (iii) improving management effectiveness in both public and private PAs in the Los Lagos Region; thereby (iv) contributing to improved bio-geographic representation in the national PA System; and (v) augmenting the management tool box, by establishing paradigms for agreements concerning collaborative management arrangements of protected areas, that may be replicated in other PAs, both within Los Lagos and in other regions. These contributions will address critical management and coverage gaps of the National PA System, which in turn will further improve its status – hence, contributing towards its maturation.

Outcomes, Outputs and Activities

69. The project purpose will be achieved through the following five complementary outcomes, which have been identified in the preparation stage. These are listed below and described in subsequent paragraphs, along side the Outputs required to achieve each Outcome and the indicative activities to obtain each Output.

- Outcome 1: Regional protected area structures are in place, including appropriate and sustainable policy, financing and institutions.
- Outcome 2: Sustainable and replicable models of NGO stewardship of protected areas are in place.
- Outcome 3: Sustainable and replicable models of collaborative buffer zone management are in place (IUCN II-IV).
- Outcome 4: Sustainable and replicable models of private and indigenous managed resource protected areas are in place (IUCN V-VI).
- Outcome 5: Institutions and individuals involved in the RPAS have the necessary knowledge and skills to function effectively.

Outcome 1: Regional protected area structures are in place, including appropriate and sustainable policy, financing and institutions (Total Cost: US$ 2,979,482; Co-Financing: US$ 1,569,482; GEF Request: US$ 1,410,000).This includes the cost of project monitoring and evaluation and project management. The later has been disaggregated as a separate item in the TBWP for CEO endorsement.

70. This Output will support the development of structures required to set up the System and to expand and manage it in the long term. This includes the design and approval of the System, the Action Plan for its implementation and its incorporation into the regional development strategies and plans. It also includes institutional and governance structures for the System as per the Regional Biodiversity Strategy, which calls for regional a public-private Organizational Entity to be in charge of the PA System coordination and management. Statutes will be drafted to define the Entity's aim, powers and responsibilities, along with instruments, mechanisms and modalities of coordination and association. PA management norms and regulations will be prepared and harmonized for management of different PA types, buffer zones and management agreements. Finance strategies and mechanisms for the Regional System will be explored and formal procedures set up for and channeling resources within the System. In part this will draw from the models to be created concerning buffer zones and collaborative enforcement for reducing PA funding costs. Finally, learning, adaptation, and evaluation systems will be set up for the PA system and also for the project itself. This includes Knowledge Management Mechanisms to generate and manage information within the System, along with manuals, guidelines, informative material, and Best Practices on models. These will be linked with its National PA Systems Project Counterpart, when this becomes operational to ensure cost efficiencies and to enhance replication at the national level.

Output 1.1 Regional Protected Areas System (RPAS) designed.

71. The Project will facilitate the regional political agreement for the creation of the System. This will entail: (i) The formulation and approval of a Regional PA System Pact; (ii) Preparation and

approval of a Regional PA System Action Plan; (iii) the incorporation of the System into the regional strategies and plans; and (iv) incorporation of the PA Systemic Approach into the mission and vision of the Regional Government. With funds from the GEF, the Project will support the formal development and formulation of the Pact, which will define the preliminary design of the Regional PA System through a consultation process involving key public and private stakeholders. Then, through a participatory process with these stakeholders, the key lines of action to implement the System will be defined and agreed upon.

72. This will be formalized in an official Action Plan. Lobbying activities will be undertaken to obtain the endorsement and approval by the regional authorities. The Action Plan will include issues, such as a definition of the geographic prioritized areas and the involvement of the stakeholders in the different lines of action. To incorporate the System into the regional strategies and plans, regional strategies and programmes will be updated to reflect the Regional PA System Pact and the design of the System. A key line of action in the Plan will be to ensure that the prioritized areas are incorporated into both the *Regional Development Strategy* and the *Pact for a Clean and Sustainable Lakes region by 2010.* Finally, strategic projects and programmes of key public and private services related to the System will be re-oriented and/or created to strengthen the System.

Output 1.2 Regional System institutional and regulatory mechanisms created.

73. During project implementation the long-term organizational structure for managing the Regional PA System will be established. An institutional arrangement that enables and facilitates the RPAS's sustainability over time will be developed. Once the institutional arrangement is agreed upon and defined and the institutional Entity is operational, the Project will support a process where this Entity gradually will take on responsibility for the actual project implementation. The responsibilities, rights, privileges, and obligations established for the Project Steering Committee and the Project Management Unit, and especially the Project Coordinator and professional and administrative staff, will remain as established in the approved project.

74. To ensure the Regional Government's leadership regarding the creation and implementation process of the System, the Project will assist the Regional Government in the creation of a regional Public-Private Entity that will manage, coordinate and monitor the RPAS as a strategic component of the regional development strategy. This Entity will involve the participation of regional public institutions, private third parties and the community in general (see Annex F for proposed membership). It will be in charge of defining and establishing suitable mechanisms to perform functions, such as: The provision of technical assistance to the different stakeholders; mobilization of resources; information management and M&E (Output 1.4.); conflict resolution; training (Output 5.1.); and awareness raising and outreach (Output 5.3). Agreements will be sought to align activities of the different institutions to ensure the functioning of the RPAS and to determine the role of private participants in the RPAS.

75. Activities will also involve the drafting of Statutes that define the aim of the Institutional Entity; the establishment of its powers and responsibilities; the layout of the instruments that can be used; the definition of the mechanisms and modalities of coordination and association; and its administrative and financial organization. The Project will contract legal expertise to assist the Regional Government in both the above and for the harmonization of norms and standards for identifying, classifying and supporting the management of: (i) Different PA types; (ii) buffer zones; (iii) biological corridors; and (iv) special management coordination arrangements to be applied in the region under the RPAS, regardless of ownership or land use regime. These norms and standards will

then be integrated into regional planning and management processes. This will include restrictions to be considered in Environmental Impact Assessments for the identified priority sites of the RPAS. Finally, this legal-administrative framework will be developed in close alignment with national level advances in the same themes spearheaded by the GEF National PA Systems Project.

Output 1.3 Regional System funding mechanisms developed.

76. A variety of approaches will be adopted to address the issues of long-term financial sustainability of the System and its PAs, including the development of mechanisms to increase revenue for PA management, others for the better distribution of resources between PAs in the system, and yet others that will reduce operational costs, thus reducing overall resource requirements. Emphasis will be placed on mechanisms feasible to adopt at the regional level. The exploration of a wider range of financing mechanisms, which require action from the national level, will be undertaken in the National Protected Areas Project under development. The development issue of sustainable financing mechanisms will also draw from the UNDP-GEF Global project that specifically addresses this critical topic.

77. This Output will draw from initial studies undertaken during the PDF-B phase to determine the financial sustainability of the public PA system, SNASPE, and the financial impact on private landowners of the decision to conserve their lands. With regards to public PAs using the methodology of an "efficient firm" standards, it was estimated that operational costs of the public SNASPE should approach US$2.3 per ha. Yet, in reality real costs are only US$1.2 per ha, which is reflecting the deficiency in funds allocated for tasks, such as park patrols and forest fire control actions in a number of the regional SNASPE PA units.

78. To close these gaps two approaches will be applied. The first will reduce operational costs of PAs by increasing planning and operational efficiencies in PAs through training and improved management plans (see Outcome 5) and by modeling different collaborative agreements in buffer zones to reduce pressures and the overall cost of enforcement and surveillance (see Outcome 3). The above-mentioned PDF-B study estimated that a 15% improvement in efficiency of operations could be expected from the planned project activities. The second approach will be the in-depth exploration of resource generation options, such as a System-wide PA entry fees to be collected in constituent PAs. Initial studies indicate this is feasible and preferential to simply increasing current PA entry fees. This is because currently fee resources collected in Public PAs initially is channeled to CONAF centrally, after which the financial re-distribution is not regionally based. A System-wide fee would also enable the participation of private reserves.

79. Resources raised through this and other identified mechanisms, alongside contributions from the Regional Government, would support a core group of PA management specialists within the RPAS Organizational Entity. The role of this core group would be to provide technical assistance and specialist services to constituent PAs for matters, such as invasive species threat abatement, planning, and financial management, in order to reduce the number of permanent staff needs. In this way, the RPAS will assist CONAF, who is responsible for the sustainability of the public PAs.

80. The project would establish a Task Force to spearhead the preparation of a Financial Strategy and Plan for the System. This Task Force will also be responsible for: (a) Ensuring that the RPAS Strategy and Plan of Action incorporate the concept of financial sustainability early in the process in order to define strategic actions and tactics, including a financial analysis for each new PA-related proposal; (b) establish formal procedures for defining and channeling funding demands of the

System; (c) conduct ongoing evaluation of diverse funding alternatives – such as concessions and operation permits, entry fees and merchandising – for actions carried out in the RPAS; (d) develop the funding proposals recommended by the economic studies, in particular the requirements for an optimal regional SNASPE (see Annex G); (e) establish what is needed to carry out economic and financial assessments of the pilot projects, as well as their follow-up and support mechanisms; (f) define and propose studies to identify other funding sources; and (g) analyze and adopt, as appropriate, the conclusions arising from these studies.

81. The Project will also provide the legal, technical and financial support to the regional authorities related to the Regional PA System to negotiate with relevant institutions, such as CONAF, and amend the appropriate regulations and procedures where required. Support will also be provided to the Regional Government to establish the structural and regulatory framework required for successful implementation of the various financial mechanisms. Finally, this financial framework will need to be developed in close alignment with national-level advances in the same themes spearheaded by the GEF National PA System Project.

Output 1.4 Learning, adaptation, and evaluation systems established for (i) the Project; and (ii) the PA System.

82. As a key element of replication and as an input to both the System and project M&E, a Knowledge Management Mechanism will be established to generate and manage information within the System and on participating institutions, their roles and responsibilities, on Best Practices, and Lessons Learned. Based on the compiled key data and information generated by the Pilot Demonstrations, manuals, guidelines, and informative materials will be prepared concerning practices in the buffer zones, conservation landscapes and the different PAs within the Regional System.

83. The Project will facilitate the exchange of ideas and lessons learnt between the Project and other initiatives in Chile and throughout the region. This exchange will focus particularly with its National PA Systems Project counterpart, both via this Mechanism and through other channels, such as an established Project Website, media and workshops. For instance, a comprehensive assessment of the different piloted management coordination arrangements will be carried out. This will form the basis for the development of a "How To" Kit, which will include how to set up and manage various collaborative management arrangements, along with a set of guidelines and interventions specific for each type of such agreements. The Project will also promote secondments between PAs within and outside the region, along with workshops and study tours to ensure that the lessons learnt are shared and replicated elsewhere. The promotion and dissemination activities will also involve the developed project models, such as the establishment of the regional PA system institutionality.

Action	Funding Source				
	GEF	Regional Gov.	CONAMA	WWF	Total
• Design a Knowledge Transfer Mechanism to generate, manage and transfer information within the System and project	50,000	5,000			55,000
• Prepare manuals, guidelines, Best Practices, Lessons Learned and informative materials concerning the buffer zones, conservation landscapes or PAs.	100,000	5,000			105,000
• Promote, distribute and exchange informative material, manuals, guidelines and experiences related to Best Practices and Lessons Learned	75,000	20,000			95,000
• Promotion and dissemination of project models and experiences to be potentially replicated,	100,000	15,000		10,000	125,000
• Connect the KTM with its National PA Systems Project counterpart		15,000	12,931		27,931
Total	325,000	60,000	12931	10000	407,931

84. This Output would also entail the establishment and implementation of inter-connected Monitoring and Evaluation Systems: (i) One related to the Regional PA System and (ii) another one specifically to evaluate the Project implementation and impact. The M&E of the System will focus on matters, such as measuring the functionality of the Institutional PA System Entity, the management effectiveness of the System, progress in addressing the capacity needs and the overall impact of the System. The Project M&E system will focus on providing information for enabling the adaptive management of the project to improve impact and accommodate lessons emerging elsewhere. This includes the identification of mechanisms and processes that are working and therefore are ready to be replicated, and the modification of what is not working in order to achieve the project objectives. In addition, the independent evaluation scheduled during project life (Year 2 and 4) will be tasked with the identification of determinants of success for project activities.

85. There will be some elements in common between the two M&E systems. One is the Management Effectiveness Tracking Tool (METT). This was used during the Project Preparation Stage to establish baseline values for targeted PAs in the Los Lagos Region (see Annex A Table A-3). The METT will be conducted mid-term and at the end of the Project and compared with the stated indicators for mid-term and end of the project. However, for the System M&E, the METT will be adopted for an increasing number of PAs, including private reserves. Finally, this System and project M&E mechanisms will be linked to the M&E Mechanisms of the national GEF PA Systems Project and other GEF biodiversity projects (see paragraph 146) to improve lesson sharing and cost efficiencies.

Outcome 2: Sustainable and replicable models of NGO stewardship of protected areas are in place (Total Cost: US$ 7,470,000; Co-Financing: 7,040,000; US$ GEF Request: US$ 430,000).

86. Through this Outcome, the Los Lagos Region will be provided with new models for NGO stewardship of protected areas, increasing the range of stakeholder groups, which officially form part

of the Regional Conservation strategy, while also providing governance and financial mechanisms that can be expanded in the long term to other NGO and private reserves. A Reserve will be set up in the Coastal Range in the Cordillera Pelada area that is renowned for its outstanding biodiversity. This land was previously owned by a logging company dedicated to the conversion of native forests for eucalyptus plantations. When the logging company went bankrupt in 2003, the project proposed herein was already in development, and had identified the Cordillera Pelada as a key area for intervention. An agreement was reached between CONAMA, TNC and WWF for establishing this Reserve as part of the GEF initiative. Eighty percent of the Reserve is covered by native evergreen forests. Thus, in addition to modeling NGO governance structure and long term funding mechanisms, a large area of pristine and highly biologically diverse Coastal Temperate Evergreen Forest will be brought under protection. Together with the indigenous reserve to be established through Outcome 4, this new TNC-WWF NGO reserve will increase the percentage coverage of this currently under-represented ecosystem, to over 10%. The Outcome has two main Outputs as follows:

<u>Output 2.1</u> A Stewardship Fund established for a NGO reserve.

87. The governance structure for the Reserve will be set up through Output 2.2. This includes one-time costs to establish the Reserve and set up operations. In parallel, its long-term sustainability will be addressed through this Output by setting up the first long-term funding mechanism established for a private reserve in Chile. The appropriateness of a trust fund mechanism for long-term delivery of resources for the operational costs of the Reserve was assessed, taking into consideration the recommendations arising from the *GEF Evaluation of Conservation Trust Funds*. The intention is to raise capital from different non-GEF/co-financing sources to create an endowment fund that would generate the sufficient annual revenue to cover basic recurrent operational expenditures for the Reserve. The fund will be managed in the long term by the owner/steward local entity that will be established as the final Governance structure for the Reserve (see Output 2.2).

88. The recurrent costs of the Reserve have been estimated at US$ 140,000, based on projections of minimal staffing and equipment levels and considering that basic operations costs could be low once parallel strategy options have been modeled through Outcome 3. These are (i) developing collaborative agreements for enforcement with nearby State-owned PAs and a Protocol of Agreement to be modeled as part of Outcome 3; and (ii) developing sustainable use alternatives in buffer zones and supporting community participation in PA management, thus reducing pressures to the Reserve and keeping operational costs low. A Fund with assets of US$ 4,000,000 million would provide income of US$ 182,400 per annum, assuming a the conservative estimate of a rate of return from fixed and variable investments of 4.56% per annum. Thus, with the projected low administrative costs (0.5-1% of gross income) a Fund of this size would net income in the range of 140,000 to 160,000 a year, thus covering the estimated recurrent funding needs of the Reserve. However, during project implementation further studies will be undertaken to adjust capitalization targets if needed.

89. GEF funds will not be used to contribute to the endowment fund. Rather the Fund will be capitalized through two main sources. The first is the one-time logging and sale of eucalyptus that remains in some parts of the Reserve as a heritage from the previous owner – a commercial logging company. The aim is to remove these plantations where financially and environmentally feasible and over the long term restore native forest to this part of the reserve. Thus the management of eucalyptus plantations in the Valdivian Reserve is being planned as a one-time harvest and as a first step towards restoring native forest in the area, in addition to forming part of the capitalization of the endowment fund. Based on existing market structure in the region for eucalyptus, a conservative

estimate of total resources from the one time harvest is 3 million US$ (2006-8: U$1 million; and 2009-12: US$2 million)[19,20].

90. Thus the eucalyptus management is not a long-term forestry operation, but rather a minimum-impact logging operation designed to eliminate an exotic species in the reserve and will be carried out using a set of environmental and social standards that comply with and exceed the FSC standard. These operational standards are under development by TNC in collaboration with a Chilean forest company using the principles of the FSC and the relevant management standards of the Chilean entity that represent them, the Independent Forestry Certification Initiative (ICEFI) (draft standards are available if requested). The system of FSC certification will be applied to at least a portion of the eucalyptus plantations to be harvested essentially as a tool for planning and executing minimum impact logging within the conservation area. Whether the operation is finally certified FSC or not is still under consideration, given that certain FSC requirements have to do with long-term forestry operations which is not the case here.

91. In addition to this source of funds, a 3-year Fundraising Campaign would be undertaken, using the experience and established networks of TNC and WWF to raise additional funds. The targets have been set at US$ 1 million, because this campaign would be in addition to their already successful efforts to raise the significant resources needed for the initial purchase of this land as the first most basic pre-requisite to build the governance for the Reserve. This new fund raising campaign, plus the expected revenues from eucalyptus sales, will form the core capitalization for the Stewardship Fund, which forms the sustainable financing mechanism required for the Valdivian Reserve. However, complementary approaches will also be explored to evaluate a possible scope expansion of the Fund in the long term. The project will support (i) the training of local capacity in fundraising through capital campaigns; and (ii) an assessment of different concessions schemes to be set up in the Reserve through legal contracts for business ventures and/ or concessions which could include contribution mechanisms and (iii) resources from sustainable use such as ecotourism. For this last option Market studies and Business Plans will be undertaken for alternative and creative funding mechanisms such as shares in the reserve first and then those with most potential will be piloted and managed under the Fund.

92. In parallel to the fund-raising campaign – and in close collaboration with the definition of the governance structure of the reserve (Output 2.2), – the project will advance the necessary governance and administrative structures needed to operate the fund. A number of options will be considered for the design of the final fund structure. Important considerations include: (i) The need to ensure the security of assets; (ii) that it functions beyond direct Government control; and (iii) to capitalize on the experience of TNC and WWF in this arena and their administrative and operational structures to operate it. It is proposed that they will serve as Trustee for the endowment until the final

[19] **Management of the site post-harvest:** Based on initial evaluation of the plantations in the Reserve, it is estimated that the vast majority of sites will regenerate with native forest adequately once the eucalyptus has been removed. However, in order to determine more precisely the areas that will require more active management, WWF has contracted the Austral University of Chile together with the Association of Foresters for the Native forest to prepare an analysis of restoration scenarios post-eucalyptus harvest both from an ecological and economic perspective. The terms of reference for this are available if requested. **Costs associated:** The management of eucalyptus in the Valdivian Reserve will not imply additional costs for the Project. Plantations will be harvested by timber contractors under a harvest contract, draft terms of reference for this have been prepared, and negotiations have occurred or are underway with various companies. All harvest, mitigation and restoration costs will be incorporated in the harvest contract, and/or paid for out of harvest proceeds.

[20] A potential second harvest could eventually be explored to generate extra resources to increase the endowment in the future as needed. However this would be beyond the life of the project and be dependant on the evaluation of the planned one time harvest

Stewardship Entity for the Reserve and the Fund is established. Actions for defining adminstrative aspects would include: (i) Establishing a Governing Board for the Fund; (ii) drafting its by-laws; (iii) undertaking further consultations with primary stakeholders regarding the modalities for Fund operations; (iv) agreeing on the roles and responsibilities of the asset manager, along with criteria for selection of the manager and an asset management strategy, with clear asset mix objectives to meet gross income requirements, and asset management procedures; (v) determining procedures for the release of resources to cover the annual operational plans and the associated Operations Manual, defining the rules and operational procedures of the fund and its Monitoring and Evaluation.

Output 2.2 A Governance Arrangement established and tested for a NGO reserve.

93. This output will entail the four-step establishment of an **NGO Stewardship Entity**. Step 1 will involve making operational the TNC-WWF Valdivian Reserve. This includes: (i) The definition of guards, which will involve an evaluation of suitability of current temporary guards and possible incorporation of caretakers and potential restructuring of contracting; (ii) provision of basic equipments and planning; and (iii) the purchase of patrolling equipment (such as horses, saddles, vehicles, and boats) and equipping an efficient working environment (such as computers).

94. Step 2 will concern starting the process of identifying a potential Stewardship Entity. This will involve identification and contacting of existing national organizations with potential to become long-term stewards of the Reserve. The interests, capacities, challenges and potential of these existing organizations will be assessed and compared to the possible alternative task of establishing a completely new Steward Entity. Then, a partnership will be created with potential organizations in limited projects, as ways to "test the waters" and/or build their capacity.

95. Based on this groundwork, Step 3 will either legally create a new Stewardship Entity or establish an Administration Agreement with the selected Entity. The hand-over process will be accompanied by a multi-year training and institutional capacity-building programme. This will focus on hands-on training of staff related to the Entity and the parallel administration with TNC and WWF, in order to ensure a gradual handover of responsibilities to the new Entity. Finally, Step 4 will concern the signing of hand-over, or at least formal definition of timeframes.

Outcome 3: Sustainable and replicable models of collaborative buffer zone management are in place (IUCN I-IV). Total Cost: US$ 5,626,778, Co-Financing: US$4,646,778; GEF Request: US$ 980,000.

96. It is commonly known that one solution to conserve biological integrity of ecosystems within protected areas is to establish surrounding Buffer Zones, in which human activities are more conservation friendly than across the broader landscape, thus reducing encroachment. The development of sustainable production systems and promotion of land management are essential elements of buffer zone management, ensuring not only conservation objectives, but also the socio-economic objectives of local stakeholders, such as private landowners and communities.[21] While there is a growing awareness in Chile of the importance and need for such Buffer Zones, to date there are no such zones legally established and/or officially acknowledged for any existing PAs in Chile.

97. Through this Outcome, different approaches to buffer zone management will be tested. These will provide increased protection to existing PAs, by reducing both encroachment and the overall

[21] Buffer zones. www.areas-protegidas.org

cost of PAs and, hence, current funding deficits. They will also provide land use planning tools that would be incorporated into the System. On the one hand, as part of officially recognized protection areas, productive activities in buffer zones would require stricter EIA standards. On the other hand, they could be used to preferentially guide existing development programmes, incentives and resources to buffer zones communities to adopt more conservation-friendly land-use practices.

98. Finally by increasing the overall area, under which some form of conservation occurs, modeling buffer zone management would also address another important challenge facing most of the regional PA units – that of size limitations reducing effectiveness of conservation. Many Los Lagos PAs are not large enough to support minimum viable populations of many mammal species characteristic of the Region. For example, none of the existing regional SNASPE areas are large enough to guarantee the long-term survival of the culpeo fox (*Pseudalopex culpaeus*) or the puma (*Puma concolor)* (Mella, 1994), even without taking into account variables, such as human influence or natural disturbances inside the SNASPE units, which can also provoke significant fluctuations in populations. In addition, maintaining an isolated population of 500 individuals of these mammals will not guarantee the complete range of species genetic variability, making the extinction of certain flora and fauna species highly likely in the medium and long-term, if current conditions are maintained (Mella, 1994). Effective buffer zone management, particularly between SNASPE units in close proximity, would increase the overall conserved area, thus decreasing the species extinction.

99. Two SNAPSE protected areas in the Andean Range – Alerce Andino National Park (AANP) and Llanquihue National Reserve (LNR) – were selected for buffer zone management pilots for public PAs. These parks collectively cover 73,346 ha and have large stands of native forest representing (i) Temperate Laurecea Forest, characterized by *Nothofagus dombeyi* and *Saxegothaea conspicua; (ii)* Temperate Resinous Forest, characterized by *Fitzroya cupressoides; (iii)* and Temperate Evergreen Forest characterized by *Nothofagus nitida* and *Podocarpus nubigena.* The main pressures on these threats are characteristic of the Andean Range – the demand for firewood to meet the domestic needs in surrounding properties, and forest fires caused by burnings.[22] Piloting improved buffer zone management in these areas would deliver direct global benefits to a substantial area, along with models that can be replicated throughout the Los Lagos Region and elsewhere. Furthermore, due to their geographical proximity of the two PAs, relatively small investments in strategic locations allows for the creation of one joint buffer zone between them, thus delivering the additional benefits of connectivity between two large core areas and increased protection for large home range animals.

100. A site in the Coastal Range was selected for the second buffer zone pilot, which would test public and private buffer zone management between the Valdivian NGO Reserve to be set up in Outcome 2, the public SNAPSE Valdivia National Reserve; and the SNASPE Coastal Alerce Monument located very nearby. The buffer zone management model will include a Protocol of Agreement for joint enforcement between the public and NGO reserves, which would create a public-private PA complex of a considerable territorial scale within the Regional PA System (see Annex D for PA details).

<u>Output 3.1</u> Collaborative Buffer zone management is piloted in two <u>public</u> PAs.

101. The project will support Pilot Demonstrations with private landowners and local communities, located in the areas around selected PAs. Selective sustainable economic activities, compatible with the conservation objectives of the PAs, will be tested to reduce the current pressures on the PAs, by

[22] Plan de Protección contra Incendios Forestales (Forest Fire Prevention Plan) for PNAA. CONAF, the Xth Region.

reducing the frequency of encroachment by surrounding communities. This, in turn, will lower the enforcement and management costs of the PAs, hence reduce current funding gaps and allow resources to be rationalized across other management tasks. The Pilots will also provide new important planning instruments to the Regional PA System, by officially defining a buffer zone and developing land use plans for properties, which would enable the Regional Government to channel incentives to these core areas within the new Regional PA System. At the same time, the pilots will create models on how this process and the related collaborative management arrangements can be reached in a participatory fashion between the different stakeholders.

102. The first step will be the participatory preparation of Property (Farm) Management Plans for 25 private properties in priority sites in the area surrounding the parks. Staff of the two PAs, private landowners and local communities will be involved with the planning. The basic ecological and productive capacities of each property will be determined and the area will then be zoned into conservation and sustainable use areas. These properties have been selected during the preparation phase and landowners have committed to take place in this process and develop Management Agreements within their properties (see Annex K: Commitment Letters for Pilots).

103. Within the areas designated for sustainable use, land uses that are compatible with conservation will be demonstrated. Based on initial feasibility studies (see Annex D, Table D-1 and 2) three main alternatives have been selected. These are apiculture, firewood certification and native forest nurseries. Proposals for making current forestation and livestock practices more sustainable will also be developed. Care will be taken to ensure that new practices will neither use extraction methods that damage the forest ecology and related ecosystems, nor employ technology that generates pollution or negative impacts on other species. Rather, they will reduce pressures on traditional resources and provide alternatives income and employment to local communities living in the buffer zone areas of the Park and Reserve.

104. An eco-tourism initiative will be tested and implemented in the Alerce Andino National Park, involving 25 families from the buffer zone, together with one private entrepreneur. This will involve (a) the formulation and implementation of agreements of eco-tourism use in the PA between the PA administration, local communities and private concessions; (b) the development of public infrastructure for eco–tourism, such as preparation of trails and information centres; and (c) the design and provision of eco-tourism services (such as bed and food for the tourists), along with training of local communities as eco-tourism guides.

105. In parallel with these demonstrations, and as lessons are learnt, the project will support the definition of the entire buffer zone around these parks through consultations and awareness raising actions (see Outcome 5), combined with the objective of defining the entire zone and having it officially recognized as part of the Regional Protected Area System (developed through Outcome 1). Based on lessons learnt, norms will be prepared and formulated in order to serve as Best Practices for replication and implementation in this area and for future buffer zones within the Regional PA System. The preparation of these norms and standards will be closely linked with Output 1.2 (for more details, please see Annex D-1).

Output 3.2 Collaborative buffer zone management piloted in a cluster of private and public PAs.

106. A second Pilot Demonstration for buffer zone management will be implemented in the region of the new private PA – the NGO Valdivian Reserve – in the Coastal Range. This pilot will adopt

two approaches. The first is similar to Output 3.1, but within the sphere of a private reserve, which will require a different set of skills and tools for reaching collaborative management agreements for specific sustainable use activities with local communities. The project will support the designation of areas in adjacent private lands, through private Conservation Agreements with private companies to establish conservation set-asides, conservation easements, sustainable uses and joint concessions concerning eco-tourism and Non-Timber Forest Products (NTFPs). Business planning and marketing studies will form a key part of this work.

107. The second approach will be to develop collaborative management agreements with the two nearby public SNASPE PAs - the Valdivia National Reserve and the Coastal Alerce Monument. This seeks to pool their respective enforcement resources to improve control of PAs, thereby reducing costs. The project will support the design of a Protocol of joint responsibilities and action with these PAs. This would be used to form a joint Management Agreement and related Management Plan with CONAF, which will be implemented as part of the Pilot. Implementation will involve provision of necessary equipment to jointly confront threats to the PAs, such as fire prevention (by financing a Fire Brigade 3 months a year) and the enforcement of the illegal Alerce extraction during the first initial years of this joint Management Arrangement.

Outcome 4: Sustainable and replicable models of private and indigenous managed resource protected areas are in place (IUCN V-VI). Total Cost: US$ 2,484,968; Co-Financing: US$1,602,968; GEF Request: US$ 882,000.

108. As indicated previously, a key barrier to the creation of private reserves is the fact that current PA management categories do not include the recognition of PAs for sustainable use. Equally, neither local and regional development programmes nor incentives provide additional or preferential resources to those private landowners, who are willing to set aside their land for conservation and/or adopt sustainable uses for this purpose. Private reserves are of great importance in the inter-Andean valley and the Coastal Range, both of which are under largely private land tenure regimes. This Outcome will therefore address this barrier by modeling two types of sustainable uses categories, which will form the basis of new PA management categories to be officially recognized and incorporated into the Regional PA System, while serving as guidance for relevant incentives and development programmes. By project completion, in addition to the provision of a model for this System, this Outcome will have ensured that entire private properties in the Inter-Andean Valley and indigenous landscapes will be converted into different officially recognized new categories of Managed Use PAs that are fully integrated into the Regional PA System. In addition to deliver direct protection to large areas, it will provide replicable PPA models both within Los Lagos and beyond.

109. The first selected sites are in the intermediate depression and transversal valleys of the Valdivia Province. The location is in the part of Los Lagos, where there are still relatively large fragments of deciduous forest of high degree of endemism and species richness, which could form the basis of an eventual biological corridor, linking the forests of the two mountain ranges and, thus, ensuring the connectivity across the entire eco-region. Pilots here will be in individual properties, whose owners have committed to forming part of the project that will set up conservation units alongside their production land as managed use reserves, which would form part of the eventual Regional System (see Annex K: Commitment Letters).

110. Hereafter called the **Coastal-Andes Conservation Landscape (CACL,** this location will serve as a demonstration of how an area, in which habitat is fragmented, can still contribute to conservation

through a newly established managed landscape PA management category with the contribution of agricultural landowners and forest companies.

111. The second selected site is the indigenous lands of the **Trafunco Los Bados community** in the Coastal Range. The lands of this indigenous community covers 12,423 ha, primarily on the eastern slopes of the coastal mountain range of Osorno province. Sixty one percent of the area (7,588 ha) is covered with mature native forest, reflecting the highly pristine nature of the associated ecosystems[23] (see Annex D3 for details of this site). Extensive stakeholder consultations were held during the project design phase with the indigenous owners of these lands, in compliance with the *UNDP policy on Indigenous Peoples* that requires the free and prior informed consent of indigenous peoples to "development planning and programming that may affect them" [VA.28, UNDP Policy "UNDP and Indigenous Peoples - a policy of engagement"]. Special emphasis was given to the opinions and aspirations of the indigenous families living in the area (see letters of commitment at Annex K). The pilot has been designed to incorporate these opinions and aspirations. It will provide an example of an area with important tracts of native forest fragments, which can be conserved through another new category of PAs that include sustainable uses managed by indigenous communities, while forming an integral part of the new Regional PA System.

Output 4.1 Managed resource protected areas piloted with different private landowners in a fragmented landscape.

112. The Inter-Andean Valley is experiencing a progressive decrease in its number and size of forest fragments, which is coupled with the increasing border effect from intensification of land use. This development presents a scenario of high risk for endemic species and forest formations un-represented or highly under-represented in existing PAs, especially within the Regional SNASPE. In addition, the loss of landscape connectivity affects ecological and evolutionary processes that are crucial for long-term, region-wide conservation. These fragments could act as "stepping stones," to maintain an ecological connectivity among themselves, as well as with the two largest remnant tracts of frontier forest in the eco-region of both mountain ranges. Yet, one barrier is that this land is privately owned. The profile of these private Protected Area (PPA) landowners is broad, and includes a large percentage of peasant farmers, who own small and medium-sized properties. The group also includes urban landowners of forest tracts, who have inherited these lands or acquired them recently for the purpose of conservation.

113. Between 2000 and 2003, under the earlier medium-sized GEF project, *Public-Private Mechanisms for biodiversity conservation in Los Lagos* (CIPMA), a partnership was formed among a group of 40 landowners in Los Lagos interested in conservation and sustainable management of biodiversity. These PPAs, which vary in size, location and level of development, represent a total of 11,000 ha of lands across the province. In general, productive activities and protection co-exist in these PPAs, generating an interesting model for conservation and sustainable use of natural resources. Although this budding network of PPAs is the only important in-situ conservation experience currently underway in the intermediate depression and transversal valleys of Valdivia province, there is a growing interest among FSC-certified forestry companies to establish and manage protected areas covering a significant proportion of their territorial holdings. Notably, the creation of these PPAs arose in the absence of a proper institutional framework. However, their existence offers an opportunity to systematize the knowledge gained and to design institutional mechanisms to strengthen their sustainability. It also offers the opportunity to spread the

[23] *Catastro de Bosque Nativo*, CONAMA-CONAF- BIRF 1999

conservationist practices to other private land holds in this area, thus supporting the creation of a Regional PA System that will give adequate representation to the plant formations and endemic species of this under-represented zone.

114. During the PDF-B phase, an economic study was commissioned to determine the financial impact on private landowners of the decision to conserve their lands. The study concluded that the issue of benefits lost by the decision to conserve does not seem to be the most relevant factor for the most important landowners in the areas under study. More than 80% of the productive adult Native Forest is in the hands of forestry companies and large landowners. The economic rationale of these landowners is not subject to financial analysis. Although conserving the native forest without receiving value for its direct use does not have a positive effect on the balance sheets of forestry companies, it is widely acknowledged that this conduct improves the company's competitiveness and reduces the potential for environmental disputes.[24]

115. The Pilot will initially be carried out in 7 pilot sites with different landowner profiles and in three key sub-landscapes (Cayumapu, Los Lagos, and Melefquen), which each represent one of the three predominant productive uses found in the Coastal-Andes Conservation Landscape (CACL): (i) Livestock raising/forestry activity; (ii) forestry/plantations and (iii) forestry/management of the native forest (see Annex D-2). The project will work with these landowners to identify and establish forest patches as conservation set-asides, while production in the surrounding land will be converted into more biodiversity-friendly uses. Through converting the entire private properties of these landowners into officially acknowledged **Managed Use Protected Areas**, and by organizing them within a *Private Landowner Network of Demonstration Experiences* within the broader Regional PA System framework, they would become integrated into the RPAS in the long-term.

116. More specifically, new PA models will be established for: (i) A PA category with sustainable management (livestock raising/forestry); (ii) a PA category including preservation of mature forest (forestry/plantations); and (iii) a PA category that includes protection of native forests. During the second stage of the Pilot, these initial pilot demonstrations will become demonstration areas, which will be used to disseminate the experience among other landowners within the same sub-landscape, through an Outreach and Incentives Strategy. The goal is to incorporate at least an additional 40 new demonstration units within the three sub-landscapes.

117. Property Management Planning will be undertaken in the above-mentioned initial 7 Pilot Demonstrations. The project will build capacities for this type of land-use planning and sustainable alternative use practices, which could be undertaken in areas designated for sustainable use. As an integral part of this planning process, the forest patches will be established as conservation set-asides within the overall property. Around the set-asides, improved biodiversity-friendly production models will be promoted and implemented to ensure that the landowners can maintain livelihoods, without using their conservation areas. Based on established Best Practices from initial activities, replication in surrounding properties will be targeted through awareness and outreach activities that (a) promote existing incentives for productive activities in a conservation-friendly manner (please see Annex D-2); and (b) to assist in the conversion and legal establishment of private properties into private PAs.

---

[24] For specific details, please see the PDF B Study, *Contribucion al analisis economico de alternatives para apoyar la conservacion de la biodiversidad relevante en la depression intermediada de la provincia de Valdivia region de Los Lagos*, Benjamin & Cristian Olivares, July 2005.

118. The project will also support the design of mechanisms for long-term formal recognition, monitoring and supervision of the private PAs and Sustainable Production Areas in the production landscape, again within the framework of the Regional System. This will also include the design of a Territorial Programme, integrating incentives for conservation and sustainable management into the conservation landscape area. As a first step to the integration of these new PAs into the Regional PA System a *public-private Network for the Coastal-Andes Conservation Landscape* will be established with representatives from the different key stakeholders in the conservation landscape. This Network will include institutional coordination mechanisms for the administration of the conservation landscape in the Central Valley within the larger framework of the Regional System and for the integration into the overall RPAS.

Output 4.2 Managed resource protected areas piloted with indigenous landowners in a forest landscape.

119. To different degrees in different parts of Chile, indigenous communities have assumed their right to their ancestral lands. The Los Lagos Region has several communities of the Williche-Mapuche groups. These are the indigenous groups in Chile furthest advanced in their land titling process. They have legal and officially recognized claims on their land and have expressed interest in conserving the most biodiverse parts of their territory, based on their kinship structures, traditions, customs, and their holistic cosmo vision of the environment. However, one barrier they are facing is that despite their wish to improve their conservation efforts, they are very poor, meaning that their livelihoods are pressuring the environment and a number of barriers impede these communities to obtaining resources for economic development.

120. The Pilot Demonstration with these indigenous communities will set up the first private Managed Use Protected Area in indigenous land in Chile according to the IUCN PA Management Category V. It seeks to provide a model for enabling indigenous groups to create conservation set-asides and sustainable use areas within this new multi-use PA management category officially recognized by the Government, while forming part of the Regional PA System and receiving incentives. The legal institutional arrangement established by Indigenous Law No. 19.253 provides for the regulation of an Indigenous PA under the legal concept of "Indigenous Community." The lands of the indigenous community will enjoy the protection of Law 19.259[25] and as such, the land titling of their new Indigenous PA will be legally guaranteed and protected by this Law. In addition to modeling this new PA category, it will also demonstrate how, by improving productivity and at the same time making it more biodiversity-friendly, it is possible to stop the advancement of the agricultural frontier and unsustainable logging that is destroying the native forest. This model will be replicable to other indigenous groups, as their process of claiming their land officially reaches completion.

121. The Pilot Demonstration will be implemented with the Indigenous Community Trafunco-Los Bados. More specifically, territorial land use planning will be carried out in a participatory fashion for the whole indigenous land property of the community. Through assistance to the indigenous families, one important result from this process will be their identification of which areas are the most bio-diverse within the overall reserve. These will then be established as conservation set-asides within the overall reserve. Next, based on this territorial planning, sustainable use areas will be set up around the conservation set-asides. In this regard, alternative sustainable livelihood activities will be

[25] This Law states that indigenous land may not be transferred, attached, encumbered, nor acquired by prescription, except among indigenous communities and/or individuals of the same ethnicity, nor can they be leased, given in lien, nor conveyed to third parties for their use, enjoyment or administration

promoted to boost the income of these families, including how to increase the value of their wood products and to diversify the use of forest products through conservation-friendly activities. Based on initial feasibility studies (see Annex D), these sustainable uses will involve (a) sustainable extraction of high quality native woods (Alerce and others), which will be processed and then marketed, adding value by transforming them into high quality crafts; (b) collection, processing and marketing of Non-timber Forest Products (NTFPs), such as the use of fibers of liana voqui (*Berberidopsis collarina*) for high quality basket-making; (c) drying of edible forest fungi; and (d) eco-tourism.

122. In parallel, indigenous families will be trained in the key aspects related to PA management, both in general terms, but also including the business planning needed for the sustainable uses and how their lands contribute to the Regional Protected Area Strategy. The Project will also support the communities in obtaining official recognition of the entire Reserve and establishing it as a legally defined Managed Use PA as per the IUCN Category V. This process will involve the inclusion and integration of this new PA into the Regional PA System. As a new PA member within the broader PA System context, the Project will assist this new PA is receiving preferential treatment for regional land use incentives. The Project will also support the communities in exchanging Lessons Learned and Best Practices with other indigenous communities, both in the Coastal Range, in other parts of Los Lagos and beyond. This exchange will also involve the creation of a broader awareness, understanding and know-how among these indigenous communities related to biodiversity conservation and the benefits they can gain from creating such managed use reserves on their territories. Hence, these activities will therefore also involve a promotion of this new PA as model for replication as the first-ever established indigenous PA in Chile.

123. To further integrate this new PA into the overall System, the Project will support the inclusion of the involved communities into the management structures of the Regional PA System. A representative from the involved communities will become member of the Project Steering Committee, which will initially be in charge of the Regional PA System. In addition, as per the proposed institutionality for the PA System Institutional Entity (see Annex F), these communities are to be represented in this Entity as well.

Outcome 5: Institutions and individuals involved in the RPAS have the necessary knowledge and skills to function effectively (Total Cost: US$ 1,757,539; Co-Financing: US$752,539; GEF Request: US$ 1,005,000.

124. As part of establishing the enabling environment for the Regional Protected Areas System, this Outcome will focus on raising existing capacities for protected areas management to the levels needed to fully take on the new roles and responsibilities of forming part of a System. It will also raise the levels of management efficiencies of the System's constituent PAs, in turn contributing to the overall effectiveness and sustainability of the System. A number of different modalities will be used, including training for those working in and around PAs, new PA owners and managers. A different modality will be the training of office-bound Governmental staff, who form part of institutions that in some way are related to the System. A third would be the general awareness and outreach programmes of a much broader range of stakeholders, who benefit from and participate in the System.

<u>Output 5.1</u> Adaptive training programme for protected area managers and staff.

125. This output will design and implement a Training Programme to raise the individual capacities of people working in and around PAs. It will include: (i) training on management; (ii) building

partnerships and collaborative management agreements, which would include dispute resolution and follow-up on coordination management agreements; and (iii) the preparation and use of Conservation Action Plans (CAPs). The latter is a new type of Management Plan for PAs, which will first be piloted in the TNC-WWF Valdivian Reserve and then promoted as Best Practice and applied elsewhere in other PAs as well. Some modules will be developed specifically for SNAPSE staff, while others will be designed for private reserves.

126. To help increase management effectiveness and measure this in key PAs in the RPAS, one training module will concern how to increase METT Competency Scores for PAs, their staff and management for private reserves. A first step will be to undertake METT assessments for new private protected areas in the pilot areas. Based on these METT assessments and CAPs, a targeted capacity-building program will be designed to maximize use of technical and financial resources according to the areas' main threats and conservation goals. In addition, in the TNC-WWF Valdivia Reserve, a model multi-year Park Guard Training Curriculum will be designed for professional private area protected stewards. This will also include Park Guard contracts for the implementation and training for groups of park guards, including a re-training for park guards to train trainers during Project Year 4 or 5. Moreover, training of park guards will involve how to host "PAs learning node" activities (please see Output 3.2.).

127. As part of the training programme, a PA Field Practitioner Network will be created at the local level among both public and private PAs, to gain hands-on experiences and assistance regarding management between the private and public PA entities located in the same area (Coastal Range, Andes Range, the central conservation landscape and the intermediate depression). This will include study tours for knowledge-sharing among both public and private PA Staff; advice for establishing joint actions in themes, such as joint surveillance programmes; and strategic negotiation with tourism enterprises.

Output 5.2 Adaptive training programme for national and regional government staff directly associated with the regional protected area system.

128. Under this Output a comprehensive Training Programme will be designed and implemented to meet the needs of the Governmental staff in Regional Offices. These include those staff in administrative and management functions directly related to the RPAS, and those in Services, whose actions indirectly affect land use in and around PAs and conservation landscapes (such as agriculture, planning, transport, etc). In the later stages of the project it would also include the Organizational Entity mentioned in Output 1.2. Training would be provided on a variety of issues, including amongst others: (i) The importance of biodiversity conservation, sustainable use and the role of PAs in this regard; (ii) how to promote, build and follow up on partnerships and collaborative agreements; (iii) technical and financial management; (iv) dispute resolution; and (v) study tours for employees of the institutions involved in the RPAS, such as the Regional Government.

Output 5.3 Awareness Programme for all stakeholders in the system.

129. Under this Output, the Project will support the design and implementation of both a (i) Communication Strategy; and (ii) a formal Environmental Education Programme. The targeted Communications Strategy will aim at sensitizing decision-makers, local inhabitants and the general public about the costs and benefits of PAs, and the pivotal role played by the RPAS in this process, through the contribution of environmental services to regional and local development.

130. Complementing these activities, the formal Environmental Education Programme will be implemented within the Project's Pilot Areas in order to reinforce regional biodiversity in the curricula of the local community schools in these areas. This Programme will include the preparation of educational materials and guided visits to the nearby PAs, such as the TNC-WWF Valdivian Reserve and the involved public SNASPE PAs. Finally, targeted, localized awareness campaigns will be carried out related to the specific Pilot Demonstrations and their key local stakeholders. For instance, with regards to the TNC-WWF Reserve, these will include the local communities of Chaihuin, Huiro, Hueicolla, La Barra and local governments.

Project Indicators, Risks and Assumptions and Lessons Learnt

131. The project indicators are provided in the Logical Matrix framework in Annex B of the Executive Summary of this project, along with their baseline and target values and means of verification. More detail on the selection of these, their measurement methods and frequencies and costing is provided in the Annex H, Table H-2 Main indicators, rationale and responsibility for monitoring.

132. As a measurement of the contribution to GEF targets, the area brought under PA conservation directly by the project will be measured along with that to be brought under conservation during the 5 years following project completion, hence measuring the sustainability and replicability within the Los Lagos Region. As a sum of the entire suite of Outcomes and as the contribution to the second GEF target, the % increase in Management Effectiveness will be measured for selected existing PAs for State-owned areas (SNASPE) and Private areas (see Annex A, Table A- 3 for baseline METT for all 14 SNASPE PAs). The increase in the number of key habitat types and ecosystems with 10% under protection categories officially recognized by the Regional Protected Area System will also be measured. This will indicate the ecological sustainability of the mosaic of forests that compose the Valdivian Eco-region, and in turn illustrate the advances attained in the ecological sustainability of the National PA System. In addition, other indicative indicators selected are listed below:

- Increase in the % of overall protected land under ownerships other than state (forest companies, small-scale farmers, and indigenous communities).
- % decrease in the average extent of fire damage in zones within the Regional PA System.
- Support for the Regional PA System Institutional Entity and specialised PA task force, expressed in monetary units, from Regional Government.
- Percentage of regional resources allocated on an annual basis (rolling average of previous 3 years) to areas that form part of the Regional PA System from regional incentive mechanisms, including sustainable uses, fire fighting services, Native Forest Law resources (when approved)
- % recurrent operational costs of at least one newly established private reserve secured through long-term sustainable financing mechanism.
- Areas around conservation PA employing land-use practices certified as being sustainably managed and expected projection over 5 years following the project completion.

133. The risks relating to the project have been carefully evaluated during project preparation, and risk mitigation measures have been internalized into the design of the project. 7 main risks have been identified, and are summarized below. Other assumptions guiding project design are elaborated in the Logical Framework.

Risk and Rating		Risk Mitigation Measure
The new Regional Governor following election may not continue current political support for the Project. This could weaken public stakeholder coordination and jeopardize pledged co-financing contributions.	L	The risk is unlikely, given that the Project builds on, and will be firmly integrated into, Los Lagos's overall development process, thereby establishing links with the region's productive activities. CONAMA is also mandated to inform the President of Chile on the progress of overall environment-related matters. This close communication with the highest political power should ensure that the project continues to receive the required support.
The diverse productive sectors will not be sufficiently interested or involved to create a Public-Private Organizational Entity responsible for rotected areas.	M	Project activities have been designed specifically to disseminate information and train stakeholders on the importance of biodiversity and PAs as an effective tool for achieving conservation. Special emphasis will be placed on linking tourism development and certification of forestry exports to conservation of Los Lagos's significant biodiversity.
Models, lessons learned and achievements from Los Lagos will not be adopted elsewhere in Chile.	M	Los Lagos was selected as the Project area due to its supportive political and economic conditions, enabling a link between biodiversity protection and the region's main productive activities. It also has the greatest number of private conservation initiatives in Chile. In addition, Regions IX, XI and XII do present promising conditions for replication. Moreover, national-level replication efforts will be supported both by the new national GEF PA Systems Project and NBSAP, which prioritizes PA creation and consolidation.
Insufficient progress on the laws and policies needed for promotion and long-term consolidation of PAs, which will hinder their financial sustainability.	M	Special emphasis will be placed on designing the Regional PA System, in such a way that it would be sustainable despite an absence of national funding and hence with regional funding only (public and private).
Project-proposed productive alternatives are not adopted successfully by communities and landowners or economic benefits are unpromising, leading to a weakening of their will to designate part of the property to biodiversity conservation.	L	Landowners and communities in the Pilot Demonstration Areas have participated in the selection of these pilot units. They have also expressed a commitment to conserving parts of their properties, motivated by other than material gain alone. Finally, the public sector in the region is committed to channeling a significant amount of resources to support activities that foster the sustainable use of resources in the Pilot Unit properties.
The Pilot Units do not obtain favorable economic results, which would impede expansion of initiatives to other sectors.	M	Initial feasibility studies from the PDF-B phase indicate economic viability of selected alternatives. Furthermore, public funds for co-financing have been pledged to conduct the studies required to ensure proper marketing of the products obtained in the PAs, to provide adequate TA and financial support.
The ambitious nature and wide-ranging scope of the overall project	M	A three-month Inception Phase will be carried out to carefully plan the whole project implementation. Another objective is to ensure that the necessary communication structures are in place between main project components to ensure optimal coordination and that key stakeholders are in full agreement with project objectives and hence committed towards these outcomes.
Overall Rating	**L/M**	

**Risk Rating: L – (Low Risk); M – (Medium Risk); H – (High Risk).*

134. Lesson Learnt. The project has been designed based on a careful evaluation of lessons learned, especially concerning protected area collaborative management, and devolution of management responsibilities for PA administration. Some of the lessons that have informed the design of interventions include:

Lesson	Notes	Design Feature
1. A supportive policy environment is needed for the devolution (as opposed to decentralization) of governance powers to the local level.	Despite existing government strategies, public-private and community participation are only recent practices in conservation in Chile. While the Government has taken steps to rectify the situation, active collaborative management need to be constructed and facilitated.	The need to test, adapt and replicate collaborative management mechanisms provides a key entry point for project interventions. Project interventions are geared towards establishing the capacities to broker and execute joint, collaborative management, defined as a process rather than as an end. **(Outputs 3.1-4.2)**
2. Sound PA governance is a pre-requisite for successful collaborative management. There must be effective enforcement of rules. There is a need to strengthen the capacity of PA authorities to perform basic functions such as planning, monitoring, enforcement, reporting, and dialogue with key PA stakeholders and to ensure timely activity delivery, as per agreements with other parties to collaborative management arrangements.	There is no systematic tool in place for evaluating PA management effectiveness. PA Management effectiveness is not routinely addressed in skills evaluation or the design of training programs. The intensity of input is thus not necessarily correlated with outcomes (impacts/ sustainability).	The Management Effectiveness Tracking Tool will be used as a basis for evaluating the effectiveness of PA management. The METT will be conducted in mid-term and at the end of the project and compared with the stated indicators for mid-term and end of the project **(Outputs 1.4 and 5.1)**
3. Clarity of purpose is needed amongst all partner institutions, at all levels with respect to on-the-ground PA planning and management.	Information systems need to be designed that provide for the exchange of information between all actors participating in management decisions. Co-operative, interactive governance structures need to be maintained to ensure integration and alignment of complementary initiatives.	The project will develop a "how to" kit for setting-up and managing various types of co-management agreements. This toolbox will be shared with all stakeholders involved in on-the-ground implementation **(Output 1.4)** A targeted communication strategy will be implemented, geared to the needs of different stakeholder groups **(Output 5.3).**
4. Rights and rules must be clearly articulated. Rights need to be fairly distributed, and underpinned by a clear sense of security (tenure and usufruct rights); transparency in decision-making is an imperative.	Chile is supporting a process aimed at restoring rights to previously disadvantaged local/indigenous communities. The transfer of rights by law is subject to the fulfillment of management obligations by the beneficiaries.	The project will establish mechanisms to rationalize the delegated management authority and increase coordination between all stakeholders involved in PA management **(Output 1.2).**
5. Collaborative management approaches need to be cognizant that stakeholders (private landowners, communities) are not homogeneous entities. Special attention is needed where communities are fractured, or leadership is unclear. Community partners need to be represented by strong institutions, and community institutions must be strengthened to ensure they are representative, democratic and effective. This support is a key adjunct to rights transfer.	There are two indigenous organizations, providing different types of leadership; one of these supports the democratic election of the leaders, and the other based on traditional leaders. This demands different approaches to community mobilization/ involvement.	A comprehensive Participation Plan has been designed as an integral part of this initiative, with a special emphasis on communities. Strengthening existent community structures to be able to negotiate and implement collaborative management agreements is a key feature of the project design and will involve a set of approaches tailored to the specific circumstances of each community **(Outputs 3.1-4.2, Annex E).**

Lesson	Notes	Design Feature
6. Systems for resolving conflicts between and within institutions and communities need to be put in place, and sanctions need to be agreed, to make parties accountable.	A current weakness in management of especially public PAs with SNASPE is the missing emphasis in training of PA staff on how to resolve conflicts with communities and local landowners in the surrounding zones of PAs.	Provisions have been made that the toolbox for collaborative management would include the participatory development of systems for conflict resolutions (**Output 1.4).**
7. Effective systems for ensuring compliance with agreed rules need to be established; this may include a mix of incentives and penalties.	Based on the METT data, the general level of enforcement in the measured existing public PAs is weak.	Alternative options for enforcement will be assessed, as part of **Output 3.2** to define the most appropriate focus and intensity of enforcement and how to carry such activities out in a collaborative manner between several PAs, thereby increasing the effectiveness, while cutting cost.

Expected global, national and local benefits

135. The overall Project emphasis on conservation and sustainable use of biodiversity values will provide benefits, which are significant globally, nationally and locally, with associated direct, indirect use, option, and existence values. Global benefits will include conservation of currently threatened globally significant species and habitats through creation and consolidation of the Regional Protected Areas System. The global community will benefit from the increased protection of an important biodiversity hotspot – the Valdivian Rainforest Eco-region – and unique species and races endemic to this Region that are currently under threat. The replication strategy of the project will ensure that these benefits also will derive from areas outside the immediate focus for project interventions – such as the four Pilot Demonstration locations - in the long-term. The resulting increased areas of habitats under conservation and improved quality of especially forest ecosystems will yield secondary global benefits in terms of improved carbon sequestration potential.

136. National benefits accruing from the project will include the enhancement and distribution of protected area management capabilities. The conservation function of both the public and private PAs integrated into the new Regional PA System will be better serviced, through improved management effectiveness and enhanced bio-geographical representation. Other benefits include: (i) The improved collaboration between public and private PAs; (ii) the establishment of a sound financial footing for the Regional PA System – which, in turn, will strengthen the individual PAs' sustainability – and (iii) the accumulation of transferable knowledge and skills to other contexts. Regional institutions and organizations, along with the individual PA administrations and staff, will benefit from exposure to new management approaches, improvements in the information base, enhanced capacity to effectively manage the PAs, upgraded skill sets through training opportunities, and improved relations with local communities and users. This is expected, in time, to improve the efficiency and optimize the impact of PA management, allowing budgetary appropriations to conservation to be used more effectively.

137. Locally, through the provision of alternative livelihood options to the resident population – both private landowners and local/indigenous communities – the project will enhance local support for conservation, and will stimulate the development of self-reliance and sustainable economic use of Los Lagos's biodiversity resources. Improved relations with regional government agencies will also

facilitate the flow of other social and economic benefits to previously disenfranchised areas. The project will provide these stakeholders with the knowledge and mechanisms to adapt their use of the PAs and their newly established buffer zones, in ways that optimize their economic and social welfare, while sustainably conserving their biodiversity values. In addition, secondary beneficiaries, including NGOs and other government agencies and partners in project delivery, will benefit from their own capacity building. For more information, please see the Incremental Cost Matrix in the Executive Summary and PART IV: Stakeholder Participation Plan for more details.

Country Ownership: Country Eligibility and Country Drivenness

138. Since the mid-nineties, the Chilean Government has progressively adhered to international initiatives, addressing environmental deterioration by fostering environmental protection, natural resource and biodiversity conservation through legal, institutional and political means. In 1994, Chile ratified the *Convention on Biological Diversity* and in 1995 became actively involved in bringing about the *Santiago Declaration on Criteria and Indicators of Sustainable Forest Management* in the framework of the Montreal Process. This Declaration calls for the sustainable management of temperate and boreal forest ecosystems.

139. These international commitments laid the foundation for designing and implementing the *2002-2006 Country Environmental Agenda*, which consists of four lines of action, of which one is biodiversity protection and another modernization of environmental management. The project clearly complies with these generic policies and strategies, in that it seeks to increase the effectiveness of biodiversity through consolidating the framework for a comprehensive regional system of national protected areas in Los Lagos consisting of both public and private areas, and which includes a broad range of management categories under different ownerships.

140. The Project will also notably advance the general objective of the *National Biodiversity Strategy* (NBS) that seeks to conserve the country's biodiversity through the promotion of sustainable management, and guarantee the access to benefits necessary for the welfare of current and future generations. The proposed project has direct links with at least three of the six strategic actions established in the NBS. These are: (i) To ensure ecosystem conservation and restoration, highlighting the need to establish conservation priorities and reach consensus concerning eco-regions and ecosystems to concentrate protection efforts, given that a significant part of Chile's ecosystems are not represented in existing protected areas; (ii) strengthen inter-institutional and inter-sectoral coordination for the overall management of biodiversity, underlining the need to strengthen the existing SNASPE, by improving its legal framework to enable expansion to a more comprehensive system, with clearer links with overall environmental management and better defined sectoral responsibilities for biodiversity conservation; (iii) establish formal and non-formal biodiversity management, emphasizing the development of instruments, which promote the conservation and sustainable use of large areas with high ecosystem value through public and private, legally recognized agreements, including sustainable use protected area management categories.

141. An *Action Plan* for the National Biodiversity Strategy approved by the Council of Ministers of CONAMA on December 26th 2004, defines as one of the main short-term goals, to generate, by December 2005, a *National Policy of Protected Areas* that "integrates and coordinates sectoral policies and includes both aquatic and terrestrial biodiversity in public and private domain." CONAMA has been mandated to lead the formulation of this Policy in consultation with all sectors involved. The definition of this Policy is clearly the first step towards the consolidation of a comprehensive national Protected Areas System, which as mentioned earlier is the objective of

another GEF project. As explained earlier, the Regional Protected Areas System for Region Los Lagos will be closely linked with this new national PA System, in that it will demonstrate how to "translate" the national System into a decentralized, regional version. The foundations of the National Protected Areas Policy will be developed during 2005, in parallel with the formulation of the Full-sized Project. The latter project will put in place the framework and build systemic, institutional and individual capacities for protected areas management within the context of a newly expanded comprehensive national System, which is in line with the NPA Policy and that promotes national objectives while capturing global biodiversity benefits.

142. With regards to Los Lagos, in accordance with national conservation priorities, and in recognition of the growing threats to Valdivian forest remnants, the Government of Chile is taking action to check the rate of forest conversion in the region. It is seeking to conclude the prolonged legislative and institutional process surrounding the development of a new legal Native Forest framework and the institutional structure required for an effective regulation of the conservation and sustainable use of native forests. The proposed Native Forest law will correct certain deficiencies in the current legal system regarding sustainable management possibilities for native forests, by establishing economic incentives for sustainable management, reinforcing monitoring and enforcement capacities, and forbidding the conversion of native forest to fast-growing plantations. However, the complexity of the discussion centres on the fact that privately owned property is not subject to a comprehensive range of judicial or institutional parameters. Furthermore, there will continue to be little local experience in the management of native forest under private ownership, and of the implementation of public-private initiatives for conservation purposes.

143. The project is eligible under GEF SP I: *catalyzing sustainability for protected area systems* and, in particular, the sub activity; *'to improve opportunities for sustainable use, benefit sharing and broad stakeholder participation among communities – indigenous groups and the private sector'*. The project will develop a representative mosaic of public and private PAs in Los Lagos, which will include connecting conservation landscapes and adjacent buffer zones under suitable collaborative management structures. The latter activity will involve local communities, private landowners, conservation authorities, and other government agencies. This project scope will improve the bio-geographic representation of the PAs in Los Lagos, addressing coverage gaps in an area of high global conservation significance, and in an area of high national priority.

144. Furthermore, the project will develop, test and adapt new collaborative multi-stakeholder management arrangements for different kinds of joint management in both public and private PAs. While national legislation encourages active multi-stakeholder participation in PA management, the tools and institutional apparatus for such participation and collaborative management are lacking. The mechanisms to be developed under the Project will be progressively replicated elsewhere within the Chilean PA system. By emphasizing community participation, developing sustainable use and benefit sharing schemes and attracting private sector investment, the project will make a significant contribution towards improving management effectiveness within PAs. Activities will provide for the necessary capacity building, at the systemic, institutional and individual levels, to assure sustainability. The project addresses the Work Program for Protected Areas agreed at CBD-COP 7. This Program has 4 components. The elements most relevant to project activities are as follows:

Element 1	- Integrate PAs into the broader land- and seascapes. - Substantially improve site-based planning and management.
Element 2	- Promote equity and benefit-sharing. - Enhance and secure the involvement of communities and relevant stakeholders.
Element 3	- Build capacity for the planning, establishment and management of PAs. - Develop, apply and transfer appropriate technologies for PAs. - Ensure financial sustainability of PAs and national and regional systems of PAs.
Element 4	- Develop and adopt minimum standards and best practices for national and regional PA systems. - Evaluate and improve the effectiveness of PA management. - Assess and monitor PA status and trends. - Ensure that scientific knowledge contributes to the establishment and effectiveness of PAs and PA systems.

Linkages with UNDP Country Programme

145. The proposed project is fully consistent with UNDP Chile's ***Country Co-operation Framework*** (CCF) that has three main strategic lines of action: a) Human Development and Poverty Alleviation, b) Decentralization and Governance, and c) the Environment. While the project will fall within this last category, it will also contribute substantially to the issue of Governance, as it focuses on developing the systemic and institutional capacity for long-term sustainability of conservation in Los Lagos by consolidating a regional Protected Areas (PA) System. The project will also promote decentralization by demonstrating how the national PA System currently being established can be translated and adapted to a given regional context by integrating it into the overall planning and development framework of this region.

146. It will also contribute to UNDP Chile's focus on integration of the private sector in actions that achieve global and local environmental benefits, as well as to the Millennium Development Goal (MDG) 7. UNDP Chile has focused its collaboration on environmental focal areas that are relevant both nationally and globally, and which are eligible for funding, of which biodiversity conservation is among the priority areas. UNDP Chile aims to consolidate existing partnerships and establish new ones through resource mobilization and the integration of the private sector into the regional PA System, and by facilitating ongoing discussions and reflection on environmental issues, in order to highlight their priority in the public agenda and debate. The project also complies with the criteria for Chile GEF portfolio established during the Country Workshop Dialogue in 2002.

Linkages with GEF Financed Projects

147. The Biodiversity Enabling Activities included the preparation of the National Biodiversity Strategy and Action Plan (NBDSAP). This priority setting for conservation informed the development of the project initiative herein. In addition, there are a number of current and planned GEF BD 1 projects in Chile, which contribute to efforts to expand and strengthen the National Protected Area System. These initiatives address specific barriers at either the systemic or site levels as demonstrations and make some advances on replicating this at a national level. Close coordination between these projects and the proposed initiative needs to be ensured and mechanisms for exact modality should be finalized during the Inception Phase. These main project include the following:

The UNDP **National PA System** FSP. The planning and preparation of the Project herein has been closely coordinated with the preparation of this recently approved UNDP-GEF PDF-B. The project is under preparation and the results of the FSP will establish a National Protected Areas

System, while this regional project will demonstrate how to consolidate the new PA System regionally. Overall, the national-level FSP will play an umbrella role for ongoing and planned GEF on-the-ground BD projects. It will take action at the national systemic level, providing a regulatory, legislative, institutional and financial framework that would govern the conservation *in situ* in Chile in the long term. Hence, this initiative will be complemented by both the on-going and planned on-site BD 1 projects, while, in turn, further the impacts of these by creating a stronger enabling environment for long-term sustainability.

- The UNDP **Marine** FSP under execution will catalyze the formation of a network of multi-use marine and coastal protected areas (MUMPAs) by removing barriers to the establishment of three MUMPAs in representative demonstration sites – including one in Los Lagos Region – building institutional and individual capacities for their management, while facilitating their replication to other regions of the country. This will contribute to the maturation of the national PA system by bringing under protection key marine and coastal biodiversity, piloting an approach that uses tourism as a vector for achieving conservation and national development priorities and capturing global biodiversity benefits.
- The UNDP **Cantillana** MSP will contribute to the maturation of the Protected Area System by increasing the representativity of Chile's Mediterranean Eco-region under effective protected areas and by increasing private landowners' contribution to national protected area targets. This will work with the Regional Government and private landowners in the Altos de Cantillana region to develop legal regulations for land-use and conservation in the area, and testing and developing a set of conservation management agreements, mainly Conservation Easements and facilitating their replication to other areas.
- UNDP/GEF also finances the **National Capacity Self-Assessment** (NCSA) project, executed by CONAMA, which will examine individual, institutional and systemic capacity in Chile to achieve global environmental goals under the three Rio Conventions: UNFCCC, CBD and CCD. This project will inform the proposed initiative of existing and non-existing capacity at both national and local levels.
- Finally, the said project has been prepared in close alignment with the now completed **World Bank** MSP entitled *Valdivian Forest Zone: Private-Public Mechanisms for Biodiversity Conservation (CIPMA)*. The aim of this project was to enhance the conservation of Valdivian temperate forests, essentially by facilitating their protection in private protected areas. The project focused on developing a set of incentive mechanisms so that private landowners can manage their land as private protected areas. This intervention was a research-oriented proposal, while the UNDP/GEF **Chiloé Model Forest** project will build capacities to strengthen on-the-ground activities to protect biodiversity on the island of Chiloe, including capacities to remove barriers to the biodiversity-friendly and sustainable uses of native forest resources.

While no overlap exists between the completed CIPMA project and this initiative, the sharing of lessons from field activities and work with local communities proved beneficial to both projects and arrangements have been made at the local level with relevant counterparts to ensure the continuous process of benefiting from the former project's work. More specifically, different components of this Project are linked to the outcomes and lessons learned of the above CIPMA, as the latter:

a. Created the first 3 CONAF-certified PPAs in Chile, totaling 2,394 ha.
b. Gave support and assistance to an additional 14 PPAs, totaling approximately 9,000 ha.
c. Capacity building and training to about 190 land managers involved in private conservation initiatives, affecting an additional 35,000 ha.

d. Significantly strengthened PPAs' role in Los Lagos giving them greater visibility, social value and recognition.
e. Gave major recognition of the role that small and medium PPAs can play in regional conservation strategies, within biological connectivity objectives.
f. Developed and tested new planning methods and applied incentives for PPAs, supporting the creation of the first 2 organizations of landowners and managers of PPAs in Chile.
g. Significantly influenced the PPAs Regulations – for the official recognition of these initiatives – and the design of incentives for private conservation included in the Native Forest Act, which are based on the cost-effective "conservation effort" approach recommended by CIPMA.

148. The fact that neither the PPA Rules, nor the incentives established under the Native Forest Law are in force yet, provides the present Project an unequalled opportunity to perfect these instruments through its pilot applications and testing, using valuable lessons learned from CIPMA. In effect, the Coastal-Andes Conservation Landscape component of this Project incorporates the Native Forest Law incentives, among the range of public incentives available to support the implementation of the three conservation sub-landscapes. Specifically, the incentives of the Native Forest Law to be included are: a) Equipping the PPAs through fence- and trail-building; b) recovery of the native forest and extraction of non-wood forest products; and c) sustainable management of the native forest based on a multiple-use PPA. It should be noted that in order to be eligible for Native Forest Law incentives, PPAs should already have official PA status as established in the PPA Rules, and the beneficiary activities should be demonstrable and accessed by landowners through a competitive, public fund.

Sustainability

149. The Project has been consciously designed to include activities that seek to establish sustainability of key ecosystems, landscapes, PAs, communities, institutions and relationships of importance to Los Lagos's new Regional PA System. More specifically, these efforts address the following four levels:

150. ***Institutional:*** Systematic strengthening of the skills and knowledge base will aim at both the regional bureaucrats to run the new Regional PA System (Output 1.4) and the people involved in PA management at the operational level (Output 2.1). Hence, these efforts will not only enhance the overall PA management effectiveness, but also ensure a broader institutional sustainability. Moreover, the PA System and its conservation processes will be mainstreamed into Los Lagos' broader development, mainly through integration into the regional budget, laws and policies (Output 1.1). Finally, the various Pilot Initiatives (Outputs 3.1 – 4.2) all include capacity building, which targets private landowners, indigenous communities and local government structures, along with activities that will ensure the creation of lasting mechanisms for public-private collaborative management, participation, conflict resolutions and the inclusion of these stakeholders into the Regional PA System institutional framework.

151. ***Economic:*** The Regional PA System will be housed in the Regional Government and the management of it will gradually be transferred to regional authorities, as part of the above capacity building (Annex F). To ensure the lasting financial security of the PA System, the founding Pact and its Action Plan will also include a System Financing Plan. A Task Force will ensure that this Plan incorporates the concept of financial sustainability to define strategic actions and tactics, including a

financial analysis for each new PA-related proposal. It will also conduct ongoing evaluations of diverse funding alternatives, such as concessions, entry fees and merchandising.

152. Individual PA funding gaps will be addressed by enhancing their cost-effectiveness, by providing increased technical support to PAs through the new PA Institutional Entity, rather than increasing PA staff in each unit, which would be more costly (Output 1.2). Another approach will be to pilot Collaborative Management Agreements to reduce running costs of existing PAs. The funding gaps are not too large, which make these approaches viable (Outputs 3.1-4.2; Annex D). A Stewardship Funding mechanism is being set up as a model for larger private reserves (Output 2.1). In relation to the smaller strategically placed conservation set-asides within private productive large properties, preliminary studies have shown that the opportunity cost of conservation is not high and can be borne by landowners motivated for conservation for altruistic reasons (Annex D).[26] The project is also building on past experiences, which show there is a high degree of altruistic motivation in the relevant area that the Project will enhance, by introducing additional awareness and support actions to increase this motivation.

153. ***Social:*** One objective of the new PA System will be inclusiveness of a multiplicity of both public and private stakeholders that will increase participation, and hence social sustainability. Wide-scale input and consultation was ensured in the PDF-B implementation and related Project design process. In addition, this process will be further enhanced through implementation of a Stakeholder Participation Plan (Annex E), which ensures broad-based stakeholder involvement in all aspects of PA management and provides for conflict resolution. Moreover, to respond to pressures on the PAs, the Project will pilot different types of sustainable livelihood activities that will maintain or increase the incomes of the stakeholders involved (Outputs 3.1–4.2). The Project will also seek to ensure that regional development programmes and incentives will be targeted towards private landowners and communities, who adopt sustainable uses, or who form part of critical PA buffers and core areas. Through the same Pilot Demonstrations, buffer zone communities will become more involved with PA management, and hence more aware of how PAs provide environmental services that underpin their livelihoods and the regions main productive sectors.

154. ***Environment:*** Finally, the location of all Pilot Demonstrations will positively contribute to strengthening the eco-representativity of the new Regional PA System, and hence to the overall national System as well.

Replicability

155. Several approaches to replicability will be used. The first is the replication of on-site demonstrations to other areas within the Los Lagos, in order to attain wider geographical coverage and system wide levels. Replication mechanisms for this are largely centered on the development of the enabling environment through Outcome 1. The former will provide the structure, through which regional development programmes and incentives can channel resources to sustainable use areas designated as part of the PA System and to core and buffer zones. For example, once their land is designated as a managed resource PA, private owners would receive preferential access to such incentives as the Native Forest Law. The tested models and the availability of funding for these will be disseminated through the knowledge management mechanism, which will form part of the PA system. Training and awareness programmes of Outcome 5 are further replication mechanisms at this

[26] B. Olivares, Contribucion al analisis economico de alternatives para apoyar la conservacion de la biodiversidad relevante el la depression intermediada de la provincia de Valdivia Region de Los Lagos, June 2005, PDF B Study.

level. At a second level the project has incorporated mechanisms to facilitate a broader level of replication. These also centre on the knowledge management mechanism of Outcome 1, which will include outreach activities for other regions to encourage the adoption of models and the experience for the setting up the entire system. At yet another level there will be close links with the national GEF PA system project under development, through which national level action will be taken to replicate the Valdivian experience to other regions.

Cost effectiveness

156. A number of design alternatives were considered for the project to enhance cost effectiveness in terms of implementation costs. With regard to procurement of project inputs, standard procedures of the Government of Chile and of UNDP will be carefully applied to ensure value for money in all purchases of goods and procurement of services for the project, and the project will use strict internal and external audit controls that meet international standards. With regard to selection of sites for pilot demonstrations locations were selected that were suitable for modeling different types of barriers in one place. This reduces the overall cost of setting up and monitoring on the ground actions in too many different locations. For example the NGO Valdivian Reserve will be used to model and pilot buffer zone management of private reserves, protocol of agreement between private and public reserves for joint surveillance; private reserve funding mechanisms and governance structures. Cost effectiveness will be increased over time as the project includes specific replication strategies and resources to enable the successful results from pilot demonstrations to increasingly cover larger areas. These include replication within the life of the project and within the Region X as well as throughout the country and beyond the life of the project (see section on replication).

157. Preliminary analyses conducted during project preparation indicated that investments in PA management would be financially viable in Region X. The Project will continue to refine the conditions under which different forms of management and partnerships will yield positive returns on investments. In addition one of the criteria for selecting Region X was the fact that there are a number of favorable existing PA experiences that provide a sound basis on which to build and reducing the overall cost of modeling the establishment of a Regional System. Other criteria for selecting Region X for modeling the Regional System include the existence of supportive Governmental policy and strategies. This is clear in Region X and will enable the systematic integration of conservation management objectives into regional development-planning frameworks, sector strategies and poverty alleviation interventions. In turn this will further increase the cost effectiveness of the project as it is from these strategies and structures that a large amount of co-funding as well as long term funding has been committed. Furthermore in contrast to past efforts for PA conservation in the Region, the multi stakeholder characteristic projected for the Regional System aims at sharing conservation management costs between different stakeholder groups: government, private enterprises, indigenous and local communities.

158. The project is also designed to be cost effective for biodiversity conservation, based on three factors: (i) the amount and importance of globally significant biodiversity that it conserves; (ii) the likelihood of success of the project; and (iii) the amount and types of resources available. With regard to globally significant biodiversity a number of elements should be considered. First is the fact Valdivian Ecoregion is recognized as vulnerable and globally outstanding in terms of biological distinctiveness (UNDP Prodoc paragraph 12). The Region X holds the largest remaining areas of this Ecoregion and is the only the place were significant forest cover is found in the Central valley between the Coastal and Andean zones, providing a potential link across the extreme west-east limits

of the entire Ecoregion. The project will set up a System of Protected Areas that will provide effective conservation to this Ecoregion.

159. A second consideration is the habitat diversity within this ecoregion with 6 main forest habitats and 22 ecosystems making up a rich mosaic of forest types (see UNDP Prodoc paragraph 13-14. The selection of pilot demonstration sites have taken this habitat diversity into account and has included those ecosystems currently under represented in the existing PA and thus increasing the overall cost effectiveness of biodiversity conservation achieved though the project. Similar considerations were included as regards the significant species diversity and degrees of conservation risk of species encountered in the ecoregion. Pilot areas were selected to include sites with recognised populations of endemic or threatened species thus again delivering more conservation value at the same time as overcoming specific barriers.

160. The risks relating to the project were evaluated as low to medium during project preparation, and risk mitigation measures have been internalized into the design. There is significant stakeholder participation and buy in from Government officials to community and indigenous groups as shown in the commitment letters listed in UNDP Prodoc Section III. Thus likelihood of success is high. As indicated in the Incremental Assessment there is a strong baseline on which to build (detailed in UNDP Prodoc Section II Part I) meaning that the additional resources required for achieving the proposed objective are within reasonable limits given the expected global benefits to be delivered. For GEF this is particularly cost effective as significant amounts of new co-funding have been obtained bringing the GEF to co-funding ratio of the Project up to 1:4 and representing only 7% of the cost of the Alternative Strategy. Thus, given the high importance of the biodiversity to be conserved, the relatively high likelihood of success and budgetary considerations, this project can be considered cost effective in terms of biodiversity conservation.

PART III: MANAGEMENT ARRANGEMENTS

161. The project would be executed by the National Environment Commission (CONAMA), following UNDP Chile's guidelines for Nationally Executed (NEX) Projects. The Executing agency will sign the grant agreement with UNDP and will be accountable to UNDP for the disbursement of funds and the achievement of the project objectives through well programmed actions and according to approved annual work plans that take into account the findings of annual reports and evaluations. In particular, the Executing Agency will be responsible for the following functions: (i) Coordinating activities to ensure the delivery of agreed outcomes; (ii) certifying expenditures in line with approved budgets and work-plans; (iii) facilitating, monitoring and reporting on the procurement of inputs and delivery of outputs; (iv) coordinating interventions financed by GEF/ UNDP with other parallel interventions; (v) approval of Terms of Reference for consultants and tender documents for sub-contracted inputs; and (vi) reporting to UNDP on project delivery and impact.

162. Given the array of institutional jurisdictions, the interest in participating in the project, the potential contribution of resources and leadership needed to comprehensively manage the process, a **Project Steering Committee (PSC)** will be formed as a strategic decision-making body.

163. **PSC responsibilities**: The Committee's main responsibilities will be the following:

a) Establish the strategic guidelines of the project in accordance with established objectives.
b) Approve the project's Action Plans, ensuring these take into account monitoring and evaluation findings.

c) Ensure that project activities are carried out as per the approved Project Document and in line with national and regional policy frameworks.
d) Build alliances and partnerships with organizations that can contribute to the development of the RPAS.
e) Facilitate the incorporation of work plans related to the RPAS into existing planning instruments of Los Lagos Region, especially the (i) *Regional Biodiversity Strategy;* (ii) the *Regional Development Plan*; (iii) the *Production Incentive Policy*; (iv) the *Pact for a Clean and Sustainable Region*; and (v) the *Environmental Regional Policy*, to cite the main ones.
f) Analyze and pursue additional funding sources to complement the contributions required for the optimal development of the project.
g) Review and approve the proposals and action plans presented before the Committee, to advance with the structuring of the RPAS. In particular, the Committee must evaluate, reach consensus on, and define the most appropriate institutional and organizational structure for the future management of the RPAS.

164. **PSC Membership**: The following individuals and institutional delegates will serve permanently on the Committee:

- The Regional Governor, as Chair of the Committee;
  The National Environmental Commission (CONAMA) of Los Lagos Region;
- The Regional Office of the National Forestry Commission (CONAF);
- The Regional Office of National Indigenous Commission (CONADI);
  The Regional Office of INDAP;
- A delegate from the Municipalities of the territories where the project will be implemented, who is appointed by the Mayors themselves;
  A delegate for the NGOs participating in the project;
- A delegate for the Private Landowners that include their forests in the RPAS;
  A delegate for the Indigenous Communities participating in the project; and
  A delegate of the UNDP country office in Chile.

165. The PSC, with all appointed members, will meet twice a year. The participation of the Regional Governor as Chair of the Committee will ensure the contribution of all other public institutions in the implementation of the project and the RPAS. The above meeting schedule does not rule out special meetings that may be arranged to deal with specific issues. Depending on the topics under discussion, the Committee may invite representatives from related public agencies to participate in these meetings. These may include SERNATUR, SAG, and the Ministries of National Property and Public Works, Provincial Governments, among others. At its initial meeting, the Project Steering Committee will establish the procedures for convening meetings and quorum requirements for decision-making.

166. The Regional Governor will guide the PSC in at least three key issues: i) Guide the actions of all relevant regional institutions on the creation of the RPAS, including the allocation of resources, both within the directly related institutions and others that might be indirectly involved in RPAS; ii) present and approve initiatives that complement GEF Project actions in the FNDR budget; and iii) seek both local and international funding that can enhance both the implementation of the project and financing the RPAS.

167. **Government Agency Involvement:** The Project Implementing Agency, CONAMA, will nominate a senior CONAMA staff member to be the **National Project Director (NPD).** The NPD will supervise activities, ensure the timely provision of Government inputs and be ultimately

responsible to the Government and UNDP for the achievement of results and outputs. The NPD will also report to the PSC.

168. In addition to the NPD, a Staff Member from the CONAMA Regional Office in Los Lagos will commit between 10 and 30% of his/her time to the project to ensure a strong involvement of CONAMA in the day-to-day project implementation and to support the **Technical Advisor Committee of the Project (TAC)**, acting as the executive secretariat of it for which he/she will be in charge of arranging meetings, keeping records of the main decisions and agreements taken, circulating information for its review, preparing minutes and respective reports. In addition to CONAMA, this committee will be also integrated by professionals of the Regional Government (GORE), the National Forestry Service (CONAF) and the Ministerial Regional Secretariat of National Assets, who will spend between 10% and 25% of their working day in tasks related to the project. The role of this Committee will be to give advise to the **Project Unit (PU)** (paragraph 169) in tasks like: i) Joint preparation of the Annual Operational Work Plan (AOWP), ii) preparation of ToRs for all the consultancies and sub-contracts of the project, iii) review of partial and final reports of the aforementioned consultancies and sub-contracts, iv) ensure the involvement of their respective institutions in the AOWP. The staff time commitment of the regional government services will be fully defined and agreed upon during the Inception Phase and according to the Stakeholder Participation Plan (see Annex E).

169. A **Project Unit (PU)** will be responsible for the day-to-day implementation of the Project activities, including direct supervision of activities that are sub-contracted under specific agreements. The PU will be composed of a Project Management Team integrated by a **National Project Coordinator (NPC)** and secretarial staff (Administrative Assistant), hired through the project. This Unit will be responsible for directing and supervising the project implementation and guarantee that operative tasks ensure the correct implementation of the project. The Unit will be advised by the afore mentioned **Technical Advisor Committee.** The PU will initially be located in CONAMA offices of Los Lagos Region and later in the entity designated for overseeing the RPAS. For more details on the future arrangement, see Annex F. Terms of reference of Project Management Team and technical expertise are available in Section IV, Part II.[27]

---

[27] In view of Chile's multi-pronged strategy for adopting a Protected Area approach for biodiversity conservation, the possibility of developing links between the Project Units (PU) of different GEF-funded projects has been explored to ensure that implementation is cost effective and also enhances coordination. One of the most relevant projects is the Marine and Coastal Multi- use Protected Areas project that is currently under execution. It is a national project, but has one demonstration site in the Los Lagos region. However, while it does have a BD 1 strategic fit and will provide important synergies with the Valdivian project, it has a different scope and approach and entails different challenges and stakeholders. Thus the PU will require different sets of skills and expertise to deal with the specific political, technical and social matters involved.

As a result it was decided to create a specific PUs for the Valdivian project but to define actions to ensure close coordination concerning, among other matters, integrated planning, activities and lessons learned from M&E processes. As such at a regional level, the project planning between the Valdivian and Marine projects will be coordinated through frequent meetings and at least one official workshop a year. The regional and national project teams of the Marine and Coastal project will also be invited to the Inception Workshop to share lessons learnt and to finalize the coordination strategy. In the longer term closer coordination and unification is expected. As implementation of the Valdivian project progresses the PU responsibilities of the Valdivian project will be taken over by the Entity responsible for the RPAS to be established by the project. Similarly, the institutional arrangements being established for the Marine and Coastal Area in Region X Region will also be coordinated within this Entity, thus over time ensuring that there are close synergies between the projects and long term operations beyond project completion.

170. In order to enable the effective implementation of the project the PU will include, as needed, specific technical expertise that will collaborate as advisors and will interact on an ongoing basis with the National Project Coordinator, according to the needs that arise during implementation of the project's programmed activities. It is expected that the professionals to be hired should have skills in the areas of social development (especially in indigenous communities), sustainable productive development, and conservation ecology, and will be in charge of these themes across the different pilot projects. Required technical expertise will also include a Communications expert who will be in charge of dissemination campaigns, including the results and activities carried out by the Project Unit. A Monitoring and Evaluation expert will be hired for technical monitoring and evaluation tasks as needed and following the M&E plan of the project according to PNUD-GEF procedures.

171. In addition to technical expertise in the Project Unit and the TAC, some project activities will be undertaken by short term consultancies. It is expected that these will include finance aspects of the Regional PA System, capacity building, dissemination and others. Furthermore, three pilot projects will be outsourced to ensure high levels of expertise and increase participation of a number of stakeholders in establishing the RPAS. These are: i) Implementation of pilot units in buffer zones of the Alerce Andino National Park and the Llanquihue National Reserve, ii) Implementation of pilot units in conservation landscapes of the Coastal-Andes Conservation Landscape, iii) Implementation of pilot units at indigenous communities Detailed description of the pilot projects is available in Annex D (p. 102-134).The selection of organizations for implementing pilot projects will be through tenders and following UNDP-GEF procedures. The tenders will be published in the regional newspaper, and in the web pages of CONAMA; CONAF and UNDP. The ToR for the pilot projects will be developed by the NPC following the details of Annex D and will be fine tuned in the project

---

Another relevant project is the future National Protected Areas System referred to in earlier sections. This will develop the overarching framework for a comprehensive National Protected Areas System under which the Regional System to be modeled in the Valdivian region will be nested. As such there is indeed complementarity's between the two projects, however the national one will be more focused on overcoming barriers that require action at national levels and also creating capacities and solutions amongst national level stakeholders rather than regional and local ones. Again in view of this, separate PUs are to be expected. Moreover the timing of implementation does not favor a unified project management unit. The current Project will likely start Full Project implementation in 2007. The National Protected Areas Project is still at its PDF-B stage, meaning that it will not start its Full Project implementation until early 2008 at the earliest. Furthermore, having a centralized and unified PU for the National and Regional System is not in line with the underlying principle of decentralization of PA responsibilities which is being sought in the current project.

While PUs are to be separate, close coordination will be established between the project both during the preparation phase of the National Project and its implementation. During the preparation phase lessons learnt from the Valdivian preparation and early implementation will be shared with the PDF B team. As project implementation arrangements are being defined for the National Project lessons learnt through both the Marine and Valdivian projects will be particularly important and the final definition of how best to ensure coordination between projects will be undertaken. In the mean time a generic coordination plan between project teams has been agreed upon with CONAMA. This will include the mutual participation in major project workshops and at least one formal coordination workshop a year to be convened by the GEF Government Focal Point and to include not only the Valdivian and National System projects but all others under BD 1 from all GEF IAs. In addition UNDP will convene quarterly meetings of UNDP GEF BD 1 projects to exchange information on project progress, provide support on evolving GEF BD guidance and project implementation in a cost effective and mutually reinforcing manner.

inception workshop and later approved by the SC and UNDP as required by procedures. The achievement of the outcomes in pilot project will be assessed on an annual basis. In this evaluation both the users (indigenous communities next to the Alerce Andino National Park, etc.), and the NPC and the TAC will participate. The evaluation will be submitted to the NPD and UNDP for approval and reported in the PIR according to UNDP GEF processes.

172. Actions to be taken at the Valdivian Reserve, owned by TNC-WWF, will be directly executed by the Project Unit. In order to ensure the achievement of the proposed objectives, an agreement will be signed and a work plan will be defined. The work plan will be annually monitored by the NPC and the NPD following the same processes as described above; the necessary adjustments will be carried out according to report and evaluation recommendations.

173. **UNDP involvement:** As the GEF implementing agency for this project, UNDP will monitor all activities and outputs. UNDP will ensure that the activities are being conducted in coordination with the government and other stakeholders. UNDP will be ultimately accountable to GEF for project delivery and responsible for supervising project implementation. UNDP will provide technical backstopping services and monitor adherence to the work plan. The project will comply with UNDP's monitoring, evaluation and reporting requirements, as spelled out in the UNDP Programming Manual. Quarterly Progress Reports will be submitted to UNDP by the executing agency, CONAMA, providing a brief summary of the status of activities and output delivery, explaining variances from the work plan, and presenting work-plans for each successive quarter for review and endorsement. The Quarterly Progress Reports will provide a basis for managing disbursements. An Annual Project Report (APR) will be prepared at the end of each year, summarizing and evaluating work in progress in more detail, and will be reviewed by the Project Steering Committee, which shall make recommendations to the executing agency and UNDP regarding the subsequent scheduling of project activities. A Terminal Report will be prepared upon project completion and reviewed at the final PSC meeting for the project. Annex H on Monitoring and Evaluation outlines the reporting requirements further.

174. UNDP acts in this Project as Implementing Agency of the GEF, and all rights and privileges pertaining to UNDP as per the terms of the Standard Basic Agreement (SBA) shall be extended *mutatis mutandis* to GEF. The UNDP Resident Representative in Chile is authorized to effect in writing the following types of revision to this Project Document, provided that he/she has verified the agreement thereto by GEF Unit and is assured that the other signatories to the Project Document have no objection to the proposed changes.

- Revision of, or addition to, any of the annexes to the Project Document;
- Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of the inputs already agreed to or by cost increases due to inflation;
- Mandatory annual revisions which re-phase the delivery of agreed project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility; and
- Inclusion of additional annexes and attachments only as set out here in this Project Document.

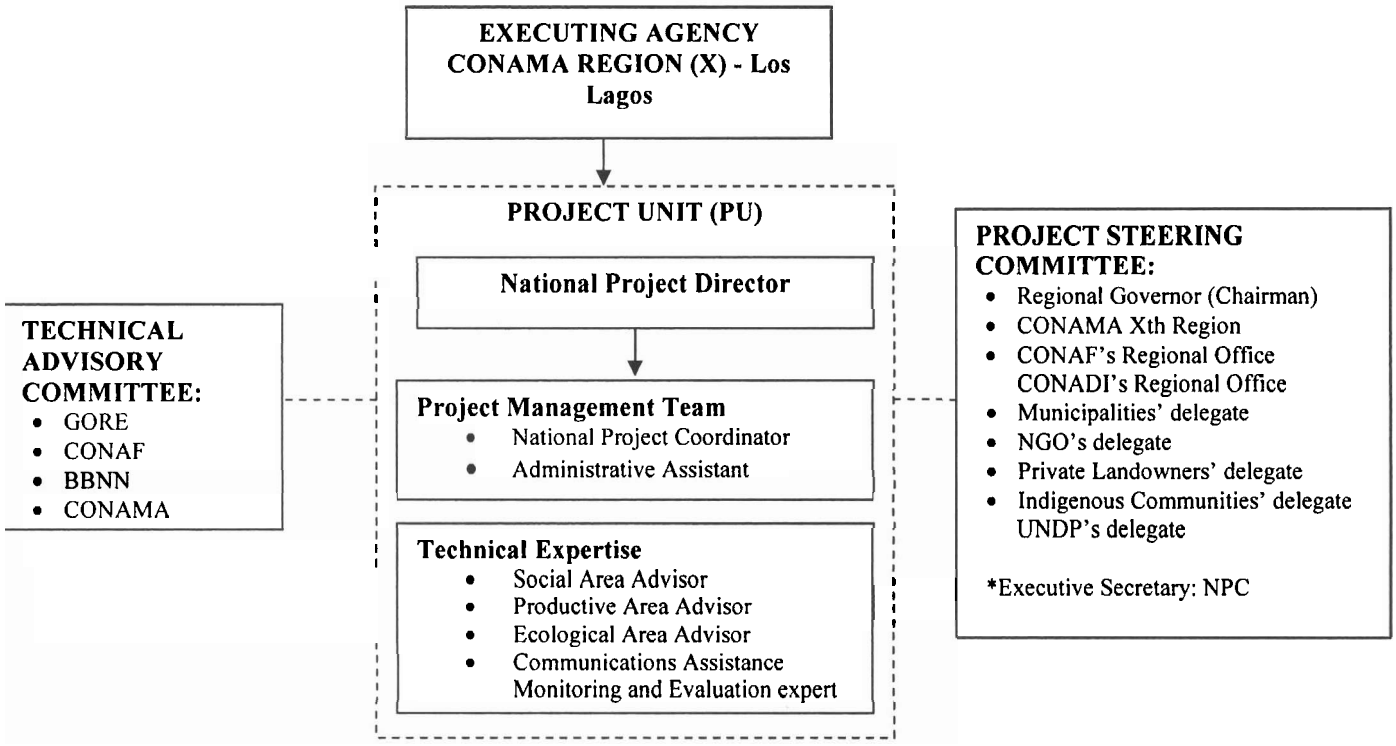
175. The Government will provide the Resident Representative with certified periodic financial statements, and with an annual audit of the financial statements relating to the status of UNDP (including GEF) funds, according to the established procedures set out in the Programming and Finance Manuals. The Audit will be conducted by the legally recognized auditor of the Government, or by a commercial auditor engaged by the Government.

176. In order to accord proper acknowledgement to GEF for providing funding, a GEF logo should appear on all relevant GEF project publications, including among others, project hardware and vehicles purchased with GEF funds. Any citation on publications regarding projects funded by GEF should also accord proper acknowledgment to GEF.

177. For details on the future institutional arrangement for implementation and management of the Regional Protected Area System of Los Lagos Region and the responsible parties for the implementation of the Project itself, please see Annex F.

178. **Project Inception Phase:** Due to the wide-ranging scope of this Project, the Project implementation process will be initiated with a 3-month Inception Phase, during which project implementation will be carefully planned, culminating in the Inception Workshop. Other objectives of this initial period is to ensure that the necessary communication structures are established between the main project components to be implemented and that the key stakeholders are fully in board in terms of understanding of project objectives and related commitment towards the outcomes to be achieved.

PROJECT ORGANIGRAM



Alternative options considered for Project Management and Coordination with other relevant GEF Projects

179. In view of Chile's multi-pronged strategy for adopting a Protected Area approach for biodiversity conservation, the possibility of developing links between the Project Units (PU) of

different GEF-funded projects has been explored to ensure that implementation is cost effective and also enhances coordination. One of the most relevant projects is the Marine and Coastal Multi- use Protected Areas project that is currently under execution. It is a national project, but has one demonstration site in the Los Lagos region. However, while it does have a BD 1 strategic fit and will provide important synergies with the Valdivian project, it has a different scope and approach and entails different challenges and stakeholders. Thus the PU will require different sets of skills and expertise to deal with the specific political, technical and social matters involved.

180. As a result it was decided to create a specific PUs for the Valdivian project but to define actions to ensure close coordination concerning, among other matters, integrated planning, activities and lessons learned from M&E processes. As such at a regional level, the project planning between the Valdivian and Marine projects will be coordinated through frequent meetings and at least one official workshop a year. The regional and national project teams of the Marine and Coastal project will also be invited to the Inception Workshop to share lessons learnt and to finalize the coordination strategy. In the longer term closer coordination and unification is expected. As implementation of the Valdivian project progresses the PU responsibilities of the Valdivian project will be taken over by the Entity responsible for the RPAS to be established by the project. Similarly, the institutional arrangements being established for the Marine and Coastal Area in Region X Region will also be coordinated within this Entity, thus over time ensuring that there are close synergies between the projects and long term operations beyond project completion.

181. Another relevant project is the future National Protected Areas System referred to in earlier sections. This will develop the overarching framework for a comprehensive National Protected Areas System under which the Regional System to be modeled in the Valdivian region will be nested. As such there is indeed complementarity's between the two projects, however the national one will be more focused on overcoming barriers that require action at national levels and also creating capacities and solutions amongst national level stakeholders rather than regional and local ones. Again in view of this, separate PUs are to be expected. Moreover the timing of implementation does not favor a unified project management unit. The current Project will likely start Full Project implementation in 2007. The National Protected Areas Project is still at its PDF-B stage, meaning that it will not start its Full Project implementation until early 2008 at the earliest. Furthermore, having a centralized and unified PU for the National and Regional System is not in line with the underlying principle of decentralization of PA responsibilities which is being sought in the current project.

182. While PUs are to be separate, close coordination will be established between the project both during the preparation phase of the National Project and its implementation. During the preparation phase lessons learnt from the Valdivian preparation and early implementation will be shared with the PDF B team. As project implementation arrangements are being defined for the National Project lessons learnt through both the Marine and Valdivian projects will be particularly important and the final definition of how best to ensure coordination between projects will be undertaken. In the mean time a generic coordination plan between project teams has been agreed upon with CONAMA. This will include the mutual participation in major project workshops and at least one formal coordination workshop a year to be convened by the GEF Government Focal Point and to include not only the Valdivian and National System projects but all others under BD 1 from all GEF IAs. In addition UNDP will convene quarterly meetings of UNDP GEF BD 1 projects to exchange information on project progress, provide support on evolving GEF BD guidance and project implementation in a cost effective and mutually reinforcing manner.

PART IV: MONITORING AND EVALUATION PLAN AND BUDGET

183. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures, which will be provided by the Project Implementation and the UNDP Country Office in Santiago (UNDP-CO) with support from UNDP/GEF. The Logical Framework Matrix in Section II of the Project Document provides impact indicators for project implementation along with their corresponding means of verification. Annex H provides: (i) A detailed explanation of the monitoring and reporting system for the project; (ii) a presentation of the evaluation system; (iii) a matrix presenting the work plan and the budget for M&E section; (iv) the Result Measurement Table; and (v) METT tables.

184. Briefly, CONAMA will ensure the regular monitoring and feedback of activities under implementation to the Program Steering Committee. The Project Coordinator will be responsible for the preparation of reports on a regular basis. The following reports will be prepared by CONAMA and submitted to PSC and UNDP Country Office: (i) Inception Report; (ii) Annual Project Report; (iii) Project Implementation Review; (iv) Quarterly Progress Reports; and (v) Project Terminal Report. The Quarterly progress reports will provide a basis for managing disbursements. These reports will include brief summary of the status of activities and output delivery, explaining variances from the work plan, and presenting work-plans for each successive quarter for review and endorsement.

185. The project will be subjected to at least two independent external evaluations:

(i) Mid-term Evaluation - will be undertaken at the end of the second year of implementation. The Mid-Term Evaluation will determine progress being made towards the achievement of outcomes and will identify course correction if needed;

(ii) Final Evaluation - will take place three months prior to the terminal tripartite review meeting, and will focus on the same issues as the mid-term evaluation. The final evaluation will also look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals.

186. The Management Effectiveness Tracking Tool (METT) developed jointly by the WWF and the World Bank, was used in the preparation stage to establish baseline values for the existing public PAs within the Regional part of SNASPE. In addition, METT values were obtained for the new TNC-WWF Valdivian Reserve. There are currently no METT values for the private PAs in Los Lagos. The METT will be conducted mid-term and at the end of the Project for the life of the project and compared with the stated indicators for mid term and end of the project. The project will also support the collection and processing of data for M&E and annual stakeholder meetings to share the information obtained from monitoring

187. For more details on Monitoring activities and events, including the total cost of the M&E activities, please see Annex H.

PART V: LEGAL CONTEXT

183. This UNDP Project is funded from resources made available to the Government by the Global Environment Facility (GEF) and will be implemented in accordance with the provisions of this Project Document.

184. This project document will be the instrument referred as such in Article 1 of the Basic Agreement on Technical Assistance, signed in January 15th 1957, between the Government of Chile and United Nations, ILO, FAO, UNESCO, the OACI, OMM, UIT and OMM. The host country and the implementing and executing agencies should refer to the Government Cooperation Agency described in the Agreement, regarding the Basic Agreement on Cooperation Regulations. The following types of revisions to this Project Document could take place, following authorization of the UNDP Resident Representative, provided that he/she is absolutely sure that the other signing parties to the project are not going to object the proposed changes:

- Revisions to, or extensions to any of the annex of the Project Document;
- Revisions that do not involve significant changes to the immediate objectives, activities or results of the Project, but they are a result of changes in the agreed contributions, or due to cost increase because of inflation; and,
- Compulsory annual revisions that reconsider the already agreed contributions or the need to include more experts, or other costs related to inflation or in consideration to expenses flexibility by the agency.

185. The legal context under which this project document will be ruled will follow the standard annex included in all Chilean UNDP projects outlining legal procedures. Also, and for all purpose, the Executing Agency of the host country refers to the governmental assistant agency as described in the aforementioned Annex.

SECTION II: STRATEGIC RESULTS FRAMEWORK AND GEF INCREMENT

PART I. INCREMENTAL COST ANALYSIS

Benefits	Baseline (B)	Increment /Alternative (A)
Domestic Benefits	On-going support to the existing public PAs in the Region X area provides protection to some ecosystems that make up the Valdivian Eco-region and acts as an attraction to tourists, but economic benefits to the regional economy are low. Poor delineation of management responsibilities between the different government agencies, the private sector and the local communities leads to overlapping mandates and low cost efficiencies. Existing PA Management Categories continue to focus primarily on strict conservation without inclusion of sustainable use categories or guidance for buffer zone establishment and management. Creation of private reserves will thus depend on those owners that can set aside areas from production. Conservation of biodiversity will	The Regional PA System Pact provides additional attraction to tourists and increased links with sectorial development increases the contribution of PAs to regional economy. Increased capacities and awareness of PA-related issues among staff in Regional Government and Regional representations enables development programmes and plans to contribute more to conservation, increases coordination between agencies and results in **cost efficiencies of government expenditures.** Officially recognized managed resources PA Management Categories will enable a broader **range of private landowners to contribute to** biodiversity goals, whilst maintaining income generation in their lands. The demonstration of alternative sustainable uses and buffer zone establishment will provide increased revenue and add value. The development of a RPAS,

	continue to be seen as an unattractive option and forest within productive landscapes will be increasingly fragmented, reducing biodiversity endowment in Region X and undermining environmental services that these provide. This alongside with continued **low management effectiveness of public PAs** erodes the resource base of main regional productive sectors, thereby countering the objective of the Regional Clean Development Pact.	which includes a full range of conservation possibilities, provide increased protection to regional biodiversity heritage, along with the ecosystem services that form the resources base for much of the productive sectors in Region X. **Social awareness of PAs' role in protecting local** and regional economies will increase, reinforcing the support to the Clean Development Pact and other relevant strategies. The dialogue between national and regional levels will also benefit other biodiversity conservation efforts beyond the Region X and the Valdivian Forest Eco-region and strengthens Chile's decentralization and policy.
Global Benefits	Existing public PAs operate sub-optimally and will continue to be encroached from **nearby communities, reducing conservation effectiveness of the PAs in key habitats.** Exiting PAs do not provide coverage to the full range of ecosystems and ecological representativity of the mosaic of forest remains incomplete with the rich areas of the Coastal Range being significantly under-protected. Legal deficiencies and lack of enforcement capacity compromise effectiveness of PAs as conservation instruments and constrain their development towards greater self-sustainability. Lack of a Regional PA System and of integrated coordination and management between different environmental planning authorities weakens Region X efforts to conserve globally significant biodiversity Communities in and around PAs continue to adopt livelihoods that place pressure on native forest. Awareness of the role of PAs in providing support to their livelihoods remains low and conflicts with PA management continue, leading to continued encroachment.	New policies, including additional PA management categories, will encourage a **broader number of private landowners in the** central valley and Coastal range to set aside land for conservation, thereby increasing representativity of the PA System and creating greater areas under conservation. Buffer zone management pilots create diversified and additional partnerships and agreements for effective biodiversity conversation, lowering threats to PAs and reducing operational costs. Key stakeholder groups actively participate in conservation management in PAs, increasing social sustainability of the System and reducing pressures on globally significant biodiversity The Regional System Plan that identifies key habitat and guides incentives for land owners, will encourage the establishment of new reserves in strategic locations, increasing connectivity, enhancing the dispersal of species among patches of habitat, and provide functional linkages among ecosystems. Better integrated planning and management of Region X will help to contain and reverse threats currently affecting biodiversity in the area. **PA management based on relevant information** and conservation of biodiversity is enhanced and made more effective. Biological monitoring systems will provide data for informed decision-making, which would allow adaptive management approaches by PA management authorities and allow them to better manage the biological resources according to the ecosystem approach The RPAS model would be replicated in other

				similar governance structures inside and outside Chile, increasing the impact on globally significant biodiversity.		
Costs	**Baseline (B)**		**Alternative (A)**		**Increment (A-B)**	
Outcome 1: Regional protected area structures are in place, including appropriate and sustainable policy, financing and institutions[28]	**Baseline:**	**16,650,590**	**Baseline:**	**16,650,590**	**GEF:**	**1,410,000**
	CONAF:	1,432,704	**GEF:**	**1,410,000**	**New Co-Financing:**	**1,569,482**
	AIFBN:	1,379,310	**New Co-Financing:**	**1,569,482**	**Total:**	**2,979,482**
	CONAMA:	313,793	Regional Government	484,000		
	Forestal Achile Ltda.:	13,793	CONAMA	73,413		
	Forestal Tornagaleones:	7,724	CONAF	62,069		
	Fundacion Senda Darwin:	1,419,863	CORFO	690,000		
	Regional Government:	143,274	WWF	10,000		
	INDAP:	3,253,738	INFOR	250,000		
	Min. de Bienes Nacionales	229,310				
	SAG:	6,977,038				
	University Austral de Chile:	5,036				
	University de Los Lagos:	285,782				
	University de Los Lagos/ULA:	961,034				
	WWF:	228,191	**Total:**	**19,630,072**		
Outcome 2: Sustainable and replicable models of NGO stewardship of protected areas are in place.	**Baseline:**	**476,934**	**Baseline:**	**476,934**	**GEF:**	**430,000**
	Conservacion Marina	38,617	**GEF:**	**430,000**	**New Co-Financing:**	**7,040,000**
	Conservacion Marina	1,724	**New Co-Financing:**	**7,040,000**	**Total:**	**7,470,000**
	AIFBN	6,897	Regional Government	25,000		
	CEA	408,621	CONAMA	15,000		
	TNC	9,489	TNC	7,000,000		
	Forestal Tormagaleones	11,586	**Total:**	**7,946,934**		
Outcome 3: Sustainable and replicable models of collaborative buffer zone management are in place (IUCN I-IV)	**Baseline:**	**12,085,884**	**Baseline:**	**12,085,884**	**GEF:**	**980,000**
	CONAF:	703,304	**GEF:**	**980,000**	**New Co-Financing:**	**4,646,778**
	CONAMA	1,000,719	**New Co-Financing:**	**4,646,778**	**Total:**	**5,626,778**
	Conservacion Marina	41,034	Regional Government	80,000		
	Forestal Tornagaleones	11,586	CONAMA	30,571		
	Fundacion Con Todos	92,793	INDAP	475,862		
	Ilustre Municip de Lanco	127,586	SENCE	60,345		
	Ilustre Municip de Corral	6,897	WWF	1,000,000		
	Ilustre Municip de Panguipulli	147,414	TNC	3,000,000		

[28] This includes the cost of project monitoring and evaluation and project management. The later has been disagregated as a separate item in the TBWP for CEO endorsement

	INDAP	5,566,295				
	INIA	822,431				
	Ministerio de Bienes Nacionales	43,103				
	Municip de Rio Negro	6,897				
	Origenes	2,600,122				
	SAG	42,772				
	Surambiente	7,759				
	Univ de Los Lagos	3,103				
	Univ de Los Lagos/ULA	862,069	**Total:**	**17,712,662**		
Outcome 4: Sustainable and replicable models of private and indigenous managed resource PAs are in place (IUCN V-VI)	**Baseline:**	**18,404,659**	**Baseline:**	**18,404,659**	**GEF:**	**882,000**
	CONAF	573,959	**GEF:**	**882,000**	**New Co-Financing:**	**1,602,968**
	AIFBN	31,034	**New Co-Financing:**	**1,602,968**	**Total:**	**2,484,968**
	Asociacion Indigena de Mujeres	31,899	Regional Government	255,000		
	Fundacion Con Todos	62,069	CONAMA	62,847		
	Fundacion Senda Darwin	20,690	INDAP	993,362		
	Ilustre Municip de San Jose	3,448	SAG	196,552		
	Ilustre Municip de Lanco	23,448	SENCE	36,207		
	Ilustre Municp. De San Juan	7,759	GIA	26,000		
	INDAP	5,663,534	Red PFNM	30,000		
	INDAP	6,256,897	Corp. Vertientes	3,000		
	INIA	433,529				
	Parques para Chile	231,981				
	Parques para Chile	32,414				
	Programa Origenes	4,174,504				
	Surambiente	11,207				
	TNC	7,942				
	SAG	8,690				
	Municip. De San Juan	25,862				
	Univ Austral/FORECOS	791,379				
	Univ de Los Lagos	12,414	**Total:**	**20,889,627**		
Outcome 5: Institutions and individuals involved in the RPAS have the necessary knowledge and skills to function effectively	**Baseline:**	**5,478,181**	**Baseline:**	**5,478,181**	**GEF:**	**1,005,000**
	CONAF	308,244	**GEF:**	**1,005,000**	**New Co-Financing:**	**752,539**
	AIFBN	47,414	**New Co-Financing:**	**752,539**	**Total:**	**1,757,539**
	Bosque Modelo Chiloe	181,034	Regional Government	142,776		
	CEA	120,690	CONAMA	66,660		
	CONAMA	767,241	CONAF	43,103		
	CONAMA	129,310	TNC	500,000		
	CORMA	48,276				
	Forestal Achile Ltda.	8,621				
	Fundacion Senda Darwin	34,483				
	Ilustre Municip de Corral	12,586				
	Ilustre Municip de panguipulli	20,690				
	Parques para Chile	2,931				

	Secretaria Ministerial de Educacion	110,603				
	SERNATUR	3,332,610				
	Univ Arcis Patagonia	353,448	**Total:**	**7,235,720**		
Cost Totals	**Total Baseline:**	**53,096,248**	**Total Baseline:**	**53,096,248**	**Total GEF:**	**4,707,000**
			Total GEF:	**4,707,000**	**Total new Co-Financing, excluding PDF B funds:**	**15,611,767**
			Total new Co-Financing:	**15,611,767**	**Total Increment:**	**20,318,767**
			Total Alternative:	**73,415,015**		
			PDF B	334,000		
			Co-financing, PDF B	90,000		
			TOTAL, PDF B	**424,000**		
			GRAND TOTAL	**73,839,015**		

System Boundary:

186. The Project System Boundary consists of the institutional, management, planning and knowledge framework for protected areas in the Region Los Lagos (Xth) in Chile including national, regional and local government agencies, NGOs, universities, private land owners and relevant CBO. It also includes relevant frameworks for Regional land use planning in those areas surrounding protected areas. The Region X covers an area of total area of 67,013 Km^2 (6,701,300 ha; INE 2002), is administratively divided into five provinces (Valdivia, Osorno, Llanquihue, Chiloé and Palena), and further divided into 42 municipalities. Incremental and baseline costs are estimated for each of the anticipated project outcomes (see previous table) within this boundary and over 2 years that includes expected project implementation time and preparation time unless otherwise stated in the text below.

Baseline Scenario

187. There are a number of deficiencies that undermine protected areas effectiveness in conserving the globally significant Valdivian Temperate Forest in the Region X. There are also barriers that impede their long term sustainability and need to be overcome to set up the Regional PA System. These are described in paragraphs 44 through 59 of Section I, Part I (Situation Analysis). They include the deficiencies in ecosystem representativity, policy and regulatory deficiencies and institutional barriers. Under the baseline scenario some actions will be taken to address certain aspects of these deficiencies and barriers. While insufficient to ensure that the Valdivian Ecoregion is conserved these activities provide an important foundation in which this project is nested. A brief description of the baseline follows grouped into the five programmatic bundles cross-referenced against Project Outcomes as follows (a) Regional protected area structures, including sustainable policies, financing and institutions; (b) NGO stewardship of or involvement in protected areas and conservation efforts; (c) Collaborative buffer zone management in PAs and community participation; (d) Private/indigenous managed resource PAs and sustainable use activities; and (e) Knowledge and skills development and management for PA management effectiveness.

(a) Regional protected area structures, including sustainable policies, financing and institutions:

188. Existing and planned investments in related baseline activities during the period 2002-2010 has been estimated at total of **US$ 16,650,590.** With regards to investments towards PA structures and their institutional and regulatory mechanisms, actions – both under implementation and projected to 2010 - aimed at (i) funding the existing public PAs; (ii) strengthening environmental policies; and (iii) coordinating different environmental planning instruments. US$ 1,432,704 from CONAF is earmarked for the administration of the Regional SNAPSE PA units under its sphere of responsibility, along with the prevention and combat of forest fires and forest legislation. The Ministry for National Property will be investing US$ 229,310 in buying fiscal land for the creation of the new Corcovado National Park and for the transfer of 30 fiscal properties – a total of 12.000 ha - over to indigenous communities and CONADI. Moreover, existing and planned investments of US$ 1,379,310 from AIFBN will fund a certification system for the sustainable use of firewood in Valdivia, together with a strengthening of a national firewood certification system. CONAMA (US$ 313,793) and SAG (US$ 6,977,038) will both invest in local environmental management activities, the elaboration of norms and support for participation in conservation management activities. Finally, Fundacion Senda Darwin will fund biodiversity, conservation and restoration efforts in fragmented landscapes through its BIOCORES project with US$ 1,419,863.

189. Concerning knowledge and information, different research, studies and programmes to generate knowledge and information on natural resources and biodiversity will be implemented by Forestal Anchile Ltda. – Maderas Anchile Ltda., Forestal Tornagaleones and the Universities of Los Lagos – ULA and Austral de Chile (Faculty of Agronomy), for a total current and projected investment of US$ 1,273,369. A part of the above-mentioned funds from Fundacion Senda Darwin is also contributing to such studies. In addition, different instruments to monitor and assess natural resources will be will be generated by INDAP and the Regional Government of Region X, who will support the design of knowledge management and Geographic Information Systems for a total of US$ 3,397,012. Lastly, WWF will be investing US$ 228,191 in field activities in the Valdivia province and SAG will support enforcement activities as part of the above funds.

190. Under the baseline scenario, on-going support to the existing public PAs in the Region X area provides protection to some ecosystems that make up the Valdivian Eco-region and acts as an attraction to tourists, but economic benefits to the regional economy are low. Yet, exiting PAs also do not provide coverage to the full range of ecosystems and ecological representativity of the mosaic of forest remains incomplete with the rich areas of the Coastal Range being significantly under-protected. Moreover, as there is no PA System approach there is weak coordination and management between different environmental planning authorities causing inefficiencies and sub-optimal conservation effectiveness to the diverse regional ecosystems. Legal deficiencies and weak enforcement capacity will compromise effectiveness of PAs as conservation instruments and constrain their development towards greater self-sustainability. There are also no existing or planned initiatives supporting the development of sustainable financing mechanisms for PAs. The monitoring and evaluation activities will be basic and generally unsystematic. Concerning information generation for decision-making on biodiversity conservation and sustainable development, there would be little practical coherence between studies carried out and Region X's management needs.

(b) NGO stewardship of or involvement in protected areas and conservation efforts:

191. Existing and planned investment in related baseline activities during the period 2002-2010 amounts to a total of **US$ 476,934.** While NGO PA stewardship is a relatively untested approach in Chile, several national and international NGOs have or will be making relevant baseline investments towards specific habitats. Conservacion Marina has earmarked a total US$ 40,341 towards restoration, participatory monitoring and evaluation of the riberian forest of the Chaihuin river to restore the habitat of the river nutria. CEA will use US$ 408,621 for a conservation programme for rapace birds, whilst Forestal Tormagaleones will put US$ 11,586 into conservation of the Huilin habitat. Lastly, AIFBN has allocated US$ 6,897 for restauration of the forests in the Valdivian Coastal Reserve, whereas TNC is supporting the preparation of a book about the Coastal Range and a Conservation Programme of the Southern Andes with US$ 9,489.

(c) Collaborative buffer zone management in PAs and community participation:

192. Existing and planned investment in related baseline activities during the period 2002-2010 amounts to a total of **US$ 12,085,884.** Several initiatives will support sustainable infrastructure in PAs and their surrounding areas, such as CONAF (US$ 703,304). CONAMA has earmarked US$ 1,000,719 for its Sendero de Chile Programme, whilst the Ministry of National Property will invest US$ 43,103 through its Patrimonial Routes Project.

193. Moreover, a host of smaller and larger initiatives will support development of alternative uses and support for community participation within a PA context. The largest investment will come from INDAP (US$ 5,566,295) towards a mix of work with small landowners concerning forestation and carbon sequestration, in addition to support for rural tourism and irrigation. Another major investment will be from the University of Los Lagos/ULA where US$ 862,069 will be put into the development of a sustainable forest management plan. Other initiatives include: INIA (US$ 882,431), Fundacion Con Todos (US$ 92,793); (SAG (US$ 42,772); Conservation Marina (US$ 41,034); Forestal Tornagaleones (US$ 11,586); Surambiente (US$ 7,759); and the University of Los Lagos (US$ 3,103). Finally, a total of US$ 154,439 will be invested in similar activities through the Local Development Programme (PRODESAL) initiative by the municipalities of de Lanco, Corral and Rio Negro.

194. Finally, a third set of investments will support rural tourism activities. In addition to the above INDAP investment, the Municipality of Lanco will use US$ 6,897 to prepare a Confection Tourism Plan, whilst Origenes will put US$ 2,600,122 into a mix of rural tourism and sustainable agriculture activities.

195. Despite the above-mentioned investments, a number of gaps would remain in the arena of buffer zone establishment and management. Most importantly, none of the planned initiatives will help to establish officially recognized buffer zones. There is also an unmet need to establish norms and standards, and accompanying regulations for collaborative management arrangements, based on tested on-the-ground applications for such management models. Moreover, communities in and around PAs will continue to adopt livelihoods that place pressure on native forest. Awareness of the role of PAs in providing support to their livelihoods remains low and conflicts with PA management continue, leading to continued encroachment.

(d) Private/indigenous managed resource PAs and sustainable use activities:

196. Existing and planned investment in related baseline activities during the period 2002-2010 amounts to a total of **US$ 18,404,659.** Several institutions will strengthen the involvement of private landowners in conservation and native forest management: A major effort is INDAP's US$ 5,663,534 to establish a system of incentives for the recuperation of degraded lands. Parque para Chile will use US$ 231,981 to assist private PAs in the Coastal-Andes corridor area to purchase, plan and habilitate the demonstration PA Namuncahue, while also investing US$ 32,414 in the development of Management Plans for PA Units of the Network of Mapu Lahual Parks. Fundacion Senda Darwin will put US$ 20,690 towards implementation of models for planning and management of private PAs in Chiloe. Moreover, TNC will use US$ 7,942 in support of conservation of private lands in Chiloe. Finally, CONAF has earmarked US$ 573,959 for conservation and sustainable management of native forest

197. Different institutions will also support campesino enterprises in developing organic agriculture and other sustainable use practices: INIA is putting US$ 433,529 towards introduction of clean production methods in bovine livestock in Chiloe. Finally, Surambiente will use US$ 11,207 to assist the Moss Gremial Association in improving the commercialization of moss. INDAP with US$ 6,256,897 through the Local Development Programme (PRODESAL) and SAG with US$ 8,690. The PRODESAL Programme will also support initiatives through the Municipalities of San Juan (a total of US$ 33,621), San Jose (US$ 3,448) and de Lanco (US$ 23,448).

198. Finally, several institutions are investing significant amounts of money in support of indigenous communities vis-à-vis conservation and their livelihoods. Programa Origenes has earmarked US$ 4,174,505 to support of indigenous communities through development of activities such as wood handicrafts, commercialization and agroforestry, livestock improvements and processing of forest products. Fundacion Con Todos will use US$ 62,069 for a Forest Development Programme with the Williche Communities in Chiloe. AIFBN will support the Mapuche Communities with US$ 31,034 for sustainable use of native forests, certified production and associated commercialization of native forest products. Other important investments will come from the Universities of Austral/FORECOS (US$ 791,379) and Los Lagos (US$ 12,414); and the Association of Indigenous Women (US$ 31,899).

199. Under the above baseline scenario, poor delineation of management responsibilities between the different government agencies, the private sector and the local communities will lead to overlapping mandates and low cost efficiencies. In addition, existing PA Management Categories will continue to focus primarily on strict conservation without inclusion of sustainable use categories or guidance for buffer zone establishment and management. Creation of private reserves will thus depend on those owners that can set aside areas from production. Conservation of biodiversity will continue to be seen as an unattractive option and forest within productive landscapes will be increasingly fragmented, reducing biodiversity endowment in Region X and undermining environmental services that these provide. This, alongside with continued low management effectiveness of public PAs, erodes the resource base of main regional productive sectors, thereby countering the objective of the Regional Clean Development Pact.

(e) Knowledge and skills development and management for PA management effectiveness:

200. Existing and planned investment in related baseline activities during the period 2002-2010 amounts to a total of **US$ 5,488,181.** A few institutions are supporting training-related activities of relevance for people directly involved in managing PAs: with US$ 47,414, AIFBN is systematizing the experiences from relevant conservation projects. CEA is investing US$ 120,690 in a restauration programme of the Coastal Valdivian forest, while Forestal Anchile Ltda. will use US$ 8,621 towards sustainable management techniques of native forests for small forest owners. Moreover, the University of Arcis Patagonia will invest US$ 353,448 for the formation of professionals within the silvio-agricultural area regarding territorial planning and rural development.

201. Different baseline efforts will support larger awareness-raising activities, such as Citizens Network and information campaigns: Sernatur will invest US$ 3,332,610 in a Dissemination and Capacity-building Programme for the tourism competitiveness in the Los Lagos Region. With US$ 308,244 CONAF will assist information and sensitization for an efficient and responsible consumption of firewood. CONAMA is investing US$ 767,241 in a larger programme encompassing its Global Environmental Citizenship component and environmental certification for educational establishments. Another US$ 129,310 will support a Regional Environmental Fair. Other initiatives will be funded by: Ministerial Secretariat of Education (US$ 110,603); Fundacion Senda Darwin (US$ 34,483); Parques para Chile (US$ 2,931); and the municipalities of Panguipulli (US$ 20,690) and Corral (US$ 12,586).

202. There are also different initiatives in support of environmental education: CORMA will invest US$ 48,276 in an Environmental Education Programme "Living in the Forest" with 65 rural schools. Then the Chiloe Model Forest Project will use 181,034 for an environmental education center in Huillin, whilst some of the above CONAMA funds will support the capacity development

of docents in schools concerning environmental methodologies.

203. Despite the above baseline initiatives, PA staff capacity to perform routine PA functions will remain poor. A PDF B study revealed that the Region X SNASPE PA Units suffer from deficiencies in the area of human resources, with insufficient staff to adequately manage its PAs, along with a lack of supervising staff and inadequate training. Some National Reserves and Monuments are without protection or park staff, and only 50% of PAs enjoy permanent park staff. In addition, park rangers require more monitoring and control powers. Overall, the human resources area was rated next to last on the METT assessment. Management efficiency could be strengthened through pooling staff and other resources under a PA cluster management approach and using a management effectiveness rubric generated from the METT as a basis for assigning financial and human resources. Hence, existing public PAs will operate sub-optimally and will continue to be encroached from nearby communities, reducing conservation effectiveness of the PAs in key habitats. Environmental education efforts in Region X would remain weak in general, with inadequate programs and not enough resources. For instance, only two of the regional public SNASPE PA units have ad hoc programs that include planned, effective activities.

204. Overall, notwithstanding the considerable contribution of the baseline activities described above, *under the baseline scenario,* native forest conversion and habitat fragmentation will continue in the Valdivian Temperate Rainforest Eco-region with the concomitant loss of attendant biodiversity and the forfeit of substantial global benefits. In addition, the above-described policy, legal, operational, capacity-related and knowledge barriers will continue to hamper the effectiveness of the existing, fragmented protected areas. Small-scale conservation efforts, while commendable, will be clearly insufficient to appropriately address the above ever-increasing threats, barriers and limited capacities. Deficient knowledge and awareness levels among key stakeholders, and key capacity deficiencies pertaining to the sustainable conservation, use and management of protected areas would remain, contributing to resources deficiencies and the low ranking of biodiversity conservation amongst the myriad of other challenges that Region X faces in its regional development process.

205. While some advances will be made to conserve the Valdivian temperate rainforest within the existing PAs, given the complexity of conserving such fragile ecosystems under a wide range of threats, baseline efforts alone will be neither comprehensive enough in nature nor within the required time frames to avoid losses of this globally significant biodiversity. The result will be continued degradation of globally significant temperate rainforest biodiversity, as well as that in neighbouring ecosystems dependant on the integrity of temperate rainforest habitats. In addition key functions and services would be lost with ensuing negative effects on the livelihood and well-being of traditional and local communities and erosion of the natural resource base of a number of productive sectors.

Incremental Costs and Benefits

206. The incremental cost matrix provided on the first page of this Section summarises both domestic and global benefits associated with the proposed five project outcomes. The cost of the business-as-usual baseline, occurring irrespective of the GEF support and which is undertaken primarily to produce domestic benefits, amounts to US$ 53,096,248. The cost of the additional activities required to achieve the Project Outcomes is estimated at US$ 20,318,767 of which the GEF would finance US$4,707,000 and co-financiers US$ 15,611,767 all of which has been committed in writing and represents new co-funding and not including those elements of the baseline essential to achieving Project Objectives. PDF B Project preparation costs amount to US$ 424,000 of which the GEF financed US$ 334,000. The cost of the Alternative Strategy is US$ 73,415,015 of which the total GEF funds (including PDF B) represent 7%.

PART 11: LOGICAL FRAMEWORK ANALYSIS

Project Strategy	Objectively verifiable indicators				
Goal:	**An effective and representative National System of conservation and sustainable use protected areas is in place and supports national development goals.**				
Project Purpose	**Indicators**	**Baseline**	**End of Project Target**	**Sources of verification**	**Risks and Assumptions**
Objective: An effective, multi-stakeholder, multi-use Regional Protected Areas System (RPAS) is modeled in the Valdivian Eco-Region.	1. Increase in % coverage of key Valdivian Forest ecosystems under protection categories recognized in the Region X Protected Area System: - Deciduous Temperate Andean Forest *(Nothofagus alpine, N. dombeyi)* - Interior Temperate Laurecea Forest *(Nothofagus dombeyii; Eucryphia cordifolia)* - Coastal Temperate Evergreen Forest *(Aetoxicon punctatum)* 2. Additional area brought under PA conservation in Region X: - **Within project (including all categories management categories)** - Projected within following 5 years of project as a direct result of project 3. % Management effectiveness of 5 selected existing PAs in region X as follows: - State-owned areas (SNASPE) - Private areas The MTE values are 55% and 20%, respectively. (See Annex A Table A-3 for baseline METT for all 14 public PAs)	0. 21% 5.36% 3.47% Existing area in baseline is 790,000 ha 44% 0% 100,000 ha of private	End of the project and following 5 years: 5.41% (12,1%) 5.6% (8%) 8.50% (20.08) End project 866,240 ha: MTE, this figure is 820,000ha, by year 10 948,344 ha 70% 40% 161,977 ha private 14,262 indigenous	1. CONAF Forest registers and GIS system 2. Forest registers, documents creating PA: projection measured by letters commitments from owners and regional budgets, and at 10 years by RPAS M &E 3. Mid and end application of all areas of system 4. Creation documents, RPAS	Other GEF projects incl. in Chile's BD1 Programme Approach are implemented Successfully. Decentralization progresses continue in line with recent years. Region X development strategy continues to support Clean Development goals. Key stakeholders effectively use the increased levels of capacity developed through the project. Regional economy at least within the

	4. Increase in the % of overall protected land under non-State ownerships in region X (indigenous, forest companies, small-scale farmers, communities) (see Annex A Table A-6 for details) 5. % decrease in the average extent of fire damage in zones within the Region X PA System 6. Contribution of the Region X PA System to the regional economy measured in different sectors, to be fully detailed in first 6 months of project but including at least tourism revenues from PAs	area 0 indigenous 6500 ha/year Tourism. revenues in existing PAs to be determined	at 5yrs and 45,862, at 10 years At least 30% decrease 6. 25% increase in state-owned PAs on average, compared with 2004-5 figures by the MTE, this is 8%	and Project reports 5. CONAF records 6. PA tourist registers and Regional government budget figures	same levels as the last decade.
Outcome 1: Regional protected area structures are in place, including appropriate and sustainable policy, financing and institutions	1. Government services that support the creation and management of PA within the System 2. Support for the RPA System Institutional Entity and specialised PA task force, expressed in monetary units, from Regional Government and from newly derived funding mechanisms piloted in Outcome 2. 3. Expected replication of strategy, results, and lessons in project life in terms of: - Regional system - # of additional private land owners in Valley committed to conservation set asides - Pilot buffer sustainable uses 4. Increase in % of PA operations that receive targeted support from RPAS for specific	Only CONAF & CONAMA support the PA system $0 (Entity does not exist) 0 7 at project start 25 families No support system exists;	At least 7 Government services express support for the PA system in policy documents. RoG U$D 86,000/year Others TbD At least 1 region At least 40 more At least XX more At least 10% support and % reduction in	1. Annual reports of Government services 2. Reports of Regional Government 3. - Projects reports, - letters of commitment and budget allocation - RG incentive reports	Regional Government Institutions and private stakeholders continue to maintain the present co-operative, collaborative working relationship.

[29] Mid-term Review.

	management functions from year 2 onwards and reducing operational costs 5. Percentage of regional resources allocated on an annual basis (rolling average of previous 3 years) to areas that form part of the Regional PA System from regional incentive mechanisms including: - Support for sustainable uses of the type to be piloted through project Outcomes - Fire fighting services - Native Forest Law resources (when approved)	funding gap 30% in SNASPE PA tbd (baseline values will be on existing PAs)	individual costs tbd. 10% compared with value for 2003-2005. By the MTE 29, this value is 4%	4. Entity annual reports and PA operational plans Regional system plan and PA documents 5. Regional Government budget and expenditure reports	
Outcome 2: Sustainable and replicable models of NGO stewardship of protected areas are in place	1. % recurrent operational costs of at least one newly established private reserve secured through long-term sustainable financing mechanism. 2. % of Region X private reserve owners that know of new governance and funding structure set up for the new Valdivian Reserve and who seek alliances for advancing ways to replicate this model.	0% None exist at this point 0	> 90% of core operation costs secured from Fiduciary Fund 75%	Legal fund documents and NGO Valdivian PA reports Private reserve network meeting minutes: survey	Collaborative relationships between SNASPE and the Corporation of the Regional Systems are established and maintained.
Outcome 3: Sustainable and replicable models of collaborative buffer zone management are in place (IUCN I-IV)	1. Areas around conservation PA employing land use practices certified as being sustainably managed in accordance with internationally-recognized certification and expected projection based on allocation of regional incentives. 2. Number of farmers and total area under sustainable agro-forestry in the connectivity buffer between two SNASPE areas. 3. Number of officially recognized buffers in the Regional System linked to regional development programmes and incentives. 4. In and around Andean NP Alerce Andino NR Llanquihue and buffers:	No sustainable management arrangements No agreements 0 Tbd in inception	At least 4 areas, totalling 4780 ha and projected for 10years 79,529ha. Tbd in inception phase 4 Tbd in inception phase	1. Annual surveys project reports, certification documents at project end: letters of commitment regional incentive budgets and report; after 10year RPAS M and E 2. Annual surveys project reports, certification documents 3. RPAS Plan and	Private land owners interest in conservation set aside continues at least at the same level as in 2005. Progress towards the promulgation of the native forest law continues and its promulgation occurs at least within the first year of the project implementation.

	- % firewood reduction from native forest after 5 and 10 years - % reduction in number of encroachments and conflicts in PA 5. In and around new NGO Valdivian Reserve, NR Valdivian, Alerce and Monument - % reduction in illegal logging in native forest in firewood (after 5 and 10 years) - % Reduced enforcement costs in pilots	phase Tbd in inception phase		PA documents 4. CONAF infringement reports, sales from nurseries PA records, 5. CONAF records, PA operations and finance plans, project reports	Baseline firewood programmes are successful.
Outcome 4: Sustainable and replicable models of private and indigenous managed resource protected areas are in place (IUCN V-VI)	1. Number of categories of protected area officially recognized in the Regional PA System. 2. The total area of indigenous lands under some form of officially recognized sustainable use conservation protection outside state-owned protected areas (SNASPE) at 5 and 10 years. 3. Area recognized as managed landscape in RPAS and Development Plans and area within landscape that is officially recognized PA units. This will be measured both for project completion and projected for 10 years 4. % income derived from sustainable uses in new PA categories.	4 categories as per the Washington Convention 0 0 Tbd	At least 6 PA categories and including equivalents of IUCN V and VI 14,262 indigenous at 5yrs and 45,862, at 10 years Tbd Tbd	Project reports, legal documents Project reports, RPAS plan, official documents of PA At project completion: project reports, RPAS plan, official documents of PA. For 10 ys goal: letters of commitment of properties and resource allocation Regional incentives plan and project M&E	Legal tools for the affection of private protected areas exist. Amerindian communities continue to show interest in sustainable use management.

Outcome 5: Institutions and individuals involved in the RPAS have the necessary knowledge and skills to function effectively	1. Awareness among regional and national policy-makers of the value of the Regional PA System as support to Regional development and economy. 2. Awareness among private and public stakeholders on the RPAS and the role PA in providing services for regional development. 3. Capacity Deficiency Index % reduction over the life of the project[30]	Tbd by survey in first 6 months Tbd once Pact for regional system is in place	A 50% increase for regional and 30% for central policy makers Increased by at least 40% compared to baseline survey		

[30] To guide and monitor capacity actions a Capacity Deficit Index (DCI), will be calculated. It will be measured through surveys of practical elements that comprise a particular capacity related to the different roles of an institution or organisation in the future RPAS and in project outcomes or outputs. A wide range of elements of broad capacities will be measured amongst key stakeholders, ranging from actions and processes related directly to protected area management as well as those indirectly affecting them such as extension actions in buffers zones, or planning and approvals of regional land uses. A DCI index above the mid point (5) indicates capacity deficits. As the DCI ranking reduces, the more capable the measured institutional, organisation or population. During the first months of project implementation, and drawing on some initial assessments of stakeholders groups and organisations the full surveys will be completed. This will provide baseline measurements and enable the final definition of capacity programmes. Surveys will be repeated at mid term and end.

SECTION III: TOTAL BUDGET AND WORK PLAN

TOTAL BUDGET AND WORKPLAN

Award ID: 00043826

Atlas Project ID: 00051310

Award Title: PIMS 1859 Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest

Business Unit: CHL10

Implementing Partner (Executing Agency): NEX

GEF Outcome/Atlas Activity	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Amount Year 5 (USD	Total (USD)	See Budget Notes
OUTCOME 1: Regional protected area structures are in place, including appropriate and sustainable policy, financing and institutions	**CONAMA/ PNUD**	**62000**	**GEF**	71200	International Consultant	19,000	13,000	31,500	12,000	41,500	**120,000**	
				71300	Local Consultant	27,200	27,200	27,200	27,200	27,200	**136,000**	
				71400	Contrac services- indiv	14,000	14,000	14,000	14,000	14,000	**70,000**	
				71600	Travel	27,300	27,300	27,300	27,300	27,300	**136,500**	1
				72100	Contrac Services-Comp	130,546	130,546	130,546	130,546	14,816	**537,000**	2
				72200	Equipment and furniture	20,000	10,000				**30,000**	
				72500	Supplies		1,250	1,250	1,250	1,250	**5,000**	
				74200	Audiovisual & Print		1,250	1,250	1,250	1,250	**5,000**	
				74500	Miscellaneous expenses	10,000	10,000	10,000	10,000	10,000	**50,000**	
				Sub-Total GEF		**248,046**	**234,546**	**246,046**	**223,546**	**137,316**	**1,089,500**	
				Total Outcome 1		**248,046**	**234,546**	**246,046**	**223,546**	**137,316**	**1,089,500**	
OUTCOME 2: Sustainable and replicable models of NGO stewardship of protected areas are in place	**CONAMA/ PNUD**	**62000**	**GEF**	71200	International Consultant	4,000	4,000				**8,000**	
				71300	Local Consultant	0	2,000	1,000	1,000	1,000	**5,000**	
				71400	Contrac services- indiv	20,000	26,000	25,000			**71,000**	
				71600	Travel	12,000	12,000	12,000			**36,000**	3
				72100	Contrac Services-Comp	5,000	5,000	5,000			**15,000**	
				72200	Equipment and furniture	66,001	65,999	49,500			**181,500**	4
				72300	Materials & Goods	5,000	30,000	30,000			**65,000**	
				73100	Rental &Maintenance	500	1,500	1,500	1,000	1,000	**5,500**	5
				74200	Audiovisual & Print	1,000	4,000	4,000	2,000	2,000	**13,000**	
				74500	Miscellaneous expenses	10,000	10,000	10,000			**30,000**	

				Sub-Total GEF		**123,501**	**160,499**	**138,000**	**4,000**	**4,000**	**430,000**	
				Total Outcome 2		**123,501**	**160,499**	**138,000**	**4,000**	**4,000**	**430,000**	
Outcome 3: sustainable and replicable models of collaborative buffer zone management are in place (IUCN-IV)	**CONAMA/ PNUD**	**62000**	**GEF**	71200	International Consultant	11,250	11,250	11,250	11,250	-	**45,000**	
				71300	Local Consultant	32,500	32,500	32,500	32,500	-	**130,000**	
				71400	Contrac services- indiv	5,000	5,000	5,000	5,000	-	**20,000**	
				71600	Travel	26,250	26,250	26,250	26,250	-	**105,000**	6
				72100	Contrac Services-Comp	42,500	42,500	42,500	42,500	-	**170,000**	
				72200	Equipment and furniture	10,000	30,000	30,000	10,000	10,000	90,000	7
				72300	Materials & Goods	25,000	120,000	100,000	70,000	30,000	345,000	
				74200	Audiovisual & Print	10,000	10,000	10,000	5,000		35,000	
				74500	Miscellaneous expenses	10,000	10,000	10,000	10,000	-	**40,000**	
				Sub-Total GEF		**172,500**	**287,500**	**267,500**	**212,500**	**40,000**	**980,000**	
				Total Outcome 3		**172,500**	**287,500**	**267,500**	**212,500**	**40,000**	**980,000**	
Outcome 4: Sustainable and replicable models of private and indigenous managed resource protected areas are in place (IUCN V –VI)	**CONAMA/ PNUD**	**62000**	**GEF**	71200	International Consultant	3,000	3,000	3,000	3,000	3,000	**15,000**	
				71300	Local Consultant	22,400	22,400	22,400	22,400	22,400	**112,000**	
				71400	Contrac services- indiv	4,000	4,000	4,000	4,000	4,000	**20,000**	
				71600	Travel	35,000	35,000	35,000	35,000	35,000	**175,000**	8
				72100	Contrac Services-Comp	23,750	23,750	23,750	23,750	-	**95,000**	
				72200	Equipment and furniture	15,000	45,000	30,000	15,000	0	**105,000**	9
				72300	Materials & Goods	0	65,000	110,000	105,000	5,000	**285,000**	
				74200	Audiovisual & Print	5,000	5,000	5,000	5,000	5,000	**25,000**	
				74500	Miscellaneous expenses	10,000	10,000	10,000	10,000	10,000	**50,000**	
				Sub-Total GEF		**118,150**	**213,150**	**243,150**	**223,150**	**84,400**	**882,000**	
				Total Outcome 4		**118,150**	**213,150**	**243,150**	**223,150**	**84,400**	**882,000**	
Outcome 5: institutions and individuals involved in the RAPS have the necessary knowledge and skills to function effectively.	**CONAMA/ PNUD**	**62000**	**GEF**	71200	International Consultant	7,778	11,667	7,778	3,888	3,889	**35,000**	
				71300	Local Consultant	26,875	26,875	26,875	13,437	13,437	**107,499**	
				71400	Contrac services- indiv	6,500	6,500	6,500	6,500	6,500	**32,500**	
				71600	Travel	37,778	56,667	37,778	18,889	18,889	**170,001**	10
				72100	Contrac Services-Comp	126,250	126,250	126,250	126,250	-	**505,000**	11
				72200	Equipment and furniture	13,250	13,250	13,250	13,250	-	**53,000**	12
				72300	Materials & Goods	2,500	2,500	2,500	2,500	2,500	**12,500**	

				72500	Supplies		6,000	5,000	4,000	4,000	**19,000**	
				73100	Rental &Maintenance	2,000	10,000	8,000	8,000		**28,000**	13
				74200	Audiovisual & Print	16,250	16,250	-	-	-	**32,500**	
				74500	Miscellaneous expenses	2,500	2,500	2,500	1,250	1,250	**10,000**	
				Sub-Total GEF		**241,681**	**278,459**	**236,431**	**197,964**	**50,465**	**1,005,000**	
				Total Outcome 5		**241,681**	**278,459**	**236,431**	**197,964**	**50,465**	**1,005,000**	
Project Management Unit *	**CONAMA/ PNUD**	**62000**	**GEF**	71300	Local Consultant	42,600	42,600	42,600	42,600	42,600	**213,000**	
				71600	Travel	10,000	10,000	10,000	10,000	10,000	**50,000**	14
				72200	Equipment and furniture		25,000		-	-	25,000	15
				72300	Materials & Goods	1,000	1,000	1,000	1,000	1,000	5,000	
				72500	Supplies	1,000	1,000	1,000	1,000	1,000	5,000	
				74200	Audiovisual & Print	2,000	2,000	2,000	2,000	2,000	10,000	
				74500	Miscellaneous expenses	2,500	2,500	2,500	2,500	2,500	**12,500**	
				Sub-Total GEF		**59,100**	**84,100**	**59,100**	**59,100**	**59,100**	**320,500**	
				Total Management		**59,100**	**84,100**	**59,100**	**59,100**	**59,100**	**320,500**	
PROJECT TOTAL						**962,978**	**1,258,254**	**1,190,227**	**920,260**	**375,281**	**4,707,000**	

* The Project Management cost has been disaggregated here for reporting and operational purposes but does not form an Outcome of the logical framework. In the original budget the PMU and Project M&E costs were included in Outcome 1

Summary of Funds: [31]

Source of Fund/Donor	**GEF**	**962,978**	**1,258,254**	**1,190,227**	**920,260**	**375,281**	**4,707,000**
	Regional Government	296,033	296,033	98,677	98,678	197,355	986,776
	CONAMA	70,997	70,997	35,499	35,499	35,499	248,491
	INDAP	198,672	317,638	317,638	317,638	317,638	1,469,224
	SAG	65,518	65,517	65,517			196,552
	CONAF (National+ Regional)	36,208	17,241	17,241	17,241	17,241	105,172
	SENCE		24,138	24,138	24,138	24,138	96,552
	CORFO	138,000	276,000	276,000			690,000
	INFOR	50,000	50,000	50,000	50,000	50,000	250,000
	TNC	2,500,000	2,500,000	2,500,000	1,500,000	1,500,000	10,500,000
	WWF	200,000	200,000	200,000	200,000	210,000	1,010,000
	GIA	5,200	5,200	5,200	5,200	5,200	26,000
	Red PFNM	6,000	6,000	6,000	6,000	6,000	30,000
	C.Verientes	1,500	1,500				3,000
GRAND TOTAL		**4,531,106**	**5,088,518**	**4,786,137**	**3,174,654**	**2,738,352**	**20,318,767**

[31] Summary table should include all financing of all kinds: GEF financing, cofinancing, cash, in-kind, etc. etc

Budget Notes

N°	Budget item	Comments
OUTCOME 1: Regional protected area structures are in place		
1	71600 Travel	Technical M&E tasks, including the mid and terminal evaluations fall under this Outcome, and will incur international travel and displacement costs across the project areas and for the evaluators and the monitoring of impact indicators annually throughout the project. In the same line learning and replication activities have resources allocated to travel to enable the collection of best practices in the project sites for the "How to Kit" to be developed on collaborative management arrangements and for the Knowledge Transfer Mechanism. As part of the incremental capacity building activities and institutional strengthening, the project will facilitate knowledge exchange among the various stakeholders including learning through secondments for PA managers. While the costs will be largely borne by co-funding, GEF support for travel is required for secondments particularly from PAs outside the Los Lagos region that will bring additional national expertise to the project. A further Output is a Regional Pact on conservation as part of Los Lagos development planning and the design of the Regional PA system. This involves an extensive stakeholder consultation process that includes meetings and workshops. Travel support would be provided to stakeholders in remote areas and communities. Legal and regulatory norms will be developed through this outcome and will require expertise that is not always readily available in the project region. Travel provisions for experts from the Metropolitan region to Los Lagos are thus included. Similarly financial strategies for the PAs will be developed for which international expertise is envisaged. Finally travel of stakeholders, particularly indigenous groups and community leaders, for the Inception workshops is included in this Outcome. This includes one regional workshop and smaller meetings in each of the five provinces in Los Lagos region (Valdivia, Osorio, Llanquihue,Chiloe, Palena). The Project Steering Committee that includes delegates from municipalities and indigenous and private and owners will meet twice per year. GEF resources will be required to cover some of these costs particularly those of indigenous people.
2	72100 Contractual services	To ensure top level expertise and to increase ownership and participation of national private sector and NGOs, specific technical tasks will be outsourced. Providers of services will be national although some ad hoc international individual expertise may be needed for advice at start up and completion of contracts. The procedures for bidding and remuneration levels will follow UNDP procedures as detailed in the Prodoc Section I Part III. The following contracts are envisaged: • 1 contract for defining the optimal institutional arrangements for PA system • 1 contract for identifying and PA funding strategies and mechanisms • 1 contract adjustments to optimize current regulatory mechanisms related to the PA system • 1 contract for designing and setting up a Knowledge Transfer Mechanism
OUTCOME 2: Sustainable and replicable models of NGO stewardship of protected areas are in place		
3	71600 Travel	Travel resources are required to support capacity building activities for local fund raising skills and for different concession schemes associated with setting up the long term funding mechanism for the pilot PA. They are also required for supporting consultations with primary stakeholders regarding modalities of the funding mechanisms and for the training and institutional capacity building for the Stewardship Entity that will take over responsibilities of PA management by the project end.
4	72200 Equipment	Through this Outcome NGO stewardship of a large PA will be piloted alongside buffer zone management in coordination with nearby PA under different management regimes. Two NGOs and the Gov is providing 95% of the costs of this outcome (total

	and furniture	7.07 million) however there are limitations in current equipment for monitoring and surveillance that if unattended would undermine the effective management of the Reserve. GEF resources are being requested for some of the key equipment and related infrastructure needs so that enforcement and management of the area can be optimized. As part to the pilot long-term funding mechanisms will be set up that will cover maintenance of structures acquired in the project and long term equipment and any further infrastructure requirements. Limited GEF co funding is required for completion of 2 shelters for park rangers and visitors; working and security clothing for 6 park rangers, 2 motorbikes given the PA size (59,426ha). **Response to GEFSEC Comments:** Given the evolving policies changes in GEF regulations regarding acquisition of equipment and furniture, and following negotiations with other funding partners, this line has been reviewed and adjusted in order to reduce inputs of GEF to equipment. The costs had included the purchase of some vehicles necessary for undertaking activities in Coastal Range PAs. The Chilean Government has made great efforts to explore alternative strategies to cover basic transport need. Therefore, the purchase of vehicles has been removed so *non GEF funding will be used to purchase any vehicle in this outcome.* Limited GEF funding is therefore being requested for purchasing basic equipment required for outfitting the visitors' shelter and setting up an efficient working environment for the PA Stewardship entity. The integrated financial package for this outcome is 7,470 US$ million of which GEF resources allocated to equipment represents 2.43%.
5	73100 Rental	No office rental expenses will be paid by GEF. Rental refers to venues for meetings and workshops with stakeholder for training and consultations in remote locations where there are no adequate Government facilities.
OUTCOME 3: *Sustainable and replicable models of collaborative buffer zone management are in place (IUCN-IV)*		
6	71600 Travel	A number of pilot projects will be implemented in remote areas in the buffer zones of two PA. The preparation of Property Management Plans will be develop, and pilots implemented on apiculture; nurseries and firewood certification. This will require intense technical support particularly in the first phases and travel costs associated with displacement across this large area. Similarly in the buffers of the PA to be set up in the Coastal region technical support requiring considerable overland travel will be provided for conservation set-asides in private lands alongside pilots of NTFP with associated business planning and market studies. The project will also support personal exchange among the various stakeholders and demonstration areas, thus, travel costs are also required for the stakeholders linked to the pilot sites to participate in training and learning activities (transportation, lodging, etc.).
7	72200 Equipment and furniture	This outcome focuses on piloting sustainable use activities of forests at buffer zones of Parks and Reserves so as to reduce pressures on these and reduce management costs. Similarly these pilots will be used to determine most viable land uses that can be incorporated into the overall Systems Plan for permitted buffer zone management and agricultural credit systems to favor such activities in BD sensitive areas. 30 projects will be supported for biodiversity friendly livelihoods and NTFP such as apiculture, nurseries, foliage-harvesting and basket-making. These will be implemented at a pilot level to test best practices; demonstrative viability and as hands on capacity training for other rural communities. The setting up of these will require specific equipment and material. The details of pilot projects are provided in Annex D1 along with costs and potential needs. **Response to GEFSEC Comments:** Given the evolving policies in GEF regulations regarding acquisition of equipment and furniture and following negotiations with other funding partners, this line has been reviewed and adjusted in order to reduce inputs of GEF to equipment. The costs included materials which included seeds for nurseries, wood for fencing, and other materials to establish honeycombs. Limited GEF funding is therefore being requested for the purchase of essential equipment for demonstration projects (establishing 30 biodiversity friendly and NTFPs projects). This includes bee production equipment such as melting tanks, protective clothing and smoke puffs and also for processing NTFPs such as foliage dryers. The integrated financial package for this outcome is US$5,626,778 of which GEF resources allocated to equipment represents 1.6%. More

		details are provided in Annex D1.
***OUTCOME 4:** Sustainable and replicable models of private and indigenous managed resource PA are in place*		
8	71600 Travel	This outcome includes the setting up of an indigenous reserve to increase ecosystem representativity under protection in the Coastal Andean Range. It will be based on the extensive consultation of indigenous landowners and will need their full participation in all aspects of setting up the PA. These indigenous communities are mainly located in remote areas and largely where there is no transport available which represents a barrier for their effective participation in project activities. Therefore, the project will provide with transportation costs for indigenous communities to enable them to participate in the definition of conservation areas and those more suited for managed use, the setting up and management of sustainable use pilots and their participation in training and learning activities in related themes and in the negotiation of the PA as part of the regional system. The project will also support lesson learning and best practices with other indigenous communities in the Coastal Range and of the Los Lagos and beyond to increase awareness in indigenous communities related to biodiversity and benefits they can gain from creating such managed-use reserves. In the inter-andean valley demonstrations of Managed Use Protected Areas will be set up on non indigenous private lands to define best approaches in three different categories that could form part of the Regional Network (livestock/forestry, preservation of mature forestry in plantations and native forest categories). This will require intense technical support and associated with displacement travel costs. Replications to at least 40 units in three sub-landscapes would be promoted by supporting visits to demonstration sites; holding awareness and training exercise across the entire Region and providing initial expertise to define replication potential-all of which incur travel costs. Travel support is also required for short term consultancies from outside the Los Lagos region for some of these pilots to be set up and for the development of incentives for indigenous and private land participation in the Regional network..
9	72200 Equipment and furniture	This outcome focuses on piloting sustainable use activities of forests in a productive landscape with private owners and in indigenous lands in a key biodiversity area. In addition to protection of BD in suit they will increase connectivity between existing State managed PA. Pilots will include testing viable land uses and developing PA management system. These include working with 40 landowners that have committed in writing to putting land aside for conservation and provide in kind funding for conservation activities and adoption of more biodiversity practices in the remainder part of their land. GEF resources will be needed to purchase basic equipment for these pilots including fencing, fitting out facilities for visitors and funding for alternative forest uses.These are described in detail in Annex D 2 and 3. **Response to GEFSEC Comments:** Given the evolving policies of GEF regulations regarding acquisition of equipment this budget line has been reviewed and redistributed into other budget lines in order to reduce GEF inputs to equipment. Limited GEF funding is being requested for the purchase of equipment critical to sustainable livelihood demonstrations in the indigenous protected area. This includes equipment for processing NTFPs such as oil extractors, fungi dryers and tools for handicraft making such as basket weaving and wood carving. The equipment line had also included materials for establishing tourism paths, wood for fencing, and these have been reviewed and placed into Materials & Goods budget line to better reflect their characteristic. The integrated financial package for this outcome is US$2,484,968 of which GEF resources allocated to equipment represents. 4.23%. More details are provided in Annex D2 and D3.
***OUTCOME 5:** Institutions and individuals in the RAPS have the necessary knowledge and skills to function effectively.*		
10	71600 Travel	A mix of training approaches/methods will be used for the development of abilities and skills of human resources at key institutions that will form part of the Regional PA system and for those non public PA owners including indigenous, private and consortiums of private and public entities. These include: short-term courses, workshops, retreats, conferences, and internships in themes such as PA categories, management planning, PA business plans, goods and services of forest ecosystems, farm

		management plans targeting biodiversity conservation amongst others. The project will also support in-service training of PA staff and exchange programs in PAs. International consultants, preferably from the LAC region, will be hired for specific training activities in themes such as ecotourism, management of the protected area regional system and sustainable use of natural resources. Their travels expenses will be paid with this item.
11	72100 Contractual services	To ensure top level expertise and to increase ownership and participation of national private sector and NGOs, specific technical tasks will be outsourced. Providers of services will be national although some ad hoc international individual expertise may be needed for advice at start up and completion of contracts. The procedures for bidding and remuneration levels will follow UNDP procedures as detailed in the Prodoc Section I Part III. The following contracts are envisaged • Contract for designing communication, dissemination, and awareness campaigns in the region • Contract for specific training programs for public service officers linked to the project, in biodiversity awareness, protected areas, planning, management and sustainable use and another contract for a similar training programme but targeting private landowners and hence required different approaches and deliveries. • Contract for training programs specifically designed for park rangers of public and private protected areas planning, management and sustainable uses of biodiversity
12	72200 Equipment and furniture	**Response to GEFSEC Comments:** GEF resources had been requested mainly for equipment for implementing the adaptive training programme such as portable computers, cutting-edge printers, data show, etc. However, given the recent changes in GEF regulations regarding acquisition of equipment the GoC will explore alternative strategies to cover such items and therefore equipment required for this outcome will cover only basic equipment for training for a total of 53,000, 3% of the integrated package for the outcome.
13	73100 Rental	No office rental expenses will be paid by GEF. Rental refers to venues for meetings and workshops with stakeholders for training and consultations in remote locations where there are no adequate Government facilities.
Project Management		
14	71600 Travel	Costs of travel in this outcome comprise expenses for overland travel of the project coordinator as part of routine oversight functions. It also includes limited travel to Santiago to meet with central government and to participate in the annual planning meetings to be held with other related GEF initiatives such as the National protected Areas to ensure lesson exchanges and cost efficiencies such as joint planning of needed external expertise where appropriate. It is also expected that over the life of the project the Coordinator or relevant project technical experts would participate in two technical workshops that promote lesson exchange, update in technical issues and GEF project procedures of other GEF projects in protected area management in the LAC region.
15	72200 Equipment and furniture	The design, setting up and operations of a Regional Protected System is a first time venture in Chile. It implies de-concentration of previously centralized environmental management functions and joint action of a range of Governmental institutions and private and indigenous land owners in one PA system. The very nature of the project thus requires that all institutions form part of the process and that while being led by CONAMA, right from the start the "System" needs to have its own identity and operational neutrality. As a first step Project Unit will act as the initial entity for setting set up and overseeing the PA System and thus needs this a separate identity and operational efficiencies. While a significant amount of co-funding has been mobilized from different governmental agencies and NGOS and private owners, this is largely related to specific project activities and products rather than co-funding the equipment and operations Project Management. Furthermore many Government Institutions have limitations that impede the purchase of vehicles and equipment for actions that are not strictly related to their specific institutional duties. Thus, GEF resources will be needed to co-fund the Project Management Unit setting up basic equipment

		needs and operational systems that will allow efficient implementation of the project. GEF resources are required for key equipment for office establishment and fitting-out for the project team for daily tasks. This includes portable computers that will be used for project management, cutting-edge printers, basic office furniture, data show, radio equipment for communications with in-site activities and 4WD pickup truck that will enable transfer and access to the different geographic zones of the project (with an average distance of 200 km with regard to the Project headquarters). GEF resources will not be used for rental. Through Output 1.3 the long term funding needs and sources for the RPAS will be determined including the maintenance of basic equipment purchased through the project and other equipment expenditure that would be required in the long term of the operation of the RPAS. **Response to GEFSEC Comments:** Given the evolving policies of GEF regulations regarding acquisition of equipment this budget line has been adjusted. In the specific case of vehicles and in the context of the total project budget the Chilean Government has made great efforts to explore alternative strategies to cover basic transport needs. This required the redistribution of budgets between funding partners and a reduction of the overall inputs of GEF to equipment. However, this redistribution has not been possible for the one vehicle requested in this Outcome. The Government of Chile has specific regulations regarding vehicles that impede the use of their resources for purchasing this vital equipment. Each Government institution has quotas for the number of vehicles on their fleet. In Los Lagos region CONAMA has only one vehicle and this fills its quota. It is used almost continuously in regular functions of this institution. Other Government services that are involved in the project activities, such as INDAP and SAG also have their quotas full and their vehicles similarly are fully engaged in the provision of routine extensions service over this large geographical area. The use of Government vehicles for project related activities will thus be very limited. In addition Chilean legislation obliges all Government vehicles to be driven by public employees. Although the Government is providing time of some public employees for the project these will also be limited to specific times and activities and will not be sufficient to provide the transportation that would be needed to under take the different pilot projects in remote areas. In addition to the use of the limited Government vehicles for providing extension services to implementation of demonstration pilots, it is estimated that a vehicle would be required by the project for at least 10 days a month to provide effective oversight and technical support to field activities. The cost of leasing a vehicle for this amount of time per month for the duration of the project would be 3 times higher than the cost of purchasing, and insuring a vehicle. If the vehicle were to be sold at project end and assuming an estimated devaluation of 30% over the project duration the cost effectiveness of purchase compared to leasing would be *ten times lower* than purchasing and later selling a vehicle. Therefore, given the exceptional circumstances governing acquisition of vehicles in Chile, the high levels of cofunding mobilized for this project and the high costs of leasing a vehicle, a request is being made to purchase one vehicle with GEF resources. This would guarantee effective monitoring of the different geographic zones of the project (with an average distance of 200 km with regard to the Project headquarters) providing an independence to this critical function of the project. The resources for this represent **0.12%** of the total project cost and **0.53%** of the GEF resources. It is proposed that if the GEF requires this vehicle would be sold towards project end and the resources could be channeled to other project activities. If this is not acceptable, the alternative would be to lease the vehicle as needed with the above mentioned losses in cost-efficiency.

OUTCOMES AND OUTPUTS	TOTAL (US$)	GEF (US$)	CO-FUNDING (US$)	
Outcome 1. Regional protected area structures are in place, including appropriate and sustainable policy, financing and institutions.	**2,979,482**	**1,410,000**		**1,569,482**
Output 1.1. Regional Protected Areas System (RPAS) designed.	140,241	50,000	72,000	RG
			18,241	CONAMA
Output 1.2. Regional System institutional and regulatory mechanisms created.	942,207	170,000	41,000	RG
			22,241	CONAMA
			18,966	CONAF
			690,000	CORFO
Output 1.3. Regional System funding mechanisms developed.	564,103	240,000	261,000	RG
			20,000	CONAMA
			43,103	CONAF
Output 1.4. Learning, adaptation, and evaluation systems established for (i) the Project, and (ii) the PA System.	1,332,931	950,000	110,000	RG
			12,931	CONAMA
			10,000	WWF
			250,000	INFOR
Outcome 2. Sustainable and replicable models of NGO stewardship of protected areas are in place.	**7,470,000**	**430,000**		**7,040,000**
Output 2.1. A Stewardship Fund established for a NGO reserve.	3,100,000	90,000	3,000,000	TNC
			5,000	RG
			5,000	CONAMA
Output 2.2. A Governance Arrangement established and tested for a NGO reserve.	4,370,000	340,000	4,000,000	TNC
			20,000	RG
			10,000	CONAMA
Outcome 3. Sustainable and replicable models of collaborative buffer zone management are in place (IUCN I-IV).	**5,626,778**	**980,000**		**4,646,778**
Output 3.1. Collaborative Buffer zone management is piloted in two public PAs.	862,640	300,000	20,000	RG
			30,571	CONAMA
			475,862	INDAP
			36,207	SENCE
Output 3.2. Collaborative buffer zone management piloted in a cluster of private and public PAs.	4,764,138	680,000	60,000	RG
			24,138	SENCE
			1,000,000	WWF
			3,000,000	TNC
Outcome 4. Sustainable and replicable models of private and indigenous managed resource PAs are in place (IUCN V-VI).	**2,484,968**	**882,000**		**1,602,968**
Output 4.1 Managed resource protected areas piloted with different private landowners in a fragmented landscape.	1,356,914	482,000	30,000	RG
			5,000	CONAMA
			631,293	INDAP
			196,552	SAG
			12,069	SENCE
Output 4.2. Managed resource protected areas piloted with indigenous landowners in a forest landscape.	1,128,054	400,000	225,000	RG
			57,847	CONAMA

			362,069	INDAP
			24,138	SENCE
			26,000	GIA
			30,000	Red PFNM
			3,000	Corp. Vertientes
Outcome 5: Institutions and individuals involved in the RPAS have the necessary knowledge and skills to function effectively.	**1,757,539**	**1,005,000**		**752,539**
Output 5.1 Adaptive training programme for protected area managers and staff.	954,763	405,000	6,660	CONAMA
			43,103	CONAF
			500,000	TNC
Output 5.2 Adaptive training program. for national and regional government staff directly associated with regional PA system.	450,000	350,000	100,000	RG
Output 5.3 Awareness Programme for all stakeholders in the system.	352,776	250,000	42,776	RG
			60,000	CONAMA
Total Cost (M US$)	**20,318,767**	**4,707,000**	**15,611,767**	

Letters of Co-Funding (see separate file). These include for:

Institution	Signing Person	Post	In cash Contribution	In kind Contribution	Total CHS	Total USD
Regional Government	Jorge Vives D.	Intendente Región de Los Lagos	535,950,000	36,380,000	572,330,000	**986,776**
CONAMA	Paulina Saball A.	Executive Director	94,125,000	50,000,000	144,125,000	**248,491**
INDAP	Jorge Cid M.	Regional Director	852,000,000		852,150,000	**1,469,224**
SAG	Alvaro Alegría M.	Regional Director	114,000,000		114,000,000	**196,552**
CONAF Nacional	Carlos weber B.	Executive Director	10,000,000		10,000,000	**17,241**
SENCE	Gloria González S.	Regional Director	56,000,000	--	56,000,000	**96,552**
CONAF Regional	Pedro Bahamondez B.	Regional Director	51,000,000	--	51,000,000	**87,931**
CORFO	Manuel Bagnara	Regional Director	400,000,000	--	400,000,000	**690,000**
INFOR	Francisco Perez M.	Executive (a.i.) Director	--	145,000,000	145,000,000	**250,000**
WWF	David Tecklin	Coordinator	585,800,000	--	585,800,000	**1,010,000**
GIA	María Elena Suvaike C.	Director	--	15,080,000	15,080,000	**26,000**
Red PFNM	Juana Palma M.	Director	--	17,400,000	17,400,000	**30,000**

Coorporación Vertientes	Marcela Riedemann V.	Legal Representative	--	1,740,000	1,740,000	**3,000**
TNC	Mónica Ostria	Director	6,090,000,000	--	6,090,000,000	**10,500,000**
TOTAL			**8,788,875,000**	**265,600,000**	**9,054,625,000**	**15,611,767**

Letters of Support are in Annex K: Commitment Letters for Pilots. These include for:

1. **Indigenous Owned Manager Use Protected Areas (IPA) letters from:**
   - Comunidad Melillanca Huanqui
   - Comunidad Trafunco Los Bados
   - Asociación Indígena Mujeres Follajes San Juan

2. **Protected areas in a the Coastal-Andes Conservation Landscape (CACL)**
   - Eduardo Patricio Cartagena Hermosilla
   - Roselín Angel Zapata Lepilén
   - Benjamín Burgos Fuentes
   - Marialis Francisca Cortés Kirch
   - Walther Constantin von Brandenstein Zeppelin

3. Demonstration Units (DU) around Alerce Andino National Park (AANP) and Llanquihue National Reserve (LNR)
   - Carlos Eliécer Marín Velásquez
   - Adriel Marín Velásquez
   - Adrián Edgardo Villarroel Barría
   - Amanda Argel
   - Carlos Aladio González Maldonado
   - Luis del Carmen Chávez Morales
   - Joel Vidal Monsalve
   - Luisa Tribino T.
   - Guillermina Llegues Paredes
   - Escuela Colonia Río Sur
   - José Rubén Ojeda Maldonado
   - Ramón Gómez Rosales
   - Rosamel Vargas
   - José Bernabé Vargas Concha
   - Corporación Comité de Servicio Chileno (COSECH)/ Raúl Fernández, Legal Representative
   - Comité Turismo Rural Brisas del Mar / Ma. Magdalena Cae Agüero, Representative
   - Submarino Ltda. / Santiago Vidal, Representative.

4. Demonstration Units (DU) for Tourism in Alerce Andino Nacional Park (AANP)

   - Abraham Ulises Guzmán Igor
   - Alfredo Mancilla S.
   - Víctor Gabriel Aguila Funanque
   - Juan Nolberto Chávez Vargas
   - Sergio Gerardo Mancilla Alvarez
   - Dionisio García / José Abraham García (hijo)
   - Rufina Irene Barría Alvarez
   - Amado Almonacid Maldonado
   - Mario Ildefonso Alvarez Gallardo
   - Ernesto García Montiel

SECTION IV: ADITIONAL INFORMATION

PART I: OTHER AGREEMENTS

Endorsement letter available in separate file

PART II: TERMS OF REFERENCE OF KEY PROJECT STAFF AND MAIN SUB-CONTRACTS

207. Following are the terms of reference for project management staff. These will be further discussed and be fine tuned during the inception workshop so that roles and responsibilities and UNDP GEF reporting procedures. During the workshop the ToRs for specific consultants and subcontracts will be fully discussed and for consultancies to be undertaken in the first 6 months of the project full TdR will be drafted along with the detailing of processes for section and hiring.

1. PROJECT UNIT

1.1 Project Director

208. This is a high-level staff member of the Implementing Partner (Conama) who will manage the political aspects of the project, including relations between CONAMA other government agencies and UNDP; as well as other GEF PA projects in Chile. The Project Director is in permanent contact with the National Project Coordinator in order to ensure coordination of activities and information mechanisms conducive to the project's implementation.

1.2 National Project Coordinator

Objectives and definition of the position: National Project Coordinator

209. The National Project Coordinator is responsible for the main execution of project activities, the follow-up and monitoring of performance indicators, and the project strategy and timing pursuant to its overall fulfillment. This includes the co-funding activities and/or those activities developed by other entities collaborating in the project. Likewise, it should ensure that the associated work plans and budgets will be executed within the parameters described within the project's logical framework and on schedule.

Responsibilities

The consultant's responsibilities are as follows:

a) Lead, coordinate, and supervise the Project Unit.
b) Prepare, develop, and fulfill with the annual work plans and budgets associated to the objectives set forth within the project's logic framework, and within the time schedule developed for their fulfillment.
c) Be responsible for initiating activities concerned and obtaining the expected outcomes within the time limits stipulated in the project's work plan, including those activities which were not contemplated though necessary for accomplishing the project's objectives.
d) Coordinate and supervise the project implementation at an operational level, providing the necessary outlines and support, while ensuring consistency of the related stages with the overall project's structure. In particular, he/she should prepare and coordinate together with UNDP and CONAMA the operational aspects for contracting and subcontracting professional services

(studies, monitoring, purchasing of equipment and input necessary for the execution of these activities). Likewise, he should take into consideration the necessary mechanisms for the monitoring and fulfillment of any external contracts and subcontracts.

e) Coordinate and supervise the professional team contracted pursuant to the project while providing the necessary outlines and support to ensure that the implementation of each one of the project components is consistent and consequent with the overall project's objectives and structure.

f) Regularly evaluate the project's progress and budgetary expenses, especially using project impact indicators. To this effect, he must ensure consistent information updating for them. The relevant information procedure should be by means of a Biannual Progress and Budget Report which will be subject to the consideration of the Project Steering Committee (PSC) at a meeting held twice a year, and to whom he will submit with one month in advance. Likewise, he should make an annual Project Implementation Report (PIR) to be submitted to the consideration of the UNDP. Without prejudice of the above, he should write bimonthly Executive Information Minutes and forward them to the National Project Director (CONAMA). Likewise, the NPC should coordinate external audits and evaluations at the request of UNDP. External evaluations and audits should be conducted at least twice within the life of the project, in agreement with CONAMA and UNDP. The NPC should to, and account for, any budgetary changes made in the course of the annual operations plan, for the consideration of the Project Steering Committee.

g) Establish and ensure the operation of the necessary coordination and information mechanisms conducive to the project's implementation. He should also include the coordination of the necessary external, private and/or state service agents in order to ensure the efficient implementation of any activities entrusted to the said agencies, the maintenance of private and/or state service regular information channels with the Project Steering Committee and other relevant actors pursuant to the project's implementation. Significantly, he should ensure a permanent coordination with the national project for the creation of a National Protected Areas System.

h) Coordinate, transfer information originated through the experience from the project implementation sites, and facilitate spaces for the analysis and discussion of the information thus generated.

i) Regularly inform and report to UNDP, CONAMA, and PSC on the experiences gained during the project implementation and, at the same time, channel and discuss the experience on similar initiatives conducted elsewhere in the world for the purpose of improving this project's operation and implementation.

j) Coordinate Monitoring and Evaluation functions for which a technical expersite will be envisaged. Ensure PNUD-GEF monitoring and evaluation procedures are fulfilled.

Consultant's Profile

a) A professional trained in the project's requirements: management of Natural protected areas, management of renewable natural resources, project management sustainable development, local and rural communities management, environmental sciences, economics or management of natural resources.

b) Experience and proven skills in coordination, negotiation, and leadership in public, sectorial, and private environments, of NGOs, multicultural environments, and of national and/or international technical and scientific experts, (required).

c) Experience in the management of mid- and long-term projects funded by several sources (public-private-foreign). Experience will be valued in field-project management as well as experience in the management, control, and administration of financial resources (highly desirable).

d) Experience in national or international biodiversity and sustainable conservation projects (required).

e) Proven capacity in conflict handling and negotiations (required).

f) Skilled in establishing relationships, and developing formal and informal knowledge and technical exchange networks as required by the project (highly desirable).
g) Experience in working with the public sector (required).
h) Fluent command of both written and spoken English (desirable).

Terms and Conditions

a) The selection of the consultant will be in common agreement by and between CONAMA and UNDP; and the selection and contracting process will be in line with UNDP standards. The contract will be on an annual basis and subject to renewal in accordance with the results from a performance evaluation. The contract may be terminated at any moment by the joint decision of CONAMA and UNDP.
b) The performance evaluation will be the responsibility of the Project Steering Committee (PSC) on the basis of the following basic criteria: the fulfillment of the work plan projected for each year, the progress shown by the project impact indicators, and the establishment of smooth work relations between the different agents taking part in the project.
c) The remuneration will be paid by UNDP on a monthly basis and charged to the project's personnel funds. The gross remuneration associated to the post is US$ 4,000 (four thousand dollars) a month, payable in domestic currency. It will be the consultant's responsibility to pay labor laws and other taxes.
d) The consultant's domicile should be located in (or around) the city of Puerto Montt, and he/she should be available to travel inside the region, to Santiago, and abroad.
e) The consultant's behavior should be in accordance with his status at all times; he should, in particular, make the necessary efforts to avoid conflicting interests with regard to the project and immediately report on any situation of this kind to the National Director.
f) The consultant should treat the information on the project in a confidential way; he is not in a position to trespass or pass information to third parties without the Project Director's authorization.
g) The consultant should give full-time attention to the present consultancy, and he may not enter into contractual relations with third parties unless otherwise agreed by the parties to it prior to the initiation of the consultancy. Likewise, if the candidate comes from the public sector, he is required to have resigned from it 6 months in advance or prior to the initiation of the project.
h) The consultant will operate, at least initially, in facilities provided by CONAMA *Región de Los Lagos*.

Initiation activities

The contract will start in June, 2007, and have a duration of 12 months, subject to annual renewals in line with the results from the consultor's performance evaluation.

Benefits

The contract benefits are those established by standard UNDP contracts.

1.3 Administrative Assistant

Objectives and definition of the position: Administrative Assistant

210. The **Administrative Assistant** will be under the supervision of the National Project Coordinator (NPC), and will be in charge of providing him/her with administrative and financial support for the implementation of the project. This will imply supporting the NPC in the financial planning and follow-

up of the activities in the Annual Operational Work Plans; preparing meetings, minutes of meetings; following-up and evaluating contracts and sub-contracts; keeping budgetary expenses information; supporting the preparation of reports, and in general, assisting the NPC in the administrative and financial management of the project

Responsibilities

a) Assist the NPC in the design, planning, management, implementation, monitoring, and control of all the administrative and financial components of the project.
b) Support the NPC in the preparation of budgetary and operational annual plans, particularly, to establish a procedure for controlling and following-up in detail the administrative activities at a regional level, to approve and disseminate at the Project implementation areas.
c) To administratively advise the NPC in the preparation of the Terms of Reference of international, national consultancies, training, sub-contracts and in general, of all service provided by third parties for the development of the national activities mentioned in the annual operative plan.
d) Apply and disseminate the procedures used by the implementing agency for purchasing supplies and equipment necessary for obtaining the outputs of the Project, and to establish a follow-up system of the correct application of them.
e) Assist the NPC in the preparation of Progress and Budgetary Reports, Executive Minutes, presentations and other information and dissemination requirements within the framework of the Project activities, or for the corporations, technical counterparts and Project Steering Committee of the Project. In order to achieve this, he/she shall create report structures or protocols according to the requirements of UNDP and GEF, and to keep an update data base of administrative information.
f) Constantly support and report to the NPC about the follow-up and supervision of external contracts, and guide the NPC regarding the evaluation in the fulfilment of them.
g) Support the NPC in establishing and expanding networks and contacts for the experience analysis derived from the administrative implementation of the project, as well as from the one coming from other similar initiatives around the world. Also, he/she shall support the development of information analysis instances, and the compilation of conclusions.
h) Support the NPC in the development and delivery of workshops, meetings and analysis instances of the Project results, information and other requirements of the Project.

Consultant's Profile

a) Professional with proven skills in general management: accountant, Project supervision, budget control.
b) Experience in management of public, private, international or mixed, short-term and/or long-term projects, and with different funding sources.
c) Experience in administrative management of biodiversity conservation projects, sustainable development, rural, regional or multi-ethnic development (desirable)
d) Skilled in establishing relationships with formal and informal knowledge and technical exchange networks as required by the project (highly desirable).
e) Experience in working with the public, private, and multi-ethnic sector , and with NGOs.
f) Fluent command of English at technical level (writing, reading) (desirable).

Terms and Conditions

a) The selection of the consultant will be in common agreement by and between CONAMA and UNDP; and the selection and contracting process will be in line with UNDP standards. The contract will be on an annual basis and subject to renewal in accordance with the results from a

performance evaluation. The contract may be terminated at any moment by the joint decision of CONAMA and UNDP.

b) The performance evaluation will be the responsibility of the Project Manager on the basis of the fulfillment of the work plan projected for each year.
c) The remuneration will be paid by UNDP on a monthly basis and charged to the project's personnel funds. The gross remuneration associated to the post is US$ 1,000 (one thousand dollars) a month, payable in domestic currency. It will be the consultant's responsibility to pay labor laws and other taxes.
d) The consultant's domicile should be located in (or around) the city of Puerto Montt, and he/she should be available to travel inside the region, to Santiago, and abroad.
e) The consultant's behavior should be in accordance with his status at all times; he should, in particular, make the necessary efforts to avoid conflicting interests with regard to the project and immediately report on any situation of this kind to the Project Manager.
f) The consultant should treat the information on the project in a confidential way; he is not in a position to trespass or pass information to third parties without the Project Manager's authorization.
g) The consultant should give full-time attention to the present consultancy, and he may not enter into contractual relations with third parties unless otherwise agreed by the parties to it prior to the initiation of the consultancy. Likewise, if the candidate comes from the public sector, he is required to have resigned from it 6 months in advance or prior to the initiation of the project.
h) The consultant will operate, at least initially, in facilities provided by CONAMA *Región de Los Lagos*.

Initiation activities

The contract will start in June, 2007, and have a duration of 12 months, subject to annual renewals in line with the results from the consultor's performance evaluation.

Benefits

The contract benefits are those established by standard UNDP contracts.

2) TECHNICAL EXPERTISE

211. Technical expertise will support the NPC in specific technical tasks. It is expected that the professionals to be hired should have skills in the areas of social development (especially in indigenous communities), sustainable productive development, and conservation ecology, and will be in charge of these themes across the different pilot projects. This will ensure the integrity of each sub-component, and the feedback between them, as well as making the necessary adjustments in order to achieve the proposed objectives. This professional team is complemented by a Communications Manager, who will be in charge of supervising the carrying out of dissemination campaigns, and highlighting the activities carried out by the Project Unit and a Monitoring and evaluation expert who will ensure sound monitoring and evaluation of the project according to PNUD-GEF procedures.

3) OTHERS

3.1 Other consultancies and subcontracts

212. Additional national and international experts will be hired to lead key project components and/or provide technical assistance and expertise on specific issues at critical moments during the project's life. These will be developed by the National Project Coordinator with criteria and details as outlined in the Inception Workshop. The TdR and hiring of key consultants will be undertaken in liaison with the UNDP CO and Regional Coordination office in Panama. The details of this will be determined in the Inception Workshop and will form part of the Inception report.

213. For the delivery of specific outcomes/activities other subcontracts will be required; for this purpose the project might seek the services of local organizations (e.g., NGOs, universities, research institutions, consulting groups). These contracts will be issued according to UNDP guidelines. Following the procedures and approaches determined in the Inception Workshop the detailed ToRs will be prepared by the General Coordinator according to the schedule of activities. Again, where appropriate, these will be discussed with the RCU,

PART III: STAKEHOLDER INVOLVEMENT PLAN

I. PDF-B: INFORMATION DISSEMINATION, CONSULTATION, AND SIMILAR ACTIVITIES THAT OCCURRED DURING PROJECT PREPARATION

214. Extensive stakeholder participation was sought and obtained during the preparation of the project design. Initial project concept development was undertaken in a multi-stakeholder workshop with relevant representatives of Region X's environmental community. To ensure that this initiative continued to reflect regional and local realities, the FSP preparation was also undertaken through a participatory consultation process, headed by CONAMA. This process included visitations to locations throughout Region X and the realization of numerous community and other stakeholder meetings. It also included 10 regional inter-institutional consultations through the formation of an Operations Committee with representatives from all the public institutions related to the theme of biodiversity conservation and protected areas. Various meetings and workshops were held in the provinces of Puerto Montt, Osorno and Valdivia.

215. Additionally two workshops for stakeholders with a relevant technical expertise were carried out in December 2004 and January 2005 and counted with participants from NGOs and researchers from the most important universities in Region X. All key regional public and private institutions have been directly involved and updated of the project development through two working group meetings, during which the Logical Framework and the proposals for the Pilot Demonstrations were discussed and fine tuned. Other stakeholders including local NGOs have also been direct participants in project design, most notably through the preparation of several fundamental Background Studies, which provided the basis for the design of specific Pilot Demonstrations and ensured that the project design was not solely a CONAMA-driven process. The actual implementation of these Pilots will be determined through a transparent contract licitation process and will seek to ensure a wider range of different stakeholders (see below). Finally, a reunion was held for the private Protected Areas owners in the Region in order to obtain their input and comments to the creation of a Regional Protected Areas System.

216. This participatory process enabled on-going complementary actions to be identified, to determine potential partners in implementation, to consult on project design, and to gain local support and invite participation. The result of this initial process up front has already produced positive impact in terms of higher regional awareness regarding both biodiversity conservation and the role of PAs for in-situ conservation and in forming informal networks of regional and local groups working in common directions. Notably this process has also levered a substantial amount of co-funding resources through regional and local institutions, thereby ensuring higher participation once the project enters implementation. Key stakeholders have also continued to express support for the project's objectives throughout the entire preparation phase. Tangible support for the project is most clearly illustrated in the numerous Letters of Commitment obtained from the key stakeholders to be involved in the project implementation, of which especially the ones from the local private landowners and indigenous communities should be noted (see Annex K: Commitment Letters for Pilots). The list of letters is included in Section III of the UNDP Prodoc.

217. In the long term the proposed Regional PA system will bring under protection sites that have high biodiversity value and that are currently under represented in the Valdivian ecoregion in existing public protected areas. As such from the start of project preparation care was taken to involve indigenous landowners and their representatives in project design and implementation. The

Stakeholder Analysis that identified key stakeholders and assessed their mandates, roles, importance and influence on the project included 6 indigenous stakeholder groups (Table 2 of the Stakeholder Analysis provided in Annex E of PRODOC (p.142). Consultations with the indigenous owners were undertaken in compliance with the *UNDP policy on Indigenous Peoples* that requires the free and prior informed consent of indigenous peoples to "development planning and programming that may affect them" [VA.28, UNDP Policy "UNDP and Indigenous Peoples - a policy of engagement"]. These consultations included:

- January 2005: Consultation meeting for presenting, discussing and further developing the Project logframe matrix In this meeting, 21 indigenous landowners and community leaders participated (please refer to Annex K for list and signature of participants).
- April 2005: Community meeting for presenting and discussing findings of the socio-economic characterization of the indigenous communities, discussing the interest of the communities in participating in the project. This also helped identify those communities that had a special interest of being part of the project.
- February – July 2005: several bilateral meetings between PDF team, consultants and indigenous leaders of interested communities were held.
- December 2006 and January 2007: Trafunco Los Bados community meetings. These meetings were held to coordinate and initiate the zoning and the biological base line study of the Trafunco los Bados community and to facilitate the initiation of implementation once CEO endorsement is obtained.(please refer to Annex K for list and signature of participants).

218. As a result of these meetings and in agreement with these indigenous stakeholders the final project design identified an indigenous area to pilot the *Sustainable and replicable models of indigenous managed resource protected area* in the Trafunco Los Bados community in the Coastal Range (details see PRODOC, Annex D3, p.132-141). Official confirmation of commitment from the two communities in the pilot area (Comunidad Melillanca Huanqui and Comunidad Trafunco Los Bados) and one indigenous association (Asociación Indígena Mujeres Follajes San Juan) is indicated in the original letters in the Prodoc in Spanish. These have now been included in Prodoc Annex K in English and underline:

- The commitment and willingness of the two indigenous communities with lands within the potential PA area to take part in the participatory design of the project for the Regional System which would include the implementation of a PA in their lands
- Upon approval by GEF of the project they groups also indicate their commitment to: i) Support implementation allowing access to their lands, providing information and computing contribution made by the communities as an economic contribution made by the community, or communities, to this project; (ii) To participate in the zoning process and make administration plans for the future Protected , (iii) Participate in legal figure selected for administration of this future Protected Area to ensure ancestral rights and customs will be protected according to the current legislation.

219. To safeguard indigenous participation and protection during the project several specific activities and approaches are included (more details Annex D.3, Prodoc, p. 132-141):

- Territorial land use planning will be carried out with indigenous owners for the whole indigenous land property of the community including the identification of which areas are the most bio-diverse within the overall reserve.
- Conservation set-asides selected within this land planning exercise will be delimited within the overall reserve.

- Sustainable livelihood activities will be designed with indigenous groups and implemented around the conservation set-asides to boost the income of these families.
- Indigenous families will be trained in the key aspects related to PA management, including the business planning needed for the sustainable uses
- Support will be provided to the communities in obtaining official recognition of the entire Reserve and establishing it as a legally defined Managed Use PA as per the IUCN Category V and to ensure that the new PA is receiving preferential treatment for regional land use incentives
- A representative from the involved communities will become member of the Project Steering Committee, which will initially be in charge of the Regional PA System.
- The involved communities will be included into the management structures of the Regional PA System

220. Furthermore, all interventions will be undertaken with the direct participation of the community leaders and local families. In addition, different members of the communities, including young people, women and men, are interested in and will take charge of different aspects of the planned activities. Implementation will take place under two modes: (i) In conjunction with public institutions such as INDAP, through its PRODESAL (Program for agricultural and forestry development), and CONAF, with its instruments linked to Management and Reforestation Plans. (ii) Through productive development programs led by CSOs such as Corporación Vertiente, Grupo de Mujeres Huilliches Follajes , Asociación Indígena Bosque Sin Frontera and the Grupo de Investigaciones Agrarias. The beneficiaries (indigenous land owners) through the respective community leaders and associations, will be responsible for the *ex ante* assessment and *ex-post* monitoring to determine the adaptation, ownership and coherence of the project actions including the co-funding sources from public agencies and NGOs involved. This will include an evaluation of the fulfillment of goals and technical processes associated with the intervention and its final outcome.

II. FULL-SIZE PROJECT: PLANNED STAKEHOLDER PARTICIPATION AND THEIR INVOLVEMENT IN PROJECT-RELATED DECISION MAKING AND IMPLEMENTATION

221. Since much of the project's success is predicated upon involving a host of public and private stakeholders (see above) in a partnership for overall project implementation, special effort and distinct activities will continue to be included during project implementation to promote and sustain this essential partnership relationship.

(i) Decision making – through the establishment of the **Project Steering Committee**, among others. Specific details on the decision-making process during project implementation are provided in the prodoc Part III: Management Arrangements section and Annex H (Monitoring and Evaluation Plan). Moreover, the establishment of different project structures, such as the Pilot Demonstration interventions, will follow a participatory and transparent process involving the confirmation of all key stakeholders; conducting consultations with these stakeholders; development of Terms of Reference and ground-rules; founding meeting to agree on key decisions and project steps.

(ii) Capacity building – at the systemic, institutional and individual level – is one of the core strategic interventions of the project and will target key stakeholders who may be involved in brokering, implementation and/or monitoring collaborative management agreements. The project will especially target institutions operating at the regional and local levels, to enable

them to actively participate in developing and implementing the regional PA System, including new coordination and management arrangements.

(iii) Communication - will include the participatory development of an integrated Communication Strategy (Output 5.3.). Materials will be developed with the assistance of the Pilot Demonstration participants and other key stakeholders. Community outreach activities will ensure active dissemination of the information to all communities living within the planning domain. The Communication Strategy will be based on the following key principles: (i) providing information to all key stakeholders; (ii) promoting dialogue between the Project PMU and key stakeholders; (iii) facilitating access to information; and (iv) fostering a consistent image and brand for the Regional PA Systems Project.

222. Whenever possible, project activities will emphasize participatory social and institutional processes in working towards the defined Project Outcomes. Moreover, specific project outputs, such as Management Plans for the PAs, will be carried out in a participatory fashion. The creation of participation will involve a qualification process for the participating actors and the definition of effective participation. Based on these activities, the local technical teams of the project will be formulated. The following outlines some specific project activities with a high degree of stakeholder participation against the specific Project Outcomes:

223. As part of **Outcome 1**, the Project will facilitate the creation of the future institutional structure for long-term management of the Regional Protected Areas System for Los Lagos Region (see Annex F). A multi-stakeholder body will govern this Entity, which is provided for under Law 19.175 on Regional Government and Administration. This Law establishes that Regional Government representatives will occupy at least one-third of the directorships, to be confirmed by the Regional Council at the recommendation of the Regional Governor. In basic terms, the governing Board of this Foundation or Corporation will include: The Regional Governor (*Intendente*), as President of the Board; a representative each from CONAF, CONAMA, the Ministry of National Property, and INDAP; three members from the private/civil sectors (from NGOs linked working with PAs, owners of private conservation areas, and indigenous representatives); a representative of the Municipalities in which the Protected Areas are located; and a representative of private companies with native forest resources.

224. Another key participatory project activity concerns the preparation of the Annual Operative Plans, which will be prepared for each year the project is under implementation. These will identify the steps, stages, and methodology required to facilitate the design, implementation, monitoring and assessment of the Annual Plan of the Regional PA System in accordance with the project objectives and Outcomes. The Annual Plan will seek to build a long-term shared vision. It will also create an agreed upon vision of the Regional PA System to enable biodiversity protection/conservation/preservation. This definition will include identification of key aspects of the system. In addition, the Plan will adopt a concrete orientation for each year in the form of a slogan of theme. The Plan will also contain the design of potential actions to promote aspects of the system and relationships of influence, in accordance with the Project's expected outcomes. To this end, public and private stakeholders will participate in different actions aimed at building trust, working towards a shared Regional Vision, designing creative actions and evaluating the project. The Annual Plan must be approved by the Steering Committee and will be defined as a commitment arrangement. The Plan will include a publicity strategy aimed at the general public and actions to align private, public and municipal stakeholders. The actions approved in the respective Plan will be implemented in a coordinated manner among different stakeholders.

225. The different planned Pilot Demonstrations toward **Outcomes 3 and 4** will each have their specific elements and mechanisms for a high degree of stakeholder participation and involvement:

226. **Output 3.1 (SNASPE Buffer Zone Pilot)**: The central participatory body for all directly involved stakeholders in these Pilots is the Protected Area Advisory Committee. The Advisory Committee will act as the formal channel for the interaction of each SNASPE PA unit with the community. It will be a broad-based, standing committee that accepts new members in accordance with specific needs that develop. These committees are composed of local authorities, representatives of community groups or segments of the local population, CONAF delegates and Project staff. These advisory committees will act as a conduit for dialogue, information, training, planning and financing of the process by strengthening the participatory planning processes of the SNASPE unit and its buffer zone, to improve the effectiveness of SNASPE unit management. It will also facilitate open discussion of problems and/or solutions that arise, bringing CONAF's current management more in line with local social and institutional realities. Moreover, the Advisory Committee will facilitate the design of a participatory management plan for each PA (Alerce Andino National Park and Llanquihue National Reserve) and their buffer zones through workshops with those involved (private landowners, tourism concession holder, PA administrators, and project staff). Research and academic centers, as well as recognized experts in the field, will also be invited to participate in this process.

227. **Outcome 2 and Output 3.2 (related to the NGO TNC-WWF Reserve)**: Local participation will be promoted through four mechanisms: (i) A participatory Conservation Action Planning process; (ii) a community outreach and extension plan; (iii) facilitation of a Community Advisory Council, and (iv) a local organizational capacity building program.

Conservation Action Planning: TNC's conservation planning methodology includes workshops for local communities and other relevant stakeholders – such a local scientists and NGO's representatives – to gather local knowledge and to identify conservation threats. This will lead to the definition of a sound conservation strategy and zoning for the Reserve and buffer zone, incorporating local traditional uses of resources such as Non-timber Forestry Products.

Outreach and Extension Plan: The Reserve as developed an Outreach and Extension Plan aimed at informing fully the local communities about the Reserve and related initiatives, stimulating community involvement and discovering opportunities for collaboration. This plan includes the production of culturally and locally appropriate communications tools including radio spots, posters and a traveling exhibit. It also includes periodic meetings, workshops and the organization of cultural and sporting events. This plan will focus on the ten localities closest to the Reserve as the first priority for attention. Beyond this initial ring, communications activities will also include the rest of the Corral Municipality, and occasionally extend to the Region.

Community Advisory Council: Twenty grassroots organizations exist in the vicinity of the Reserve, and have met periodically under the Reserve's auspices. This forum will be formalized as a space where the community organizations can discuss and pursue their own initiatives or interact with the Reserve staff and supporting organizations. Reserve staff will have a strictly facilitating role for this advisory council, but will seek to ensure at least bi-monthly meetings. This council will have a mandate to be inclusive, open and transparent.

Capacity building for local organizations: Capacity building will be at the core of the Reserve's community extension and development initiative. Over a three-year period, TNC-WWF and other donors will invest in building local capacity both at the level of community organizations, and micro-enterprises. At the community organization level, periodic training workshops will be held, scholarships will be provided for existing training courses, and technical assistance will be offered to selected organizations on a demand basis. In addition, a land use planning process will be organized fundamentally as a capacity building tool, to increase local knowledge and social capital. Enhanced capacity to pursue economic opportunities will be generated through workshops, and technical assistance.

228. **Output 4.1 (managed resource protected areas in a fragmented landscape):** A Committee of Co-implementers will be created to bring together all small and large private landowners who will sign a co-implementation agreement for a demonstration experience. This Committee will act as an advisory body and will be used to disseminate information produced. Decision-making will be subject to a consultative process and the necessary agreements will be built to validate the standards for incorporating new experiences into the network, whose landowners will be part of the committee. The dialogue process of this voluntary advisory body will be facilitated as needed to foster trust with a view to building agreements that last. To this end the participants themselves will define the basic rules and regulations, as well as the frequency, location and format of the committee meetings based on those proposed by the coordinator, who will act as facilitator and will coordinate this body's interaction with others to be established in the regional project.

229. In addition, representatives of this committee will participate in a Public-private Board together with representatives of the public services (CONAMA, CONAF, SAG, INDAP, etc) and the most relevant associations (CORMA, SAVAL, FEDELECHE, etc.). This public-private Board will be integrated with the Regional PA System structure, and its decisions and agreements will be legally binding upon the different public programs operating in the region. Thus, both its composition and structure and operational norms will be formally established within the context of the future institutional arrangement set up to administrate the RPAS.

230. **Output 4.2 (managed resource protected areas with indigenous landowners):** The Pilot Area of each indigenous community will have an organizational entity called the Management Unit (*Unidad de Gestión*) which is composed of all organizations currently in force in the demonstration unit area, including Trafunco los Bados, Melillanca Huanta, *Asociación Bosque Sin Fronteras* and the *Grupo de Mujeres Huilliches Forrajeras*, as well as the indigenous landowners themselves. This body will meet regularly for decision-making and will be composed of the indigenous stakeholders mentioned. Of vital importance to this group is the sharing of information and strengthening of ties.

231. The activities with indigenous communities will be carried out under two different formats. The first through the application of programs based on PROCESAL instruments and forestry and agriculture management plans together with State institutions such as INDAP and CONAF. The second format will be through productive development programs implemented by CSOs such as the *Corporación Vertiente*, the Huilliche women foragers group, *Asociación Indígena Bosque Sin Frontera* and the *Grupo de Investigaciones Agraria.*

232. The activities of the indigenous community will be integrated into the regional PA system through an Advisory Committee composed of participating members of PRODESAL-INDAP, Corp. Vertiente and GIA, as well as representatives of the indigenous communities themselves to coordinate, plan, organize and implement conservation activities included within the Pilot activities.

233. Towards **Outcome 5**, as part of the planned Training Programme, the project will develop an Information Network for effective management and exchange among public and private Conservation PAs, and also networks at the local level as part of the RPAS for exchange of management experiences and assistance between public and private PAs and other private interest groups to assist conservation and the public entities located in the same area. The training-related Work Programmes will be established through workshops, to strengthen the actualization of joint actions, in themes such as Information sharing; joint surveillance programmes, strategic negotiation with tourism enterprises, etc. Study tours for knowledge-sharing among both public and private PA Staff involved in the RPAS will be organized.

234. In terms of monitoring and evaluation, each Pilot Demonstration process will be evaluated regularly in terms of progress made and barriers faced in all aspects. To accomplish this, evaluation workshops will be held every quarter with all direct participants, with the assistance of external experts to guide the process and ensure all stakeholder perspectives are expressed. Annually, a previously prepared, systematic evaluation of both internal and external aspects will be undertaken.

III. IMPACTS ON BENEFICIARIES AND VULNERABLE GROUPS, ESPECIALLY INDIGENOUS COMMUNITIES, WOMEN, AND DISPLACED HOUSEHOLDS.

235. In terms of benefits accruing to stakeholders, the sustainable conservation of biodiversity values within the Project Area will provide benefits that are significant globally, nationally and locally.

Global benefits of the project will include the securing of long-term protection for globally significant species, habitats, and local communities that are currently stressed and are increasingly threatened by the numerous factors elaborated in the previous Threat Analysis section.

National benefits accruing from the project will include the enhancement and distribution of protected area management capabilities – including to the local communities living within and around the PAs -, the improved collaboration between regional public and private PAs, the consolidation of a sound financial footing to ensure the protected areas' sustainability, and the accumulation of transferable knowledge and skills to other contexts. The PA administrations and staff will benefit from exposure to new management approaches, improvements in the information base, enhanced capacity to effectively manage the PAs, upgraded skill sets through training opportunities, and improved relations with local communities.

Locally, vulnerable groups - especially indigenous communities, women, and poor private landowners, - will benefit from the local territorial planning process, mainly with the introduction, implementation and dissemination of alternative sustainable economic, environmental and technological activities; the support from conflict resolution processes and rural governance; the development of awareness of environmental values and environmental governance principles; and the increment of the capacity for territorial and environmental management of the PA authority, local government agencies and communities. Through the provision of alternative livelihood options to the resident population, the project will enhance local support for conservation, and will stimulate the

development of self-reliance and sustainable economic use of the areas' biodiversity resources. The project will provide these communities with the knowledge and mechanisms to adapt their use of the PAs that optimize their economic and social welfare while sustainably conserving their biodiversity values. In addition, secondary beneficiaries, including NGOs, government agencies and partners in project delivery, will benefit from their own capacity building.

SECTION V: ANNEXES

ANNEX A: BIODIVERSITY AND CHILE'S PROTECTED AREAS

Table A-1: Number of Protected Areas per Management Category of the Washington Convention[32] used in the National System of Wilderness State Protected Areas (SNASPE)

Management Category of SNASPE	# PA in SNAPSE	Management Objective	Equivalent IUCN Category
Pristine Wilderness Area	0	A region or area with unmodified natural flora and fauna, with primitive settlements and communications and an absence of roads for motorized traffic and a ban on any commercial exploitation.	Category I: Strict Nature Reserve
National Park		Extensive areas established to protect and conserve natural scenic beauty and Chilean flora and fauna. Educational, scientific and/or recreational activities are allowed where compatible with the conservation objectives.	Category II: National Park
Natural Monument	15	Natural Monuments are usually limited areas, which are established with the aim of preserving a specific feature or flora or fauna species of esthetic, historical or scientific value under absolute protection, except for authorized scientific research or official inspection.	Category III: Natural Monument
National Reserve	48	Regions established for conservation and use—under official supervision –of their natural riches, in which the flora and fauna are protected to the greatest degree possible in accordance with the objectives for which these areas were created.	Category IV: Habitat/Species Management Area

Table A-2: Hectare coverage and number of Public Protected Areas that form the National System of Wilderness State protected Areas SNASPE

Region	NP	NR	NM	Total (ha) SNASPE	# PA	Biosphere Reserves	Ramsar Sites
I	312,627	309,781	11,298	633,706	5	NP Lauca, NR Las Vicuñas and NM Salar de Surire	Salar de Surire and Salar de Huasco
II	268,671	76,570	31	345,272	4		Salar de Tara, and Hydrological System of Soncor
III	148,544		--	148,544	3		Negro Francisco and Santa Rosa Lagoons
IV	9,959	5,088	128	15,175	4	NP Fray Jorge	Conchalí Lagoon
V	24,701	19,789	5	44,495	7	NP Juan Fernández Peninsular, NP La Campana and NR Peñuelas Lake	El Yali Wetland
RM	--	10,185	3,009	13,194	2		
VI	3,709	42,752	--	46,461	3		
VII	--	18,669	--	18,669	7		
VIII	11,600	72,759	--	84,359	5	NP Conguillio,NR Alto Bío Bío	
IX	147,538	149,022	172	296,732	13		
X	491,309	112,716	2,517	606,542	13	-	Natural Sanctuary of Carlos Andwanter
XI	2,064,334	2,223,913	409	4,288,656	17	NP San Rafael Lagoon	--
XII	5,235,253	2,346,189	311	7,581,753	11	NP Torres del Paine	Lomas Bay
TOTAL	**8,718,245**	**5,387,432**	**17,879**	**14,123,556**	**94**		--

[32] Developed from information from CONAMA website and Manual para Guardaparques Parte I, Las Areas Silvestres Protegidas y la Conservacion de Espacios Naturales, CIPMA, January 2003.

PROTECTED AREAS IN THE REGION X –LOS LAGOS

Table A -3: Public Protected Areas in Chile's Region X that form part of the National System of Wilderness State PAs (SNASPE)

Location (*)	Name & Type and year created (**)	Province	Size (has)	Main Ecosystems/ Habitat (***)	Main Threats	METT
	National Parks:					
Andes	National Park Puyehue (1983)	Osorno	106,77	Temperate Deciduous Forest (1,6) Temperate Laurecea Forest (1,2)	Adjoining properties that engage in unauthorized use of parklands for livestock grazing and tourism, impeding access to CONAF.	48
Andes	National Park Vicente Pérez Rosales(1981)	Llanquihue	253,78	Temperate Deciduous Forest (6) Temperate Laurecea Forest (1,2)	Private properties used for livestock activities and squatters on public properties with have livestock that freely occupies park space increases forest fire risk and pressure on Alerce resources.	57
Andes	National Park Alerce Andino (1982)	Llanquihue	39,255	Temperate Laurecea Forest (1) Temperate Resinous Forest (3) Temperate Evergreen Forest (4)	Pressure from the use of Alerce forest resources in some sectors by inhabitants of adjoining properties and risk of forest fire.	54
Andes	National Park Hornopirén (1985)	Palena	48,232	Temperate Deciduous Forest (1,6) Temperate Resinous Forest (3)	Pressure from the use of Alerce forestry resource by those in adjoining properties and forest fire risk	47
Coast	National Park Chiloé (1983)	Chiloé	43,057	Temperate Laurecea Forest (3) Temperate Resinous Forest (4) Temperate Evergreen Forest (4)	Use of coastal resources by small-scale fishermen and risk of fire.	63
Andes	National Park Concovado (2005)	Palena	210,13	Temperate Evergreen Forest (3,4) Temperate Deciduous Forest (1)	Existence of illegal squatters who introduce livestock, and in coastal areas temporary dwellings of small-scale fishermen increase risk of fire.	--
	National Reserves:					
Andes	National Reserve Mocho-Choshuenco (1997)	Valdivia	7,537	Temperate Deciduous Forest (1,6)	Potential of fires from neighboring properties.	22
Coast	National Reserve Valdivia (1983)	Valdivia	9,727	Temperate Laurecea Forest (3,2)	Pressure from the use of forest resources by neighbors and the city of Corral in regard to waste, and forest fire risk associated with these factors.	53
Andes	National Reserve Llanquihue (1982)	Llanquihue	33,972	Temperate Laurecea Forest (1) Temperate Resinous Forest (3) Temperate Evergreen Forest (4)	Pressure from the use of some Alerce forest resources by neighbors and evergreen, and forest fire risk	35
Andes	National Reserve Futaleufu (1998)	Palena	12.065	Temperate Deciduous Forest (5)	Pressure from the use of mountain cypress and lenga forest resources and introduction of livestock that affects the huemul population by those on neighboring properties.	35
Andes	National Reserve Lago Palena (1970)	Palena	49,415	Temperate Deciduous Forest (5)	Pressure from the introduction of livestock by inhabitants of adjoining properties, and forest fire risk.	37
	Natural Monument					
Coast	Natural Monument Alerce Costero (1982)	Valdivia	2,308	Temperate Laurecea Forest (3) Temperate Resinous Forest (4)	Potential of forest fires from adjoining properties.	52
	Natural Monument Lahuen Nadi (2000)	Llanquihue	200	Temperate Evergreen Forest (4)	Potential of forest fires from adjoining properties.	38
Coast	Natural Monument Islotes de Puñihuil (1996)	Chiloe	9	Temperate Evergreen Forest (1)	Pressure from greater tourism use- wildlife observation	33
	TOTAL		**607,55**			**41**

(*) In terms of the mountain range and inter-andean valley; (**) Year in which the decree creating the PA was last modified; Sources: Mardones, 1999 and Infante, 2005.
(***) According to the classification used in table below.

Table A-4. Representativity of Valdivian Temperate Rain Forest constituent ecosystems conserved under the Baseline and the GEF Alternative

Habitat Type	Loca/ tion	Forest Ecosystems		Area (has)	Ha currently protected by SNASPE	% Area protected in SNAPSE	Additional % in Buffer with project	Additional % PA areas at end of project	Additional % PA area 5 years after the project
			Characteristic Species						
Temperate Deciduous Forest	Andean	1	*Nothofagus pumili; Ribes cucullatum*	221363.667	132133.942	59.69	0	0	0
		2	*Nothofagus alpina Dasyphyllum diacanthoi*	113941.893	222.442	0.2	0	0	0
		3	*Nothofagus alpina N. dombevi*	129192.089	732.254	0.57	0	0	0
		4	*Nothofagus pumilio Araucaria araucana*	6680.478	0	0	0	0	0
		5	*Nothofagus pumilio Berberis ilicifolia*	394710.84	36104.43	9.15	0	0	0
		6	*Nothofagus pumilio Drimys andina*	426893.99	131913.897	30.9	0	0	0
		7	*Nothofagus obliqua Laurelia sempervirens*	1108376.38	2349.557	0.21	0	5.20	6.74
Temperate Laurecea Forest	Andean	1	*Nothofagus dombeyi Saxegothaea conspicua*	313988.033	124269.091	39.58	0.02	0	0
	Interior	2	*Nothofagus dombeyi Eucryphia cordifolia*	216947.902	23382.76	10.78	0	0.10	0.67
	Coast	3	*Weinmannia trichosperma Laureliopsis phillipiana*	1041086.65	55840.203	5.36	0.2	0.24	1.42
Temperate Resinous Forest	Andean	1	*Araucaria araucana Nothofagus dombeyi*	8084.885	0	0	0	0	0
	Andean	2	*De Austrocedrus chilensis y Nothofagus dombeyi*	12411.334	467.761	3.77	0	0	0
	Andean	3	*Fitzroya cupressoides*	321973.196	62610.404	19.45	8.14	0	0
	Coast	4	*Fitzroya cupressoides*	87367.247	18124.931	20.45	0	4.34	4.85
	Coast	5	*Pilgerodendron uvifera Tepualia stipularis*	269432.475	0	0	0	0	0
Temperate Evergreen Forest	Coast	1	*Aextoxicon punctatum*	43667.619	1513.951	3.47	0	4.03	12.08
	Andean	2	*Nothofagus betuloides Laureliopsis phil*	36307.803	19598.992	53.98	0	0	0
	Interior	3	*Nothofagus betuloides Desfontainia sp*	186277.253	62073.528	33.32	0	0	0
	Interior	4	*Nothofagus nitida Podocarpus nubigena*	1384444.39	113365.865	8.19	0.63	0	0
High altitude desert	Andean	1	*Nassauvia dentata Senecio portalesianus*	10543.832	2855.555	27.08	0	0	0
Deciduous Scrub	Andean	1	*Nothofagus antarctica*	2283.445	2260.572	99.00	0	0	0
Patagonian Scrub	Andean	1	*Adesmia longipes Senecio bipontini*	4290.349	2975.94	69.36	5,76	0	0
Total				**6340265.744**	**792796.075**				

Table A- 5: Temperate Rain Forest Eco-region constituent ecosystems conserved through the principal (known) Private Protected Areas in Los Lagos Region (X)

Private Protected Area	Habitat Type	Areas [ha]	Total Area [ha]	Representativity
Chan Chan	Temperate Deciduous Forest	1.968	670.028	0,29%
	Temperate Laurecea Forest	2.004	1.041.087	0,19%
Enco	Temperate Deciduous Forest	16.916	891.392	1,90%
	Temperate Laurecea Forest	3.700	1.041.087	0,36%
Huilo-Huilo	Temperate Deciduous Forest	49.915	891.392	5,60%
	Temperate Laurecea Forest	9.609	1.041.087	0,92%
Parque Oncol	Temperate Laurecea Forest	748	1.041.087	0,07%
Pinera (SN)	Temperate Resinous Forest	107.798	269.432	40,01%
	Temperate Evergreen Forest	1.123	1.384.444	0,08%
Pumalin	Temperate Laurecea Forest	52.924	313.988	16,86%
	Temperate Resinous Forest	88.159	321.973	27,38%
	Temperate Evergreen Forest	23.158	1.570.722	1,47%
	Temperate Deciduous Forest	94.165	1.042.968	9,03%
Quechumalal	Temperate Laurecea Forest	6.015	1.041.087	0,58%
	Temperate Deciduous Forest	4.117	243.134	1,69%

Table A-6: Input for the indicators values for M&E plan and logframe indicators

	#	Name & Type and year created (**)	Direct Area (ha)*	#	Indirect Additional Area **	Main Ecosystems/ Habitat (***)
Andes	1	NP Alerce Andino	39,395	12	39,255	Temperate Evergreen Forest (4), Temperate Resinous (3) Temperate Lauracea (1),
	2	NR Llanquihue	33,951	13		Temperate Evergreen Forest (4),Temperate Patagonian Scrub (1) Temperate Resinous (3),Temperate Lauracea (1,2)
	3	Buffer Pocoihuén	666			Temperate Evergreen (4),Temperate Resinous (3),Temperate Lauracea Forest (1)
	4	Buffer Rio Sur	991			Temperate Evergreen forest (4), Temperate Lauracea Forest (1))
	5	Buffer Carretera	896	14		Temperate Evergreen forest (4)
		Total pilot public buffer zone			6,239	Temperate Evergreen (4),Temperate Resinous (3), Temperate Lauracea Forest (1)
					73,290	Temperate Evergreen 4),Temperate Resinous(3), Temperate Lauracea Forest (1,2)
		Sub- Total	**75,759**		**79,529**	A and B are increased protection
Valley	6	Las Cumbres	353			Temperate Deciduous Forest (7)
		La Quila	138			Temperate Deciduous Forest (7)
		Toro del Agua	19			Temperate Deciduous Forest (7)
		El Corte,	46			Temperate Deciduous Forest (7)
		La Montana	648			Temperate Deciduous Forest (7)
		Lote B1,	120			Temperate Deciduous Forest (7)
		Curirruca,	1227			Temperate Deciduous Forest (7)
		San Luis	Tbd		9	Temperate Deciduous Forest (7)
		El Mirador	Tbd		44	Temperate Deciduous Forest (7)
		Colo-Colo	Tbd		136	Temperate Deciduous Forest (7)
		Bellavista	Tbd		131	Temperate Deciduous Forest (7)
		Bosque Nativo de empresas *forestales*	tbd		50,185	Temperate Deciduous (2,3,7) ,Temperate Evergreen (1), Temperate Laurecea (2,3),
Coast	7	Indigenous Reserve (IR) Trafunco los Bados (Phase 1)	12,471			Temperate Evergreen Forest (1),Temperate Resinous (4),Temperate Lauracea (3)
		IR Melillanca Huanque	1,791			Temperate Laurecea Forest (2,3)
		IR Choroy Traiguen		16	5,298	Temperate Evergreen Forest (1),Temperate Lauracea (3)
		IR Puquitrin			1,476	Temperate Evergreen Forest (1) Temperate Lauracea Forest (3)
		IR Catrihuala			17,393	Temperate Evergreen (1),Temperate Resinous (4), Temperate Laurecea Forest (2,3)
		IR Manquemapu			7,433	Temperate Evergreen Forest (1), Temperate Lauracea Forest (3)
	8	NGO Valdivian Reserve	59,426	17		Temperate Evergreen (1),Temperate Resinous(4), Temperate Laurecea Forest (2,3)
		Sub-total	**76,239**		**82,105**	C and D are new areas
	9	Buffer NGO Valdivian Reserve			23,545	Temperate Evergreen (1)Temperate Resinous Forest (4), Temperate Laurecea (2,3)
		Quitaluto		18	7,461	Temperate Evergreen Forest (1),Temperate Lauracea Forest (3)
	10	NM Alerce Costero	2,308		2,472	Temperate Resinous Forest (4),Temperate Laurecea Forest (2,3)
	11	NR Valdivia (1983)	9,727	19		Temperate Laurecea Forest (3) Temperate Resinous Forest (4)
				20		Temperate Laurecea Forest (3,2)
		8 +9+10+11			33,478	E an F are increased protection

Indicators	Total Area	Ecosystems
Additional (new) area brought under PA conservation directly in project	76,239	Temperate Deciduous Forest (2) Temperate Laurecea Forest (2) Temperate Laurecea Forest (3) Temperate Resinous Forest (4) Temperate Evergreen Forest (1)
Additional Area to be brought under conservation within following 5 years of project as a direct result	82,105	Temperate Deciduous Forest (2) Temperate Deciduous Forest (3) Temperate Deciduous Forest (7) Temperate Laurecea Forest (2) Temperate Laurecea Forest (3) Temperate Resinous Forest (4) Temperate Evergreen Forest (1)
Area under directly (**significantly**) improved management at end of project as measured by reduced operations costs, METT, reduced firewood extraction **(public and private buffer pilots)**	87,714	Temperate Evergreen Forest (4) Temperate Resinous Forest (3) Temperate Resinous Forest (4) Temperate Laurecea Forest (1) Temperate Laurecea Forest (2) Temperate Laurecea Forest (3) Temperate Patagonian Scrub (1)
Area under directly (**significantly**) improved management **5 years** after project through as measured by reduced operations costs, METT, reduced firewood extraction **(final buffer)**	113,007	Temperate Evergreen Forest (1) Temperate Evergreen Forest (4) Temperate Resinous Forest (3) Temperate Resinous Forest (4) Temperate Laurecea Forest (1) Temperate Laurecea Forest (2) Temperate Laurecea Forest (3) Temperate Laurecea Forest (2)
Area under directly under more cost effective and improved enforcement	11,955	Temperate Laurecea Forest (3) Temperate Resinous Forest (4)
Public PA Area under improved management effectiveness as measured by METT (actual sizes)	607,550	TbD
Private PPA Area under improved management effectiveness as measured by METT (actual sizes)	1,209	TbD
Estimated Area direct area of influence of project in 5 years	163,953	TbD
Estimated Area direct area of influence of project in 10 yrs	359,065	TbD
Estimated area of influence of the System	**1,141,912**	TbD

Table A-7: National instruments to establish protected areas

Protection Instruments	Description
National System of State-Protected Wilderness Areas SNASPE	Areas may be introduced to the SNASPE through assignation by the National Property Ministry or through a private party's commodatum or concession to CONAF. CONAF classifies protected areas according to Washington Convention parameters: Virgin Land Reserve, Nature Reserve, Nature Park or Natural Monument.
AMCP Marine and Coastal Protected Areas	It is advisable to draft an agreement with SUB.PESCA and SERNAPESCA to establish an area (these organizations have agreed to this with CONAMA). SUB.MARINA must have a recipient for the area, who shall define how it is to be administrated. AMCP designation must be requested from the Regional Coastal Commission (Comisión Regional del Borde Costero). Depending on the conservation objectives and the activities promoted, it could conatin aquaculture activities or not. The recipient could be Foundation or organizations (e.g. universities or CONAF or SERNAPESCA).
AMP Marine Protected Areas	There are Marine Reserves and Parks (under the Law of Fisheries) not currently regulated. Until the Law of Fisheries is modified, the unquestionable manager of these areas is SERNAPESCA (cannot be delegated). Creation of these areas is requested from SERNAPESCA. In both cases, activities are restricted, and conservation objectives are associated to fishery resources.
ASPP Private Wilderness Protected Areas	No rules in force. Establishes 4 categories: Private Strict Preservation Area, Private Natural Park, Private Nature Reserve, and Private Natural Monument. To establish these an application is submitted to CONAF, a management plan is then submitted to SEIA (depending on the category requested for the area). Economic benefits will come into effect with the approval of the Native Forest Law.
RAMSAR Sites	Protection of wetlands of international importance, can apply for RAMSAR status if site complies with one of the three selection criteria described by RAMSAR. The paperwork is submitted at the national level to CONAF, who hands the proposal over to the Convention. A conservation management plan should be proposed where productive activities or development are intended.
Biosphere Reserves	Category granted by UNESCO to land or marine areas having biodiversity of global importance. The State pledges to protect such areas based on a Conservation Management Plan, and must ensure compliance with the conservation objectives contained in the CMP. UNESCO provides funds for some actions aimed at fulfilling the conservation objectives. Chile has 7 Biosphere Reserves, all also categorized within SNASPE in addition to their Biosphere Reserve status. CONICYT (National Commission for Scientific and Technological Investigation) is the Scientific Focal Point for UNESCO in Chile, and receives all applications for Biosphere Reserve status. CONAF manages the existing Biosphere Reserves.
Natural Sanctuaries	Status granted by the National Monument Council and that must be endorsed by a Decree from the Ministry of Education. The Declaration of such status should be requested from this Council. The requirements are as follows: rationale demonstrating the uniqueness of the site in Chile; agreement of the owners; and a Management Plan for which an organization must assume responsibility.
Decree of destination for conservation by BBNN	Territories that are national property for public use can be set aside for conservation, eco-tourism, and/or scientific use (astronomic, archaeological, paleontological) by BBNN (National Property Ministry). This status could be associated with a recipient, who becomes a concession holder, or the institution itself (BBNN) may be the concession holder. Concessions are granted by a Regional Concessions Committee. For the purposes of the SEIA, the area is considered an Area Under Official Protection.
Decrees for Conservation – MINAGRI	The Ministry of Agriculture is empowered to establish Decrees for the conservation of ecosystems, particular species of flora and fauna, and lands. Such decrees introduce restrictions on certain land uses. The last decree was issued more than a decade ago. However, several existing areas exist in various parts of the country. For SEIA and IPT (Land Use Planning) purposes these are considered Areas Under Official Protection.
IPT Instruments of Territorial Planning	MINVU's IPT can establish terrestrial areas with preferential uses (regional level) or with restricted use for conservation (inter-municipal, or municipal level). These areas require a resolution from COREMA regarding priority sites for protection in order to be included in the IPT. The sites under consideration should be included in the respective plan, with use restrictions according to their conservation objectives.

ANNEX B: MAPS (REFER TO SEPARATE FILE)

ANNEX C: THREATS AND BARRIER ANALYSIS

The following Annex includes two tables. The first table lists pressures on biodiversity of the protected areas and landscapes of the three main areas of the Region X (Coastal and Andean Mountain Ranges and the Inter-Andean Central Valley. The relative intensity and tendency of these threats are also indicated based on consultations in the region during project preparation. The second table 2 briefly outlines some of the management challenges that protected areas face in relation to the predominant threats in the surrounding areas and the barriers that would need to be overcome in order to overcome deficiencies, advance their sustainability and their operation within the framework of Regional Protected Areas System that would serve as a replicable model to advance the maturation of the national system of protected areas. The solutions required to overcome these challenges and barriers are indicated. These form part of the proposed project. If these barriers are not removed, degradation of the Valdivian forests will continue and it will only be a question of time until these forests are degraded and ultimately lost. On the other hand, a barrier removal intervention will lead to a sustainable regional system of protected areas that will conserve the globally significant biodiversity of the Valdivian Forests and provide significant advances in the maturation of a comprehensive National System of Protected Ares in Chile.

THREAT LEVEL: H = High, M = Medium, L = Low: TENDENCY: I = Increasing, D = Decreasing, S = Static
NA = not applicable or insufficient information, PA= Protected areas (both public & private); Landscape= outside protected areas

Threats	*Coastal Range*				*Inter-Andean Central Valley*				*Andean Range*			
	PA		Landscape		PA		Landscape		PA		Landscape	
	Level	*Tendency*	*Level*	*Tendency*	*Level*	*Tendency*	*Level*	*Tendency*	*Level*	*Tendency*	*Level*	*Tendency*
Over-exploitation and unsustainable harvesting of forest products												
1. Selective logging	Low	Static	Medium	Increasing	N/A	N/A	Low	Static	Low	Static	Medium	Increasing
2. Illegal logging	Medium	Increasing	Medium	Increasing	N/A	N/A	Low	Static	N/A	N/A	High	Increasing
3. Firewood collection	Low	Increasing	High	Increasing	N/A	N/A	High	Increasing	Low	Increasing	Medium	Increasing
4. Harvesting of plants by communities (handcraft)	Low	Static	Medium	Static	N/A	N/A	Medium	Increasing	N/A	N/A	High	Increasing
II. Habitat degradation												
1. Forest fires to clear land	Low	Increasing	Medium	Increasing	High	Increasing	Low	Static	Low	Increasing	High	Increasing
2. Overgrazing of forest & grasslands	Medium	Increasing	High	Increasing	High	Increasing	Low	Static	Medium	Increasing	High	Increasing
3. Invasive species	Low	Increasing	Low	Increasing	High	Increasing	Medium	Increasing	Low	Increasing	Low	Increasing
III. Habitat substitutions												
1. Replacement of native forest with plantations	Low	Static	High	Increasing	High	Increasing	High	Increasing	Low	Static	High	Increasing
2. Replacement of native forest with crops	N/A	N/A	Medium	Increasing	High	Increasing	High	Increasing	Low	Increasing	Medium	Increasing
IV. Human settlements												
1. Inappropriate location of infrastructure (e.g. industry)	N/A	N/A	High	Increasing	High	Increasing	High	Increasing	Low	Increasing	Low	Increasing
2. Highways and roads	High	Increasing	High	Increasing	High	Increasing	High	Increasing	N/A	N/A	Low	Static

Key deficiencies of and barriers to protected areas for biodiversity conservation protected areas in the Xth region

Biological Impact	Root causes	Management Issues/ Key Barriers	Solutions: Interventions from Project Barrier Removal Activities	Baseline completed
Sub optimal representations of key ecosystems in the existing Protected Areas in Region X . The existing Protected Areas in Region X do include representative the ecosystems in the region. Eleven of the 22 Eco-region ecosystems are under 10% (national targets). Details are provided in Table 2.3. The most critical gaps in the Coastal Range and this have the most significant biodiversity. The few Pas that do exist in this Coastal range are very small public protected areas within SNASPE or private reserves still with no legal recognition.				
Key ecosystems that make up the rich mosaic of forest that characterize the Valdivian Eco-region are not under protection in sufficient size, or location. There is increasing fragmentation of this originally continuous mosaic and the only remaining connections between the extremes points is under growing pressure. There is increasing reduction in species numbers (fauna and flora) over the long term and loss of genetic viability of populations Over-concentration of some animals and species in small areas Under-representation of centers of endemism for plants and vertebrates in the existing PAs. Ecosystem fragmentation due to large parts of given ecosystems located outside PAs.	Historically, biodiversity conservation was not the objective of the creation of PAs was not, but primarily based on high scenic beauty, low economic value and land tenure. The focus for PA has primarily been on the role of the State There is no available public land left for creation of PAs the Coastal Range; The emphasis on efforts related to private PA stakeholders is still incipient and the private stakeholders are a very heterogeneous group (large vs. small, rich vs poor). Low information and awareness of fauna and flora, species	**Policy Barriers:** The creation of private reserves stems mainly from altruistic motive and there are currently no incentives or support to encourage set asides for owners with different motives There are no recognized sustainable use PA management categories **Knowledge Barriers:** There is still insufficient data to determine key locations and adequate mixes of management categories to fully conserve the Eco-region forest mosaic and hence to guide resources to these strategic spots **Individual Capacities Barriers** Many private PA owners have weak knowledge on PA management; **Systemic Barrier:** Existing private reserves are managed as isolated and small units reducing contribution to conservation.	**Policy and regulatory** Agreed upon Regional System that guides regional incentive programmes and is incorporated into regional development strategies **Output 1.1**; Production and adoption of PA management effectiveness norms, standards and regulations for private reserves in systems **Output 1.2**. **Knowledge** Modeling the establishing new private reserves with different types of stakeholders **Output 4.1;** Modeling new governance arrangements for private reserves **(Output 2.2)** **Individual:** training programme for PA owners and mangers **(Output 5.1)** **Systemic** Realignment of the existing and new PAs into a regional PA network to assure full bio-geographic representation and where possible sustainable wildlife movement. **Output 1.1.**	Regional Pact on Clean Development and programmes defined to implement this
<u>Threat Cluster 1</u>: Over-exploitation and unsustainable harvesting of forest products is occurring through: (i) selective and illegal logging; (ii) firewood collection; (iii) forest fires to illegally harvest Alerce; and (iv) unsustainable harvesting of plants by local communities for livelihood use and non-resident users for commercial use				
Indiscriminate removal of valuable species and individuals – or of species and individuals with firewood value from landscapes - leading to biological degradation and loss of high value tree species Degradation / destruction of	High market value of certain species and products derived from these species Landowners have the perception of low value of native forest as the price is low and the production cost of native forest is relatively high compared to other	**Barrier: Policy and regulatory gaps**: Planning in Region X is based on sector-based, economic-driven approach. Government enforcement programmes are not aligned with areas of high biodiversity.	**<u>Policy and regulatory</u> :** develop Regional PA system integrated into Development strategy and land use norms including restricted uses buffer zones to ensure specific regulations for biodiverse areas **(Output 1.1),** Firewood certification programme developed Region wide and **Output 1.2;** and piloted in one buffer zone	Resources derived from the application of Law 701 for forestry incentives and the development of the Law of Native Forests Conservation and Sustainable management of Native Forest (CONAF/DED)

important habitat through disruption of vital ecological processes within ecologically sensitive areas and key habitats Loss of forest productivity of selected species critical to local livelihoods Change in forest ecosystem dynamics Reduction in wildlife and faunal species numbers depending on pristine forest ecosystems Reduction in numbers of or loss of high value and /or endemic species (due to unsustainable plant harvesting) Disruption of vital ecological processes within the ecosystem, eg. Honey harvesting and its impact on tree ecosystems (due to unsustainable plant harvesting)	options (plantations, livestock, etc). General perception: The forest is there to be mined - and not cultivated. Forest goods are not priced and constitute a free livelihood resource to poverty-stricken local communities. Poorly controlled production and use of firewood from native forest Strong livelihood dependence of proximate local communities on forest products, Cultural dependence on forest products for fuel and resistance to alternative fuel source Perpetrators perceive the benefits to be gained from illegal extraction to be greater than the risks of being caught and prosecuted	Public PA vigilance and enforcement operations are deficient, they are under-staffed and under equipped largely due to funding restriction PA categories are for conservation and not sustainable use **Barrier: Knowledge gaps**: indigenous and rural communities do not have knowledge and skills for adopting viable cost-effective livelihood alternatives that are less impacting Insufficient monitoring and research by PA authorities to document habitat conditions vs. unsustainable harvesting. Insufficient knowledge regarding the definition and management of sustainable use of forest products (such as off take thresholds **Barrier: Systemic capacity** Absence of PAs in key biodiverse means no limited restrictions on land use in key ecosystems. **Barrier: Institutional capacity** Low capacity of Authorities to mediate, enforce and monitor resource use. **Barrier Individual Capacity.** Decision makers, non environment related government staff & general public have limited knowledge on the role of PA in supporting development goals.	**(Output 3.1)** Modeling collaborative agreements for for enforcement of clusters of PA to reduce costs of surveillance and increase efficiencies **(Output 3.2)**; Modeling of the establishment of indigenous multi-use PA with core conservation zones and sustainable uses in Coastal Range **(Outputs 4.2);** **Knowledge** Modeling financing mechanism for Private protected areas **Output 2.1;** Modeling sustainable use in buffer zones **(Output 3.1)** to reduce pressures on PA, reducing enforcement costs and increasing social sustainability of PAs; Clearing House mechanisms for Replication and dissemination of lessons between different PA owners and types within and across region **(Output 1.4)** **Institutional:** Capacity building programme (**Output 5.2**): setting up of Regional entity to oversee system and provide targeted support to private and public PA in specific managing issues reducing over running operational costs **(Output 1.2)** Increased financial efficiencies through PA financing plan and increase channeling of regional funds areas recognized in System **(Output 1.3) :** **Individual capacities** Awareness programmes on role of PA and BD in livelihood and as base to regional economy **(Output 5.3)**	Forestry companies certification programmes Capacity programme in Integrated Forest management AGRA-CET SUR and Catholic University National Capacity Building Programme for sustainable sue of energy in cities that use wood (Osorno, Puerot Montt in Region X) AIFBN Programme on wood certification in Valdivia Region X Awareness building programme for efficient and responsible use of wood in Llanquihue (DED/CONAF)
2. CLUSTER OF THREATS: Habitat degradation is occurring through: (i) Replacement of native forest with plantations; and (ii) associated forest fires to clear land; (iii) overgrazing of forest areas and grasslands; (iv) spread of invasive alien plants; and (v) inappropriate location of infrastructure development.				

Destruction or disturbance of ecologically sensitive forest areas, wildlife habitats and flora and fauna from landscape leading to destruction of wildlife food resources Removal of tree seedlings leading to either no recruitment or selective recruitment by non-palatable tree species (as a result of overgrazing) Changes in species composition (as a result of overgrazing and fires) Degradation and loss of productivity of native forest ecosystems and grasslands (due to smothering of vegetation) Elimination of native prey and/or competitors (as a result of invasive species) Threat of extinction of native species (as a result of plantations and invasive species) Altered soil mineral composition and hydrological cycles (as a result of invasive alien plants) Reduced stability and productivity of natural ecosystems Fragmentation of habitats and impact on fragile habitats, animal migration and breeding routes (as a result of inappropriate location of infrastructure developments)	Perception of low value of native forest by → a) land owners as the price is low and the production cost of native forest is relatively high compared to other options (plantations, livestock, etc). → b) general public (policy makers, city dwellers) due to lack of identification with the biodiversity value. A general mentality of mining the native forest resource, rather than sustainably using it: Culturally and historically, grazing and agricultural management have focused on yielding optimal, not sustainable, returns. Strong dependency of local communities on subsistence livestock production systems and agricultural practices involving forest use. Land degradation provides habitat for colonization with invasive alien species No effective control measures on the introduction, transmission or spread of invasive alien species No overall regional policy combining land use, conservation and sustainable use, which prevent enabling environment for directing land use development and management away from strict conservation areas.	**Barrier: Policy capacity** Gaps in regulations for buffer zones and sustainable use categories and for promoting appropriate land use in these and for enlisting private landowner involvement, including communities, in resource management has not been properly developed. **Barrier: Institutional capacity** Unclear agencies' mandates and limited collaboration, results in unfocused and ineffective conservation actions, land management planning and enforcement. Low capacity for establishing and managing buffer zones and micro-corridors to promote appropriate land use (including induction of new burning regimen, to reduce uncontrolled high intensity forest fires). **Barrier Individual Capacities** Inadequate capacity of PA staff in fire control and alien species control. **Barrier: Knowledge/ awareness gaps** Fire-prone regions are not well documented for immediate fire-prevention. Deficient knowledge on alien species and absence of data on where this issue is most predominant.	**Policy:** Alignment of regional fire fighting programmes with biodiverse areas in System **Systemic** Formulation and adoption of Regional Pact and Action Plan and incorporation into regional development strategies; **(Output 1.1,** **Knowledge/institutional** Establishment of new managed resource PAs in fragmented landscape in Inter andean valley , demonstrating how conservation can occur within sustainable productive farms – includes conservation with forest companies and farmers .**(Output 4.1** Develop technical staff in Regional PA entity that will provide targeted support in invasive species control as need to different PA in system **(Output 1.2)** Awareness raising of key stakeholders **(Output 5.3)** Monitoring and evaluation of Implementation of the Regional PA System, while best practices and lessons learned are being disseminated and replicated **(Output 1.4)**	National Programme for Forest Fires (CONAF) Forestry Company Fire fighting programmes Soil recovery programme INDAP-SAG

ANNEX D: PILOT PROJECTS

Annex D.1 – Pilot Demonstrations Establishment of Buffer Zone in SNASPE PAs

1. OBJECTIVES

This Pilot Demonstration will be implemented in two SNAPSE PAs – **Alerce Andino National Park** (AANP) and **Llanquihue National Reserve** (LNR), hereafter named the Park and the Reserve respectively — due to their geographical proximity, which allows for the creation of one joint buffer zone between them and around the combined PA area. In these PAs, the major threats[33] are the demand for firewood to meet the internal needs of most surrounding properties, and forest fires caused by burnings (for more details, see below Table 10).[34] Three different Intervention Strategies described below (see 6. Planned Interventions) will be employed in three different Sub-pilot Sites within the overall Pilot Area, which aim to provide models for reducing pressures and threats to the two PAs and thus boost the effectiveness of their PA management.

The general objective of this Pilot Demonstration is to establish a new, officially recognized buffer zone in the surrounding area of two public SNASPE PAs (the above Park and Reserve). This buffer zone area will be used to:

- Direct regional funds and incentives from the Regional Government to the local communities and private landowners located in the area to reduce the current pressures on the natural resources;
- Demonstrate how to increase the participation of local communities in the PA management – and visa versa; and
- Ensure more territory for large-range animals.

Hence, the establishment of the buffer zone will increase social, economic and environmental sustainability. The three Strategic Interventions mentioned below have the following specific objectives:

A - Connectivity between two PAs

Threat: Currently, the two PAs are not connected, and each on its own is not large enough to support minimal viable populations of many typical mammalian species of Region X, including the culpeo fox and puma. In addition, there are private lands between the PAs that are presently used for farming, livestock and forestry activities, which provide the proper testing ground for alternative, more sustainable uses.

Specific Objective: To decrease the risk of species extinction by extending the effective area of both SNASPE units by connecting them. This connectivity will be accomplished by promoting Land Use Plans and Management Plans for conservation and sustainable use of resources in the adjoining private properties, along with the development of alternative economic alternatives compatible with PA conservation.

B - Buffer Zone establishment and sustainable use of the native forest

Threat: The most serious threat to the Reserve is the high demand for firewood from the Region's urban centers, such as Puerto Montt, Puerto Varas and the so-called "satellite city" Alerce (see below Table 10). Access to the zone is via a well-maintained highway that is being continually improved, which is making it easier for firewood collectors to use the Reserve and its surroundings to extract wood. During the period of high demand for wood chips (90-97), the zone was used to extract forestry resources. In the following years

[33] CONAF park rangers, personal communication.
[34] Plan de Protección contra Incendios Forestales (Forest Fire Prevention Plan) for PNAA. CONAF, Region X

the emphasis has shifted to firewood, with some landowners even installing sawmills to cut the wood down to size/produce lumber.

Specific Objective: To establish a buffer zone for the Reserve, promoting property planning and management for conservation and sustainable use of the resources found therein and the development of sustainable economic alternatives compatible with conservation in the PA.

C - Participatory management and coordination of eco-tourism activities

Threats: A review of forest fires in the zone indicated that close to 80% of all fires that have occurred in the Park and its buffer zone are caused by illegal burns and intentional fires (illegal burns at 40.74% and intentional fires at 37.04%) (see below Table 10). This is due primarily to the existence of private properties that adjoin the Park, where inhabitants ignore official bans and burn waste under unsuitable climatic conditions.[35] Most of the highest risk zones are found in the Correntoso (NW), Sargazo and Chaica (SW) sectors, which are high traffic zones due to their proximity to the town of Correntoso, the prevalence of camping and picnic areas, and the existence of trailheads to Chaiquenes and Triángulo lakes and trails from Correntoso to the Sargazo y Fría Lake. The traffic on Route 7 from Puerto Montt to Lenca and Caleta La Arena increases the risk in the southern sector of the Park. Additional to these zones are the sites of historical forest fires, which are predominantly located in the buffer zone in agricultural properties or along the high tension power line. The absence of participatory planning for the Park's public uses has produced, on the one hand, incompatibility between the PA conservation objectives and the tourism activities of local communities, and on the other, a lack of opportunities for economic development for neighboring communities and the Park itself.

Specific Objective: Design and implement an eco-tourism initiative developed by local communities and private interests to provide a model of economic activity within the PA and its buffer zone that is compatible with the PA conservation objectives, while at the same time providing a model for synergistic interaction among stakeholders.

2. Economic Feasibility of the Pilot Demonstration

Reduction of threats to biodiversity as a result of the Pilot activities and their replication:

- The economic alternatives will diminish the stress on traditional resources.
- These productive alternatives also do not use extraction arts that damage the forest ecology and related ecosystems.
- The utilized technology does not generate pollution or negative impacts on other species.
- Subsistence alternatives and related employment is provided to local communities living in the buffer zone areas of the Park and Reserve, whose livelihoods are hence improved.

Alternative sustainable use I: Nurseries

The following table outlines the necessary initial investment needed for the setup and technology proposed for this productive alternative. It also provides an overview of the annual costs vs. income, which demonstrates the annual surplus of US$ 1,691.

[35] Plan de Protección contra Incendios Forestales parque nacional Alerce Andino (Alerce Andino National Park Forest Fire Protection Plan). Conaf Décima Región

Table D1-1. Overview of initial investment, annual costs and income, and potential revenue

Description	Unit Cost for 1 nursery (US$)
Initial investment:	
Investment 15.000 plants	
Greenhouse -10 X 4 mt2	172
Instal. for seedling	172
Tubing	517
Watering system	129
Total investment	**990**
Annual Costs	
Seeds	60
Fertilizers	34
Soil prep. (subsoil)	43
Manual labor	1,155
Cost of sale	43
Replenishment of investment	34
Others	43
Total costs	**1,412**

Annual Income:	US$
Sale of plants	3,103
Gross margin of the business (1 nursery of 15.000 plants)	
Annual sales (15,000 plants X $0.206)	3,103
Annual costs	1,412
Gross margin	**1,691**

Table D1- 2: Overview of the projected situation for the planned nurseries scenario with 8 nursery owners

ITEM		PROJECTION YEAR (in US$) (DURING PROJECT IMPLEMENTATION)				
	0	Year 1 (2006)	Year 2 (2007)	Year 3 (2008)	Year 4 (2009)	Year 5 (2010)
INCOME		24,828	24,828	24,828	24,828	24,828
1 Total income		24,828	24,828	24,828	24,828	24,828
EXPENDITURES						
2.1. Investments	7,931					
2.2 Operational Costs		11,310	11,310	11,310	11,310	11,310
Sub-total expenditures	7,931	11,310	11,310	11,310	11,310	11,310
Contingencies	317	452	452	452	452	452
2. TOTAL EXPENDITURES	- 8,248	11,763	11,763	11,763	11,763	11,763
3. TOTAL NET BENEFITS (1-2)	- 8,248	13,065	13,065	13,065	13,065	13,065
CNV (10%)	41,279					
IRT	157					

ALTERNATIVE SUSTAINABLE USE II: APICULTURE

Table D1-3. Establishment of Apiary (500 beehives) – Region X

NEEDED INVESTMENTS:

Beekeeping Materials:	Quantity per hive	Value (US$)	TOTAL per beehive ($)	Total 500 hives
Bottom board	1.00	2.07	2.07	1,034.48
Body	3.00	3.45	10.34	5,172.41
Wired frames	30.00	0.78	23.28	11,637.93
Inner cover	1.00	1.03	1.03	517.24
Cover	1.00	2.93	2.93	1,465.52
Comb foundation	2.00	8.62	17.24	8,620.69
Material Paint	0.05	10.34	0.52	258.62
Wooden stand	1.00	0.86	0.86	431.03
Plastic feeder	1.00	0.24	0.24	120.69
Sub-Total				**29,258.62**
Beekeeping Equipment				
Smoker	2.00			13.62
Hive tool	2.00			2.59
Gloves (par)	2.00			8.62
Overall	2.00			10.86
Veil	2.00			10.86
Stainless Centrifuge 45 frames	1.00			2,775.86
Uncapping Tank 2 mt long	1.00			493.10
Honey storage tank	0.13	16.90	2.11	1,056.03
Sub-Total				**4,371.55**
Optional Items				
Pollen Trap	1	9.05	9.05	4,526.86
Propolis trap (par)	1	5.17	5.17	2,586..21
Sub-Total				7,112..07
Biological Supplies				
4-Frame Nuc Box	1	52	52	25,862
			TOTAL INVESTMENT	**66,604.31**

Table D1-4. Operational costs for the Apiculture Alternative

Annual Supplies	Quantity per hive	Value in US$	Total US$	500 hives
Comb foundation (Kg)	0.3	8.62	2.59	1,293
Fumidil _B (gr)	4	1.44	5.77	2,886
Sugar or fructose (kg)	6	0.6	3.62	1,810
Flumethrin (mg of i.a.)	21	0.05	1	544
Sub-Total				6,533
Labor costs				
One permanent worker	1 JH/mes	207		207
Shipping from Santiago to Region X		172		172
				6,912

Table D1-5. Overview of basic background data for the Apiculture Alternative (500 beehives)

	Year1	Year 2	Year 3	Year 4	Year 5
Honey production (kg)	10,000	20,000	25,000	25,000	25,000
Wholesale price (US$/kg)	1	1	1	1	1
Pollen production (kg)	50	100	100	100	100
Wholesale price ($/kg)	5,000	5,000	5,000	5,000	5,000
Propolis production (kg)	50	50	50	50	50
Wholesale price ($/kg)	5,000	5,000	5,000	5,000	5,000
Gross revenue from wholesale honey sales (US$)	10,000	20,000	25,000	25,000	25,000
Gross revenue from wholesale pollen sales (US$)	250,000	500,000	500,000	500,000	500,000
Gross revenue from wholesale propolis sales (US$)	250,000	250,000	250,000	250,000	250,000
Other products that are feasible to produce:					
Production of 4-frame nuc boxes		100	100	100	100
Pollination service (N° hives)		500	500	500	500
Sale of Nucleus hives (conservative) US $		3,000	3,000	3,000	3,000
Revenue from pollination (US$)		4,500	4,500	4,500	4,500
Gross revenue for wholesale honey sales in (US$)	6,000	12,000	15,000	15,000	15,000
Variable productive costs (US$)	3,789.009	3,789.009	3,789.009	3,789.009	3,789.009
Fixed costs	120,000	120,000	120,000	120,000	120,000
Net revenue from wholesale honey sales in US$	2,090.991	8,090.991	11,090.991	11,090.991	11,090.991
Net revenue from wholesale honey and derivatives	2,090.991	8,090.991	11,090.991	11,090.991	11,090.991
Including pollination and sale of nucleus hives					

The following table outlines the necessary initial investment needed for the setup and technology proposed for this productive alternative. The below also provides an overview of the annual costs vs. income, which demonstrates the annual surplus of US$ 25,000 at the beginning of Year 3.

Table D1-6. Overview of economic feasibility of the Apiculture Alternative (with 500 hives)

ITEM		PROJECTION YEAR (US$)				
	0	1 (2006)	2 (2007)	3 (2008)	4 (2009)	5 (2010)
REVENUE (WHOLESALE HONEY SALES		10,000	20,000	25,000	25,000	25,000
Gross revenue from wholesale pollen sales ($)	-	431	862	862	862	862
Gross revenue from wholesale propolis sales ($)	-	431	431	431	431	431
Sale of Nucleus hives and pollination			12,931	12,931	12,931	12,931
1 total revenue		10,826	21,257	26,257	26,257	26,257
EXPENDITURES						
2.1. Investments	66,604					
2.2 Operating costs		6,912	6,912	6,912	6,912	6,912
Subtotal Expenditures	66,604	6,912	6,912	6,912	6,912	6,912
Contingencies	2,664	276	276	276	276	276
2. TOTAL EXPENDITURES	- 69,268	7,188	7,188	7,188	7,188	7,188
3. TOTAL NET BENEFITS (1-2)	- 69,268	3,638	14,069	19,069	19,069	19,069

CNV (10%)	22,162
IRT	19,7

Alternative Sustainable Use III: Eco-Tourism

Table D1-7. Number of participants and gross incomes per year in the ecotourism alternatives in the "Carretera Austral"

Ecotourism alternatives	Year 1	Year 2	Year 3	Year 4	Year 5
Input (US$) in rural fairs per participant	431	431	431	431	431
N° of participants per year	10	12	14	16	18
Total gross income per year for fairs	4,310	5,172	6,034	6,897	7,759
Sales for local tourism information	137.9	143.6	147.8	150.8	153.3
N° of participants in sales	10	12	14	16	18
Total sales en 4 months	1,379	1,724	2,069	2,414	2,759
Guided tours	4	4	4	4	4
US$ per person	8.62	8.62	8.62	8.62	8.62
Total person attended	20	30	40	50	50
Net income per guided tour (US$)	690	1.034	1.379	1.724	1.724
N° of people attended per tour operator	30	40	50	50	
US$ per tourist	86.2	86.2	86.2	86.2	**
Net operator income	2,586	3,448	4,310	4,310	**

,

Table D1-8. Overview of economic feasibility of the Eco-tourism Alternative (25 small landowner participants and 1 tourism operator) (US $)

ITEM	*PROJECTION YEAR*					
	0	2006	2007	2008	2009	2010
Income rural fairs		4,310	5,172	6,034	6,897	7,759
Sale of local information		1,379	1,724	2,069	2,414	2,759
Guided tours		690	1,034	1,379	1,724	1,724
Tour operator		2,586	3,448	4,310	4,310	
1 total revenues		8,966	11,379	13,793	15,345	12,241
EXPENDITURES						
2.1. Investments	34,483					
2.2 Operating costs		259	310	362	414	466
Subtotal Expenditures	34,483	259	310	362	414	466
Contingencies	1,379	10	12	14	17	19
2. TOTAL EXPENDITURES	- 35,862	269	323	377	430	484
3. TOTAL NET BENEFITS (1-2)	- 35,862	8,697	11,057	13,417	14,914	11,757
CNV (10%)	8,749					
IRT	18.5					

3. PILOT PARTICIPANTS/STAKEHOLDERS

With regard to the profile of the participating landowners, each Strategic Intervention will include landowners that reflect the typical uses within the sub-pilot site:

A – PA Connectivity:[36] **Socio-economic analysis of Pocoihuén:** The DU participants in the Pocoihuén area include 15 small private landowners of properties averaging 38 ha. The households are composed of an average of 2.9 inhabitants. Ninety percent are private owners with legal title. The median size of the properties is 38.2 hectares. Income is from traditional subsistence agriculture where main activities include production of potatoes, vegetable garden (90% home consumption), extraction of firewood for home use, plus sheep, poultry and cattle for consumption. In the area where bee-keeping is being developed the interviewees were interested in improving their investments which are principally for home consumption. The extra-property income is their main income and corresponds principally to state subsistence pension funds. Average income for each small-holding is $3500 US dollars/year in home consumption (calculation using the value of 13 sheep and 8.7 cows per family) and outside income of $600 per year.

The native forest covers an average of 57% of each property. Despite loss of livestock due to attacks by predatory wild fauna, the landowners remain interested in participating in this Pilot Demonstration and in building a PA connecting zone. In particular, they are interested in opportunities for optimizing production through land division for pasturing (*apotreramiento)*, property management and generating additional income. The eastern sector bordering the Reloncaví Estuary, as well as the Ralún and Rollizo sectors, share the same landowner types described for Pocoihuén, which will enable the replication of this experience when proven successful.

B – Buffer Zone Establishment/Sustainable Use: **The sector of Colonia Rio Sur:** maintains ties with CONAF and DED through work in certification of firewood due to the high demand for firewood in this area. The group has valued the work, which has permitted them to improve their income, selling higher quality firewood at a superior price managing the forest with culling through which they extract the material for firewood. They are interested in reforestation and wish to create tree farms to manage their own stock of small plants for their use and sale. The group includes 10 small landowners engaged in forestry, livestock and farming activities (potatoes, garden vegetables, sheep raising and cattle for home consumption). Their principal income is derived from the sale of firewood and other forest products such as shingles. All of these landowners have a Forestry Management Plan that governs the use of their forests, as they have been participants in the Native Project on Conservation and Sustainable Use of the Native Forest (PCMSBN) – a joint initiative between CONAF and the German technical cooperation agency (DED/GTZ).

C – Eco-tourism: **The sector of the Carretera Austral:** In this zone of the Park (west) there is an ever-increasing population, which has moved there especially due to the asphalting of the road, and an augment in tourists during recent years. In this area there is an initial development of rural tourism with its participants interested in conservation of natural resources. Community organizations in the areas mentioned include: *Comité de Turismo Rural Brisas del Mar*, in Piedra Azul (15 members), and *Comité de Turismo Rural Lahuen*, located between Piedra Azul and Lenca (10 young adult members); both are also members of a network coordinated by a local NGO. Communities along the southern highway sector of the Park have been implementing different rural tourism activities within private properties. Rural and Eco-tourism have been promoted by diverse institutions of the Chilean Government, which has targeted this zone for tourism. Through rural tourism networks, the sector is currently involved with a tourist information center for the Carretera Austral, where rural lodgings are promoted, events launched (such as the Night of San Juan, traditional meals such as shell fish *curantos* and barbeques, and others), guided tours offered, local products sold (crafts, pastries, breads), celebrations of rural customs where local meals and products are sold, and rural activities demonstrated. In this area the Park has given a concession to an operator, SurMarino Ltda, who organizes tours inside the national park and in its adjacent areas on the Carretera Austral. Through these activities the tourism groups have generated income by offering services

[36] Survey among landowners, in the study: Unidad Demostrativa Piloto: Creación de zonas de amortiguación y acuerdos de uso sostenible y co-manejo, en Áreas Protegidas del SNASPE en la Décima Región de los Lagos. 2005. (Pilot Demonstration Unit: Creation of Buffer Zones and Sustainable Use and Co-management Agreements in SNASPE Protected Areas in Los Lagos Region X), Surambiente Consultores.

in private lands, including: family lodging, agro-camping, sale of vegetables and rural products, among others. The participating families are small holders with agriculture for self-consumption and they produce potatoes, vegetables, sheep and small animals. Tourism provides an extra income basically between December and March.

4. Criteria for selecting the three Conservation Sub-landscapes

Methodology: The selection of the two involved SNASPE PAs was decided upon primarily based on an agreement with CONAF, the agency responsible for the SNASPE, and a project partner. As a result, the Llanquihue National Reserve was selected for the work with surrounding communities, as it is an area where there are some major conflicts of interests between the objectives of the PA and the communities. The principal threat of this Reserve is the firewood extraction by these communities. It is therefore very important to promote activities in the buffer zones that would allow for alternative economic activities. Alerce Andino National Park was added later, as it provides a promising tourism potential, given the recent paving of the road between Puerto Montt and the Park. This opportunity was considered an interesting option for working closely with said communities to ensure their direct involvement and participation. Finally, another important reason for the PA selection was the presence of private landowners located in the connecting area between the Park and Reserve.

The first step was to establish a baseline for the threats to the two PAs and prepare a profile of the landowners. For this purpose, primary and secondary sources were consulted: (i) Interviews and surveys of CONAF employees, both administrative personnel and forest keepers; (ii) bibliography survey; and (iii) review of Forestry Management Plans for the studied zone. The identified baseline was then discussed in a workshop held by the Project, where it was decided which more specific zones would be studied in order to establish the Demonstration Units (DUs). These locations were visited with a letter from CONAF that introduced the study to the local landowners. Then a questionnaire was applied to the property owners next to or nearby the PAs. Following this a a baseline in terms of the terrain was established from the data on the landowners. In addition, a list was taken to the field in order to survey the landowners.

Visits were made to Pocoihuén (PNAA and RNLL) and Colonia Rio Sur (RNLL) and the Carretera Austral (PNAA). Participants were invited to meetings to be briefed about the study, its objectives, the research carried out, and the reasons why. These participants were invited to become part of the project. During these meetings sustainable economic alternatives were discussed, where consultants and local participants (private property owners) expressed their opinions and preferred priorities. Each participant selected a theme of interest to be developed and signed a letter stating his or her intention to participate in the project according to his or her knowledge and interest in this area of work. On this basis, the Consultant carried out a socio-economic analysis of the feasibility of implementing the proposals.

Results: Based on the above consultative process, the following specific Demonstration Sites were selected: (i) Pocoihuén (connectivity); Colonia Rio Sur (sustainable development); and Carretera Austral (rural tourism, eco-tourism). Petrohué had to be left out due to the high level of investment required to develop the pilot activities, which would have involved the construction of a marina, purchase of a small boat and yacht docks, which was considered beyond the budget limits of the project. In sum, the productive sectors involved in the Demonstration Units were decided in response to: (i) The threats to the PAs; (ii) the interest of participants; and (iii) the characteristics of the property holders. It should be noted that all Pilot Site participants have provided Letters of Commitment in order to partake.

6. Planned Interventions

Methodology: In response to specific threats, the three distinct Strategic Interventions will be implemented in three different sub-pilot sites within the overall Pilot Area:

A - Connectivity between two smaller existing SNASPE PAs. <u>Location</u>: The connecting zone will be established in the Pocoihuén sector, which is located in the eastern zone between PNAA and RNL, next to the Reloncaví Estuary.

B - Buffer Zone establishment and sustainable use of the native forest in the Colonia Rio Sur sector adjoining the Reserve. Location: Buffer zone in the Northwest corner of the Reserve: Colonia Río Sur.
C - Participatory management and coordination of eco-tourism activities between PA administrators, local communities and the tourism concession holder in the Park. Location: The DU will be located in the zone adjoining the western boundary of Alerce Andino National Park and within its Correntoso and Chaicas sectors.

A - Connectivity between the Park and Reserve. This has the following cluster of activities:

- Develop Property Management Plans for Conservation (POPC) jointly with landowners: These will include property baseline, zoning, and proposals for sustainable economic use alternatives compatible with conservation: (i) sustainable forestry; (ii) livestock; (iii) apiculture; and (iv) plant nurseries.
- Implement the Plans to promote and combine conservation, connectivity and sustainable use in buffer zone properties.
- Train landowners in biodiversity conservation and Property Planning and Management for Conservation and Sustainable Use.
- Establish the PA connectivity
- Implement the above sustainable uses in buffer zone properties. As part of this implementation, provide technical assistance to support the creation of small enterprises based on sustainable economic alternatives.
  Coordinate involved stakeholders through formation of a network.
  Evaluate and follow up on the project annually.

B - Buffer Zone establishment and sustainable use of the native forest. This has the following cluster of activities:

- Jointly with landowners, develop Property Management Plans for Conservation (POPC): These will include: property baseline, zoning, and proposals for sustainable economic alternatives compatible with conservation, such as:: (i) firewood certification; (ii) forest resource management and forestation with native tree species; and (iii) tree/plant nurseries.
- Train landowners in biodiversity conservation and Property Planning and Management for Conservation and Sustainable Use.
- Implementation of these Plans to promote and combine conservation, connectivity and sustainable use in buffer zone properties.
- Provide technical assistance to support the creation of small enterprises based on sustainable economic alternatives.
- Implementation of the above sustainable economic alternatives.
- Involve the local school during stages that include training for conservation and sustainable production in the PA and buffer zone.
- Coordinate the stakeholders involved through formation of a network.
- Evaluate and follow up on the project annually.

C - Participatory management and coordination of eco-tourism activities. This has the following cluster of activities:

- Draft and formalize agreements for eco-tourism use of the Protected Area between the PA administration, local communities and the private concession holder.
- Train the different stakeholders involved in issues of conservation, biodiversity, ecotourism, hiking, trail design and construction, business management.
  Train local inhabitants as eco-tourism guides.
- Provide technical assistance to support the creation of small eco-tourism businesses.
  Develop property management for sustainable resource use in properties adjoining the PA.

- Build infrastructure for public use
  Coordinate the stakeholders involved through formation of a network.
- Evaluate and follow up on the project annually.

7. FAVORABLE ASPECTS OF THE BASELINE THAT WILL AID THE PILOT IMPLEMENTATION:

RE: Strategic Intervention B: The project on Conservation and Sustainable Management of the Native Forest (CONAF / DED/ GTZ) has successfully changed landowners' perception of the native forest towards one in which they recognize the value of sustainable productive activities. This initiative is expected to be strengthened further through implementation of the Pilot Demonstration Unit. In addition, the Sendero de Chile (Chilean Trail) program –presently under implementation by the National Environmental Commission (CONAMA)—has presented a project to the Regional Development Fund (FNDR) to build infrastructure for tourism and environmental education (trails, cabins and lookouts) in Alerce Andino National Park with the ultimate aim of opening and equipping a place for hiking, visiting and raising awareness of the value of these mountain and foothill ecosystems.[37]

RE: Strategic Intervention C: The rural tourism groups are in communication with the Park Administration, which is the responsibility of CONAF. The rural tourism network of the Park's southern highway zone has coordinated with CONAF to obtain training in eco-tourism, hiking and safety aspects, and is interested in linking the activities they offer to the National Park itself. They have prepared a project outlining their interest in developing their rural tourism project, and have garnered the support of the NGO Comité de Servicio Chileno - Carretera Austral (Cosech) and the Municipality of Puerto Montt, though to date they have not launched the project. The Park's tourism concession-holder has a contract wherein the Park Administration receives a percentage of the income generated from each tourist entering the Park. This company has expressed interest in joining the participatory process for planning the eco-tourism activities in the PA. Both initiatives can be strengthened to provide a model of economic activity in the buffer zone that is compatible with the PA conservation objectives and also provides an example of synergic interaction among stakeholders.

[37] Proyecto Sendero de Chile "Habilitación sendero de Chile: tramo Correntoso-Chaicas, Parque Nacional Alerce Andino", presentado a FNDR.

Table D1-9. Overview of biodiversity situation in Alerce Andino National Park and Llanquihue National Reserve

Global Importance of the PA	Ecosystem Type / Vegetation formations	Native forest types within the PA and % of total forested area	Hectare coverage for Park	Vulnerable or insufficiently known species **	Conservation situation for both the Park and Reserve *
The importance of both Alerce Andino National Park and the Reserve is their vegetation, composed of a large area of old-growth Alerce forest (*Fitzroya cupressoides)* and its associations/ communities. These cover close to 50% of the total surface area of this PA.	The plant formations within the southern zone of the Park and the Reserve include: "Valdivian Andean Rainforest" which is a mixed rainforest with a cold temperate climate, with abundant rain throughout the year and the formation of "*Alerzales*," with individual Alerce or communities. The area contains two plant formations denominated "Chiloe Laurifolious Forest" and the "Andean Evergreen Forest." [38]	Alerce forest (48.6%) (% not known for Reserve)	Close to 19,000 ha, 252 of these burned (Nos not known for the Reserve)	Alerce is a "vulnerable" species (CONAF, 1989).	**Endangered mammals (3):** Comadrejita trompuda (Rhyncholestes raphanurus), Colo colo wildcat (Felis colo colo), Felis guigna (guiña wildcat);[39]
		Evergreen forest (30%) (% not known for Reserve)	Close to 12,000 ha (No.s not known for the Reserve)	The plants Fasicularia bicolor and Greigia landbeckii[40]	**Vulnerable mammals (3):** Pudu (Pudu pudu), Quique (Galictus cuja), Puma (Felis concolor);
		Coigue de Magallanes (9.1%) (% not known for Reserve)	3,609 ha (No.s not known for the Reserve)	The fern Hymenophyllum cuneatum is insufficiently known	**Rare mammals:** monito del monte (Dromiciops australis gliroides).
		Lenga (4.8%) (% not known for Reserve)	1,900 ha (No.s not known for the Reserve)		**Endangered birds:** peregrine falcon
					Vulnerable birds: bandurria (Theristicus caudatus), condor (Vultur gryphus), torcaza (Columba araucana) and carpintero negro (Campeohilus magellanicus).
					Vulnerable amphibians: rana chilena (Caudiverbera caudiverbera), ranita de Darwin (Rhinoderma darwini).

***As per the Red Book of Terrestrial Flora of Chile and ** as per the Red Book of Vertebrates of Chile**

[38] Gajardo, 1994. La vegetación natural de Chile. Clasificación y distribución geográfica. 165 p
[39] Ibid, pp.66-67
[40] Ibid.

Table D1-10. Threats and Pressures Alerce Andino National Park and Llanquihue National Reserve

3. Alerce Andino National Park

Threats	Underlying Cause	Highest Risk Areas within PA
Illegal agricultural burning and other intentional fires account for close to 80% of all fires occurring within the Park proper and its buffer zones (agricultural burns, 40.74%, intentional burns, 37.04%).	This is due mainly to the existence of private properties adjoining the Park, where landowners burn waste despite legal restrictions due to climatic conditions.[41]	The highest risk is basically found in the sectors of Correntoso, Sargazo and Chaica, where human traffic is highest from the settlement of Correntoso and there are nearby camping and picnic areas, as well as hiking trails to Laguna Chaiquenes and Triángulo, and others from Correntoso to Laguna Sargazo and Fría. The traffic from Route 7, from Puerto Montt to Lenca and Caleta La Arena increases the risk in the southern part of the Park. Added to these areas are others that are affected by historical forest fires, which are mainly found around the park in the buffer zone in private properties or linked to a high voltage power line
Illegal felling of native trees within park boundaries	To meet the demand for firewood of the private properties.	Within park boundaries in the most populated areas: In Canutillar, in the estuary area - La Arena, Chaicas-Lenca-Quillaipe and in Correntoso-Lago Chapo.
Exploitation of Alerce		In the buffer zone of the Reloncaví Estuary between Canutillar and La Arena, and in the Lenca and Lago Chapo areas.
Logging	Because of increased population density due to improved access along the highway.	In the Correntoso sector of the southern highway
Presence of bovine cattle inside the forest		On private and public lands, and into the park from adjoining properties.

B. Llanquihue National Reserve

Threats	Underlying Cause	Highest Risk Areas within PA
Forest fires	Illegal agricultural burns and intentional fires being the principal causes. Again, this is linked to the existence of private properties adjoining the Reserve, with a high concentration of population in a number of buffer zones of this Unit, where property owners burn waste despite legal restrictions due to climatic conditions.[42]	The highest forest fire risk is found in Ralún-Canutillar, where the high traffic increases the risk in the eastern section of the Reserve. According to local farmers, forest fires have been seen historically in this area, located mainly on private property in the buffer zone outside the Reserve.
High demand for firewood and building timber	The increase in population of Puerto Montt and its surroundings, particularly the creation of the satellite city of Alerce, has generated more demand for firewood products mainly for use as fuel, with some for construction. These new developments are causing a significant impact on the rate of felling of evergreen trees.	In Colonia Rio Sur and Rio Chico Alto and neighboring areas. This situation is repeated in the Ralún-Canutillar and Lago Chapo sectors.
Presence of bovines cattle	Due to habit of using Reserve for bovine grazing	In public and private properties and into the Reserve from adjoining properties in the Pocoihuén Canutillar and Lago Chapo sectors
Clear cutting of its native forest (coigüe)	Due to the requirements of a large-scale project; the volcanic soil was recently replanted with exotic forest species (eucalyptus).	Over an extensive area in Hueñu Hueñu

[41] Plan de Protección contra Incendios Forestales parque nacional alerce andino. Conaf Décima Región
[42] Plan de Protección contra Incendios Forestales Parque Nacional Alerce Andino. Conaf Décima Región

4. OBJECTIVES

The aim of this Pilot Demonstration is to demonstrate how to consider biodiversity conservation as an integral part of the productive land uses that exist in fragmented landscapes, using the **Coastal-Andes Conservation Landscape (CACL)** as demonstration area: To achieve this, the Pilot will initially be carried out in 7 Pilot Sites with different landowner profiles and in three key sub-landscapes (Cayumapu, Los Lagos, and Melefquen), which each represent the particular combination of productive uses and conservation aims found in this Conservation Landscape: (i) Livestock raising/forestry activity; (ii) forestry/plantations and (iii) forestry/management of the native forest (for more details, see Table 1 and 2 below). These forest patches will be conserved by being identified and established as conservation set-asides, while production in the surrounding land will be converted into more biodiversity-friendly uses.

5. ECONOMIC FEASIBILITY OF THE PILOT DEMONSTRATION

An Economic study was commissioned to determine the financial impact on private landowners of the decision to conserve their lands. The following table presents the estimated values for the distinct options of land use covered by native forest in the studied areas, and provides a preliminary estimate, of the opportunity cost (at least) of the native forest to landowners.

I. Sustainable Management	**First Harvest**	**POTENIAL VALUE OF THE LAND**		
		6%	**10%**	**14%**
	US$/ha	US$/ha	US$/ha	US$/ha
a) Evergreen				
Conversion	2,163			
Selection	912	1,721	378	- 9
Protection	1,967	1,036	- 115	- 411
Strip clearcutting	1,050	299	- 191	- 302
b) Coihue-Rauli-Tepa				
20-year second growth	400	3,961	1,404	506
Mature forest				
Conversion	3,138			
Selection	1,562	2,496	612	91
Protection	2,488	1,305	- 66	- 392
Strip Clearcutting				
c) Roble - Rauli – Coihue				
20-year second growth	400	4,656	1,614	604
40-year second growth	1,897	4,562	3,065	2,323
Mature forest				
Conversion	3,838			
Selection	1,542	2,836	738	124
Protection	3,155	1,011	- 188	- 455
II. Reforestation with Eucalyptus				
Pulpable wood (R = 10 years)		6,771	3,008	1,537
III. Firewood production				
Conversion	199			
IV. Large-scale dairy		8,266	4,960	3,543
VI. Medium-scale livestock raising		967	580	412

Simply viewing the figures presented above should tell us that, where the main motivation is financial, there is a high potential for a change in the land use. At a realistic rate, for example 10%, all other land use options surpass the expected return for sustainable management, with the exception of management of 40-

year-old second growth forest, which unfortunately is rarely the case. Just replacing the 9,102 hectares of scrubland[43] with Eucalyptus plantations increases the Potential Land Value of the plantations by almost 24 million dollars more than the best sustainable forest management scenario. Yet, the study concluded that the issue of benefits lost by the decision to conserve does not seem to be the most relevant factor for the most important landowners in the areas under study: "**Because of the ownership arrangement of native forest existing in the areas selected, the risk of conversion seems to be low.** More than 80% of the Productive Adult Native Forest is in the hands of forestry companies and large landowners. The economic rationale of these landowners is not subject to financial analysis. Although conserving the native forest without receiving value for its direct use does not have a positive effect on the balance sheets of forestry companies, it certainly improves the company's competitiveness and reduces the potential for environmental disputes. The indirect use of the native forest does have value, though it is an intangible asset that is difficult to include on any balance sheet. Small landowners appear to own around 1% of the existing native forest in the area under study, although evidently this figure is underestimated due to Inventory sampling issues. Forest conservation in a family farm and peasant farming (*campesino*) context can be explained by the lack of investment capacity for undertaking more lucrative options, by the value of indirect use (ensuring firewood and forage supply, protecting springs) and the value of non-use (family tradition, transmission of local culture, recreation) that cannot be assigned a financial value."

This supports one of the working theories upon which the proposal for the creation of the SRAP is based, which indicates that the first measures programmed to bring areas under conservation do not imply higher costs. In this case, therefore, the promotion of this initiative can be justified. For specific details, please see the PDF B Study, *Contribucion al analisis economico de alternatives para apoyar la conservacion de la biodiversidad relevante en la depression intermediada de la provincia de Valdivia region de Los Lagos*, Benjamin & Cristian Olivares, July 2005.

3. PILOT PARTICIPANTS/STAKEHOLDERS

With regard to the profile of PPA owners, each sub-landscape will include landowners that reflect the typical uses of the CACL:

- Sub-landscape 1 (Cayumapu): 2 medium-sized PPA used for livestock raising/forestry activity;
- Sub-landscape 2 (Los Lagos): 1 large PPA corresponding to forestry company plantation; and
- Sub-landscape 3 (Melefquen): 1 medium-sized PPA corresponding to a forestry company focused on native forest management.

These 3 cases will incorporate consideration for productive economics in which landowner management decisions may be subject to profitability analysis of alternatives. To complement the above activities, 3 PPAs will be selected to accompany the above-mentioned ones as demonstrations of the subsistence farming/livestock/forestry activity predominant among small properties in the CACL that are owned by subsistence farmers and indigenous landowners. The economic logic is different here, given that in many cases the conservation activities carried out by these small rural landowners seem to go against their own profitability objectives. Thus, the contribution of these small-scale PAAs will be to test good management practices that can be incorporated into property management plans. In the second stage these plans will be linked to incentives aimed at strengthening in situ conservation activities carried out by beneficiaries of public programs existing in the CACL. The selection of these small PAAs are crucial for the project's objectives as they represent the most numerous type of landowner in the PCCA, and also because they help to fulfill a social aim to support conservation initiatives carried out by individuals who generally lack any kind of support.

[43] See point 7.2

4. CRITERIA FOR SELECTING THE THREE CONSERVATION SUB-LANDSCAPES

The three Sub-landscapes were selected based on the following criteria:

- Fragments prioritized by habitat quality, connectivity with other fragments, surface area of the fragment and proximity to watercourses.
- Concentration of the largest number of priority fragments in the given landscape to ensure connectivity among extensive forest tracts.
- Distribution of the PPAs in a provincially representative manner, in order to maximize lessons learned, with the most variety of land use situations and productive activities.
- Sub-landscapes that safeguard water resources.

STEP 1: Ecological design. An initial screening element was linked to the priority of the fragments according to their vegetation/plant composition and potential for supporting a quality habitat. ***Key question asked:*** Is the property within the ecological design?

STEP 2: Once candidate areas were identified through the ecological design factor (highest biodiversity), they proceeded to a case-by-case selection process. For each area, the landowner had to be willing to conserve the property. However, the landowner should also be truly willing to enter into a Stewardship Agreement in which he/she would pledge to carry out certain management activities for conservation and respect the rules. Once signed, these agreements will result in a list of areas that are suitable for conservation and have a formal commitment in a simple format. ***Key question asked:*** Is the landowner willing to sign stewardship agreements for conservation?

Properties that reached this stage would include those that have valuable biodiversity worth conserving and are owned by both landowners who wish to undertake conservation and those who do not. However, at this point landowners not willing to sign a Stewardship Agreement will be ruled out (**Category C**). These landowners will also be included in the Landscape, but will be treated differently in regard to incentives and instruments. However, it is important to note that this does not imply that they are "less important" landowners. Although most efforts will be weighted towards those willing to sign such agreements, those not willing to do so must also be considered as representing a significant majority within the territory and whose concerns must also be addressed.

STEP 3: A second large group of landowners **(Category 1)** will be defined by their pledge to conserve, according to the Existence Value, the Value of Non-use and the Value of Indirect Use, in which the PPA will be subject to monitoring of its compliance with the Conservation Management Standards. In this way they will be recognized as a Private Protected Area under UICN categories.***Key question asked:*** Is the landowner willing to follow management standards applicable to the respective management category and be monitored for compliance with such standards?

STEP 4: A third group of landowners will be those with properties with a high conservation value, committed to signing agreements, but wherein the main use is productive **(Category 2).** This group of properties is the so-called **Sustainable Production Areas** (SPA), with general uses such as Agricultural, Livestock and Forestry activities. The landowners of this group of properties will be willing to sign agreements pledging their compliance with sustainable management standards and agreement to be monitored.***Key question asked:*** Is the landowner willing to comply with and be monitored for compliance with Best Practices applicable to the respective productive use?

STEP 5: Once the Category 1, 2, and 3 landowners were registered, a number of criteria was applied to make the final selection. Taking into account the different types of land ownership and landowners – by property size and/or income level –, there will be a total of 12 different properties in the C1 category, and

36 each in the C2 and C3 categories. The final selection of the initial 7 pilot sites from among these potential pilot demonstration areas was made as follows:

- *Area Criteria*: Within each category of small, medium and large-sized property, selection had to favor those with the largest forested area. In addition, consideration will be given to maximizing protected areas that can be linked together to provide an area for conservation that is greater than the individual areas themselves.
- *Representativity Criteria*: The areas chosen should represent the broad ecological spectrum that exists in the province, taking into account priority (given by the ecological design), but also the diversity of the vegetation component. The pilot areas chosen should also cover a broad range of landowner types, and thus should include FSC-certified forestry companies as well as private landowners with the broadest range of property sizes.
- *Functionality Criteria*: The areas chosen should be assessed in terms of subsequent impact of the demonstration. This is the rationale behind such selection criteria as proximity to good quality road networks and areas that are close enough to be visited. However, it is also important to consider the proximity of other pilot areas, to enable a network-based design to allow for the application of similar instruments and incentives, which also allows for comparisons among properties.
- *Management capacity criteria*: This criteria is of particular importance, as it enables an evaluation of the landowners' ability to comply with the agreements and to manage his/her PPA, which will affect the proper application of the instruments, which in effect determines the outcomes and sustainability of the conservation project.

Pilot Demonstration Stages: Stage I: The use of these criteria in selecting the pilot areas enabled the selection of 7 pilot demonstration areas to be carried out during a first stage. In other words, these initial pilot areas will be implemented for demonstration purposes, as they are the most suitable for achieving sustainability of the investment and for their demonstration effect. More properties will be added in a Stage II, completing the conservation sub-landscape and supporting it through fiscal incentives and instruments. Stage II will involve an additional 40 PPAs will be from identified landowners belonging to the Valdivia PPA Association, which will ensure better replicability and dissemination of experiences among other landowners whose productive management is not directly related to forests, but whose activity does affect forests, whether in regard to soil protection or their relationship and interaction with watercourses.

188. It should be noted that all Pilot Site participants have provided **Letters of Commitment** in order to partake (see Annex K: Commitment Letters for Pilots).

5. PLANNED INTERVENTIONS

This Project is closely linked with the former GEF CIPMA MSP project with regard to the design of incentives and other mechanisms to support Private Protected Areas (APP) in Region X. Concerning the preparation of the pending Rules for PPAs, of particular importance were the lessons learned in the process of designing the Management Plans for the 3 UDPs under the latter Project, as well as their implementation and monitoring, all of which was used as the basis for the design and application of the first Certification for PA procedure in Chile jointly with the National Office of CONAF. Thanks to the collaboration between CONAMA and the CIPMA project, the Rules were improved in the following ways:[44]

---

[44] See Claudia Sepúlveda, A. Tacón, E. Letelier and C. Seeberg "Recomendaciones al Reglamento para Áreas Protegidas Privadas en base a la experiencia del Proyecto CIPMA-FMAM ECORREGION VALDIVIANA: *Mecanismos público-privados para la conservación de la biodiversidad en la Décima Región*". WORK DOCUMENT N° 57. CIPMA. June 2003. Valdivia/Santiago.

- Simplifying the process to assess PPAs, making the Rules more friendly to landowners through the establishment of eligibility criteria based on available secondary information (eg. site priority).
- Broadening PPA management categories by differentiating among different proposed uses (strict preservation, for non-consumptive uses, for consumptive uses) to ensure that they reflect the diversity of existing PAAs, and bringing these into line with SNASPE categories.
- Establishing differentiated planning requirements for each Management Category, requiring Management Plans only when the PPAs include consumptive uses;
- Establishing General Use Standards for all Management Categories and Specific Use Standards for categories that do not cover consumptive uses. These will lay the foundation for zoning, prevention of impacts and monitoring activities.

In regard to the incentives established in the still-pending Native Forest Law, the GEF-CIPMA Project has provided crucial input in its recommendation to direct these instruments towards *conservation efforts* instead of the *opportunity costs* of conservation, which is the traditional approach. In other words, the project recommended designing incentives that would co-finance or support activities that were essential for achieving the conservation objectives of the PPAs. The concept of conservation efforts was tested through a model that enabled identification of essential management activities for conservation developed in the 3 UDPs and additional PPAs; this trial also enabled estimation of their costs. Under the model developed, the main investment costs associated with the creation of a PPA, and that correspond to activities fundamental to the conservation objective, were fence-building, trail building, construction of a dwelling for the park rangers and/or park administration, and the drafting of a Management Plan or Property Land Use Plan focused on conservation. In turn, the main operating cost of a PPA, linked to an activity that is essential for the conservation objective, is the park ranger salary.[45]

Given the fact that neither the PPA Rules nor the incentives established under the Native Forest Law are in force yet, the BTV project provides an unequalled opportunity to perfect these instruments through their pilot application and testing using valuable lessons learned. In effect, the PCCA component of the BTV Project incorporates the Native Forest Law incentives among the range of public incentives available to support the implementation of the 3 Conservation sub-landscapes. Specifically, the incentives of the Native Forest Law to be included are: a) Equipping the PPAs through fence- and trail-building, b) recovery of the native forest and extraction of non-wood forest products; and c) sustainable management of the native forest based on a multiple-use PPA. It should be noted that, in order to be eligible for Native Forest Law incentives, PPAs should already have official PA status as established in the PPA Rules, and the beneficiary activities should be demonstrable and accessed by landowners through a competitive, public fund.

Methodology:

During the PDF B phase, three sub-landscapes were selected, in which territorial units were chosen on the basis of explicit criteria including: (i) characteristics; (ii) values; and (iii) type of actors involved, as described in Table 1 below. These three sub-landscapes were selected based on an analysis of a survey of private conservation projects included in the PPA Owners Association, as well as through the FSC forest certification process. Then seven experiences demonstrating conservation and sustainable use within these three sub-landscape types were selected for implementation, based on the above criteria.

These seven demonstration experiences - to be implemented during Phase I of the project - will enable the development and dissemination of practices, standards and lessons learned through outreach activities focused on capacity building and skills development for property management. These activities will be implemented in collaboration with landowners of each sub-landscape. Based on the Lessons Learnt from

¿[45] Ibid. See also Claudia Sepúlveda, Eduardo Letelier and Christina Seeberg "Incentivos apropiados para Áreas Protegidas Privadas: el enfoque y la experiencia del Proyecto CIPMA-FMAM". WORK DOCUMENT N° 58. Valdivia/Santiago, September 2003.

the previous CIPMA Project, these types of non-monetary incentives are considered a crucial component for the development of pro-conservation policies in private lands in Chile.

The experience gained from the implementation of these seven demonstration units during Phase I will also enable the systemization of valuable Lessons Learned on: (i) the types of conservation activities carried out; (ii) their cost-effectiveness; and (iii) the potential co-financing mechanisms available through current public instruments. These lessons will facilitate the design and pilot application of a series of economic incentives that will increase the quantity and area of private properties containing these landscapes under conservation. Concurrently to the establishment of the demonstration areas, Stewardship Agreements, standards and procedural arrangements will be drafted to obtain formal recognition of these initiatives in order to advance towards the future application of the respective PAA Rules, considered a basic prerequisite for defining the institutional structure of private conservation initiatives within the framework of the RPAS. Activities will be implemented in the following four Components:

COMPONENT A - Establishment of a network of demonstration areas for conservation and sustainable use in private lands in three high priority sub-landscapes.

During Phase I the project will pilot and support seven conservation and sustainable management initiatives, representative of different landowner profiles and productive activities in three key sub-landscapes: (i) Melefquen; (ii) Cayumapu; and (iii) Los Lagos. During Phase II of the overall Pilot Initiative, these sub-pilot experiences will become demonstration areas that will be used to disseminate the experience among other private landowners, who share the same sub-landscape, through an appropriate Outreach and Incentives Strategy, with the goal of Phase II being the incorporation of at least an additional 40 new demonstration experiences of the three sub-landscapes. For details, please see Table 1 below.

The outcome of this Component is to systematize land and resource management experiences, identifying the main conservation activities and their costs in order to undertake a cost-benefit analysis and identify potential public incentives that could be sought in support of each case. In addition, these demonstration areas will enable the design of a process to formally recognize Managed Use PPAs in the RPAS. **This component has three main clusters of activities:**

A.1. Planning for conservation and sustainable management of seven demonstration areas. - Work during the first six months of the project will focus on the legal design of Stewardship Agreements and Terms of Reference for the joint implementation of demonstration areas in private lands. The activities will involve: (i) holding planning meetings with landowners; (ii) obtaining legal assistance for designing Stewardship Agreements that ensure the sustainability of the demonstration areas; (iii) programming of implementing activities and their associated costs; (iv) and signing of contracts for the joint implementation of these activities and the inputs of the counterparts.

A.2. Technical assistance for the implementation of demonstration areas for conservation and sustainable use.: Activities during months 6 - 18 of the Project will include implementation and monitoring of conservation activities in the seven demonstration areas in accordance with the detailed table for each presented in the Final Report.[46] These activities may include joint planning for conservation and property management with landowners, training and in-situ work with staff, infrastructure design (trails, signposts and other accessory equipment), on site supervision of programmed activities and cost monitoring.

A.3. Systematization of experiences: - The demonstration experiences will be used to define standards for conservation and sustainable use practices. These model practices will enable the systemization of implementation costs and the identification of activities eligible for available public funding.

COMPONENT B - Capacity-building and skills development for conservation and sustainable use among private landowners and other local stakeholders in three high-priority sub-landscapes.

Next step will be to disseminate the experiences gained in the private conservation and sustainable use Demonstration Areas. Hence, throughout months 18 to 36 of the Project implementation, a Training and Outreach Program will be implemented to expand the number of landowners associated with the Network. Both the objectives and the activities included under the present project were defined in collaboration with the direct beneficiaries of the initiative, whose needs for support were identified in a survey of 39 beneficiaries of the previous GEF CIPMA Project between August 11 and 27, 2003. Between 63 - 71% of landowners participating in conservation initiatives indicated that they required support and expert advice, and at least 70% were willing to co-finance the cost of these activities. Among the support activities mentioned by landowners in the survey are: (i) technical assistance for property planning and management for conservation, followed by (ii) recovery; (iii) conservation of flora and fauna, and (iv) development of ecotourism projects, as well as (v) advice on legal and financial issues. Landowners, who participated in this past GEF Project will also be invited to join the network of demonstration experiences by carrying out such initiatives in their lands, to be implemented through incentive grants described in Component C below. **This component has four main clusters of activities:**

B.1. Design of an Outreach Program of conservation and sustainable management practices with key stakeholders in the context of the demonstration areas of three key sub-landscapes. - Analysis of the list of landowners of each sub-landscape will be used to define the different types of actors to ensure an effective and efficient Outreach Strategy for conservation practices. The activity includes design of: (i) an outreach sub-program among landowners and other local stakeholders; (ii) a sub-program for training and in situ work with staff; and a (iii) sub-program for conservation and property management planning.

.2. Implementation of the Outreach Program with key stakeholders on the demonstration areas of three high priority sub-landscapes. - The Outreach Program is aimed at building capacities and developing skills for conservation among private landowners and other local actors in the three sub-landscapes. The Final Report from PPCh prepared during the PDF B Phase has a detailed description of the types of activities to be carried out under this component, which will be considered crucial for the successful completion of component C involving conservation incentives.

B.3. Group workshops on planning and property management in demonstration experiences. - The Outreach Program is expected to broaden the number of landowners interested in joining the Network of Conservation and Sustainable Use Demonstration Areas, which will increase the total area under protection and foster connectivity among landowners based on conservation approaches suited to each sub-landscape. The private landowners will be offered the chance to deepen their training through conceptual tools and methodologies focused on property management for conservation. Part of this activity involves holding three workshops in each sub-landscape and personalized *in situ* technical assistance using the methodology developed by Parques Para Chile (PPCh).

B.4. Systematization of experiences. - The experiences gained will be systematized in an audiovisual product for dissemination, which compiles the contents of the courses and workshops. This will enable the mass dissemination of information to other landowners and local stakeholders within the conservation landscape through radio or print media.

COMPONENT C - Design and pilot application of incentives for conservation and sustainable management in three high-priority sub-landscapes.

During months 36 to 48 of the Project a team of experts will assist on-site in the design and implementation of conservation and sustainable management demonstration experiences undertaken by the landowners participating in the project through the Outreach Program. The replication of demonstration experiences

will be encouraged through technical assistance and contributions from public funding sources available in the zone. This will require the drafting and signing of a Stewardship Agreement with each landowner and the development of a Property Management Plan - a planning instrument that identifies the key conservation value of an area and the main risks or threats associated with given productive activities carried out on the property. This information in turn will be used to define measures for the prevention, remediation, mitigation and compensation of environmental impacts. **The Component consists of four main clusters of activities:**

C.1. Drafting of legal stewardship agreements with private landowners based on the implementation of conservation and sustainable management practices. - As in Component A, legal stewardship agreements will be drafted and terms of reference defined for the joint implementation of demonstration experiences in private lands.

C.2. Technical assistance for property management and implementation of demonstration experiences using available public funding instruments. - The nature of the project makes it impossible to pre-define the quantity and type of activities that will be undertaken in the properties participating in the project. Nevertheless, experiences with PPA landowners have highlighted some public funding sources that could be accessed in the territory to co-finance these activities.

C.3. Establishment of a Network of demonstration experiences regarding application of public incentives for conservation and sustainable management.

C.4. Systematization of experiences: Design of Incentives for conservation. The systematization efforts will concern experiences, such as: (i) Establishment of custody/Stewardship Agreements; (ii) the implementation of agrarian, forestry and conservation Best Practices; and (iii) the articulation with plans and programmes in the terrain.

COMPONENT D - Design of a Conservation Program for private lands integrated into the Regional Protected Area System (RPAS)

The systemization of experiences in establishing Stewardship Agreements and implementing practices for conservation and sustainable use will help to define the procedures required for formal recognition and accreditation of private protected areas within the context of the SRAP. The mechanisms for coordination among the public services and private stakeholders involved in the project will also be defined in order to build a regional institutional framework that supports conservation. **The component consists of four main clusters of activities as follows:**

D.1. Design of mechanisms for formal recognition, monitoring and supervision of the Private PAs and Managed Use Areas within the framework of the Regional Protected Areas System.

D.2. Design of a territorial programme integrating incentives for conservation and sustainable management in the conservation landscape area.

D.3. Establishment of a Public-Private Committee/Board and inter-institutional coordination mechanism for the administration of the Conservation Landscape within the framework of the Regional PA System.

Table D2-1. Overview of the 7 initial Pilot Demonstration sites

Eco-system type / Vegetation formations	Fauna	Land-owner profile and Name of property	Total Size (ha)	Productive activities	Pilot Area (ha)	Provision of environmental services
Sub-landscape: I. Cayumapu						
1. Second growth Roble (*Nothofagus obliqua*), Second growth Coigue (*N. dombeyi*) and Roble. Riverside wetlands.	**Houses** a complete set of bird species found in forests **and** wetlands, as well as endemic species such as **Pudú** (*Pudu pudu*), Chingue (*Conepatus chinga*) and **Guiña** (*Oncifelis guigna*).	Company Las Cumbres, PPA (Marialis Cortes)	352	Farming and livestock raising	TbD	Protect water producing micro-basins for neighboring properties and supply water courses that provide a broad variety of bird species such as those that inhabited Río Cruces (up to August 2004) and the Cayumapu River.
2 To be included	Houses a complete set of bird species found in forests and wetlands, as well as endemic species such as Pudú (*Pudu pudu*), Chingue (*Conepatus chinga*) and Guiña (*Oncifelis guigna*).	Company La Quila, Forestry property (Forestal Tornagaleones)	112	Farming and livestock raising	TbD	Protect water producing micro-basins for neighboring properties and supply water courses that provide a broad variety of bird species such as those that inhabited Río Cruces (up to August 2004) and the Cayumapu River.
Sub-landcape II : Los Lagos						
3. Second growth Roble (*Nothofagus obliqua*) and relics of Roble-Laurel-Lingue (*N. obliqua-Laurelia sempervirens-Persea Lingue).*	Despite its reduced area, large mammal species have been found, including Pumas (*Felis concolor*), Chilla fox (*Pseudalopex griseus*), and Pudú (*Pudu pudu*). Recently, evidence of Hullín or river otter (*Lutra provocax*), a species in danger of extinction, has also been found.	Small landowner Toro del Agua, PPA (Eduardo Cartagena)	19	Tree Plantations	19	Protect water-producing micro-basins that feed the Collilelfú river, as well as protect fragile soils.
4. Second growth Roble (*N.obliqua*) and adult relic formations of Roble-Laurel-Lingue (as above*).*	Despite its reduced area, large mammal species have been found, including Pumas (*Felis concolor*), Chilla fox (*Pseudalopex griseus*), and Pudú (*Pudu pudu*). Recently, evidence of Hullín or river otter (*Lutra provocax*), a species in danger of extinction, has also been found.	Small landowner El Corte, PPA (B. Burgos)	46	Tree Plantations	46	Protect water-producing micro-basins that feed into the Collilelfú river, as well as protect fragile soils.
5. Second growth Raulí (*Nothofagus alpina*) and relic formations of Roble-Laurel-Lingue (as above*).*	Evidence of large mammals such as Puma (*Felis concolor*), Chilla fox (*Pseudalopex griseus*), and Pudú (*Pudu pudu*).	Company LaMontana, Forestry property, (Forestal Tornagaleones)	648	Tree Plantations	648	Protect water-producing basins that feed into the San Pedro river, as well as protect fragile soils.
Sub-landscape III. Melefquen						
6.Second growth Roble (*N. obliqua*) and coigue (*N. dombeyi*).	Recently there has been evidence of Hullín or river otter (*Lutra provocax*), currently in danger of extinction.	Small landowner Lote B1, PPA (Angel Zapata)	120	Forestry Management	120	Protect water-producing micro-basins that feed into Rilún creek.
7. Roble-Raulí-Coigue Forest type	Houses a complete range of species characteristic of this type of ecosystem.	Company Curirruca, Forestry property (Forestal Rio Cruces)	1228	Forestry Management		Protect a large part of the hydrographic sub-basin of the Leufucade river, below the Antilhue river, which has inherent value and also contributes to maintaining the Río Cruces flow level.

ADDITIONAL COMMENTS:

Bio-geographic singularity: Pilot Sites 1-6 present an important biogeographic singularity, as they are located in the Intermediate Depression, a zone from which the laurifolious forests have practically disappeared. Pilot Site 7 presents an important biogeographic singularity, as it is located in the ecotone or transition zone between the deciduous forest and laurifolious forest regions.

Connectivity between Site sections: Pilot Site 1 currently has a discontinuous area of native forest that could be reconnected with minimum effort, thus providing a more suitable habitat for existing fauna. Pilot Site 2 is a continuous tract of native forest that could be extended to provide a more suitable habitat for existing fauna. Pilot Site 7 currently has a continuous extension of native forest of more than 1200 hectares situated within the Intermediate Depression.

Pristine ecosystem or slightly altered: In Pilot Site 7, there are extensive, uninterrupted primary forests with little intervention. The Curirruca property maintains an extensive tract of primary adult forest.

Representativity: In Pilot Area 7 the vegetation is relatively unprotected by the SNASPE. This is the Roble-Raulí-Coigüe forest type, which is protected at a level of only 2.8 % in Chile.

Table D2-2. Overview of planned activities in each of the initial 7 Pilot Site as per the 4 Components

Planned activities	Pilot Site 1	Pilot Site 2	Pilot Site 3	Pilot Site 4	Pilot Site 5	Pilot Site 6	Pilot Site 7
	Las Cumbres	*La Quila*	*Toro del Agua*	*El Corte*	*La Montana*	*Lote B1*	*Curirruca*
COMPONENT A – Conservation Planning:							
a.1. Basic cartography & property analysis		X			X		X
a.2. Conservation project profile							
a.3. Property management plan	X		X	X		X	
a.4 Resource management plan		X	X	X	X	X	X
a.5 Budget planning			X	X		X	
COMPONENT B – Protection measures and risk prevention:							
b.1 Control and monitoring			X	X		X	
b.2 Forest fire prevention	X		X	X		X	
b.3 Boundary fence	X		X	X			
b.4 Internal fence	X					X	
b.5 Roads and trails		X	X	X	X	X	X
b.6 Auxiliary infrastructure							
b.7 Conservation monitoring	X	X	X	X	X	X	X
COMPONENT C – Mitigation and impact compensation measures:							
c.1 Preservation area management	X						
c.2 Secondary growth management	X	X			X	X	
c.3 Pastureland management		X	X	X	X	X	X
c.4 Farming waste management	X		X	X		X	X
c.5 Environmental recovery	X		X	X		X	
COMPONENT D – Development of Public Use Infrastructure:							
d.1 Planning public use infrastructure	X	X	X	X	X	X	X
d.2 Roads and trails	X	X	X	X	X	X	X
d.3 Installation and maintenance of signposts	X	X	X	X	X	X	X
d.4 Auxiliary infrastructure	X	X	X	X	X		X

ANNEX D.3 – PILOT DEMONSTRATIONS

ESTABLISHMENT OF AN INDIGENOUS-OWNED MANAGED USE PROTECTED AREA (IPA)

GENERAL DESCRIPTION OF AREA

The *Trafunco los Bados* indigenous community covers 12,423 hectares, primarily on the eastern slopes of the coastal mountain range of Osorno province. Sixty one percent of the area (7,588 ha) is covered with mature native forest reflecting the highly pristine nature of the associated ecosystems.[47] In addition, its isolation and difficult access have kept the rate of deforestation in this area at significantly lower levels than in nearby areas. It contains ecosystems that are important for conservation such as the *olivillo*, an endemic tree species and the only representative of the *Aextoxicaceae* family, which today has disappeared over most of its original distribution. This is one of the threatened ecosystems of the Valdivian Coastal Forest.[48] In addition, the area contains Alerce (*Fitzroya cupressoides)* over an area of 2,317 ha in different levels of predominance, with an overall occurrence of 18.6 % of the total PA surface area. Other relevant ecosystems are the podocarpaceae forests that include all three species of Mañios (*Podocarpus nubigena, Saxegothaea conspicua* and *Podocarpus saligna)* recognized for their importance because of the intense exploitation they have suffered and the richness of the undergrowth species present.[49] The other species of interest is the Voqui (*Berberidopsis collarina)*, with a recognized conservation problem in the *Libro rojo de la Flora Leñosa* (Red Book of Woody Flora, Beriot, 1989). This area houses the southernmost coastal populations of this species (Smith, 2005). Finally, it is worth noting the great diversity of reptile and amphibian species associated with these environments, in particular the Ranita de Darwin (*Rhinoderma darwini),* which is protected.[50]

OBJECTIVES

The main objective of this Pilot Demonstration is to test how to establish the first **Indigenous-owned Managed Use Protected Area (hereafter Indigenous Protected Area (IPA))** in Chile according to the same IUCN PA Management Category V as mentioned in Output 4.1. for the Pilot Demonstration site in the Conservation Landscape in the Central Valley. The Pilot will be implemented with the Indigenous Community Trafunco-Los Bados (for more info, see below section 3. Pilot Participants/Stakeholders). The Pilot will also demonstrate and validate conservation units linked to sustainable use under indigenous management, while integrated into the overall Regional PA System. Furthermore, it would strengthen indigenous capacity in both PA and biodiversity management and their role in the Regional PA system, thereby also integrating them further into the broader regional development process. Finally, it will demonstrate how, by improving productivity and at the same time making it more biodiversity-friendly, it is possible to minimize the unsustainable logging related to firewood extraction, while also putting a break on the advancement of the agricultural frontier that is destroying the native forest.

The establishment of the new IPA combining conservation with sustainable use practices will increase social, economic and environmental sustainability for the involved indigenous communities. In addition, the global benefit of this outcome would be an increase in areas of habitats of coastal Valdivian forest under conservation. Another benefit would be the removal of different barriers so that this model could be replicated elsewhere, thereby incurring even more biodiversity benefits.

1. Two pilot sub-projects will be implemented to develop tourism initiatives and evaluate how different types of tourism can generate multiple benefits for global biodiversity conservation.

---

[47] *Catastro de Bosque Nativo*, CONAMA-CONAF- BIRF 1999
[48] Smith, 2005.
[49] Smith, 2005.
[50] Beriot, 1989.

2. The development of alternative forms of subsistence will be facilitated in each IPA (Trafunco Los Bados and Melillanca Huanqui) to reduce pressure, increase biodiversity conservation and diversify the economic base of local inhabitants and enhance their quality of life.

The first approach includes the creation of partnerships with tourism companies in each IPA for the joint development of nature-based tourist facilities that could attract tourists and thereby provide the IPAs with a source of long-term financing. The second approach will develop new sources of employment and income for local inhabitants, including subsistence revenue from the sustainable management of native biodiversity as a means to increase their income and compensate for the temporary restrictions on fishing in core areas.

ECONOMIC FEASIBILITY OF THE PILOT ACTIVITIES

Reduction of threats to biodiversity as a result of the Pilot activities and their replication:

- The sustainable economic alternatives will diminish the stress on traditional resources.
- These productive alternatives also do not use extraction arts that damage the forest ecology and related ecosystems.
- The utilized technology does not generate pollution or negative impacts on other species.
- Subsistence alternatives and related employment is provided to local communities living in the involved indigenous land territory, whose livelihoods are hence improved.

ECONOMIC ALTERNATIVE I: SUSTAINABLE TOURISM

The below tourism-related demonstrations for the IPA will offer new potential employment and income to the IPA inhabitants and those in surrounding areas. The following provides an assessment of the feasibility of tourism as a source of long-term financing for the IPAs and consists of:

(i) A calculation of initial operating costs of the IPA; and
(ii) A review of estimated income to be generated in each IPA through tourism-related fees.

These calculations are based on initial studies conducted during the data-gathering stage and on related available information. The levels of tourism projected are conservative, but indicate that it is highly likely that the resources from this source will cover the long-term operating costs of the IPA. However, it is important to note that under the project each IPA will conduct more detailed studies to determine: (i) visitation rates; (ii) adjust entrance fee amounts and collection systems; (iii) identify additional sources of income; and (iv) determine operating costs and operating standards for each site. This will enable more detailed planning of funding strategies for the IPA, and will also help to identify how and when tourism operations and services should be expanded.

(i) Calculation of the IPA's Operating Costs

To calculate the feasibility of tourism income to cover the IPA operating costs, the operating costs must first be determined. As Chile currently has no IPA, no data are available, and defining this data will be an essential part of the project itself. Management Plans and Business Plans to be developed for each IPA will include a detailed assessment and forecast of the different types of operating costs (recurrent staffing costs, maintenance requirements per period, investment needs, etc.). Standard operating objectives will also need to be established for this new management category as part of the project work.

In the absence of such instruments (operating standards and their attendant costs) figures from a variety of sources have been used to calculate cost and expenditure items in order to compare the income generating

potential. The IPA cost category calculations were based on figures provided by the Agrarian Research Group (*Grupo de Investigaciones Agrarias*) and are indicated below:

TRAFUNCO LOS BADOS IPA

Cost Category	YEAR 1	YEAR 2	YEAR 3	YEAR 4	*YEAR 5*
Salaries: Base salaries,;Overtime; Per diems **SUB-TOTAL**	2,500.000	3,000,000	2,500,000	3,500,000	3,500,000
Operating costs: Fuel; Vehicle maintenance; Transport; General supplies; Maintenance of terrestrial infrastructure (guard huts) **SUB-TOTAL**	1,500,000	1,500,000	2,500,000	2,000,000	2,200,000
TOTAL	4,000,000	4,500,000	5,000,000	5,500,000	5,700,000

MELILLANCA HUANQUI IPA

Cost Category	YEAR 1	YEAR 2	YEAR 3	YEAR 4	*YEAR 5*
Salaries: Base salaries,;Overtime; Per diems **SUB-TOTAL**	1,400,000	1,500,000	1,500,000	1,600,000	1,600,000
Operating costs: Fuel; Vehicle maintenance; Transport; General supplies; Maintenance of terrestrial infrastructure (guard huts) **SUB-TOTAL**	100,000	100,000	100,000	200,000	200,000
TOTAL	1,500,000	1,600,000	1,600,000	1,800,000	1,800,000

(i) Calculations of Income Generation from Tourism in each IPA

Trafunco los Bados IPA ...The analysis of potential income-generating sources related to tourism in the IPA of Trafunco los Bados is based on data from two sources; the first of these consists of the studies conducted by GIA as part of its economic feasibility analysis of indigenous tourism activities.

	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR
SERVICE	0	1 (2006)	2 (2007)	3 (2008)	4 (2009)	5 (2010)
Lodging		3,696.86	6,099.82	12,199.63	18,299.45	24,399.26
Food		2,772.64	4.269,87	8.539,74	12.809,61	17.079,48
Guided tours		924.21	1,386.32	2,772.64	4,158.96	5,545.29
Entry fees		739.37	1,219.96	2,439.93	3,659.89	4,879.85
Income		8,133.09	12,975.97	25,951.94	38,927.91	51,903.88
Investments		46,210.72	1,848.43	2,772.64	3,142.33	3,512.01
Operating costs		7,393.72	8,317.93	9,242.14	10,166.36	10,536.04
Contingencies		924.21	1,109.06	1,478.74	1,848.43	2,218.11
Expend.		54,528.65	11,275.42	13,493.53	15,157.12	16,266.17
Profit		-46,395.56	1,700.55	12,458.41	23,770.79	35,637.71

MELILLANCA HUANQUI IPA

The analysis of potential income-generating sources related to tourism in the MELILLANCA HUANQUI IPA is based on data from two sources. The first of these consists of the studies conducted by GIA as part of its economic feasibility analysis of indigenous tourism activities.

Service	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR
	0	1 (2006)	2 (2007)	3 (2008)	4 (2009)	5 (2010)
Lodging		924	1,294	2,218	2,773	3,142
Food		555	924	1,109	1,479	2,218
Guided tours		370	555	924	1,109	1,848
Entry Fees		92	148	277	370	555
Income		1,941	2,921	4,529	5,730	7,763

Investments		27,726	277	277	277	277
Operating costs		2,773	2,957	2,957	3,327	3,327
Contingencies		185	185	924	924	924
Expend.		30,684	3,420	4,159	4,529	4,529
Profit		-28,743	-499	370	1,201	3,235

ECONOMIC ALTERNATIVE II: SUSTAINABLE USES

The project will complement the above tourism-related opportunities by supporting biodiversity-friendly pilot projects in the to–be-established Trafunco los Bados and Melillanca Huanqui IPAs in order to provide other economic subsistence alternatives that will enhance native biodiversity conservation as well as diversify the economic base of IPA inhabitants and improve their quality of life. Hence, this second part will review: (i) Arguments that support the promotion of Non-timber Forestry Products (NTFP) as a means to improving the quality of life of the local population in a context of sustainability and (ii) analysis of the economic feasibility of sustainable use practices to be demonstrated in the project, in order to promote alternative means of subsistence by adding value to local efforts undertaken by those who use and own the resources present in the IPA. Although these demonstrations seek to reduce any negative effect on local users of resources by establishing non-intervention areas and restricting the use of critical resources, they also represent a potential source of financing for the IPAs through the negotiation of contributions in exchange for sustainable uses of the IPA.

h) Non-Timber Forest Products (NTFP).

The manufacture of articles made of wood and fiber, as well as the exploitation of diverse species with edible, medicinal, and ritual uses are some of the cultural expressions of the Mapuche people, owners of the Pilot Areas. These products have gradually become goods that are sold commercially without losing their "handcrafted" quality; in other words, they are still made using traditional techniques and in small volumes to add one more element to the already diverse family income. Nevertheless, the NTFPs have a broad range of forms, origins, uses and markets. Thus, it is difficult to generalize about them and the implications of managing them in the context of forest conservation and the development of the human communities therein. This has prompted different classification schemes based on biological, cultural, or economic characteristics. The following NTFPs have been identified for the forests included in this project:

Classification of NTFP based on traditional use[51]

- **Edible products:** products such as hazelnuts, *murta, maqui, chupón, cauchao*, strawberry, *calafate* and many other seeds and fruit that can be eaten fresh, toasted, in preserves, in liquor or cider (*chicha*). These also include wild vegetables such as *nalca*, celery, *huilos* and *papas cimarronas*, fungii such as *changle, digüeñes* and *pinatras*, also *gargales*, and other products such as honey or palm syrup.
- **Medicinal Plants:** leaves, flowers, roots and bark of wild plants for therapeutic uses with humans and cattle, such as *matico, boldo, radal, quintral, limpiaplata, tineo, zarzaparrilla, cachanlagua, quinchamalí, laurel, canelo* and *araucaria*, among others
- **Plants with ritual uses:** plants used of consumed in traditional ceremonies, including *laurel, canelo, pehuén, avellano, latúe, quilmay,* and others.
- **Melliferous Plants:** Species such as *Ulmo, Avellano, Notro, Tineo* and others whose flowers and chemical-nutritional properties makes them attractive to honeybees, with corresponding potential for the development of beekeeping.
- **Natural essences and extracts:** Products that can be processed industrially to extract saponins from *quillay* trees, hazelnut oil or essential oils of *laurel, tepa, meli,* or *murta*, among other aromatic species.
- **Material for basket-making and handicrafts:** leaves, stems and roots collected to make baskets, wheat sheafs (*pirguas*) and other traditional handicrafts such as *quilinejas, voquis, colihues, vatros, junquilos, coirón* and *ñocha.*

[51] Juana Palma M., Ing. Forestal Red Pfnm Osorno, 2002

- **Plant dyes:** roots, bark, leaves or fruit that can be used to dye wool or leather. These include *michay, maqui, pillo-pillo, barbas de viejo, radal, nalca*, among many others **Decorative branches and wildflowers**: collected to make floral arrangements or for interior decoration including *copihue, lirio de campo*, ferns, *palmilla*, moss and *fuinque*, among others **Seeds and plants:** seeds and plantlets of native trees and bushes, to be grown in forestry nurseries to produce decorative garden plants.
- **Soil additives:** extracted from the forest subsoil for direct use or for re-sale, such as humus, peat moss and *pon-pon* moss.
- **Tannins or tanning substances:** Plant products that, when dissolved in water, are able to transform raw animal skins into leather, sheepskin and leather soles. Plants used for this purpose include *Lingue, Ulmo, Tineo,* and *Matarratones*, among others. *(Coriaria ruscifolia)*

Under the NTFP classification established by FAO, Ornamental Foliage comes under Products of Plant Origin called "Greenery". This includes branches, leaves, and fronds of different species that are used to complement floral arrangements. They are used when green and are therefore considered a raw material in the floral industry. They are commonly called "verdes" (greens) in Chile, though their technical name is Fresh-Cut Decorative Foliage (F.I.A, 1996) or Ornamental or Decorative Branches (Tacón *et al.*, 1999), while abroad they are known simply as "greens".

Another aspect of this type of production is that only certain parts of these plant are collected (unlike traditional forestry activity, wherein the entire plant is consumed), and the plants reproduce themselves annually.

Strengths of the NTFP project beneficiaries in the IPA.
There are organizations that have previously participated in different initiatives and that can take on the challenges of improving the formal organization of these handicraft activities (indigenous associations). Specifically, these have worked jointly with both public and private institutions related to productive development, environmental conservation and innovation (INDAP, CONAMA, CONAF, FIA, Regional Government, Fondo de las Américas and the Temperate Forest Fund-WWF).

In particular, the Asociación Indígena Mujeres Follajes San Juan is a group of women who collect native foliage species that grow in the evergreen forest under-canopy. This group currently has 25 members from different indigenous communities in the zone including, among others, the Trafunco Los Bados IPA. The species from which they extract foliage today include *Lomatia ferruginea* "Romerillo", *Gevuina avellana* "Avellano", *Lycopodium paniculatum* "palm fern", *Dendroligotricum dendroides* "Pon Pon moss", *Tepualia stipularis* "Tepú", *Lophosoria quadripinnata* "Queiye", *Luzuriaga radicans* "Quilineja". This organization also owns production infrastructure (packing, areas for native foliage storage and handling, plant nurseries, etc.) and has capacities in species conservation that include training in modern techniques and ongoing interaction with professional and technical experts in specific related fields (Forestry engineers, agronomists, among others) that ensure the sustainability of these activities under a sustainable IPA framework.

Challenges
To develop a strategic partnership with public and private entities that enables a qualitative improvement in the commercial management of the products of 46 organized indigenous collectors, through business enhancement focused on adding value to their ornamental foliage-based products through installation of a packing facility on their property. This will enable:

i) Generation of knowledge through scientific investigation and technical assistance;
ii) Building a framework of participation that guarantees continuity to traditional practices;
iii) Improving the quality of life of the local population through sustainable productive development.

ii) Estimate of NTFP Operating Costs in the IPA.

Given the volumes associated with this activity, the amounts assigned to product sales and associated costs, such as expected cash flow estimates within a funding scenario are displayed in the tables below.

Operation of the Asociación Indígena Mujeres Follajes San Juan						
Species	Size 20 cm – 30 cm	Size 50 cm – 80 cm	$ Av. price	N/leaves quantity	$ Profit	n°/branches/year
Palm	10	-----	0.02	6,500	120.15	325
Quilineja	10	15	0.02	2,400	55.5	240
Tepú	10	15	0.02	2,780	64.23	278
Avellano	10	15	0.02	200	4.62	10
Romerillo	10	15	0.02	4,970	114.83	248
Queiye	-----	15	0.03	90	2.50	9
Huerhuero	10	15	0.02	420	9.70	42
Pon Pon	6	------	0.01	1,400	15.53	28
Coihue	10	15	0.02		0	10
Radal	10	15	0.02		0	10

Current Prices and Quantities (Prices are in Chilean Pesos: 560 pesos = 1USD)

Species	N°/branches/ year	$/branch/ acquired	Cost of acquisition	$/branch/sale	Income from sale
Palm	650	0.28	198.22	0.46	300.37
Quilineja	240	0.28	66.54	0.46	110.90
Tepú	278	0.28	77.08	0.46	128.46
Avellano	20	0.28	5.55	0.46	9.24
Romerillo	331	0.28	91.87	0.46	153.11
Queiye	9	0.28	2.50	0.46	4.15
Huerhuero	42	0.28	11.65	0.46	19.40
Pon Pon	140	0.28	38.82	0.46	64.69
Coihue	0	0.28	0.00	0.46	0
Radal	0	0.28	0.00	0.46	0
	1710	TOTAL	**474,21**		**790.35**
		IVA (tax)	388,86		648.09

Cash flow generated from the sale of native foliage handled in a packing facility						
		Project Subsidy	Business	Business	Business	Business
Operation	Current	2006	2007	2008	2009	2010
Costs	Costs	Costs	Costs	Costs	Costs	Costs
1.Acquisition of Foliage (direct income to members)	474.21	15,304.99	25,253.23	36,731.98	51,016.64	76,524.95
2. Administration	284.53	1,736.78	1,823.62	1,914.80	2,010.54	2,111.07
3. Labor	0.00	1,996,.0	2,096.12	2,200.92	2,310.97	2,426.52
4. Technical assistance	0.00	6,654.34				
5. Supplies	0.00	4,016.76	4,217.60	4,639.36	5,103.29	5,613.62
5. Equipment	0.00	3,334.57	0.00	0.00	0.00	0.00
6. Marketing/Sale	0.00	369.69	406.65	447.32	492.05	541.26
Total costs	758.74	33,413.43	33,797.23	45,934.38	60,933.50	87,217,.2
Income						
1. Sale of Foliage –IVA	790.36	20,661.74	37,191.13	49,588.17	68,183.73	89,258.71
Total income	790.36	20,661.74	37,191,.3	49,588.17	68,183.73	89,258.71
Association's Annual Balance	31.61	-12,751.70	3,393.90	3,653.79	7,250.24	2,041.28

3. Pilot Participants/Stakeholders

The Pilot Demonstration will be implemented in the lands of the *Trafunco los Bados* indigenous community, which covers 12,423 hectares, primarily on the eastern slopes of the coastal mountain range of Osorno province. Forty-two families live in the community, with a total of 168 permanent residents, in addition to a lesser number of seasonal residents in summer. Economically the community relies on subsistence logging and cattle-raising complemented by small-scale farming (*chacarería*) and gathering. These activities are carried out in an area that is 94% covered by native forest over an area of 11,687 ha.

4. Criteria for selecting the Pilot Site

The above location for piloting a Indigenous-owned Pilot Conservation Area was selected for various reasons. If Region X's Coastal Range is looked at as a whole, to create an appropriate conservation strategy shows the need for a variety of approaches, which include areas of strict conservation, indigenous management, and sustainable use/forestry.[i] The selected location provides and excellent opportunity to demonstrate a combination of all three approaches through one pilot demonstration. Second, the selected zone is recognized as having a rich biodiversity that requires protection. The planned activities will contribute to improving and increasing biological representativity.[52] The Native Forest Inventory reports that 61% of the surface area (7,588 ha) is covered with mature native forest in dense (6,641 ha) and semi-dense (46,949 ha) categories at a rate of 53% and 8%, reflecting the highly pristine nature of the associated ecosystems.[53] In addition, its isolation and irregular access conditions have kept the rate of deforestation in this area at significantly lower levels than in nearby areas (for further details see Annex A on Biodiversity).

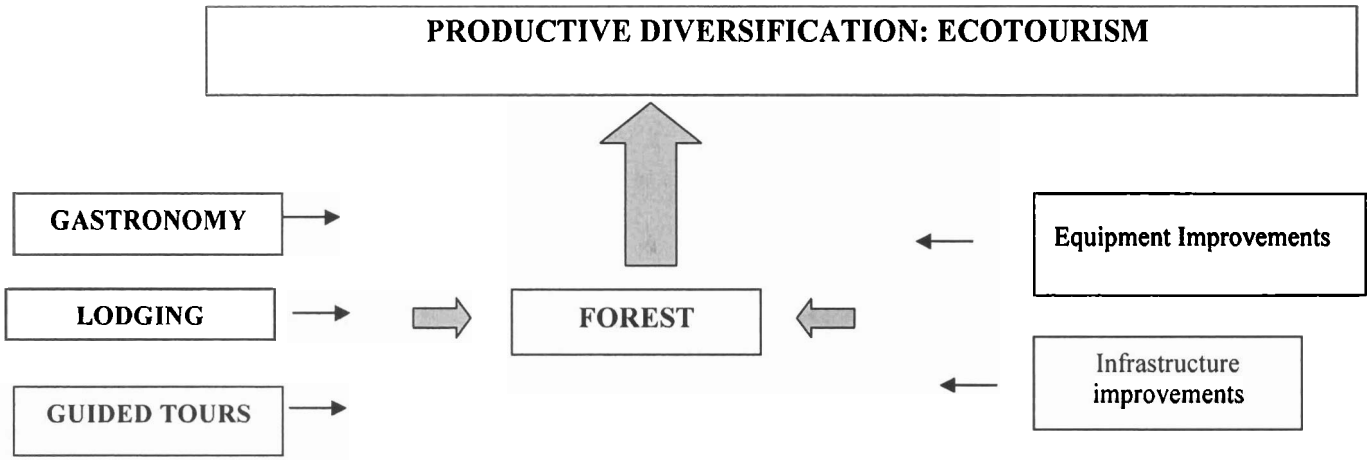
It should be noted that all Pilot Site participants have provided **Letters of Commitment** in order to partake.

6. Planned Interventions

This Pilot Demonstration will be implemented as per the two following strategic approaches shown in the diagram on the next page:

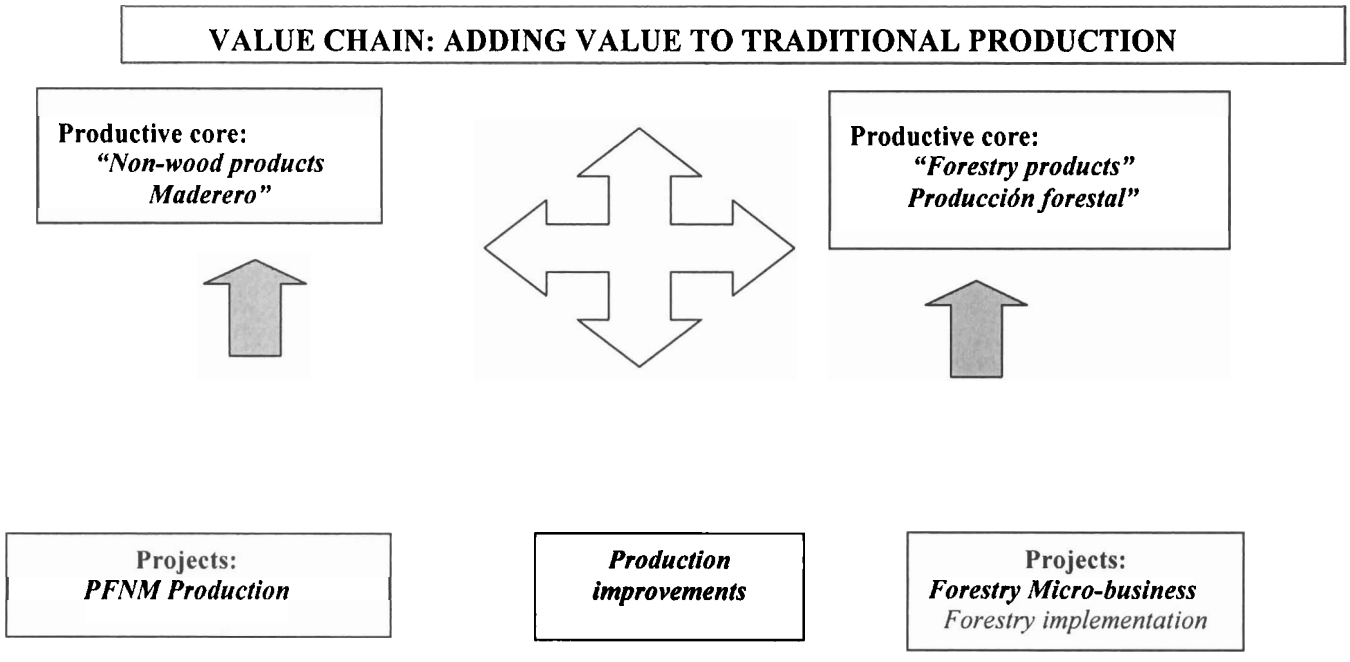
[52] Smith, 2005.
[53] *Catastro de Bosque Nativo*, CONAMA-CONAF- BIRF 1999.

STRATEGY Nº 1



Aims at developing a series of projects and initiatives with the purpose of rationalizing the use of the forest through activities linked to lodging, food and guide services, thereby stimulating the development of infrastructure and equipment to improve the capacity to receive visitors.

STRATEGY Nº 2



Develop the value chain by adding value through sustainable forestry production, composed of a set of projects and initiatives aimed at rationalizing the use of the forest.

Activities will include the following 6 steps:

- **Territorial Land Use Planning:** A territorial land use planning will be carried out in a participatory fashion for the whole indigenous land property of the community. An important element of this planning will be a Baseline Study, which will entail the preparation of a scale map/cartography of the landscape, a smaller scale map of the vegetation, definition of vegetation units, a physical map of hydrological network and land forms, exposure and altitudes, presence of fauna and key species. The study will cover the 12,470 HA of community-owned lands, 11,687 HA of which are covered with native forest, as well as identify the areas currently used by the 40 resident families, type and intensity of use and the state of the resource. Through assistance to the indigenous families, one important result from this process will be their identification of which areas are the most bio-diverse within the overall reserve. These will then be established as conservation set asides within the overall reserve.

- **Establishment of sustainable use areas:** Next, based on the same territorial planning process, sustainable use areas will be set up around the conservation set-asides. In this regard, alternative sustainable livelihood activities will be promoted to boost the income of these families, to increase value of the wood products and to diversity the use of forest products through conservation-friendly activities. The value-adding activities will be aimed at introducing sustainability criteria into productive practices that directly pressure plant formations and tree species of special conservation interest, including, *inter alia*, the Olivillo *(Aextoxicon punctatum)*, Alerce (*Fitzroya cupressoides),* Mañio Macho (*Podocarpus nubigena),* Mañio Hembra (*Saxegothaea conspicua)* and Mañio de hojas largas (*Podocarpus saligna*), and the Voqui (*Berberidopsis collarina*) bush species. These sustainable uses will involve (a) sustainable extraction of high quality native woods (Alerce and others), which will be processed and then marketed, adding value by transforming them into high quality crafts; (b) collection, processing and marketing of Non-timber Forest Products (NTFPs), such as the use of fibers of *liana voqui* (Berberidopsis collarina) for high quality basket-making; (c) drying of edible forest fungi; and (d) fern leaves for floral arrangements ("palma"). For both wood-based and non-wood based use the activities will include lines of action to improve productive processes from within and assistance for producers in establishing a solid market position. The purpose is to add value and thereby increase the efficiency of intensive use practices, thus diminishing pressure on the forest.

- In addition, Sustainable Tourism activities will be promoted to highlight the value of those identified land zones having the most pristine conditions and scenic beauty, while also creating value from the environmental assets present therein. The promotion of sustainable tourism activities will include: (i) Approaches based on the land use planning to ensure that certain areas of particular environmental value will not experience any type of intensive use. (ii) It will also involve taking advantage of the existing communications infrastructure for the APC, in order to arrange expedited communication between zones containing Alerce stands. These zones are the core of the project promoted by the indigenous association *Mahuidan Ñielelay Malal* (Ranges without borders). The basic idea is to link together seven Alerce stands in the zone through a tourist circuit, encouraging the set up of infrastructure, equipment and training in the areas of administration and in such tourism services as accommodation and meals. The initiative will allow for the gradual increase in the overall income of indigenous communities committed to the project, and ensure a minimum level of biodiversity conversation in the APC.

- **Training:** After the planning process, the involved indigenous families will be trained in the key aspects related to PA management, both in general terms, but also including the business planning needed for the sustainable uses. Another key aspect will be Land Use Plan administration and monitoring.

- **Legal PA recognition and establishment:** Then the Project will support the communities in getting the entire Reserve recognized and established as a legally defined Managed Use PA as per the IUCN Category V. This process will involve the inclusion and integration of this new PA into the Regional PA System.
- **Awareness raising and replication:** As a new PA member within the broader PA System context, the Project will assist this new PA is receiving referential treatment for regional land use incentives. The Project will also support the communities in exchanging Lessons Learned and Best Practices with other indigenous communities, both in the Coastal Range, in other parts of Region X and beyond. This exchange will also involve the creation of a broader awareness, understanding and know-how among these indigenous communities related to biodiversity conservation and the benefits they can gain from creating such managed use reserves on their territories. Hence, these activities will therefore also involve a promotion of this new PA as model for replication as the first-ever established indigenous PA in Chile.
- **Integration into Regional PA System:** To further integrate this new PA into the overall System, the Project will support the inclusion of the involved communities into the management structures of the Regional PA System. A representative from the involved communities will be a member of the Project Steering Committee, which will initially be in charge of the Regional PA System. In addition, as per the proposed Institutionality for the PA System Institutional Entity (see Annex F), these communities are to be represented in this Entity as well.

Implementation of activities with the indigenous community will be carried out under two modes: (i) First, through public institutions such as INDAP, through its PROCESAL program (....for agricultural and forestry development), and CONAF, with its instruments linked to Management and Reforestation Plans. (ii) The second mode will be through productive development programs led by CSOs such as Corporación Vertiente, Grupo de Mujeres Huilliches Forrajeras, Asociación Indígena Bosque Sin Frontera and the Grupo de Investigaciones Agrarias.

The indigenous community's activities will link them to the national and regional PA systems through the Advisory Board, composed of participating members of PRODESAL -INDAP, CONAF, Corp. Vertiente and GIA, as well as representatives of the Trafunco los Bados indigenous community, the Asociación Bosque Sin Fronteras and the Grupo de Mujeres Huilliches Forrajeras. This board will coordinate, plan, organize and implement the conservation activities described in this proposal. Institutional arrangements and communication channels will take three forms: inter-sectoral exchanges with INDAP; bilateral relationships with involved NGOs; and exchanges with users through the respective community leaders and associations.

All interventions will be undertaken with the direct participation of the community band leaders and local families. In addition, different members of the communities, including young people, women and men, are interested in and will take charge of different aspects of the planned activities. The users, through the respective community leaders and associations, will be responsible for the *ex ante* assessment and *ex-post* monitoring to determine the adaptation, ownership and coherence of the intervention project proposed by the **public agencies and NGOs** involved. This will include an evaluation of the fulfillment of goals and technical processes associated with the **intervention and its final outcome**.

ANNEX E: STAKEHOLDERS ANALYSIS

Table E-1. Overview of stakeholders involved in the Project.

Institution/organization	Branch/Department
I. National Level	
Ministry of the Secretary General of the Presidency (SEGPRES)	• National Environmental Commission (CONAMA) - Dept. of Natural Resources
Ministry of Agriculture (MINAGRI)	• National Forest Service (CONAF) - Dept. of State Protect Areas • Livestock and Agricultural Service (SAG) • National Institute of Agricultural and Livestock Development (INDAP)
Ministry of Interior (MINTER)	• Under-secretary of Regional Development (SUBDERE)
The Project Management Group (PMG) of the UNDP-GEF National Protected Areas system Project	• Project Management Group **compromises 7 Ministries, and their relevant services,** Civil society organization Major co-financiers
II. Regional	
Ministry of Agriculture (MINAGRI)	• National Forest Service (CONAF) (Depts. of State-Protected Areas, of Forest Fires and of Enforcement • Livestock and Agricultural Service (SAG) • National Institute of Agricultural and Livestock Development (INDAP)
Ministry of Interior (MINTER)	• Regional Intendencia (Governor), Lake Region
Semi-autonomous Regional Government	• Regional Government (GORE) of Lake Region: This includes elected Regional Council
Ministry of the Secretary General of the Presidency (SEGPRES)	• National Environment Commission of the Los Lagos Region (Regional CONAMA)
Ministry of Education (MINEDUC)	• Ministerial Regional Secretariat of Education (SEREMI Education)
Ministry of planning and Cooperation (MIDEPLAN)	• National Corporation of Indigenous Development (CONADI) • ORIGENES Project • Serplac (Regional Secretariat for Planning and Coordination)
Ministry of National Property	• Ministerial Regional Secretariat of National Property (SEREMI BBNN)
Ministry of Economy	• National Tourism Service (SERNATUR) • Forestry Institute (INFOR)
Ministry of Public Works (MOP)	• Regional Ministerial Secretariat of Public Works. (SEREMI of Public Works)
Regional Government Advisory Functions and Structures	• Regional Environmental Council of the Lake Region (COREMA Los Lagos) • Consultative Council of the CONAF of Los Lagos Region • Regional Council of Forestry Development (COREDEFOR)
III. Provincial IV. Local / Communal	
National Forest Service (CONAF)	• Provincial headquarters
National Institute of Agricultural and Livestock Development (INDAP)	• Area offices of INDAP
8 Autonomous Local Governments	• Municipalities of Corral, Valdivia,Lanco La Unión, San Juan de la Costa, Los Lagos,Puerto Montt,Cochamó
5 Organizations of small landowners / community organizations	• Rural Tourism Committee of Lahuén • Small landowners sector of Pocoihuén • Rural Tourism Committee of Brisas Del Mar • Small forestry landowners of de Colonia Rio Sur • Local community development organization in the surrounding area of the TNC-WWF Valdivian Reserve
V. Indigenous Organizations	
• Junta de Caciques de la Butahuillimapu • Indigenous Community of Trafunco Los Bados • Indigenous Community of Melillanca Huanqui • Cacicado de Cuinco • Network of Indigenous Protected Areas of Mapu Lahual (Red de Areas Protegidas Indígenas Mapu Lahual) • Indigenous communities neighbouring the TNC-WWF Valdivian Reserve: The Pedro Antillanca Community and the Antillanca Community	
VII. Concessions of Protected Areas	
SurMarino Ltda. (Concession enterprise of the Alerce Andino National Park)	
VIII. Forestry Enterprises	
• Forestal Río Cruces • Forestal Tornagaleones	

Institution/organization	Branch/Department
• Forestal An Chile • Forestal Valdivia	
IX. NGO's and other associated institutions	
• World Wildlife Fund (WWF) • The Nature Conservancy (TNC) • Network of Non-timber Producers (Red PFNM) • National Association of Forest Industries (CORMA) Valdivia • Protected Areas Landowner Association of Valdivia • Association of Native Forest Conservation Landowners of Chiloé • Forest Engineer Association for the Native Forest (AIFBN) • Senda Darwin Foundation • Parks for Chile (PPCh) • Surambiente • Center for Agrarian and Environmental Studies (Centro de Estudios Agrarios y Ambientales (CEA)) • Coalition for the Conservation of the Coastal Range (CCCC) • Council of the Americas (Programme for a Sustainable Lake Region) • Group for Agrarian Investigations (GIA)	
X. Academic Institutions	
• University Austral of Chile • University of the Lake Region	
XI. Funders	
• UNDP/GEF • DED / GTZ (German Development Cooperation Agency)	
XII. Communication & Media	
• Local newspapers.El Lanquihue (Puerto Montt), Austral de Osorno (Osorno), Austral de Valdivia (Valdivia) • Local TV Station: Puerto Montt, Osorno, Valdivia	

1. A stakeholder analysis was undertaken in the project area, Region X, during project preparation in order to identify key stakeholders and to assess their mandates, roles, importance and influence on the project. The objectives of the analysis were to: (i) Identify key stakeholders with respect to protected area management; (ii) review stakeholder interests and associated impacts on biodiversity conservation, resource use, land tenure and the Project; (iii) identify and mitigate possible negative socio-economic impacts on local stakeholders resulting from the project; and (iv) identify and develop opportunities for the Project to benefit stakeholders, either directly or indirectly. Project preparation entailed consultation with a broad range of stakeholder groups using a number of different information-gathering methods, including formal and semi-formal interviews, group discussions, workshops and literature review. It should be noted that all interviewed parties expressed a high to strong interest in and support for the project idea.

2. The below diverse stakeholders are to various degrees involved in and/or expressed an interest in biodiversity conservation. In this regard, they all expressed an interest in initiatives of public-private cooperation. They also agreed that the exchange of experiences and the search for new forms of management of the forest resources and eco-tourism are important challenges to address. Hence, the project will cultivate a continuous collaboration and cooperation with these identified stakeholders to ensure successful implementation of this project.

3. The below Table E-2 groups the stakeholders in terms of both their influence (power over outcomes), and their importance (how affected they are by the project outcomes).

Table E-2: Assessment of influence upon the project of, and impact of the project on, different stakeholders

	Low(er) influence (= Key Collaborator)	High(er) influence (= Strategic Partner)
High(er) importance	STATE (National and Regional Levels) • SAG • SUBDERE • SEREMI of National Property	STATE (National and Regional levels) • Regional Government, Lake Region (Intendencia/Governor) • Regional Council (CORE) • CONAMA • CONAF • INDAP • SERNATUR • SEREMI Education • CONADI • Ministry of Public Works (MOP)
	OTHERS • UNDP-GEF National PA Systems Project, Project Management Group • Instituto Forestal (INFOR, public) • Foundation Senda Darwin (NGO). • Network of Non-timber Producers (NGO). • Coalition for the Conservation of the Coastal Range (CCC, an NGO) • Forest Enginiers Association for the Native Forest (AIFBN, NGO) • Center for Agrarian and Environmental Studies (CEA, Consultants). • Council of the Americas (NGO) • Surambiente (Consultant) • Agrarian Research Group (GIA, NGO) • Indigenous Association Mapu Lahual (Osorno)	MUNICIPALITIES: • Municipality of Corral • Municipality of La Unión • Municipality of Los Lagos • Municipality of Valdivia • Municipality of Lanco • Municipality of San Juan de la Costa. • Municipality of Puerto Montt. • Municipality of Cochamó. OTHERS: • Regional Commission for Environment (COREMA) • WWF (NGO) • TNC (NGO) • Parques Para Chile (NGO) • Indigenous Leaders Council (Osorno) • Indigenous Community Indígena Trafunco Los Bados • Indigenous Community Melillanca Manque • Cacicazgo de Cuinco • San Juan Women's Association of Foliage Producers • Local community development organizations of Chaihuín, Huiro, Huape, Los Liles, San Juan, Catrillelfu, Cadillal y La Aguada, Mashue, Llanacura, Cumeulelfu y Santa Elisa, • Local fishing cooperatives neighboring TNC-WWF Valdivian Reserve. • Indigenous Community Antillanca and Indigenous Community Entity Pedro Antillanca. (neighbours to the WWF-TNC Reserve) • Lahuén Rural Tourism Committee • Rural Brisas del Mar Rural Tourism Committee • Sur Marino empresa concesionaria turística AP • Small landowners participants in the Native Forest Project Colonia Rio Sur. • Small Landowners from sector Pocoihuén. • Rural schools in the Pilot Demonstration Unit zones • Landowners Association for Conservation (Valdivia) • Forestal Tornagaleones (forest industry). • Forestal Río Cruces (forest industry) • National Wood Industries Corporation (CORMA)

	Low(er) influence (= Key Collaborator)	High(er) influence (= Strategic Partner)
Low(er) importance	• University Austral of Chile (Valdivia) • University de Los Lagos (Osorno) • Farmers´ Association, Llanquihue province, AGROLLANQUIHUE. • Farmers' Association, Valdivia province, SAVAL. • Corporation for the Development of Valdivia (CODEPROVAL, ONG)	ORGANIZATIONS TO KEEP INFORMED: • Predio Factoría • Forestal Llancacura (forest Industry) • Forestal Valdivia (forest industry) • Forestal An Chile (forest industry). OTHERS: • Regional newspapers (Diario El Llanquihue, Diario Austral de Osorno, Diario Austral de Valdivia). • Regional TV stations (Puerto Montt, Valdivia, Osorno).

4. The analysis identified 53 main groups of stakeholders, which are described in detail in the below Table 2 in terms of their roles and mandates in Region X and with regards to biodiversity and natural resource management, their interest in the project (qualified as a specific category of collaboration), and their potential impact on the project (understood as actions that the Project could realize in order to gain the assistance from each of these actors). Briefly the stakeholder groups are:

Table E-3. Analysis of Key Stakeholders and Public Participation in Project

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
I. STRATEGIC PROJECT PARTNERS: Stakeholders with most power over and most affected by Project Outcomes (MATRIX: HIGH INFLUENCE/HIGH IMPORTANCE).				
STATE:				
Regional Government, Lakes Region. **NOTE** - *There is one such Regional Government in each of the 13 Regions in the country.*	• Semi-autonomous regional government structure, with tuition over public investment, regional development and some responsabilities over city and land planning. • Promotion of economic, social, environmental and cultural development in Region X. • Management and decision over the National Fund for Regional Development (FNDR). This is a country-wide compensation fund, defined each year by the central Government. It allocates resources from the richest to the less developed regions in the country. • The Regional Government includes in its structure the Regional Governor, who has ample coordination responsibilities over all public institutions and personnel in the region.	• Chair the **Project Steering Committee** and deliver all the facilities for the public stakeholders to comply with their tasks; • Sign an Agreement with the public institutions to commit, to participate in and assure concrete assistance to the project; • Will ensure that PA regulations are taken into account in policies and instruments for regional development; • Propose complementary projects to the FNDR and other funds; • Link the project with the initiative of the *Pact for a Clean and Sustainable Region;* • Elaboration, together with other stakeholders, of complementary project to propose funds from FNDR.	• Is submitted to strong demands from different sectors: regional infrastructure (such as roads, rural electrification), schools and education, local employment and social programmes, housing, different development projects (such as tourism, agriculture, salmon farming). • Weak capacity for integrating biodiversity concerns into regional development planning MITIGATION STRATEGY: • Capacity building to actively lead and participate in development of new integrated regional planning framework.	• Social and political prestige from heading an important conservation scheme. • Building up an image of a "green region", taking care of its natural endowment. This concerns furthering tourism and regional exports (salmon, wood products, agricultural products). • Strengthened inter-agency and cross-sectoral regional planning. • Demonstration of political will to promote and implement integrated, sustainable regional development planning.
CONAMA - Comisión Nacional del Medio Ambiente *(Nacional Comisión for Environmnent. Has Regional Directory)*	• Mission is to promote environmental sustainability of the development process and coordinate actions arising from the Government's policies and strategies in environmental matters. • Administration of the legal procedures arising from the law that regulates the impact evaluation of investments on the environement.	• **Project Executing Agent**; • Executive Secretariat of the Project Steering Committee; • Coordinate stakeholders and all project-related actions and activities; • Coordinate the establishment of a Regional systemic approach to protected areas through the new Regional PA System; • Coordinate actions to address under-representation and important vegetation types.	• Weak capacity for integrating biodiversity concerns into regional development planning. • Has no direct administrative connection with public or private Protected Areas. MITIGATION STRATEGY: • Capacity building to actively coordinate development of new integrated regional planning framework. • Create alliance with CONAF and other public institutions more	• Ability to spearhead the establishment of a Regional systemic approach to protected areas through the new Regional System; • Conserving Chile's biodiversity through a replicable process of coordination of public, private and civil stakeholders; • Strengthened regulatory framework for optimization of regional biodiversity conservation; • Sustainable Use policies, norms

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
			directly related to PAs. • Communication strategy and materials about integrated planning – roles, responsibilities, enforcement.	and related capacity building.
CONAF - Corporación Nacional Foresta) *(National Forestry Service. Has regional Directory)*	▪ Forest supervision/monitoring. ▪ Definition and application of forest norms and policies. ▪ Forest exploitation surveyance and control. ▪ Forest fire control in the region. ▪ Promoting development in the forestry sector. ▪ Administration and financing of all public APs. (SNASPE).	• Member of the Project Steering Committee and sign a Collaboration Agreement; • Develop new practices of forestry planning; • Share experience with Private PA administration concerning protection of native forest; • Disposition of human resources for the project; • Search for possible co-financing from different sources; • Disseminate the project results across political institutions; • Obtain more backing and resources for the public P.A.s it administrates; • Participate in collaborative management agreements.	• Weak capacity for participatory management and enforcement regarding public PAs. MITIGATION STRATEGY: • Capacity building to actively participate in collaborative management arrangements.	• Strengthened SNASPE through establishment of a Regional systemic approach to protected areas through the new Regional PA System. • Sustainable use policies, norms and related capacity building. • Capacity building related to buffer zones. • Strengthened regulatory framework for optimization of regional biodiversity conservation. • Sustainable use policies, norms and related capacity building. • Possibility to address under-representation and important vegetation types.
INDAP- (Instituto de Desarrollo Agropecuario *(Institute for Agricultural Development, has Regional Directory)*	• Productive promotion in the agricultural sector for small farmers. This includes technical assistance, investment projects, credits and subsidies. • It also channels important state subsidies towards small farmers (soil recovery, irrigation and drainage, animal health control, forest plantation).	• Personnel for Project implementation with roles clarified through Institutional Cooperation Agreement; INDAP can provide an important administrative and technical structure throughout the region; • Has Cooperation Agreements with practically all municipalities in the region. This includes financial support for special programs directed at local smallholders; • Disseminate project information and results to the users of INDAP; • Assist pilot projects with small forest owners within the project focus and look for direct beneficiaries from these; • Finance technical and business assistance to landowners of small farms participating in demonstration units.	• INDAP is largely focused on production and income generation for smallholder families, not conservation. MITIGATION STATEGY • The future of regional agricultural products is increasingly connected to foreign markets. This markets are very sensitive to environmental conditions in the areas from where they import. INDAP is growingly aware of this, and so opened to new issues.	• This project may renew social and political interest in small-holder agriculture that has been waning the past years. • The future of regional agricultural products is increasingly connected to foreign markets. These markets are very sensitive to environmental conditions in the areas from where they import. INDAP is growingly aware of this, and therefore open to new issues.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
		• Finance investment in demonstration units (through subsidies).		
SERNATUR - (Servicio Nacional de Turismo. *(National Tourism Service, has Regional Directory)*	• Implement regional tourism development policy, taking into account the country's tourism policies and the regional cultural, human, economic and environmental variables. • Promote the organization of tourism agents, and maintain a fluid relation with all the tourism associations in the region. • Propose and find funding for tourism development projects. Control the execution of existing projects.	• Support in regulation of tourism activities in Project Area through sectoral instruments, such as including PAs in Tourism Interest Zones, publicity campaigns and related training programs; • Encourage development of tourism as an alternative economic livelihood; • Help in coordinating private tourism operators for local conservation projects.	• Weak understanding of and concrete experience with eco-tourism MITIGATION STRATEGY: • Pilot demonstrations concerning the establishment of eco-tourism activities. • Collaboration with Costa Rica to exchange Lessons Learned from CR regarding their eco-tourism activities	• Tourism is one of the region's strategy for development principal axis. And the most important attraction for tourists is nature. Preservation of nature is very important for this industry. • By means of this project, demonstration of the potential for ecotourism development as an alternative economic livelihood.
SEREMI Education - Secretaría Regional Ministerial de Educación *(Regional Ministerial Secretary of Education)*	• Application of sectorial educational policies in Region X. • Channeling of investments in educational infrastructure in the region. • Coordination of educational programs, teacher training and capacity building.	• Develop proposal of how to strengthen the theme of biodiversity into the curricula of basic and elementary education; • Elaboration of new curriculum proposals; • Assist with the capacity building of the professors to partake in the environmental monitoring and replication in schools; • Together with Project personnel, prepare education materials for schools; • Include work visits to parks and protected areas in school standart training courses.	• Environment conservation has to compete with other educational national priorities, such as mathematics, English language and informatics. MITIGATION STRATEGY: • **Environment and conservation** is a transectional subject that can be coupled with other subjects such as mathematics and languages. • Help in the preparation of training programs.	• External help in environmental capacity building of the professors. • The possibility of adapting environment-related curriculum to the region´s particularities and priorities.
MUNICIPALITIES:				
Municipalities of Corral, La Unión, Valdivia, Lanco, Los Lagos, Lanco,, San Juan de la Costa, Puerto Varas, Cochamó and Puerto Montt..	• Local administration and promotion of development in an integrated form across communal policies and programs. • They directly administrate most schools and primary health care units in their territories. • They also administrate the direct application of many central government infrastructure and social programmes.	• Promote and help develop sustainable forest management and tourism pilot initiatives in the P.A.s within their frontiers; • Assist with creating linkages with relevant local organizations; • Promote environmental education and tourism in schools; • Assistance with information dissemination and sensitization. • Contribute financial resources as per	• Municipalities must respond to many local demands and functions. Though taking care of environment is explicitly indicated in the Municipalities Law, they have never received funds for that purpose. MITIGATION STRATEGY: • Environment conservation though not a first priority, is often popular with mayors. There is ample	• Conservation of nature can be a new source of funding for the municipality. The elected mayor and his team must show material works of progress and activities in his territory, and because of this, external technical assistance and funding is very welcome (municipalities usually put up part of the funding needed by projects promoted by external agencies).

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
	• Municipalities decide over their own funds, can own property, and fund specific projects. • Can undertake specific projects with neighboring municipalities. • Municipalities are completely autonomous governments, formed by an elected mayor and an elected town council.	municipal budgets; • Offer a local meeting point for the coordination of different actors interested in conservation projects.	possibilities, at local level, of relating popular income producing projects with conservation goals.	• In some cases the conservation issues are raised by active local minorities. For the municipality to engage in a conservation program is a way of showing it is also concerned about and acting on the subject.
OTHERS:				
WWF (World Wildlife Fund)	• WWF is dedicated to protecting the world's wildlife and wildlands. • It directs its conservation efforts toward 3 global goals: • Protecting endangered spaces, • Saving endangered species, and • Addressing global threats.	• **Member of Project Steering Committee;** • **Co-finance activities of common interest;** • Incorporate experience of management of underforest; • Available to coordinate actions and investments related to all parts of the project; • Disseminate information and lessons learned and help replicate experiences elsewhere.	• Conflict of interest with some local communities regarding use of the new TNC-WWF Valdivia Reserve. MITIGATION STRATEGY: • WWF has participated in design of project and is co-funder and project partner. • Awareness raising and information sharing to strengthen dialogue with local communities to explain conservation vs sustainable use vision. • Participatory elaboration of a first Management Plan for the Reserve.	• Support of the conservation of an area chosen as a high priority for biodiversity conservation in Chile and at with globally significant biodiversity and importance. • Strengthening of the management of key priority sites through capacity building and exchanges of experiences with other organizations in the sector.
TNC (The Nature Conservancy)	• An international NGO dedicated to preserving the plants, animals and natural communities that represent the diversity of life on Earth, by protecting the lands and waters they need to survive.	• **Member of Project Steering Committee** • **Co-finance activities of common interest** • Incorporate experience of Management Plan design. • Available to coordinate actions and investments related to all parts of the project. • Disseminate information and lessons learned and help replicate experiences elsewhere.	• Conflict of interest with some local communities regarding use of the new TNC-WWF Valdivia Reserve. MITIGATION STRATEGY: • TNC has participated in design of project and is co-funder and project partner. • Awareness raising and information sharing to strengthen dialogue with local communities to explain conservation vs sustainable use vision.	• Support of the conservation of an area chosen as a high priority for biodiversity conservation in Chile and at with globally significant biodiversity and importance. • Strengthening of the management of key priority sites through capacity building and exchanges of experiences with other organizations in the sector.
PPCh - Parques para Chile	• Contribute to conserving in perpetuity natural places of special value by supporting the creation of well-planned and well-managed private protected areas that, inter-connected and also connected with	• Coordinate the participation among different landowners in the pilot experience in Valdivia Province. • Systematization of experiences from the CIPMA-GEF Project. • Preparation of the proposal for the	• Implementation of Outcome 4 by an organization from outside the territory that is lacks validation with local stakeholders. • Activities proposed must be in line with PPCh strategic plans in the	• Consolidate actions with local stakeholders and carry out strategic planning with PPCh.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
	public protected areas, generate benefits for sustainable local development; promote citizen responsibility in biodiversity protection; and raise awareness of its biological, social and cultural value.	Landscape Design component (Outcome 4).	territory. MITIGATION STRATEGY • Selection of implementing agency based on clear and objective criteria related to its ties and long-term commitment to the zone.	
Council of Indigenous Headmen - Junta de Caciques de la Butahuillimapu.	• Ancestral representation of the indigenous communities in the region. • They have an ample though not too structured influence over local communities.	• Participate in coordination entities; • Mobilize indigenous communities where the project will work; • Valuate and apply traditional indigenous practices of forest management; • Disposition to assume responsibilities regarding raising awareness of the project and its implications towards the communities.	• Council headmen and local leaders may resent the conservation aspects of the Project, in the sense that these elements could present a limit to exploitation activities, which provide local people with a livelihood. • Their capacity to travel directly to the different communities and contact local leaders in person is limited. MITIGATION STRATEGY: • Demonstration of the usefulness of this type of project for the development of alternative livelihoods that take into account the values of local indigenous peoples. • Provide help for traveling and expenses.	• Consolidation of the leaders authority through taking part in the decisions of an important local project.
Association of Indigenous Communities, Mapu Lahual, Osorno costal area. *(This association is assisted by WWF and will work with the Marine Protected Area GEF Project, Osorno area, beginning 2005)*	• Productive development of the communities with practices that respect the environment.	• The Association leaders can help in organizing Pilot Demostration Units in the areas neighboring their own lands, which include a lot of contacts with local leaders and families; • Provide concrete examples of pilot initiatives in sustainable forest management and conservation; • Help enable/capacitate partners in sustainable tourism.	• Rivalry between neighboring communities and leaders may arise, creating obstacles to the Project's advancement. MITIGATION STRATEGY: • Careful choice of the sites in which to develop the Project's activities. • Always keep the local leaders well informed of Project's activities.	• Demonstration of the usefulness of this type of project for the development of alternative livelihoods that take into account the values of local indigenous peoples.
Trunco los Bados Indigenous Community and Melillanca huanqui	• Promotion, development and, strengthening of Huiilliche identity and representation, and valuing of ancestral traditions and customs.	• Direct participants in proposals for the indigenous PA Demonstration Unit in conservation and sustainable practices among inhabitants and territorial indigenous community	• Inability to resolve disputes with other communities and with other public and private social agents. MITIGATION STRATEGY:	• Improve the community's internal and external relationships in pursuit of conservation and sustainable development.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
Indigenous Community		organizations at different stages of the project.	• Capacity building in leadership and conflict resolution.	
San Juan Women's Association of foliage producers (Asociación de mujeres productoras de follaje de San Juan)	• Promote the socio-economic development of its members.	• Direct participants in the proposals of the indigenous PA Demonstration Unit to improve traditional productive practices associated with non-wood forest products.	• Lack of comprehensive knowledge of innovative production and efficient marketing techniques for their products. MITIGATION STRATEGY: • Tailored training and technical assistance to build capacities.	• Income enhancement through environmentally sustainable strategies.
Cuinco Band Council *(Cacicado de Cuinco)*	• Promotion and development of the Williche identity and valuing of ancestral traditions and customs.	• Body that makes decisions and influences indigenous communities at different stages of the project.	• Inability to resolve disputes with other communities and with other public and private social agents. MITIGATION STRATEGY: • Capacity building in leadership and conflict resolution.	• Improve the community's internal and external relationships in pursuit of conservation and sustainable development.
Local Fishing cooperatives (5) neighborVCR	• Asociar a pescadores artesanales a nivel local, con fines de comercialización y desarrollo.	• Will have opportunity to participate in local advisory council open to representatives of all 20 local organizations. • Direct resource users in the area. Particularly concerned with maintaining water quality in Chaihuin River. May participate in sustainable use activities funded by the project or by matching funding from TNC-WWF including use and access concessions for the Valdivian Reserve (VR). • May participate in organizational development and small business development activities within the VR's community extension and development plan.	• Logging of plantations for restoration might impact water quality if incorrectly performed. MITIGATION STRATEGY: • Use strict environmental and social standards for all logging operations, including mechanisms for community input, and emphasize watershed protection in the Chaihuin River basin.	• Effective conservation of VR forests and adjacent public PA forests will enhance water quality and thus increase resource productivity in Chaihuin River. • Positive spill over effect of landscape being identified with conservation will enable marketing of fishing products as clean and environmentally sound. • May receive training, information, technical assistance or funding from TNC-WWF and third party matching funding for this project. • Opportunity to orient and have an active leadership role in local develop related to the project implementation.
Local community development organizations neighbor VCR (20)	• Promote the development of their communities in different areas. • Represent their members.	• Will have opportunity to participate in local advisory council open to representatives of all 20 local organizations. • Have the opportunity to participate in sustainable use activities funded by the project or by matching funding from TNC-WWF including use and access concessions for the	• 1) Unrealistically high expectations related to the economic benefits related to the VR and associated tourism may result in disappointment and frustration with the project. MITIGATION STRATEGY: • VR Extension strategy will present	• Opportunity to orient and have an active leadership role in local develop related to the project implementation. • May receive training, information, technical assistance or funding from TNC-WWF and third party matching funding for this project.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
		VR. • Will have the opportunity to participate in organizational development and small business development activities, and land use planning within the VR's community extension and development plan.	project using a variety of communications tools in order to maintain expectations within a realistic range. • 2) Internal disputes may emerge within organizations and between organizations over benefits generated by the project and generate larger conflicts. <u>MITIGATION STRATEGY:</u> • The VR will use transparent local mechanisms in decision-making relevant to local community benefits, these processes will be communicated opportunely to the local advisory council. • VR Extension and Development plan will focus heavily on organizational strengthening so that local groups can better face the opportunities and challenges associated with their current environment. • 3) Various political party agendas or other political agendas may produce misperceptions and divisions among organizations that affect project activities. <u>MITIGATION STRATEGY:</u> • The VR will maintain a strictly non-partisan and technical role in all the collaboration with the local communities.	• Increased local capacity for marketing and management of local services and products related to the protected areas. • Growth in appreciation of the Cordillera Pelada as a natural destination will enhance demand for local tourism related services, increasing the diversification and strength of the local economy. • Some new local employment opportunities in reserve management and restoration.
Indigenous Community (2) neighbor VCR: Indigenous Communiesy Antillanca and Pedro Antillanca.	• Represent their members and preserve and promote the values of the Huilliche people.	• Will have opportunity to participate in local advisory council open to representatives of all 20 local organizations. • Will have the opportunity to participate in sustainable use activities funded by the project or by matching funding from TNC-WWF	All same as above. • Conflicts may emerge between community interests in use of the reserve which is not compatible with its basic conservation objectives, i.e., extensive grazing. <u>MITIGATION STRATEGY:</u>	• Opportunity to orient and have an active leadership role in local development related to project implementation. • May receive training, information, technical assistance or funding from TNC-WWF and third party matching funding for

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
		including use and access concessions for the VR. • Will participate in organizational development and small business development activities, and land use planning within the VR's community extension and development plan. • These communities will be given priority for opportunities to participate in concessions and use agreements in the general area of the VR adjacent to Huiro.	• VR extension plan will seek to inform the communities about the conservation objectives of the reserve, discuss impacts of different activities, register and assess community concerns and ideas, and reach agreements on compatible uses.	this project. • Increased local capacity for marketing and management of local services and products related to the protected areas. • Growth in appreciation of the Cordillera Pelada as a natural destination will enhance demand for local tourism related services, increasing the diversification and strength of the local economy. • Some new local employment opportunities in reserve management and restoration.
Lahuén Rural Tourism Committee (Comité de turismo rural Lahuén) *(vicinity of Alerce Andino National Park)*	• Represent their members in Region X and seek economic development opportunities linked to rural tourism.	• Participant in the Demonstration Unit in buffer zone of Alerce Andino National Park through agreements for collaborative management of public uses of the PA.	• Time investment required and little income generated during training period in Stage one. MITIGATION STRATEGY: • Training and technical assistance for developing income-generating initiatives, and implementation of these.	• Young adult participants are trained and acquire new skills to generate sources of income linked to the PA
(Brisas del MarRural Tourism Committee) (near Alerce Andino National Park) *Comité de turismo rural brisas del mar*	• Represent their members and seek economic development opportunities linked to rural tourism.	• Participant in the Demonstration Unit in buffer zone of Alerce Andino National Park through agreements for collaborative management of public uses of the PA.	• Time investment required and little income generated during training period in Stage one. MITIGATION STRATEGY: • Training and technical assistance for developing income-generating initiatives, and implementation of these.	• Participants are trained and acquire new skills to generate sources of income linked to the PA
Sur Marino – private tourism concession holder in Alerce Andino National Park.	• Develop and offer tourism services based on the Region's landscape resources for economic benefit.	• Participant in the Demonstration Unit in the buffer zone of Alerce Andino National Park through agreements for collaborative management of public uses of the PA.	• Institutional bureaucracy limits the timely implementation of the Demonstration Units. MITIGATION STARTEGY: • **Programming of a work** schedule and ongoing assessment.	• Improve links to the PA Administration and opportunity to raise awareness of and participate in decision-making on issues of public use of the PA.
Small forest landowners of Colonia Rio Sur. *(adjoining Llanquihue National Reserve)*	• (not presently organized)	• Participants in the Demonstration Unit in the buffer zone of Llanquihue National Reserve.	• No community-level organization; only individual relationships with CONAF. MITIGATION STRATEGY: • **Organize the group to socialize** commitments.	• Training and technical assistance for setting up and running sustainable enterprises.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
Small landowners in the Pocoihuén sector. (neighboring Alerce Andino National Park and Llanquihue National Reserve)		• Participants in the Demonstration Unit in the connecting and buffer zones of Alerce Andino National Park and Llanquihue Naitonal Reserve.	• Not community-level organization. MITIGATION STRATEGY: • **Organize the group to socialize** commitments.	• Training, technical assistance and funding for setting up and running sustainable enterprises.
Protected Areas Landowner Association of Valdivia	• The Landowners Association is aimed at promoting, maintaining, developing and facilitating Private Protected Areas (APP) in Valdivia Province.	• Beneficiary with 4 demonstration experiences implemented in Stage One. • Some of its APPs are beneficiaries for Stage two of the Project. • Promoter of APP, with work in good practices and in dissemination of this initiative.	• Uncertainty and mistrust towards public agencies related to natural resources. • Lack of knowledge of project scope, real benefits and obligations. • Potential loss of motivation due to false expectations or unreal goals within the project. MITIGATION STRATEGY: • Effective ongoing strategy to keep landowners informed. • Building and strengthening of mutual trust with technical and public agencies. • Policy of real and clear proposals and promises to ensure beneficiaries feel they are really take into consideration and not being used.	• Strengthening of the APP within Valdivia province. • Community recognizes and agrees with landowners' mission to conserve their native heritage. • In situ demonstration of strategies to conserve the natural heritage.
Forestal Rio Cruces (Rio Cruces Forestry Company)	• Sustainable management of the native forest heritage within its lands, demonstrating forestry management compatible with the environment and with producers of goods and services for society.	• Establishment of a demonstration experience in Melefquén conservation sub-landscape. Commitment to disseminate the experience and replicate it within its remaining native forest holdings.	• Ongoing productive activities may interfere with the demonstration experience. MITIGATION STRATEGY: • Joint planning of activities and property management plan (ordenamiento predial).	• Established and complemented by its FSC forest certification. Validation and recognition of its efforts within the community.
Forestal Tornagaleones (Tornagaleones Forestry Company)	• Part of the company's mission is to ensure protection of its natural forests and plantations. To this end, it promotes biological diversity, scenic beauty and comprehensive natural balance that include the interests of nearby rural communities, with which they maintain close cooperative ties.	Establishment of two demonstration experiences in the conservation sub-landscapes Cayumapu and Los Lagos. • Commitment to disseminate the experience within the community and with other companies in the industry and replicate the experience within its remaining native forest holdings.	• Ongoing productive activities may interfere with the demonstration experience. MITIGATION STRATEGY: • Joint planning of activities and property management plan (ordenamiento predial).	• Established and complemented by its FSC forest certification. • Validation and recognition of its efforts within the community.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
CORMA (Corporación de la Madera) *National Union of Forest Entreprises.* *Has an office in Valdivia.*	• It represents the big forest industries interests in the country and at regional level. • Research, technical assistance, fire control, information, forestry policies, contact with authorities, lobbing. • Promote and develop forest dissemination; • Represent the forest enterprises before the government take part in the discussion of policies.	• Coordinate the private sector with the public with regards to project initiatives and activities of mutual interest • Participate in actions of sensitization and education. • Develop pilot experiences of private administration of parks in enterprise terrains of interest.	This Union could object to some conservation policies or restraints affecting exotic plantations or the exploitation and management of native forests. MITIGATION STRATEGY: • **Actively assume that CORMA** and the forestry enterprises will make use of their collaboration with the Project's objectives to better their public image and obtain publicity effects in external markets.	• Big forestry industries and CORMA are interested in forest certification and in general in keeping a good corporate image. This is part of ensuring export markets conditions are met with.
II. KEY PROJECT COLLABORATORS - IN MATRIX: LOWER INFLUENCE, YET HIGH IMPORTANCE				
STATE:				
SAG (Servicio Agrícola y Ganadero) *National Service for Agriculture and Animal Husbandry.* *SAG has Regional Directory and several local offices.*	• Supervision/monitoring of public health/sanitary requirements in productive processes. • Design and application of norms and policies of fito-sanitary protection. • Control over crop seeds and agro-chemical products, production and imports. • Exotic species control, flora and animals. Control of breeding farms. Frontiers control. • Control over hunting prohibition areas. Hunting control.	• To be member of the Project Steering Committee. • Take part in initiatives concerning species protection/ control of exotic species in the project area. • Sign a Cooperation Agreement with the Project, especially with regards to research of mutual interest in the area of species control and norms.	• SAG is today largely concerned with export products quality and control, so as to permit access to external quality markets. Its other traditional functions concerning the sustainable use of resources have been diminished. In this situation, it may be difficult to interest the institution in actively take part in the Project. MITIGATION STRATEGY: • **Help SAG obtain contacts** with specialized institutions and funding sources. Offer technical assistance in the elaboration of specific projects, as for instance, exotic specie surveys and control.	• Many professionals inside the institution are interested in revitalizing some of their traditional functions. The institution as a whole can better its public image by assuming this functions in a more decided manner and in a region wide structure.
SUBDERE (Sub-Secretaría de Desarrollo Regional y Administrativo, Ministerio del Interior) *Under Secretary of Regional and*	• Constitutes the Central Government counterpart to the semi-autonomous Regional Governments and the autonomous Municipalities. • Has administration and central control of the National Fund for Regional Development, the use of which will be decided upon by each of 13 Regional	• This institution is interested in all activities that engage Regional Governments and municipalities. • At the demand of a Regional Government, it can help in capacity creation, training, funding of specific activities. • Is interested in the territorial aspects of economic development.	• SUBDERE receives strong demands for funds and help for different purposes from the Regional Governments and Municipalities throughout the country. And the conservation subject is not high in its agenda. MITIGATION STRATEGY: • SUBDERE can become interested	• The Ministry of the Interior has a coordination function in relation to the other ministries. If conservation becomes an important issue, it can assume coordination of the subject at the ministerial level.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
Administrative Development, Ministry of the Interior.	Governments. • Has administration and central control of the national Municipalities Common Fund, which will be decided upon by the 340 municipalities in the country. • Has different programs for the strengthening of Regional Governments and Municipalities. • Has administrative control over several housing an local infrastructure programs. • Is in the process of trying out territorial development programs.		in the basic and initial land planning at the regional level, that will probably accompany the constitution of the Regional A.P. System. Land planning will affect the Regional Government and different municipalities, and is process that has not been developed in the country.	
CONADI (Comisión Nacional de Desarrollo Indígena) *National Comissión for Indigenous Development.* *Has Regional Directorate.*	• Design and application of indigenous development policies in an integrated way. • Land and settlements program. Legal aspects, land buying from private owners, transferring public holdings, assigning plots to indigenous communities. • Production development services. Funding and implementation of local development projects. • Education, culture and training program.	• Participate in the design and implementation of the project; • Assist linking project with indigenous communities and propose possible beneficiaries; • Collaborate in the preservation of indigenous practices in forest management; • Assist with the dissemination of the project activities to communities; • Co-finance pilot projects of sustainable tourism in communities in the project area; • Replicate experiences to contribute to sustainable development.	• Potential conflict over which communities should be selected for and involved in the project pilot activities. MITIGATION STRATEGY: • CONADI was consulted and participated formally in the design of the project. • Several local indigenous communities will also be direct beneficiaries of the project. • The indigenous pilots will be designed to strengthen the ability to replicate them in other communities	• Demonstration of the usefulness of this type of project for the development of alternative livelihoods that take into account the values of local indigenous peoples.
SEREMI de Bienes Nacionales. *Regional Ministerial Secretariat for National Property.*	• This Ministry is the legal owner of all State property. This includes all the state owned P.A. in the country (though these are administrated by the National Forestry Corporation). • Implement national policies concerning the administration and organization of property and lands belonging to the State. • Assign or transfer public urban and rural plots to private entities or public institutions.	• Participate in Project Steering Committee • Assign fiscal land to P-A.s,, as for instance pilot experience regarding public-private park administration. • Deliver technical assistance for specific project activities	• This ministry is not directly concerned with biodiversity or natural resources conservation. It could evade assuming responsibilities in the subject. MITIGATION STRATEGY: • Ensure that this ministry has an important and public role within the Regional P.A. System.	• Render this ministry's work more visible and more important to the general public and to other public and private institutions in the region.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
SEREMI de Obras Públicas. *Regional Secretariat of Public Works.*	• The Ministry plans, designs and funds public infrastructure: roads, bridges, ports, air-ports, dams and hydraulic works, irrigation, superficial and ground waters, other. It also maintains and controls these works. • It has extended legal powers to expropriate private land for the purpose of road construction. Also to assign water rights to private or public entities	• To support the design and co-financing of infrastructure required for the PAs; • The Ministry will be a member of the Steering Committee through the Los Lagos SEREMI.	• Potential conflict between planned infrastructure and regional conservation priorities MITIGATION STRATEGY: • Formally participate in the project planning and implementation through membership of the Steering Committee.	• This ministry has a strong public image because it does a lot of very visible work. However, it has been receiving growing criticism from environmental groups because some of the public works have endangered highly sensitive biodiversity areas. • In this context, the ministry authorities are more open take an active part in a more integrated approach to the problem of road and other public works design.

OTHERS:

UNDP-GEF Project, Project Management Group – Building Comprehensive National Protected Areas System for Chile	• The PMG is chaired by the Executive Director of CONAMA. The PMG has the following roles: • Supervise and approve the appointment of technical staff; • Supervise the PDF B work being carried out by the PMU by monitoring its progress and analyzing reports; • Directly supervise the development of the full GEF Project Document and approval of the Document; • Review and approve workplan and financial plans/reports; • Ensure inter-agency coordination; and • Ensure full participation of stakeholders during the PDF-B phase	• Will help ensure a close link, coordination, collaboration and consistence between the development of the National and Regional PA Systems; • Will play vital role in the inter-agency dialogue and coordination • Will play vital role in the strategic/political planning and monitoring of the project	• The generally current weak dialogue between the national and regional planning levels MITIGATION STRATEGY: • Submission of regular Project Progress Reports and Briefings for the PMG meetings to ensure a coordination between the two inter-linked projects.	• Close coordination, collaboration and synergies between the two PA Systems projects; • PA System synergies and coordination mechanisms created that can be replicated elsewhere in Chile; • A strengthened national PA System, with a demonstration of how to decentralize it at the regional level, while integrating the system into the overall development planning process.
Universidad Austral de Chile. University, in Valdivia, created in 1956.	• Public autonomous corporations that provide higher education and develop research programs. • Austral forms forestry engineers,	• Has contributed with studies during the PDF B phase. • Will assist with generating biodiversity research and	• Current information indicates that there are no potential conflicts/issues.	• Generation of scientific knowledge based on biodiversity and natural resources in the project priority

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
Universidad de Los Lagos. University, in Osorno and Puerto Montt., created in 1993.	agronomists, veterinary specialists, at the graduate and post-graduate levels; has diplomas in biology, ecology, other. Has important research unit in forestry. • Los Lagos forms veterinary specialists, biologists, marine biologists, other.	monitoring activities during the project • Might also be hired to carry out specific pilot studies during project. • Both universities train schoolteachers. They can help better teachers training in ecology and biodiversity, channelling inputs from the Project.		areas. • May open access to new funding possibilities. • Higher regional scientific profile.
INFOR	• Public forest research institute on silviculture and forest prospect on and monitoring	• To develop the monitoring project systems	• Economic perspective on the forest sector. MITIGATION STRATEGY: • **To promote the integration** of biodiversity conservation to the new economic vision of the forest sector (forest certification)	• High influences in regional and national forest policy and in the forest economy sector
Foundation Senda Darwin	• Independent study center focused on scientific research and the dissemination of knowledge, as well as conservation of Chile's southern forests.	• To develop some biodiversity researching that it will be necessary for conservation and sustainable use activities • Participate in Environmental Education	• Current information indicates that there are no potential conflicts/issues	• Higher regional environmental profile. • Generation of scientific knowledge based on biodiversity in the project priority areas.
Network of Non-timber Producers	• Assistance regarding the productive and environmental dissemination of the non-timber producers in Osorno	• Be involved in enterprising of use of non-forest products from the forest; • Participate in pilot experiences though technical assistance , regarding forest management, specialy in non timber products; • Replicate local experiences; • Disseminate initiatives.	• The generally current weak dialogue between the conservation community and the productive forestry sector MITIGATION STRATEGY: • **Creation of dialogue and** mutual understanding through collaborative efforts and strengthened, harmonized regulations combining conservation and sustainable use	• Increased awareness and capacity building concerning how to combine conservation and sustainable use/production; • Experience to be replicated elsewhere through active participation concerning sustainable use practices and how to combine them with conservation.
Coalition for the Conservation of the Coastal Range	• Coordination different NGOs y organizaciones sociales, indígenas, científicas y ambientales for protecting biodiversity Costal range	• Good experience on environmental conflict specially about road construction	• Disputes among different NGOs involved. MITIGATION STRATEGY: • Participation in working group that includes representatives from each NGO who participate individually and not as a homogenous group.	• Experience in environmental conflict about road construction in high biodiversity zones.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
Protected Areas Landowner Association of Valdivia	• To promote PA in land owners and protected areas association and its training on biodiversity conservation	• Some of them will take part of pilot demonstration in fragmented conservation landscape. • To promote de private protected areas and conservation a lot of different habitats throughout the region • Developing of different demonstratives areas • To promote the associative actions among the land owners	• Current information indicates that there are no potential conflicts/issues	• This is the first land owners of protected areas association • This association will have influence in the conservation policy
Association of Landowners of Chiloe	• Promote conservation in privately owned lands, linkages among PPAs, and training of membership in biodiversity conservation.	• Practical experience in conservation of private lands with diverse owners, uses and sizes • Promote joint action among conservation networks and associations.	• Current information indicates that there are no potential conflicts/issues	• Strengthen private conservation efforts via networks of Local, Regional and National PA associations with growing influence in related policy areas.
Forest Engineer Association for the Native Forest (AIFBN)	• NGO principally target to outreach the sustainable use of native forest and the native forest conservation, y participar en las decisiones de política forestall.	• To promote the native forest sustainable use in buffers zones • Alta experiencia en sistemas integrados de certificación de leña. (Replicate local experiences; Disseminate initiatives)	• Current information indicates that there are no potential conflicts/issues	• Higher regional environmental use profile. • Experience in firewood certification to be replicated elsewhere.
Center for Agrarian and Environmental Studies (CEA)	• Non Governmental organization principally target to agrarian and environmental problems	• To promote the biodiversity conservation in agricultural buffer zones and wetland Higher regional environmental use profile.	• Current information indicates that there are no potential conflicts/issues	• Higher regional environmental use profile.
Agrarian Research Group (GIA)	• Contribute to available knowledge of economic, social and political processes in agriculture and rural society, with a view to supporting the design of strategies and formulating of proposals aimed at achieving balanced rural development. A central element is to satisfy the material and social needs of the poor rural population and its active, informed participation in Chilean society.	• Training, technology transfer and technical assistance in ecotourism development projects in communities. • Support planning, monitoring and assessment, and follow up processes for the interventions.	• Few financial resources for training, technology transfer and technical assistance for sustainable development processes. MITITGATION STRATEGY: • Obtain financial and human resources from public and private sources.	• Enhancement of intervention models developed by the institution for the rural sector.
Council of the Americas	• Non Governmental organization principally target to promote local development	• Promoting the environmental conservation and sustainable use at municipal level	• Current information indicates that there are no potential conflicts/issues	• Good contact with several municipalities in the region specially in Valdivia
	• Professional consultants based in	• Has contributed with studies and	• Current information indicates that	• Maintain their link to the

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
SURAMBIENTE	Puerto Montt specializing in sustainable agriculture and livestock activities. • Promote and disseminate sustainable production systems.	proposal about buffer zones during the PDF B phase • Consultants with extensive experience in Llanquihue province, based in Puerto Montt, and able to provide technical assistance to the Demonstration Units. • Registered in the consultant registries of INDAP, SENCE, and CONADI. • Familiar with local communities participating in the Demonstration Units in buffer zones of PNAA and RNLL.	there are no potential conflicts/issues	project through potential expert assistance to landowners in the buffer zone Demonstration Units • Higher regional environmental use profile
III. STAKEHOLDERS TO KEEP INFORMED (IN MATRIX: HIGHER INFLUENCE, YET LOWER IMPORTANCE).				
ORGANIZATIONS AND FOREST ENTERPRISES TO KEEP INFORMED:				
Factoría Estate	• Estate covering 2,000 hectares set aside for /intended for conservation.	• Interested in forming part of a medium-sized private conservation UD in the buffer zone of Alerce Andino National Park.	• Landowners do not live in the region; the estate is administrated from other regions of Chile. MITIGATION STRATEGY • Contact by email and phone to keep landowners informed and interested.	• Strengthen their conservation objectives.
Forestal Los Lagos	• Forest company with eucalyptus plantations and some native forest conservation areas	• Conservation of native forest and sustainable use of the plantations • Demonstrative areas	• Current information indicates that there are no potential conflicts/issues	• Certified forest with good social and environmental profile
Forestal Valdivia	• Big Forest company with pinus plantations and a lot of native forest areas	• They have big patches of native forest in conservation landscape in Valdivia	• Company with low environmental profile	• Certified forest with good social and environmental profile
Forestal An Chile	• Big Forest company with eucalyptus plantations and some native forest conservation areas	• Conservation of native forest and sustainable use of the plantations • Demonstrative areas	• Current information indicates that there are no potential conflicts	• Certified forest with a social and environmental program
Forestal Llancacura	• Medium size Forest based on sustainable use of native forest	• Demonstrative areas on sustainable use of native forest	• Current information indicates that there are no potential conflicts	• Good company with good experi9encie in sustainable use of native forest in the coastal range
OTHERS:				
Local newspapers. El LanqOsorno)uihue (Puerto Montt) Austral de Osorno	• Local circulation newspapers, published in the three most important cities in the region. Report about news and events	• Play vital role in information dissemination and awareness raising process. These newspapers have already published information	• No negative impact. Positive impacts can be strengthened by asking these papers to take part of and back the conservation project.	• Acknowledgement for playing important role in the strengthening of the regional environmental debate.

Key Stakeholder	Institutional Mandate and Responsibilities	Role/Interest in the Project	Potential Problem and Mitigation of Problem/Negative Impact	Potential Stakeholder Benefit
(Osorno) *Austral de Valdivia (Valdivia)* *They all belong to a private newspaper chain.*		material about endangered species and conservation issues. • Can play important role in informing of the setting up of the Regional A.P. System, its policies, events, other. • It is also a means to distribute throughout the Region biodiversity information material prepared by the Project.		
Local TV Stations *Puerto Montt* *Osorno* *Valdivia*	• These local channels transmit in the afternoon, covering each its own city. • They have local news and different public opinion programs.	• They can play a substantial role in informing city folks about the Project and its works.	• No negative impact.	• This TV channels can be quite willing to inform about bioconservation, protected areas and the setting up of a Regional A.P.System.
DONORS / FUNDERS				
Donors and Development Agencies	• Project promotes mission of the donors and/or development agency; • Provision of project funds.	• Provide funding opportunities.	• No negative impact	• Increased regional awareness of their respective environment/development-related mandates and aid programmes

ANNEX F: PROPOSED INSTITUTIONAL ARRANGEMENT

The GEF Project will provide support to the Regional Government to carefully assess the most appropriate organizational structure for managing the RPAS in the long-term, both in terms of building mutual trust among project participants and in regard to the outcomes achieved during its implementation. Undoubtedly, the challenge of managing the RPAS requires a political – strategic view of sustainability that takes into account technical capacities and the availability of economic resources among project participants/ organizations involved. It is therefore crucial to take advantage of most regional authorities' willingness to contribute to the success of the project, as reported in studies conducted during project design process. Nevertheless, to develop an institutional arrangement, which enables and facilitates the RPAS's sustainability over time, agreements should be sought among the different stakeholders involved in this task, most of which should be reached during the implementation phase, particularly those regarding the role of private participants in the RPAS.

1. Requirements for the RPAS Institutional Arrangement

The following aspects should be considered when evaluating, designing, discussing, and reaching consensus on an institutional arrangement responsible of a **Regional Public-Private Protected Area System**:

a) Territorial range and coverage. The System should have a regional range of action, but it should also acknowledge and strengthen both the Regional and Local structures.

Local. Each territory or area of influence considered in the Project have a great diversity of species and natural systems subject to conservation, as well as a wide variety of human groups (public and private actors). Accordingly, it is necessary to strengthen existing or potential ad-hoc linkages in each of these territories and take into account this reality.

Regional. It is necessary to have a Regional Institutionality that: (i) serves each organization and local structure; (ii) develops a Regional Vision of the RPAS aligning all participants involved; (iii) provides sustainability to the System by incorporating a view of the Regional Development Plan; (iv) defines a short, medium and long-term Action Plan; (v) channels and assigns resources for various actions related to the RPAS; (vi) evaluates the progress of the Plans; (vii) sets and measures the outcomes of the actions, (viii) and generates and disseminates the learning of the organization.

At the same time, this Regional organization must interact with other actors both from the Region, and from national and international levels.

b) Be part of a network. The legal figure created should be part of larger network regarding conservation and sustainable development, both at the national and international level. It should generate partnerships and synergies with the organization in charge of managing the National System, as well as with international organizations that manage/administer protected areas.

c) Public and Private Participation. The major benefit from this new feature of managing the RPAS is that: (i) it is a public-private association; that (ii) engages private stakeholders in the genesis, development, and decisions of the organization; (iii) allows for a transparent, dynamic management; (iv) generates public accounts, and (v) gives confidence to the citizens of the region and the country with respect to the quality and capability in managing the System.

d) Decisions. The decisions of the organization should be taken by a ***Board of Directors,*** which is as diverse and plural as possible. The immediate objective is that particularly public institutions feel that, through the Foundation or Corporation, they will complement their institutional and legal mandate, transferring tasks or resources to this new organization for its legal mandate. Otherwise, the Board Members that represent public institutions will not get sufficiently involved in the progress or outcomes of the new institutionality.

e) Administration. The organizational statute itself should define a ***Technical or Executive Manager*** that develops and implement the annual plans or instructions directed by the Board of Directors, sign agreements with third parties, and administer the patrimony of the institution

f) Patrimony. With the modification to the Law 19.175, the Regional Governments will be able to allocate funds to the institutional bodies and entities that are created through the regional associations. It is important to fund – annually - with regional monies, part of the operational expenses of the foundation, particularly those concerning the Executive Manager.

Other revenues could be generated eventually by administration of the protected areas. In this regard it is important to note the following:

- Article 15 D.L. 1.939: the use of Reserves and Parks can only be assigned or granted to State Organizations, or legal entities governed by Title XXXIII of Book I of the Civil Code for the purpose of environmental conservation and protection.

  "***Article 15.***- Forest reserves, National Parks and public lands in which any form of occupation or work compromise the ecological equilibrium, should only be destined or granted in use to State organizations, or to legal figures under Title XXXIII of Book I of the Civil Code, for the purpose of environmental conservation and protection.

g) Decentralization. The project has a clear regional identity and the system is built with norms, regulations, and standards adopted by the regional authorities, which is clearly manifested in a Regional Pact for the creation of the RPAS. This creates the necessity of having a decentralized institutionality, capable of taking its own decisions and with its own resources, with a minimum tutelage from the national level (only to ensure the integrity of the system and to care for the adequate use of economic resources).

2. Alternatives

Different organizational alternatives developed under other government programs and with an inter-institutional character - such as **Chile Barrio, Chile Solidario, Programa Orígenes, Consejo Nacional de Producción Limpia** - have been reviewed. Having analyzed these alternatives, it can be concluded that the most complicated aspect is the institutional capacity to channel resources to finance the comprehensive management of initiatives undertaken in each area. In effect, this complexity is expressed in access to both public and private resources. Or the former, the restriction centers on the impossibility of having a multi-year budget to enable projection of resources in line with the strategic planning of the RPAS, whereas in the latter case, the difficulty is to identify how the private sector can channel resources to fund specific actions that historically have been the exclusive responsibility of the government, such as in the case of the SNASPE.

In contrast, a decisive factor is the leadership that the region should have in the System, where there also exist financial restrictions, and for which it is essential to build an institutionality capable of fundraising the maximum amount of resources to manage the RPAS. In this sense, it is crucial to go beyond what is traditional, and innovate with respect to the institutionality that can manage the RPAS, even more when there are private participants involved who, based on their business responsibility, are eager to provide fresh resources to biodiversity conservation.

Within this framework, it seems that the best alternative for the institutional arrangement of the RPAS, after the GEF Project, is to take advantage of the recent modification of Law **19.175 on Regional Government and Administration,** wherein the new Chapter VII allows for the creation of Corporations or Foundations for Regional Development. Under this provision, the Regional Government, through the FNDR, can contribute up to 50% of the funding of these organizations, which should also have objectives in line with the function and powers of the Regional Governments. Certainly, establishing a Regional Protected Area System is within the scope of the Regional Government's functions. It also has the power to allocate resources from the FNDR for that purpose. For these reasons, the process should be initiated to create a Foundation or Corporation for Sustainable Regional Development, which should take on as its central task the management of the RPAS. The decision of whether to establish a Foundation or Corporation should be made on the basis of which legal entity offers the best conditions for channeling public and private resources towards the aim for which it was created. At the same time, the Regional Government should be advised to begin design of a project that, depending on the progress of the GEF Project, can apply for FNDR funding to facilitate the development of such a Corporation or Foundation so as to ensure secure funding into the year 2007 or 2008.

This institutional arrangement could receive funding directly from businesses and individuals that would like to support biodiversity protection in the region. For this purpose the Corporation or Foundation should develop a strategy to allow regional businesses to contribute resources to the RPAS.

The Corporation/Foundation should create a ***Board of Directors*** with no more than 7 members, in which the following institutions / organizations should participate:

- Regional Major, who should be the President of the Board
- A delegate for CONAF
- A delegate for CONAMA
- A delegate for BBNN
- A delegate for NGOs that are competent and work on the subject
- A delegate for the Municipalities where the Protected Areas are located
- A delegate for the businesses providing resources

Certainly, this institutionality has a number of requirements, but it should bring together all the experience from the GEF Project and from the participant organizations, and have: (i) clear rules; (ii) management practices that are validated; (iii) agreement mechanisms among the different participants at different levels; (iv) action plans for each area that is part of the RPAS, and (v) funding mechanisms to accomplish the objectives of protection of each area within the RPAS.

3. Basic Characteristics of the Regional Framework included in the recent modification of Law 19.175 on Regional Government and Administration

a) Legal framework

- Law 19.175 about Government and Regional Administration
- Title VII, Articles 98 A to 98 E, Civil Code

b) Sphere

- Social
- Economic
- Cultural

c) Possible Actions

- Perform studies oriented towards the identification of areas of potential growth
- Stimulate the execution of investment projects
- Encourage artistic and sports activities
- Reinforce the associative capacity of small and medium producers
- Promote intra-regional tourism
- Improve the efficacy of business management
- Provide training activities

d) Patrimony

- They can receive contributions from the National Fund for Regional Development (FNDR) of up to 5% of the regional investment budget
- The Programs or projects can be funded up to 50% with resources from the Regional Government

e) Representation of Regional Government in the Board of Directors

By board members appointed by the Regional Council and proposed by the Major, they should represent, at least, one third of the Board.

f) Formation/Organization

Board members are proposed by the Major in agreement with, at least, 2/3 of the Regional Council.

g) Necessary steps

- Agreement of the Regional Government and drafting of the Statutes. BUILDING THE FRAMEWORK AGREEMENT
- Prepare and approve the statutes.
- Counsel should make a presentation through the Ministry of Justice, directed to the President of the Republic, to request legal status.
- Once the request is submitted, the Ministry of Justice requests a report from the Provincial Government on the economic viability of the proposed creation of the Corporation or Foundation.
- Simultaneously, the administrative authority requests a report from the Civil Registry on the personal background of the Board members designated in the articles of incorporation of the Corporation.
- Once this process is completed, the Ministry of Justice requests reports from the Ministries related to the goal of the organization.

- Once these reports are completed and approved, the Ministry of Justice sends the Supreme Decree to the President of the Republic for approval, and subsequently to the Comptroller General of the Republic for the review and official legal approval (*Toma de Razón*).
- The Supreme Decree must be published in the Diario Oficial within 60 days of obtaining legal status.
- Once all these steps are completed, the Corporation is legally constituted and can request a taxation number (RUT) from the Internal Revenue Service, which is assigned within one day of the request. This will allow the Corporation to undertake normal operations.

h) The estimated budget for the creation and official approval of the entity before the Ministry of Justice of the Corporation or Regional Foundation should cost approximately U$5,000 (including expenses associated with drafting and publication of the Supreme Decree in the corresponding Official Bulletin).

ANNEX G: SYNTHESIS OF THE ECONOMIC STUDY ON PUBLIC PA LOS LAGOS SNAPSE

The study was undertaken to assess the possibility of achieving sustainable, long-term financial management of the Los Lagos Region SNASPE PA System. The goal is that this should be accomplished by modern, decentralized and participatory management, which ensures the conservation of biodiversity in protected areas and is guided by the need to achieve an "optimal situation" that requires enhancement of the current status of the different regional SNASPE PAs.

The study included the identification of the current cost and financing structure of the SNASPE Los Lagos system and the cost/financing differential of the Los Lagos SNASPE today. It also included a proposal for an "optimal operation level for regional SNASPE based on criteria of efficiency, effectiveness and decentralized management and determination of the real costs of this in regard to both investment and operation in the SNASPE and the identification of the financial resources that could be generated in particular revenues to be generated in the units themselves and potential third-party contributions. Against this an estimate of the financing differential was determined as well as sustainable financing alternatives to mitigate any potential deficit. Finally complementary and additional studies were identified to be undertaken during the FSP.

Main conclusions[54]: Under current conditions, the SNASPE Los Lagos could finance a considerable portion of its operational costs through its own revenues if management effectiveness was increased. The investment and operational amounts required to make the SNASPE in Xth Region economically viable are relatively low and feasible to finance. Analysis of the WWF/WB METT data and the inventory of existing investments show that on average the SNASPE units already have 37% of the investment required to function optimally. The forecasts indicate that the SNASPE Los Lagos own revenues can financially sustain the operating costs of the system in the long run through the alternative resources generation mechanisms studied and the efforts proposed in the project to reduce operation costs. The SNASPE should be able to generate more than $ 500 million per year as of 2010 and in principle, these should be retained in the region itself. However but the government should make the complementary investments to ensure the proper functioning of the units. There are no legal barriers to generating revenue for the SNASPE units through instruments such as PROGES or RAICES yet CONAF in particular, and the Chilean public sector in general, do not yet make effective use of instruments (PROGES, RAICES) that have been created to streamline, simplify and harmonize public sector management. Nevertheless, these instruments are not sufficiently known or adequately disseminated within the SNASPE X.

Recommendations: The Study recommended the following as steps to explored as part of the Financing work in Outcome 1. (i) Implement an autonomous, decentralized administration system with each management unit and its administrator having a high degree of responsibility; (ii) develop the resources and attractions in the units through concessions, agreements and other ways of generating revenue from the units, (iii) develop a pro-active marketing strategy for the SNASPE at the national and international level; to achieve this business manager should be hired for the system with performance-based remuneration; (iv) develop advisory committees for all units in order to channel relationships between the units and local communities and the private sector; (v) give units more autonomy over their development and making them into technical and economic management units that interact directly with the Regional Director of CONAF; (vi) explore a number of resource generation mechanisms included in the study particularly those that can be implemented at the regional level.

[54] Unless otherwise specified, all figures in this Annex are in Chilean Pesos. The approx. exchange rate is: 650 Chilean Pesos = 1 USD

ANNEX H: MONITORING AND EVALUATION PLAN

1. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the Project Management Unit (PMU) and the UNDP Country Office (UNDP-CO) Chile with support from the UNDP/GEF Regional Coordinator, LAC RCU. The Logical Framework Matrix in Section II of the Project Brief provides impact indicators for project implementation along with their corresponding means of verification. These will form the basis on which the project's Monitoring and Evaluation system will be built. This Annex includes: (i) a detailed explanation of the monitoring and reporting system for the project; (ii) a presentation of the evaluation system; (iii) a matrix presenting the workplan and the budget for M&E section; (iv) the Result Measurement Table; and (v) METT tables.

I. MONITORING AND REPORTING

A. Project Inception Phase

2. The PMU will conduct an Inception Workshop with the key stakeholders responsible for project management and implementation at the commencement of the project with the aim to assist the project team to understand and take ownership of the project's goals and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the project's logframe matrix.

3. The key objectives of the Inception Workshop are to:

(i) Review the logframe (indicators, means of verification, assumptions), imparting additional detail as needed;
(ii) Finalize the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project;
(iii) Develop specific targets for the first year implementation progress indicators;
(iv) Introduce project staff with the representatives of the UNDP Country Office and the Regional Coordinating Unit (RCU);
(v) Detail the roles, support services and complementary responsibilities of UNDP-CO and RCU staff vis-à-vis the project team;
(vi) Provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the annual Project Implementation Reviews (PIRs) and related documentation, the Annual Project Report (APR), Tripartite Review Meetings, as well as mid-term and final evaluations;
(vii) Inform the project team on UNDP project related budgetary planning, budget reviews, and mandatory budget rephasings;
(viii) Present the ToR for project staff and decision-making structures in order to clarify each party's roles, functions, and responsibilities, including reporting and communication lines, and conflict resolution mechanisms.

B. Monitoring responsibilities and events

4. The PMU in consultation with relevant stakeholders will develop a detailed schedule of project reviews meetings, which will be incorporated in the Project Inception Report. The schedule will include: (i) tentative time frames for Tripartite Reviews, Steering Committee Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

5. Day to day monitoring of implementation progress will be the responsibility of the Project Coordinator, based on the project's Annual Work Plan and its indicators. The PMU will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion. Measurement of impact indicators related to global benefits will occur according to the schedules defined in the Inception Workshop and tentatively outlined in the indicative Impact Measurement Template at the end of this Annex. The measurement, of these will be undertaken through subcontracts with relevant institutions or through specific studies that are to form part of the projects activities.

6. Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the PMU, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities. UNDP Country Offices and UNDP-GEF RCUs as appropriate will conduct yearly visits to Region X to assess first hand project progress. Any other member of the Project Steering Committee can also accompany, as decided by the SC. A Field Visit Report will be prepared by the CO and circulated no less than one month after the visit to the project team, all SC members, and UNDP-GEF.

7. Annual Monitoring will occur through the Tripartite Review (TPR). This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to Tripartite Review (TPR) at least once every year. The first such meeting will be held within the first twelve months of the start of full implementation. The PMU will prepare an Annual Project Report (APR) and submit it to UNDP-CO and the UNDP-GEF regional office at least two weeks prior to the TPR for review and comments. The APR will be used as one of the basic documents for discussions in the TPR meeting. The PMU will present the APR to the TPR, highlighting policy issues and recommendations for the decision of the TPR participants and will inform the participants of any agreement reached by stakeholders during the APR preparation on how to resolve operational issues. Separate reviews of each project component may also be conducted if necessary. The TPR has the authority to suspend disbursement if project performance benchmarks (developed at the Inception Workshop) are not met.

8. Terminal Tripartite Review (TTR) is held in the last month of project operations. The PMU is responsible for preparing the Terminal Report and submitting it to UNDP-CO and LAC-GEF's Regional Coordinating Unit. It shall be prepared in draft at least two months in advance of the TTR in order to allow review, and will serve as the basis for discussions in the TTR. The terminal tripartite review considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learnt can be captured to feed into other projects under implementation of formulation.

C. Project Monitoring Reporting

9. The Project Coordinator in conjunction with the UNDP-GEF will be responsible for the preparation and submission of the following reports that form part of the monitoring process:

(i) Inception Report (IR) - will be prepared immediately following the Inception Workshop. It will include a detailed Firs Year/ Annual Work Plan divided in quarterly timeframes detailing the

activities and progress indicators that will guide implementation during the first year of the project. This Work Plan would include the dates of specific field visits, support missions from the UNDP-CO or the Regional Coordinating Unit (RCU) or consultants, as well as time-frames for meetings of the project's decision making structures. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time-frame. The Inception Report will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may effect project implementation. The finalized report will be distributed to the UNDP Country Office and UNDP-GEF's Regional Coordinating Unit and after that to the project counterparts who will be given a period of one calendar month in which to respond with comments or queries.

(ii) Annual Project Report (APR) - is a UNDP requirement and part of UNDP's Country Office central oversight, monitoring and project management. It is a self -assessment report by project management to the CO and provides input to the country office reporting process and the ROAR, as well as forming a key input to the Tripartite Project Review. An APR will be prepared on an annual basis prior to the Tripartite Project Review, to reflect progress achieved in meeting the project's Annual Work Plan and assess performance of the project in contributing to intended outcomes through outputs and partnership work. The format of the APR is flexible but should include:

- An analysis of project performance over the reporting period, including outputs produced and, where possible, information on the status of the outcome;
- The constraints experienced in the progress towards results and the reasons for these;
- The three (at most) major constraints to achievement of results;
- Expenditure reports;
- Lessons learned;
- Clear recommendations for future orientation in addressing key problems in lack of progress.

(iii) Project Implementation Review - is an annual monitoring process mandated by the GEF. It has become an essential management and monitoring tool for project managers and offers the main vehicle for extracting lessons from ongoing projects. Once the project has been under implementation for a year, a Project Implementation Report must be completed by the CO together with the project. The PIR can be prepared any time during the year and ideally prior to the TPR. The PIR should then be discussed in the TPR so that the result would be a PIR that has been agreed upon by the project, the executing agency, UNDP-CO and the concerned RC. The individual PIRs are collected, reviewed and analyzed by the RCs prior to sending them to the focal area clusters at the UNDP/GEF headquarters. The focal area clusters supported by the UNDP/GEF M&E Unit analyze the PIRs by focal area, theme and region for common issues/results and lessons. The TAs and PTAs play a key role in this consolidating analysis. The focal area PIRs are then discussed in the GEF Inter-agency Focal Area Task Forces in or around November each year and consolidated reports by focal area are collated by the GEF Independent M&E Unit based on the Task Force findings.

(iv) Quarterly Progress Reports - Short reports outlining main updates in project progress will be provided quarterly to the local UNDP Country Office and the UNDP-GEF regional office by the

PMU. The format will be provided.

(v) Periodic Thematic Reports - As and when called for by UNDP, UNDP-GEF or the Implementing Partner, the PMU will prepare Specific Thematic Reports, focusing on specific issues or areas of activity. The request for a Thematic Report will be provided to the project team in written form by UNDP and will clearly state the issue or activities that need to be reported on. These reports can be used as a form of lessons learnt exercise, specific oversight in key areas, or as troubleshooting exercises to evaluate and overcome obstacles and difficulties encountered. UNDP is requested to minimize its requests for Thematic Reports, and when such are necessary will allow reasonable timeframes for their preparation by the project team.

(vi) Project Terminal Report - During the last three months of the project the project team will prepare the Project Terminal Report. This comprehensive report will summarize all activities, achievements and outputs of the Project, lessons learnt, objectives met, or not achieved structures and systems implemented, etc. and will be the definitive statement of the Project's activities during its lifetime. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the Project's activities.

II. INDEPENDENT EVALUATION

10. The project will be subjected to at least two independent external evaluations as follows:

(i) Mid-term Evaluation - will be undertaken at the end of the second year of implementation. The Mid-Term Evaluation will determine progress being made towards the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP-CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

(ii) Final Evaluation - will take place three months prior to the terminal tripartite review meeting, and will focus on the same issues as the mid-term evaluation. The final evaluation will also look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals. The Final Evaluation should also provide recommendations for follow-up activities. The ToR for this evaluation will be prepared by the UNDP-CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

Audit Clause

11. The Department of Environmental Affairs and Tourism will provide the UNDP Resident Representative with certified periodic financial statements, and with an annual audit of the financial statements relating to the status of UNDP (including GEF) funds according to the established procedures set out in the Programming and Finance manuals. The Audit will be conducted by the legally recognized auditor of the CONAMA, or by a commercial auditor engaged by the Government.

III. INDICATIVE MONITORING AND EVALUATION WORKPLAN AND CORRESPONDING BUDGET

Table H-1: Indicative Monitoring and Evaluation Work plan and corresponding budget

Type of M&E activity	Responsible Parties	Budget US$ *Excluding project team Staff time*	Time frame
Inception Workshop	▪ Project Coordinator ▪ UNDP-CO ▪ UNDP GEF	10,000	Within first two months of project start up
Inception Report	▪ Project Team ▪ UNDP-CO	None	Immediately following IW
Measurement of Means of Verification for Project Purpose Indicators	Project Coordinator will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members	40,000 To be finalized in Inception Phase and Workshop. Indicative cost	Start, mid and end of project
Measurement of Means of Verification for Project Progress and Performance (measured on an annual basis) + workshop for dissemination	▪ Oversight by Project GEF Technical Advisor and Project Coordinator ▪ Measurements by regional field officers and local IAs	115,000 To be determined as part of the Annual Work Plan's preparation.	Annually prior to APR/PIR and to the definition of annual work plans
Conduct METT	▪ PMU and consultant	5,000	Mid-term and end
APR and PIR	▪ Project Team ▪ UNDP-CO ▪ UNDP-GEF	None	Annually
TPR and TPR report	▪ Government Counterparts ▪ UNDP-CO ▪ Project team UNDP-GEF Regional Coordinating Unit	None	Every year, upon receipt of APR
Steering Committee Meetings	▪ Project Coordinator ▪ UNDP-CO	None	Following Project IW and subsequently at least once a year
Periodic status reports	▪ Project team	10,000	To be determined by Project team and UNDP-CO
Technical reports	▪ Project team ▪ Hired consultants as needed	15,000	To be determined by Project Team and UNDP-CO
Mid-term External Evaluation	▪ Project team UNDP- CO ▪ UNDP-GEF Regional Coordinating Unit ▪ External Consultants (i.e. evaluation team)	35,000	At the mid-point of project implementation.
Final External Evaluation	▪ Project team, ▪ UNDP-CO ▪ UNDP-GEF Regional Coordinating Unit ▪ External Consultants (i.e. evaluation team)	55,000	At the end of project implementation
Terminal Report	▪ Project team ▪ UNDP-CO ▪ External Consultant	None	At least one month before the end of the project
Lessons learned	▪ Project team ▪ UNDP-GEF Regional Coordinating Unit	15,000 (average 3,000 per year)	Yearly
Audit	▪ UNDP-CO ▪ Project team	15,000 (average $3,000 per year)	Yearly
Visits to field sites (UNDP staff travel costs to be charged to IA fees)	UNDP Country Office ▪ UNDP-GEF Regional Coordinating Unit (as appropriate) Government representatives	15,000 (average one visit per year)	Yearly
TOTAL INDICATIVE COST *Excluding project team staff time and UNDP staff and travel expenses*		US$ 330,000	

ANNEX I: BIBLIOGRAPHIC REFERENCES

Acevedo, M. 2004. Planificación para la promoción del ecoturismo comunitario en la Ecorregión Valdiviana, Chile: Antecedentes y Diagnóstico. Informe preparado para WWF Chile.

Andelman, S. Ball, I. Davis, F. and D. Stoms. 1999. SITES v. 1.0:An Analytical Toolbox for Designing Ecoregional Conservation Portfolios.

Armesto J.J., Rozzi R., Smith-Ramírez C., Arroyo M.T.K. 1998. Effective conservation targets in SouthAmerican temperate forests. Science 282: 1271-1272.

Araya, F. Y E. Merino. 2004. El Escándalo del Alerce. Tala Ilegal en la Región de Los Lagos. Lat 33° (48): 18-25

Arnold, F. Y G. Ojeda. 2000. Resultados del Monitoreo en la Cordillera de la Costa X Región Norte durante marzo de 2000. Monitoreo Forestal Independiente. CODEFF, Programa Bosques. Santiago. 28 pp.

Ball, I. and Possingham H. 2000. Marxan (v. 1.7 and 1.8.2). Marine Reserve Design using Spatially Explicit Annealing. A manual prepared for The Great Barrier Reef Marine Park Authority.

Bilioteca del Congreso Nacional, 2005, Tramitación de la Modificación a la Ley 19.175 Organica Constitucional de Gobierno y Administración Regional, Página Web www.bcn.cl

Borgel R (1983) Geomorfología. Tomo II. Instituto Geográfico Militar, Santiago, Chile.182 pp.

Brooks T., Fonseca G., Rodrigues A. 2004. Protected areas and species. Conservation Biology 18: 616-618.

Cabeza M., Moilanen A. 2001. Design of reserve networks and the persistence of biodiversity. Trends in Ecology and Evolution 16: 242-248.

Calcagni, R., García, D., Villarroel, P. y Yunis, K. 1999 Lugares naturales y calidad de vida: Una propuesta para integrar "lo natural" y "lo social", Revista Ambiente y Desarrollo, CIPMA, Vol. XV n° 1 y 2.

Cárdenas, L.; Escobar, A. Y R. Soto. 2003. El Alerce y las Comunidades Huilliches de Osorno. En: Díaz, M. y A. Peña (Eds.). Árboles, Recursos Naturales y Comunidades Indígenas. Lecturas. Santiago, Corporación Nacional Forestal. 55p.

Carretón, M . y Espinoza, M. 1992. *¿Reforma del Estado o cambio de la matriz socio-política?* En Estudios Sociales N° 74, Corporación de Promoción Universitaria, Santiago, trimestre 4.p. 11

CEAM, Centro de Estudios Ambientales, Universidad Austral de Chile. 2005. Estudio componentes Capacitación y Difusión, preparado para PDF-B GEF/Valdivian Project.

Centro de Derecho Ambiental, Facultad de Derecho, Universidad de Chile. 2003, Estudio de Instrumentos Económicos para la incentivar la creación de Areas silvestres protegidas de Propiedad Privada. Parte II: Análisis de Instrumentos Específicos: Servidumbres e Incentivos Tributarios. Informe Final. Comisión Nacional del Medio Ambiernte. Contrato N25-22-001/02

Chavez Moreno(1997) Gobierno Local y Participación Social. Tesis para optar al Grado Académico de Desarrollo Rural.

CIDE (2001) Propuesta Legislativas para el fortalecimiento de la sociedad Civil. Santiago, Chile .

CIPMA-FMAM 2003. Ecorregión Valdiviana: Mecanismo Público-Privados para la conservación de la biodiversidad en la Región

CODEFF, 2003. Plan de Ordenamiento Predial para la Conservación y Uso Sustentable de los Recursos Naturales del predio Pilolcura Hijuela N° 1, Valdvia, Décima Región. Programa Biodiversidad

Comité Interamericano de Desarrollo Agrícola (CIDA), 1966. Chile: tenencia de la tierra y desarrollo socio-económico del sector agrícola. 2ª ed. Santiago, CIDA. 405pp.

CONAF. 1989. Políticas Técnicas para el Manejo de los Parques y Monumentos Nacionales. Manual Técnico N° 12. Ministerio de Agricultura, Santiago, Chile.

CONAF. 1988. Políticas Técnicas para el Manejo de las Reservas Nacionales. Manual Técnico N° 9. Ministerio de Agricultura, Santiago, Chile.

CONAF-CONAMA-BIRF, 1999. Universidad Austral de Chile, Pontificia Universidad Católica de Chile, Universidad Católica de Temuco. Catastro y Evaluación de Recursos Vegetacionales Nativos de Chile. Informe Regional Décima Región.

CONAF-CONAMA-BIRF, Universidad Austral de Chile, Pontificia Universidad Católica de Chile, Universidad Católica de Temuco. 1999. Catastro y evaluación de los recursos vegetacionales nativos de Chile: Informe nacional con variables ambientales. 89 pp.

CONAF. Participación de la comunidad en la gestión del sistema nacional de áreas silvestres protegidas del estado. Gerencia de Operaciones, Departamento patrimonio silvestre.

CONAF 1996. Libro Rojo de los Sitios Prioritarios para la Conservación de la Biodiversidad en Chile.

CONAMA, 2002. Estrategia para la conservación y uso sustentable de la biodiversidad. Republica de Chile, Comisión Nacional del Medio Ambiente. Acuerdo N°242/2003.

CONAMA/PNUD. (2003). Estrategia nacional de biodiversidad. CONAMA, Santiago. Diciembre 2003.

Corcuera E, Sepúlveda, C. & Geisse, G. (2002) Conserving land privately: spontaneous markets for land conservation in Chile. En: Pagiola S, J Bishop & N. Landell-Mills (eds) Selling forest environmental services: market-based mechanisms for conservation and development. Earthscan. Londres.

Correa, M.; R. Catalán, M. Paillamanque. 2001. Las comunidades Huilliches de la Cordillera de la Costa y el proyecto camino costero sur. Informe Final. Junta de Caciques de la Butahuillimapu / Coalición para la Conservación de la Cordillera de la Costa. 51pp.

Cowling, R.M., Pressey, R.L., Rouget, M. & Lombard, A.T. 2003. A conservation plan for a global biodiversity hotspot – the Cape Floristic Region, South Africa. Biol. Cons., 112, 191–216.

Diagnostico Comuna de Corral (2003). Programa Eco-Región de los Lagos Sustentables. Diario Oficial.

Díaz, S., O. Larraín, A. Lara, C. Echeverría. 1998. Investigación de cortas ilegales y comercialización de alerce (*Fitzroya cupressoides*) y ciprés de las guaitecas (*Pilgerodendron uviferum*). Informe Técnico N° 1. UACH / WWF. 28p.

Dixon, J. 1994 Native forests management options: Assessing tradeoffs between income and biodiversity. IN: World Bank. Chile - Managing Environmental Problems: Economic analysis of selected issues. Report No. 13061-CH December 19, 1994 Environment and Urban Development Division Country Department I Latin America and the Caribbean Region. Capítulo IV.

Egea Jiménez C.(s/f) Urbanización y Ruralidad. El Sistema de Asentamientos en América Central. Departamento de Geografía Humana. Universidad de Granada.

Estrategia Regional de Desarrollo 2000 – 2010. (2000) Gobierno Regional de Los Lagos, Puerto Montt.

FAO, 2003. Tenencia de la Tierra y desarrollo rural. Estudios sobre tenencia de la tierra n° 3. Roma.

FAO. (2004). Definición de Prioridades Estratégicas ara la COP7-CDB. Documento Borrador de Análisis para una posición regional Red Latinoamericana de Parques nacionales y otras áreas proteidas, flora y fauna silvestre. Documento Final Foro Electrónico, febrero 2004.

Feedback Consultora. (2005). "Percepciones y Actitudes hacia el Tema medioambiental", Puerto Montt, X Región. Abril 2005. . en: Estudio "Difusión y Capacitación Ambiental para la Conservación de la Biodiversidad" .CEAM-UACH. Abril 2005. Preparado para PDF-B GEF/ Bosque Templado Valdiviano.

Fernández Bitterlich, P. 2004, Manual de Derecho Ambiental Chileno, Segunda Edición Actualizada. Editorial Jurídica de Chile

Fernández Bitterlich, P. 1999, Análisis Crítico de la nueva institucionalidad forestal. Revista de Derecho. Facultad de Derecho Universidad Austral de Chile

Fernandoi P (2003) Informe Practica Profesional de antropología, "Amargo ayer y Hoy: Fortalecimiento de la identidad local Apropiación dl Pasado histórico –arqueológico y gestión comunitaria".

Ferrier S., Pressey R.L., Barrett T.W. 2000. A new predictor of the irreplaceability of areas for achieving a conservation goal, its application to real-world planning, and a research agenda for further refinement. Biological Conservation 93: 303-325.

Ferrier S., Watson G., Pearce J., Drielsma M. 2002a. Extended statistical approaches to modelling spatial pattern in biodiversity in northeast New SouthWales. I. Species-level modelling. Biodiversity and Conservation 11: 2275–2307.

Ferrier S., Drielsma M., Manion M., Watson G. 2002b. Extended statistical approaches to modelling spatial pattern in biodiversity in northeast New SouthWales. II. Community-level modelling. Biodiversity and Conservation 11: 2309–2338.

FIA. 2001. Bosque Nativo en Chile: Situación actual y perspectivas. Ministerio de Agricultura

Fuentes, E. (1994) ¿Qué futuro tienen nuestros bosques? Hacia la gestión sustentable del paisaje del centro y sur de Chile. Ediciones Universidad Católica de Chile, Santiago. 290 pp.

Gajardo R. 1994. La vegetación natural de Chile: Clasificación y distribución geográfica. Editorial Universitaria, Chile. 165 pp.

García Canglin (1995) Consumidores y Ciudadanos. Grijalbo, México.

García Monje, D. 2000, Areas Silvestres de propiedad privada: Oportunidad de Aggiornamento para el SNASPE. Revista Ambiente y Desarrollo. Vol XVI N° 3. pp 14 -15

García D. & Villarroel, P. (1998) Las áreas silvestres protegidas de propiedad privada en la legislación chilena. Ambiente y Desarrollo, Vol. XIV(4):21-32.

García, D., Moreira A., Sepúlveda., C,. Villarroel, P. 1998. Evaluación del Diseño Biogeográfico y Gestión Operacional del SNASPE.

Gasto, J. 2001. Ordenamiento Territorial. Lom Ediciones.

Godoy, M (2003) Informe Diagnostico Social localidades costeras de la provincia de Valdivia. WWF, Valdivia.

Groves C.R., Jensen D.B., Valutis L.L., Redford K.H., Shaffer M.L., Scott J.M., Baumgartner J.V., Higgins J.V., Beck M.W., Anderson M.G. 2002. Planning for biodiversity conservation: Putting conservation science into practice. BioScience 52: 499-512.

Guisan A., Zimmermann N.E. 2000. Predictive habitat distribution models in ecology. Ecological Modelling 135: 147–186.

Hanley, N. J.S. Shogren y B. White 1997. Environmental Economics. In theory and Practice. Oxford University Press. Capítulo 11. p. 335-355

Hutchinson M.F., Belbin L., Nicholls A.O., Nix H.A., McMahon J.P., Ord K.D. 1997. BioRap rapid assessment of biodiversity, Vol 2. Spatial Modelling Tools. Australian BioRap Consortium, CSIRO, Canberra, Australia.

Jerez J, P Silva & R Mendoza (2002) Proyecto piloto de Turismo Cultural, Museo sitio Niebla, Valdivia.

Lanfranco P et al. (2003) Muévete por tu cuidad, una propuesta ciudadana de Trasporte con equidad. Lom, Santiago.

Lara, A., Donoso, C. y J.C. Aravena 1995. La conservación del bosque nativo de Chile: Problemas y desafíos. En: Armesto, J.J. C. Villagrán y M.K. Arroyo Ecología de los bosques nativos de Chile. Ed. Universitaria. Santiago, Chile. Citado por AIFBN– Agrupación de Ingenieros Forestales por el Bosque Nativo. 2005 op. cit.

Lara, A.; C. Echeverría; R. Reyes. 2002. Bosques. Capítulo 6. *In* : Informe País. Estado del Medio Ambiente en Chile. Centro de Análisis de Políticas Públicas. Santiago, Chile.

Lara, A., Soto, D., Armesto, J., Donoso, P., Wernli, C., Nahuelhual. L, Squeo F. (eds.) 2003: "Componentes Científicos Clave para una Política Nacional Sobre Usos, Servicios y Conservación de los Bosques Nativos Chilenos". Libro resultante de la Reunión Científica sobre Bosques Nativos realizada en Valdivia, los días 17-18 de julio de 2003". Universidad Austral de Chile. Iniciativa Científica Milenio de Mideplan.

Lara, A., Wolodarsky, A., Aravena, J.C., Cortés, M., Fraver, S. and Silla, F. Fire regimes and forests dynamics in the Lake District in the south central Chile. In: Fire and climatic change in the temperate Ecosystem of the western americas. Springer-Verlag. Pp: 322-343

Luebert, F. y Pliscoff, P. 2004. Bioclimas de la Cordillera de la Costa dell centro-sur de Chile. En: Ecología y biodiversidad de los bosques de la Cordillera de la Costa de Chile (Smith, C., Armesto, J. & Valdovinos, C. eds.) Cap. 2. Editorial Universitaria. Santiago. En prensa.

Larosse B., A. 2003. Evaluación Económica del Proyecto de Ley sobre Recuperación del Bosque Nativo y Fomento Forestal. Temporada Agrícola, Junio 2003, ODEPA, Ministerio de Agricultura, Santiago.

Larsen F.W., Rahbek C. 2003. Influence of scale on conservation priority setting – a test on African mammals. Biodiversity and Conservation 12: 599–614.

Ley Indígena, 2003. Ley N 19.253 de 1993, CONADI-SUR, Kolping Impresores, Temuco.

Ley Orgánica Constitucional sobre Gobierno y Administración Regional, Texto Actualizado, 2003. Ley 19.175 del 1993, Ministerio del Interior, Sub-Secretaría de Desarrollo Regional y Administrativo, Santiago.

Ley Orgánica Constitucional de Municipalidades, 2004. Ley 18.695 del 1992, Texto Refundido y Sistematizado, Ministerio del Interior, Sub-Secretaría de Desarrollo Regional y Administrativo, Santiago,

Loiselle B.A., Howell C.A., Graham C.H., Goerck J.M., Brooks T., Smith K.G., Williams P.H. 2003. Avoiding pitfalls of using species distribution models in conservation planning Conservation Biology 17: 1591-1600.

Luebert, F. y Becerra, P. 1998. Representatividad vegetacional del Sistema Nacional de Áreas Silvestres Protegidas del Estado (SNASPE) en Chile, Ambiente y Desarrollo, XIV (2):62-69.

Luebert F., y Pliscoff P. 2004. clasificación de pisos de vegetación y análisis de representatividad ecológica de áreas propuestas para la protección en la ecorregión valdiviana. Documento N° 10, serie de Publicaciones, WWF Chile.

Management of the forests of the Valdivian Eco Región. Phase II. Informe técnico n°13. AIFBN / WWF. 36p.

Mardones, G. 2004. La Cordillera de la Costa: caracterización físico ambiental y regiones morfoestructurales. En: Ecología y biodiversidad de los bosques de la Cordillera de la Costa de Chile (Smith, C., Armesto, J. & Valdovinos, C. eds.) Cap. 1. Editorial Universitaria. Santiago. en prensa.

Mardones, G. (2000) Bases para el manejo de áreas silvestres protegidas en espacios de propiedad privada en Chile. Caso de estudio: Santuario de la Naturaleza Península de Hualpén. Tesis de Maestría en Conservación y Gestión del Medio Natural, Espacios Naturales y Uso Público. Universidad Internacional de Andalucía, Sede Iberoamericana de La Rábida, Huelva, España. 181 pp.

Margules C.R., Pressey R.L. 2000. Systematic conservation planning. Nature 405: 243-253.

Margules C.R., Pressey R.L., Williams P.H. 2002. Representing biodiversity: Data and procedures for identifying priority areas for conservation. Journal of Bioscience 27: 309-326.

Marshall R.M., Turner D., Gondor A., Enquist C., Luna G., Paredes R., Anderson S., Schwartz S., Watts C., Lopez E., y P. Corner. 2004. An Ecological Analysis of Conservation Priorities in the Apache Highlands Ecoregion. Prepared by The Nature Conservancy of Arizona, Instituto del Medio Ambiente y el Desarrollo Sustentable del Estado de Sonora, agency and insitutional partners. 152 pp.

Martínez de Anguita, P. 2004. Economía ambiental y ordenación del territorio. *Ecosistemas* 2004/1 (URL: http://www.aeet.org/ecosistemas/041/revision2.htm)

Martínez V. A., F. Marabolí y R. Cárcamo. 2004. Alternativas y Evaluación de Manejos Silvícolas, Isla Grande de Chiloé. Consultoría para Bosque Modelo Chiloé.

Medina, G. and Chehebar. 2000. Informe : propuesta de estudio y análisis de antecedentes para la selección de áreas prioritarias para la conservación de poblaciones de huillín (Lontra provocax Thomas) en la Ecoregión Selva Valdiviana. WWF - US

Meir E., Andelman S., Possingham, H. 2004. Does conservation planning matter in a dynamic and uncertain world? Ecology Letters 7:615-622.

Mella, J. 1994. Areas Silvestres Protegidas y la conservación de los mamíferos terrestres chilenos. Tesis para optar al grado de Magister en Ecología U. de Chile.

MIDEPLAN, 2000. Desarrollo Humano en las comunas de Chile. Temas de desarrollo humano sustentable N° 5. 84 pp

MIDEPLAN, 2004. Pobreza y distribución del ingreso en las regiones: Región de Los Lagos. Serie CASEN vol. 2

Mittermeier R., Fonseca G., Hoffmann M., Pilgrim J., Brooks T., Robles P.,

Mittermeier C., y J. Lamoreux. 2005. Hotspots Revisited. CEMEX. 392 pp.

Molina, R. 1995. Comunidades Huilliches alerceras y legislación forestal. En: Segundo Congreso Chileno de Antropología, Valdivia. Tomo I

Morales A (2004) Diagnóstico de Conciencia Turística en los Municipios de Lago Ranco y Futrono, Lago Ranco.

Mori (Marquet Opinion Research International) (1999) Estudio anhelos, perspectivas y visión de futuro de los habitantes de la X Región. Santiago.

Murúa et al . 1993. Necesidad de una política de "Bosques para leña". Revista Ambiente yDesarrollo. P: 75-80

Myers N., Mittemeier R., Mittermeier C.G., da Fonseca G.A.B., Kent J. 2000. Biodiversity hotspots for conservation priorities. Nature 403: 853–858.

Neira, E. y S. Díaz. 1998. Superficie afectada por incendios en bosques de alerce y siempreverde en el año 1998 para el fundo Esperanza Norte y Sur-Lote A, Cordillera de la Costa, Llanquihue. Informe técnico.

Nieto JA (s/f). Instituto de Cartografía de Andalucía. Junta de Andalucía. Sevilla.

Ojeda. G. 2000. Informe de monitoreo de bosques de Alerce en la cordillera de la costa y Los Andes. GREENPEACE.

Olivares, B. (Inédito) Estado del arte de la silvicultura y manejo del bosque nativo en Chile. Consultoría para INFOR.

Olson, D. y E. Dinerstein. 1998. The global 200: A representation approach to conserving the Earth's most biologically valuable ecoregions. Conservation Biology 12: 502-515.

Olson, D., E. Dinerstein, E. Wikramanayake, E. Burgess, G. Powell, E. Underwood, D'amico, I. Itoua, H. Strand, J. Morrison, C. Loukcs, T. Allnutt, T. Ricketts, Kura. J. Lamoreux, W. Wettengel, P. Hedao y K. Kassem. 2001. Terrestrial ecoregions of the world: A new map of life on earth. Bioscience 51: 933-938.

Ortega V & P Gonzáles (1998) Informe de práctica profesional en el proyecto Funcionamiento de Municipios democratizados y participación de organizaciones Sociales en comunas rurales de la provincia de Valdivia. Valdivia.

Otero, L., Molina, R., Correa, M., y A. Gainza. 1997. El Alerce: un recurso económico para las comunidades huilliches de la costa de Osorno. Parte del manuscrito presentado al libro aspectos económicos sobre el bosque nativo. FONDECYT 1950155/95

Palma, M. 1997, Normativa Ambiental. Ediciones Jurídicas "la Ley"

Pagiola, Stefano, K. von Ritter, and J. Bishop. 2004. How much is an ecosystem worth? — Assessing the economic value of conservation. World Bank- The Nature Conservancy IUCN—The World Conservation Union. The World Bank, Washington DC.

Paredes, G. 1994 Economic Analysis of Management Options for Native Forests: A Case Study in South Chile. The World Bank-Universidad Austral de Chile. Draft.

Pauchard, A. 1999. SNASPE: nuevos desafíos para la conservación biológica. Bosque Nativo. Junio: 5-10.

Pearce, D.W. y R.K. Turner 1990. Economics of Natural Resources and the Environment. Hemel Heampstead, Harvester-Weatsheaf.

Plano regulador, 2003. Comuna de la Unión.

Pliscoff P. 2002. Priorización de áreas para fortalecer la conservación de la flora arbórea nativa en la zona mediterránea de Chile. MS Tesis, Facultad de Ciencias, Universidad de Chile, Santiago.

Possingham, H. P., I. R. Ball and S. Andelman 2000. Mathematical methods for identifying representative reserve networks. En: S. Ferson and M. Burgman (eds) Quantitative methods for conservation biology. Springer-Verlag, New York, pp. 291-305.

Proyecto ley sobre asociaciones y participación ciudadana en la gestión Publica, 2004, Santiago

PNUD (2003), Informe de Desarrollo Humano Capitulo III.

Pressey, R.L., H.P. Possingham, and C.R. Margules. 1996. Optimality in reserve selection algorithms: When does it matter and how much? Biological Conservation 76:259-267.

Pressey R.L. 1999. Systematic conservation planning for the real world. Parks 9: 1-6.

Pressey R.L., Humphries C.J., Margules C.R., Vane-Wright R.I., Williams P.H. 1993. Beyond opportunism: Key principles for systematic reserve selection. Trends in Ecology and Evolution 8:124-128.

Pressey R.L., Possingham H.P., Logan V.S., Day J.R., Williams P.H. 1999. Effects of data characteristics on the result of reserve selection algorithms. Journal of Biogeography 26: 179-191.

Pressey, R.L., Cowling, R.M., 2001. Reserve selection algorithms and the real world. Conservation Biology 15, 275–277.

Quevedo Méndez (2003) Una agenda Política de la Sociedad Civil, Foro Ciudadano II, Lom, Santiago.

Quinto Congreso Mundial de Parques. 2003. Informe grupo de trabajo "aumento de la capacidad: desarrollo de la capacidad de gestión", v congreso mundial de parques. Durban, sudáfrica, 8-17 de septiembre.

Plan de Desarrollo Comunal de La Unión, 1996.

Poblete, J.C. 2003. Análisis del régimen de protección en Chile de la especie alerce (*Fitzroya cupressoides* (Mol.) Johnston) y propuesta de alternativa de perfeccionamiento normativo y estrategias de conservación. Tesis para la obtención del título de master sobre gestión, conservación y control de Especies sometidas a comercio internacional. Universidad Internacional de Andalucía. 129p.

Ramirez 2004 Asociaciones vegetales de la Cordillera de la Costa de la Región de Los Lagos. En: Ecología y biodiversidad de los bsoques de la Cordillera de la Costa de Chile (Smith, C., Armesto, J. & Valdovinos, C. eds.) Cap. 13. Editorial Universitaria. Santiago. en prensa.

Repetto, R. 1990 Wasting Assets: the need for national Accounting. WRI, Washington

Reyes, R. 2000. caracterización de los sistemas de producción y comercialización de leña para la ciudad de Puerto Montt, X Región. Tesis Fac. Cs. Forestales U. de Chile

Reyes, R. Y H. Lobos. 2000. Estado de Conservación del Tipo Forestal Alerce. FB88 / Urgent Action for Developing a Proposal for a Law on the Conservation and Sustainable

Ríos, M. 1993 The economic importance of tourism and recreation in the Región de Los Lagos in Chile. Citado por Dixon (1994) op. cit.

Rodriguez A.S.L., Andelman S.J., Bakarr M.I., Boitani L., Brooks M.T., Cowling R.M., Fishpool L.D.C., da Fonseca G.A.B., Gaston K.J., Hoffmann M., Long J.S., Marquet P.A., Pilgrim J.D., Pressey R.L., Schipper J., Sechrest W., Stuart S.N., Underhill L.G., Waller R.W., Watts M.E.J., Yan X. 2004. Effectiveness of the global protected area network in representing species diversity. Nature 428: 640-643.

Sáez, N. 1994. Madera del bosque templado utilizado como dendroenergía en hogares de la ciudad de Osorno, año 1993. III Congreso Internacional de Ciencias de la Tierra. Chile

Sáez, N. 1991. ¿Es sustentable la explotación forestal en la región de Los Lagos? La problemática dendroenergética como aporte analítico relevante. Universidad de Los Lagos, Colección Estudios Líder. Pp: 175 – 186.

Scott J.M., Davis F., Csuti B., Noss R.F., Butterfield B., Caicco S., Groves G., Ulliman J., Anderson H., Wright R.G. 1993. Gap Analysis: A geographical approach to protection of biological diversity. Wildlife Monographs 123: 1-41.

Secretaria General de la Presidencia de la Republica (2002) Propuesta de Ley base de participación Ciudadana en la Gestión Publica. Santiago, Chile

Sepulveda, C. (1998) las iniciativas privadas en conservación de la biodiversidad implementadas en chile. Ambiente y Desarrollo vol.xiv(4): 53-64.

Sepulveda, C. (2001) las motivaciones detrás de la filantropía ambiental. Reflexiones sobre el contexto cultural. Ambiente y Desarrollo vol xvii(1): 86-89.

Sepulveda, C. (2002) conservación privada en la región de los lagos: lecciones y desafíos para una institucionalidad propia. Ambiente y Desarrollo vol xviii(1): 42-43.

Sepúlveda et al. (2003) "Incentivos apropiados para Áreas Protegidas Privadas: El enfoque y la experiencia del Proyecto CIPMA-FMAM; Documento de Trabajo # 58;

Sepulveda, C. & Garcia, D. (1997) cooperación público-privada como estrategia para la conservación de la biodiversidad en chile. Ambiente y Desarrollo vol.xiii(2): 59-69.

Sepulveda c, Moreira, A. & Villarroel,P. (1997) conservación biológica fuera de las áreas silvestres protegidas. Ambiente y Desarrollo vol. Xiii(2):48-58.

Shoutis, D. 2003. SPOT: The Spatial Portfolio Optimization Tool. The Nature Conservancy

Simonett, J. (ed). 2003. Conservación de la biodiversidad. En: medio ambiente en chile 2000-2002. Conama/universidad de chile. Ed. Universitaria, Santiago.

Smith, C. 1996. Algunos Usos Indígenas Tradicionales de la Flora del Bosque Templado. En: J. Armesto, C. Villagrán, M.K. Arroyo eds. Ecología de los Bosques Nativos de Chile. Editorial Universitaria. Santiago de Chile. pp389-404

Smith, C. 2004. Patrones de riqueza y distribución de la flora vascular en la Cordillera de la Costa de Valdivia,Osorno y Llanquihue, Chile. En: Historia, biodiversidad y ecología de los bosques de la Cordillera de la Costa de Chile (Smith, C., Armesto, J. & Valdovinos, C. eds.) Cap. 18. Editorial Universitaria. Santiago. en prensa.

Smith-Ramírez, C. 2004. The Chilean coastal range: a vanishing center of biodiversity and endemism in South American temperate rainforests. Biodiversity and Conservation 13: 373–393.

Sorokin y Zimmermann, (2002) Redefiniendo la Ruralidad

Squeo F. 2003. Clasificación revisada de los ecosistemas terrestres del país y sus prioridades de conservación, Informe Final. 26 pp.

Stockwell D.R.B., Peters D. 1999. The GARP modeling system: Problems and solutions to automated spatial prediction. International Journal of Geographic Information Science 13: 143–158. Salman Ton (s/f), Organizaciones Sociales, Cambios y Cultura Popular.

Subsecretaría de Desarrollo Regional, Ministerio del Interior, 2005, Servicios Públicos Regionales. Informe Final, Proyecto Subdere/Universidad de Chile. www.subdere.cl

Teixidó, S. & Chavarri, R. 2001, Mapeando las Fundaciones en Chile: Características y desafíos para el S. XXI. Fundación Prohumana.

Van dam, Chris, 1999. Tenencia de la tierra en América Latina. Estado del arte de la discusión. Documento preparado para la iniciativa Global Tierra, Territorio y Derechos de Acceso. UICN.

Vander Schaaf, D., M. Schindel, D. Borgias, C. Mayer, D. Tolman, G. Kittel, J. Kagan, T. Keeler-Wolf, L. Serpa, J. Hak, K. Popper. 2004. Klamath Mountains Ecoregional Conservation Assessment. The Nature Conservancy. Portland, Oregon. 207 pp.

Velasco, V. 1999, La Interpretación del Proceso de Descentralización en la Argumentación Gubernamental, Artículo del Ministerio del Interior, Gobierno de Chile.

Villarroel, P. (2001) las áreas silvestres protegidas privadas como experiencia de filantropía ambiental. El caso de la región de los lagos. Ambiente y desarrollo vol. Xvii(1): 90-93.

Villarroel, P.; Sepúlveda, C.; García, D.; y Moreira, A. 1998, Cooperación Público – Privadas para la conservación de la Biodiversidad Viables en Chile. Documento de Trabajo N° 52 Proyecto Fondecyt N° 1961043, CIPMA y Centro de Gestión y Ciencias Ambientales de la Universidad Austral de Chile.

Villasante, T & M Montañez (1999)Investigación Social Participativa. Barcelona.

Viveros, F. 1998. La participación de la sociedad civil en acciones de interés público. En: Ciudadanía e Interés Público, enfoque desde el Derecho, la Ciencia Política y la Sociología. Cuadernos de Análisis Jurídico N° 8. Serie Publicaciones Especiales. Facultad de Derecho, Universidad Diego Portales.

Williams P.H., Araújo M.B. 2002. Apples, oranges, and probabilities: Integrating multiple factors into biodiversity conservation with consistency. Environmental Modeling and Assessment 7: 139–151.

WWF et al. 2004. A Biodiversity Vision for the Valdivian Temperate Rain Forest Ecoregion of Chile and Argentina.

STUDIES CARRIED OUT DURING THE PROJECT PREPARATION PHASE (PDF B)

Asociación de Ingenieros Forestales por el Bosque Nativo (AIFBN), 2005. "Diagnóstico sobre la problemática de la leña en la Décima Región y Estrategia de Acción".

Centro de Estudios Agrarios y Ambientales (CEA), 2005. Estudio "Caracterización y Zonificación de la Cordillera Pelada".

Centro de Estudios Ambientales (CEAM) Universidad Austral de Chile. 2005. Estudio "Difusión y Capacitación Ambiental para la Conservación de la Biodiversidad".

Comité Pro Defensa de la Flora y la Fauna (CODEFF), 2005. "Educación Ambiental para la Conservación de la Biodiversidad".

Grupo de Investigaciones Agrarias (GIA), 2005. "Estudio de actores relevantes de la Cordillera de la Costa de Osorno".

Infante, P. 2005. Evaluación de la situación actual de las unidades del Sistema Nacional de Areas Silvestres Protegidas del Estado (SNASPE) en la Región de los Lagos.

Kausel, T. 2005. Estudio "Económico del Sistema Nacional de Áreas Silvestres Protegidas del Estado, Región de los Lagos".

Olivares, B. et al. 2005. "Contribución al Análisis Económico de alternativas para apoyar la Conservación de la biodiversidad relevante en la Depresión Intermedia de la Provincia de Valdivia, Región De Los Lagos"

Olivares, P. 2005. "Aproximación metodológica y propuestas para el diseño de un Corredor Costa-Andes en la Provincia de Valdivia, Región de los Lagos".

Parques para Chile, 2005. " Estrategia Para El Establecimiento de un Paisaje de Conservación y Conectividad entre las Cordilleras de la Costa y de Los Andes, en la X^{a} Region de Los Lagos, basada en Áreas Piloto".

Pliscoff, P. y Ramírez de Arellano, P. 2005. Estudio "Planificación Sistemática de la Conservación en la X^{a} Región de los Lagos".

Smith, C. 2005. "Análisis sobre la biodiversidad en la cordillera de la costa, Region de Los Lagos"

Surambiente Ltda. 2005. "Unidad Demostrativa Piloto: Creación de zonas de amortiguación y acuerdos de uso sostenible y manejo colaborativo, en Áreas Protegidas del SNASPE en la Décima Región de los Lagos"

Urrutia, F. 2005. "Institucionalidad Jurídica y construcción de acuerdos para un Sistema Regional de Áreas Protegidas en la Región de los Lagos".

Vallespín, P. 2005. Estudio: "Actores relevantes para el Proyecto a nivel regional".

WWF, 2005. Análisis de Paisaje de Conservación para la Cordillera de la Costa de la Región de Los Lagos.

RELEVANT AND UTILIZED WEBSITES:

http://www.conaf.cl http://
http://www.conama.cl
http://www.sernatur.cl
http://www.conama.cl/portal/1255/articles-26373_esquema_1.jpeg .
http://www.conama.cll/portal/1255/article-26374.html
http://www.corma.cl/publicaciones/temas_de_fondo/A5-N13.
http://www.biodiv.org/decisions
http://cipma.cl/gef/publicaciones
http:// chilebosquenativo.cl
http://lena.cl
http:// areasprotegidas.org
http://bancocentral.cl
http://elbosquechileno.cl
http://iadb.org
http://mideplan.cl
http:// odepa.gob.cl
http://prochile.cl

ANNEX J: COMMITMENT LETTER (REFER TO SEPARATE FILE)

ANNEX K: COMMITMENT LETTERS FOR PILOTS (REFER TO SEPARATE FILE)

Signature Page

Country:	CHILE
Expected Outcome(s)/Indicator (s):	Contribution of biodiversity and ecosystem services to food security, health, livelihoods and reduced vulnerability to natural disasters factored into national planning for the achievement of development goals, including safeguards to protect these resources.
Expected Output(s)/Indicator(s):	An effective, multi-stakeholder, multi-use Regional Protected Areas System (RPAS) is modeled in the Valdivian Region.
Implementing partner:	CONAMA
Other Partners:	Regional Government and Public Services

Programme Period: 2007-2011
Programme Component: Energy and Environment for Sustainable Development
Project Title: Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest
Project ID: 00051310
Project Duration: 5 years
Management Arrangement: NEX Execution

Total Budget US$ 20,318,767
General Management Support Fee: NA
Allocated resources:

- GEF US$ 4,707,000
- Government US$ 4,042,767
- Other:
  - TNC US$ 10,500,000
  - WWF US$ 1,010,000
  - GIA US$ 26,000
  - Red PFNM US$ 30,000
  - C.Vertientes US$ 3,000

Agreed by Ministry of Foreign Affairs: _____

Agreed by UNDP: _____

Agreed by CONAMA: _____

ANNEX J

GOBIERNO DE CHILE
COMISIÓN NACIONAL
DEL MEDIO AMBIENTE

Departamento de Relaciones Internacionales

CDRI 21/05 /

Santiago, 1° de septiembre de 2005

Sra. Irene Philippi
Representante Residente
PNUD
Av. Dag Hammarskjold 3241
Vitacura
Santiago de Chile

Asunto: Endoso proyecto "Sistema Regional de Áreas Protegidas para la conservación y uso sustentable del Bosque Templado Valdiviano"

Estimada Sra. Philippi:

A través de la presente, tengo el agrado de informar a usted que la solicitud de endoso a la idea de proyecto indicada arriba, ha sido aprobada por CONAMA.

La carta de endoso o aprobación otorgada por el Punto Focal Operativo de CONAMA refleja la aceptación y voluntad de la autoridad ambiental del Gobierno de Chile de realizar acciones sobre el tema propuesto en el proyecto. No obstante ello, el endoso no asegura el financiamiento GEF solicitado por el proponente, ya que esa decisión corresponde a dicho organismo financiero considerando su disponibilidad de recursos y aspectos de carácter técnico. La decisión final de llevar a cabo la propuesta será materia de acuerdo entre los proponentes y las Agencias Implementadora, según sus criterios propios y los establecidos por el GEF.

Ruego a Ud. proceder, junto a los proponentes, a postular el proyecto a la consideración del Consejo del GEF, para obtener el financiamiento para la ejecución del proyecto.

Sin otro particular, le saluda muy atentamente,

XIMENA GEORGE-NASCIMENTO L.
PUNTO FOCAL OPERACIONAL GEF - CHILE
COMISIÓN NACIONAL DEL MEDIO AMBIENTE

ABR/ XG-NL
cc.
Director Regional Conama Los Lagos
Archivo

CO-FINANCING LETTERS

REGIONAL GOVERNMENT **2**

REGIONAL GOVERNMENT TRANSLATION 4

CONAMA **6**

CONAMA TRANSLATION 8

INDAP **10**

INDAP TRANSLATION 11

SAG **12**

SAG TRANSLATION 14

CONAF- NATIONAL **16**

CONAF (NATIONAL) TRANSLATION 17

SENCE **18**

SENCE TRANSLATION 19

CONAF -REGIONAL **20**

CONAF REGIONAL TRANSLATION 21

CORFO **22**

CORFO TRANSLATION 23

INFOR **24**

INFOR TRANSLATION 25

WWF **26**

WWF TRANSLATION 28

GIA **30**

GIA TRANSLATION 31

RED PFNM **32**

RED PFNM TRANSLATION 33

CORPORACIÓN DE DESARROLLO VERTIENTES **34**

CORPORACIÓN DE DESARROLLO VERTIENTES TRANSLATION 36

TNC **37**

TNC TRANSLATION 38

Regional Government

GOBIERNO DE CHILE
Intendencia
Región de "Los Lagos"

Puerto Montt, 1 de agosto de 2005

SRA IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Por intermedio del presente y junto con saludarla, me es grato comunicarle que el Gobierno Regional de la Región de Los Lagos se compromete a dar la prioridad necesaria al co- financiamiento del proyecto "Sistema Regional de Areas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-FNAM-PNUD), lo que incluye las actividades que se detallan en anexo. El aporte total del Gobierno Regional de Los Lagos al co-financiamiento del proyecto en referencia para el período de cinco años considerados para su implementación es de quinientos setenta y dos millones, trescientos treinta mil pesos ($ 572.330.000).

Se adjunta Anexo con detalle de los fondos comprometidos.

Sin otro particular, se despide atentamente,

INTENDENCIA DECIMA REGION
INTENDENTE REGIONAL

JORGE VIVES DIBARRART
INTENDENTE DECIMA REGION DE LOS LAGOS

GOBIERNO DE CHILE
Intendencia
Región de "Los Lagos"

ANEXO 1

Lista de actividades a financiar durante el período del proyecto (2006 a 2010):

- Proyecto de usos sustentable del bosque nativo en comunidades indígenas (M$ 116.000)
- Proyecto de uso sustentable de bosque nativo en comunidades ubicadas en sitios prioritarios para la conservación de la Biodiversidad (M$ 121.800).
- Estudio piloto de sistema alternativo de financiamiento de dos áreas del SNASPE (M$ 140.000)
- Aporte a la estrategia comunicacional (M$ 12.900)
- Financiar el sistema de monitoreo y evaluación del sistema, a partir del cuarto año del proyecto (M$ 58.000)
- Incorporación al sistema de información del Gobierno Regional el sistema de información del SRAP (M$ 23.250).
- Programa de capacitación para funcionarios públicos (M$ 29.000)
- Estudio de estrategia financiera para el sistema (M$ 5.800)
- Contrato de un coordinador y dos asistentes, para gerenciar la entidad (fundación o corporación) (M$ 17.980)
- Incorporación del SRAP en la visión del Gobierno Regional (M$ 14.500)
- Participación del Gobierno Regional y servicios en la incorporación de SRAP en la políticas y programas de todos los servicios relacionados (M$ 21.500).
- Participación del Gobierno Regional y servicios en el diseño, acuerdo y elaboración del plan de acción para crear el SRAP (M$ 11.600).

Aporte total a las actividades indicadas: M$ 572.330.

Regional Government translation

Puerto Montt, 1 August, 2005

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

I am pleased to inform you that the Regional Government based in Los Lagos Region is committed to giving the necessary priority to the co-funding of the project Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP), which entails the activities described in the attachment. The total contribution of Los Lagos Regional Government to the co-funding of the said project, for the five-year period contemplated for its implementation, amounts to five hundred and seventy-two million three hundred and thirty thousand pesos (CHI$ 572,330,000).

Enclosed please find attachment detailing the funds committed.

Yours sincerely,

JORGE VIVES DIBARRART
INTENDENT
X REGION LOS LAGOS

ANNEX 1

List of activities awaiting finance during the project period (2006 - 2010):

- Project about sustainable uses of the native forest in indigenous communities (M$ 116,000).
- Project about sustainable use of the native forest in communities located in priority sites for biodiversity conservation (M$ 121,800).
- Pilot study of alternative funding system for two SNASPE areas (M$ 140,000)
- Contribution to communication strategy (M$ 12,900)
- Funding the monitoring and evaluation system as from the fourth year of the project (M$ 58,000)
- Incorporating the SRAP information system into the Regional Government's information system (M$ 23,250).
- Training programme for public officers (M$ 29,000)
- Study of financial strategy for the system (M$ 5,800)
- Hiring a coordinator and two assistants to manage the entity (foundation or corporation) (M$ 17,980)
- Incorporation of the SRAP into the Regional Government's scenario (M$ 14,500)
- Participation of the Regional Government and services in the SRAP incorporation into policies and programmes of all related services (M$ 21,500).
- Participation of the Regional Government and services in the designing, agreement and development of the action plan for creating the SRAP (M$ 11,600).

Total contribution to activities described: M$ 572,330.

CONAMA

GOBIERNO DE CHILE
COMISION NACIONAL
DEL MEDIO AMBIENTE

RECIBIDO 10 AGO 2005
PATRICIO GALLARDO ALARCON
COMISION NACIONAL DE MEDIO AMBIENTE
DECIMA REGION DE LOS LAGOS
052344

Santiago, 3 de agosto de 2005

SRA IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Por intermedio del presente y junto con saludarla, me es grato comunicarle que la Comisión Nacional del Medio Ambiente (CONAMA) se compromete a aportar al co- financiamiento del proyecto "Sistema Regional de Areas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-FNAM-PNUD), de acuerdo a las actividades que se detallan en anexo. El aporte total de CONAMA al co-financiamiento del proyecto en referencia, para el período de cinco años considerados para su implementación, es de doscientos cuarenta y ocho mil cuatrocientos noventa y un dólares (248.491).

Se adjunta Anexo con detalle de los fondos comprometidos.

Sin otro particular, se despide atentamente.

OF. PARTES CONAMA Xa. REGION
Nº Folio 16116
Derivado A: MEA

COMISION NACIONAL DEL MEDIO AMBIENTE * DIRECTOR EJECUTIVO *

PAULINA SABALL ASTABURUAGA
DIRECTORA EJECUTIVA
COMISIÓN NACIONAL DEL MEDIO AMBIENTE

JGH/JRS/JLGG/GVG/MA/EZ/ez
Cc: Archivo
Adjunto: Anexo I

ANEXO 1

PRESUPUESTO CONAMA

PROYECTO "SISTEMA REGIONAL DE AREAS PROTEGIDAS PARA EL USO SUSTENTABLE Y LA CONSERVACIÓN DEL BOSQUE TEMPLADO VALDIVIANO

PRODUCTO	PROYECTO FINANCIADO POR CONAMA	AÑO 1	AÑO 2	AÑO3	AÑO4	AÑO5	TOTAL
1.2.4. Desarrollar las normas y regulaciones necesarias para la operación y manejo del Sistema Regional de Áreas Protegidas.	Realizar estudios y talleres necesarios para elaborar un plan de conservación del alerce	8.000.000	4.900.000				12.900.000
1.5.5. Conectar el "Clearing House Mechanism" con su contraparte nacional en el Sistema Nacional de Áreas Protegidas.	Implementar el CHM a nivel regional, directamente conectado con el sistema nacional de áreas protegidas			2.500.000	2.500.000	2.500.000	7.500.000
1.7.1. Estrategia Comunicacional	Estrategia Comunicacional para la protección de la biodiversidad en la	2.000.000	2.500.000				4.500.000
4.1.3 Replicación de las unidades piloto en el paisaje de conservación, basándose en las lecciones aprendidas en estas.	Estudios de Linea base para Areas Protegidas ubicadas en sitios prioritario de Curiñanco, Mocho-Choshuenco y/o parches de vegetación relevantes, en paisaje de conservación			5.000.000	5.000.000	5.000.000	15.000.000
4.2.2. Replicación de la experiencia de implementación de Áreas Protegidas en comunidades indígenas.	Estudios de Linea base 4 comunidades indígenas ubicadas en sitios prioritarios de la cordillera de la costa.		2.600.000	2.500.000	2.500.000	2.500.000	10.100.000
	Arriendo oficina y financiamento de servicios básicos	2.400.000	2.400.000	2.400.000	2.400.000	2.400.000	12.000.000
	Personal CONAMA dedicado al proyecto	16.425.000	16.425.000	16.425.000	16.425.000	16.425.000	82.125.000
	TOTAL $	10.000.000	10.000.000	10.000.000	10.000.000	10.000.000	144.125.000
	TOTAL US $	17.241	17.241	17.241	17.241	17.241	248.491

CONAMA translation

Santiago, 3 August, 2005

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

I am pleased to inform you that the National Commission for the Environment (CONAMA) is committed to contributing with the co-funding of the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP), according to the activities detailed in the attachment. CONAMA's total contribution to the co-funding of the said project during the 5-year period contemplated for its implementation amounts to two hundred and forty-eight thousand four hundred and ninety-one dollars (US$ 248,491).

Attached please find the Annex detailing the funds committed.

Yours sincerely,

PAULINA SABALL ASTABURUAGA
EXECUTIVE DIRECTOR
NATIONAL COMMISSION FOR THE ENVIRONMENT

JGH/JRS/JLGG/GVG/MA/EZ/ez
cc: File
Enclosed: Attachment

ANNEX 1
CONAMA BUDGET
REGIONAL SYSTEM OF PROTECTED AREAS FOR SUSTAINABLE CONSERVATION AND USE OF VALDIVIAN TEMPERATE RAINFOREST

PRODUCT	PROJECT FUNDED BY CONAMA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
1.2.4 Develop the necessary standards and regulations for the operation and management of the Regional PA System	Conduct the necessary studies and workshops for preparing a conservation plan for the *Alerce*	8,000,000	4,900,000				12,900,000
1.5.5 Connect the Clearing House Mechanism to its national counterpart in the National PA System	Implement the CHM at a regional level directly connected to the national PA system.			2,500,000	2,500,000	2,500,000	7,500,000
1.7.1 Communication Strategy	Communication Strategy intended for the protection of biodiversity in the Los Lagos Region	2,000,000	2,500,000				4,500,000
4.1.3 Replication of pilot units in the conservation landscape based on lessons learned in these.	Baseline studies of Protected Areas located in priority sites of Curiñanco, Mocho-Choshuenco, and/or relevant vegetation patches in the conservation landscape			5,000,000	5,000,000	5,000,000	15,000,000
4.2.2 Replication of the experience of implementing PA in indigenous communities.	Baseline studies of 4 indigenous communities located at priority sites of the coastal mountain range		2,600,000	2,500,00	2,500,000	2,500,000	10,100,000
	Office rental and basic services funding.	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	12,000,000
	CONAMA personnel devoted to the project	16,425,000	16,425,000	16,425,000	16,425,000	16,425,000	82,125,000
	TOTAL $	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	144,125,000L
	TOTAL US$	17,241	17,241	17,241	17,241	17,241	248,491

INDAP

GOBIERNO DE CHILE
INDAP

INDAP
Abriendo Nuevos Campos

Repùblica de Chile
Ministerio de Agricultura
Décima Región de Los Lagos
JCM/PML/pml.

ORDINARIO Nº 510 /

25 AGO. 2005

Anteced Ordinario N 1299
Materia : Proyecto Conama-FNAM-PNUD)

DE: JORGE CID MANRIQUEZ
DIRECTOR REGIONAL
INDAP DÉCIMA REGION

A: SRA IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE
PRESENTE

Por intermedio de la presente y junto con saludarla , me es grato comunicarle que el Instituto de Desarrollo Agropecuario Regiòn de Los Lagos , se compromete a dar la prioridad necesaria al cofinanciamiento del Proyecto " Sistema Nacional de Areas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano " (CONAMA –FNAM-PNUD). El aporte total de esta Institución al cofinanciamiento del Proyecto en referencia , durante el periodo de cinco años considerados para su implementaciòn , es de M $ 852.150 los que se emplearàn en proyectos destinados a crear àreas protegidas de uso sustentable en la Regiòn de Los Lagos.
Respecto a los Instrumentos de Fomento de carácter concursable a Nivel regional y Nacional INDAP se compromete a priorizar las demandas recepcionadas en los términos contenidos en el presente proyecto, siempre y cuando cumplan con las Bases Técnicas y Administrativas que regulan su funcionamiento y supeditado a la asignación presupuestaria realizada a nivel Nacional.

Sin otro particular, saluda atentamente a Usted,

JORGE CID MANRIQUEZ
DIRECTOR REGIONAL
INDAP DÉCIMA REGION

INDAP Translation

Republic of Chile
Ministry of Agriculture
X Region, Los Lagos
JMC/PML/pml

25 Aug., 2005

FROM: JORGE CID MANRIQUEZ
REGIONAL DIRECTOR
INDAP X REGION

TO: MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

I am pleased to inform you that *Instituto de Desarrollo Agropecuario*, based in Los Lagos Region, is committed to give the necessary priority to the co-funding the Project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP).The total contribution to the co-funding of the said Project, during the five-year period contemplated for its implementation, amounts to M $ 852,150 to be used in projects intended for the creation of sustainable use protected areas in Los Lagos Region.

With regard to the biddable Developmental Instruments –whether regional or nationwide-- INDAP commits to prioritize the demands received and expressed in the terms included in this project, always and provided that they are in accordance with the Technical and Administrative Terms that rule their operation, and subject to the budget allocation carried out at a national level.

Yours sincerely,

JORGE CID MANRIQUEZ
REGIONAL DIRECTOR
INDAP X REGION

SAG

GOBIERNO DE CHILE
SERVICIO AGRICOLA Y GANADERO
SAG

Puerto Montt, 3 de agosto de 2005

SRA IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Por intermedio de la presente y junto con saludarla, me es grato comunicarle que el Servicio Agrícola y Ganadero de la Región de Los Lagos, se compromete a dar la prioridad necesaria al co-financiamiento del proyecto "Sistema Regional de Areas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-FNAM-PNUD). El aporte total de esta Institución al co-financiamiento del proyecto en referencia para el período de cinco años considerados para su implementación es de M$ 114.000 y que contempla subsidios para apoyar el uso sustentable de nuevas áreas protegidas en la Región de Los Lagos.

Sin otro particular, se despide atentamente,

SERVICIO AGRICOLA Y GANADERO
DIRECTOR REGIONAL
X REGION

ALVARO ALEGRIA MATUS
DIRECTOR REGIONAL SAG

CUADRO 2 : CO-FINANCIAMIENTO
SERVICIO AGRICOLA Y GANADERO (SAG) SIRSD

LUGAR	AÑO 1	AÑO 2	AÑO 3	AÑO 4	TOTAL	M$ PROPIETARIOS	US$ SAG	US$ PROPIETARIOS
a) Comuna de Lanco, localidad de Melefquén, Malalhue y alrededores		12.500	12.500	12.500	37.500	7.500	64.655	12.931
b) Comuna de Los Lagos, localidades de Los Lagos parte Norte de Reumen y Canán		10.500	10.500	10.500	31.500	6.300	54.310	10.862
c) Comuna de Valdivia, al Norte de localidad de Cayumapu	9.000	12.000	12.000	12.000	45.000	9.000	77.586	15.517
					114.000	22.800	196.552	39.310

SAG Translation

Puerto Montt, 3 August, 2005

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

I am pleased to inform you that the *Servicio Agrícola y Ganadero* (Livestock and Agricultural Service) of Los Lagos Region has committed to giving the necessary priority to the co-funding of the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP). The total contribution of this institution for the co-funding of the said project during the 5-year period considered for its implementation amounts to M$114,000, and includes subsidies to support the sustainable use of new protected areas in Los Lagos Region.

Yours sincerely,

ALVARO ALEGRIA MATUS
SAG REGIONAL DIRECTOR

CHART 2 : CO-FUNDING

SERVICIO AGRÍCOLA Y GANADERO (SAG) (Livestock and Agricultural Service) **SIRSD** *(INCENTIVE SYSTEM FOR RECOVERING DETERIORATED SOILS)*

PLACE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	TOTAL	M$ OWNERS	US$ SAG	US$ OWNERS
a) Community of Lanco, locations of Melefquén, Malahue, and surroundings		12,500	12,500	12,500	37,500	7,500	64,655	12,931
b) Community of Los Lagos, locations of Los Lagos, the North part of Reumén and Canán.		10,500	10,500	10,500	31,500	6,300	54,310	10,862
c) Community of Valdivia, to the North of Cayumapu location	9,000	12,000	12,000	12,000	45,000	9,000	77,586	15,517
					114,000	**22,800**	**196,552**	**39,310**

CONAF- National

RECIBIDO 0 5 AGO 2005

GOBIERNO DE CHILE
CORPORACIÓN NACIONAL FORESTAL
DIRECCIÓN EJECUTIVA
Nº 18

Santiago, 4 de agosto de 2005

SRA IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Por intermedio del presente y junto con saludarla, me es grato comunicarle que la Corporación Nacional Forestal se compromete a aportar $10 millones al co-financiamiento de la iniciativa Elaboración de un plan de acción para la conservación del alerce que se integrará a las acciones que se desarrollarán en el marco del proyecto Sistema Regional de Áreas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano (CONAMA-FNAM-PNUD).

El monto antes mencionado será desglosado en dos cuotas de $ 5 millones, a entregar durante los años de desarrollo del proyecto.

Atentamente,

CARLOS WEBER BONTE
DIRECTOR EJECUTIVO
CORPORACIÓN NACIONAL FORESTAL

Post-it® Transmisión por Fax 7671

PARA/TO: María Eliana Arroyo	DE/FROM: Bernardo Martínez
COMPAÑÍA/CO.: CONAF PNUD	COMPAÑÍA/CO.:
FAX: 65-282268	FAX: 6721581

CONAF (National) Translation

Santiago, 4 August, 2005

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP
CHILE

I am pleased to inform you that *Corporación Nacional Forestal* (National Forestry Service) has committed itself to contributing with CHI$10 million to help co-funding the initiative of preserving the growth of the *Alerce*, which will form part of the actions being taken within the framework of the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP).

The above mentioned amount is to be made available in two CHI$ 5-million instalments to be delivered during the years contemplated for the development of the project.

Yours sincerely,

CARLOS WEBER BONTE
EXECUTIVE DIRECTOR
CORPORACIÓN NACIONAL FORESTAL

SENCE

(LOGO)

Puerto Montt, 3 de agosto de 2005

SRA IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Por intermedio de la presente y junto con saludarla, me es grato comunicarle que la Servicio Nacional de Capacitación y Empleo de la Región de Los Lagos, se compromete a dar la prioridad nedesaria al co-financiamiento del proyecto "Sistema Regional de Areas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-FNAM-PNUD). El aporte total de esta Institución al co-financiamiento del proyecto en referencia, durante el período de cinco años considerados para su implementación, es de M$ 56.000 los que se emplearán capacitar a propietarios y vecinos de áreas protegidas públicas y privadas de la Región de Los Lagos en empleos relacionados con las actividades a realizar en éstas áreas.

Sin otro particular, se despide atentamente,

SERVICIO NACIONAL DE CAPACITACION Y EMPLEO
DIRECTORA REGIONAL

GLORIA GONZALEZ SAEZ
DIRECTORA REGIONAL SENCE

JGH/MA/EZ/ez
Cc: Archivo

SENCE Translation

Puerto Montt, 3 August, 2005

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

I am pleased to inform you that *Servicio Nacional de Capacitación y Empleo* (National Service for Training and Employment) of Los Lagos Region is committed to giving the necessary priority to the co-funding of the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP). The total contribution of this institution for the co-funding of the said project, during the 5-year period considered for its implementation, amounts to M$56,000 to be spent on training landowners and neighbours of public and private protected areas in Los Lagos Region, in jobs related to the activities to be carried out in these areas.

Yours sincerely,

GLORIA GONZALEZ SAEZ
SENCE REGIONAL DIRECTOR

CONAF -Regional

GOBIERNO DE CHILE
CONAF

Puerto Montt, 5 de agosto de 2005

Nº 815

SRA
IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Por intermedio de la presente y junto con saludarla, me es grato comunicarle que la Corporación Nacional Forestal de la Región de Los Lagos, se compromete a dar la prioridad necesaria al co- financiamiento del proyecto "Sistema Regional de Areas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-FNAM-PNUD). El aporte total de esta Institución al co-financiamiento del proyecto en referencia, durante el período de cinco años considerados para su implementación, es de M$ 51.000 los que se emplearán en proyectos destinados a mejorar la efectividad del manejo de las áreas protegidas públicas en la Región de Los Lagos y protección de la biodiversidad de importancia global.

Sin otro particular, se despide atentamente,

CORPORACION NACIONAL FORESTAL
Director Regional X Región Los Lagos
Valdivia Osorno Llanq.-Chiloé-Palena

PEDRO BAHAMONDEZ BARRIA
DIRECTOR REGIONAL CONAF
REGION DE LOS LAGOS

CONAF Regional Translation

Puerto Montt, 5 August, 2005

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

I am pleased to inform you that *Corporación Nacional Forestal* (National Forestry Service), based in Los Lagos Region, is committed to give the necessary priority to the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest (CONAMA-GEF-UNDP). The total contribution of this institution to the co-funding of this project during the 5-year period contemplated for its implementation amounts to CHI$51,000 million, which will be used in projects aimed at improving the efficiency of public protected areas in Los Lagos Region, and for the protection of globally significant biodiversity.

Yours sincerely,

PEDRO BAHAMONDEZ BARRÍA
CONAF REGIONAL DIRECTOR
LOS LAGOS REGION

CORFO

GOBIERNO DE CHILE
CORFO

DIRECCION REGIONAL CORFO
REGION DE LOS LAGOS

PUERTO MONTT, Marzo 23 de 2007.

SEÑORA IRENE PHILIPPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Estimada Sra. Irene:

Por medio de la presente y junto con saludarla, me es grato comunicarle que la Dirección Regional de CORFO de la Región de Los Lagos, se compromete a apoyar la formulación del proyecto "Certificación de la producción y mercadeo de la leña", para ser presentado al subcomité de interés público de Innova Chile, de la Corporación de Fomento por un monto de $400.000.000 (cuatrocientos millones de pesos). La aprobación final de este proyecto estará sujeta a la decisión final del Subcomité anteriormente mencionado.

Lo anterior puede ser considerado como un aporte al co-financiamiento del proyecto "Sistema Regional de Áreas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-FMAM-PNUD)

Sin otro particular, se despide atentamente

MANUEL BAGNARA VIVANCO
DIRECTOR REGIONAL CORFO

MBV/gmm.

CORFO Translation

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

Dear Mrs. Philipi,

I am pleased to inform you that the Regional Board of CORFO in Los Lagos Region has committed to supporting the design of the project "Certification of firewood production and marketing", to be submitted to the sub-committee of public affairs of Innova Chile, belonging to CORFO, for the amount of CH$400.000.000 (four thousand million pesos). The final approval of this project depends on the final decision of the su-committee mentioned above.

The aforementioned may be considered as a contribution to the co-funding of the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP).

Yours sincerely,

MANUEL BAGNARA VIVANCO
CORFO REGIONAL DIRECTOR

INFOR

FROM : INSTITUTO FORESTAL PHONE NO. : 56 2 6930680 Aug. 05 2005 03:59PM P01

INFOR
Instituto Forestal

GOBIERNO DE CHILE
MINISTERIO DE AGRICULTURA

DIRECCION EJECUTIVA

Concepción, Agosto 5 de 2005

Carta N° 212/2005

Señora
Irene Philipi
Representante Residente
PNUD CHILE
PRESENTE

Por medio de la presente y junto con saludarla, me es grato comunicarle a usted que el Instituto Forestal, está muy interesado en el adecuado desarrollo del proyecto ***"Sistema Regional de Áreas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-FNAM-PNUD).*** Por esta razón, la institución que dirijo está en condiciones de aportar al co-financiamiento del proyecto en referencia un total de USD$ 250.000 valorizado en material, equipos, información e investigación de su propiedad.

Estos valores, así como las actividades que INFOR podrá realizar en dicho proyecto se especificarán al momento de suscribir el convenio respectivo para el desarrollo de la actividad de monitoreo y evaluación programada durante el período de cinco años considerados para su implementación.

Sin otro particular, se despide atentamente,

FRANCISCO J. PÉREZ M.
DIRECTOR EJECUTIVO (S)
INSTITUTO FORESTAL

INFOR Translation

EXECUTIVE BOARD

Concepción, August 5, 2005

Letter N° 212/2005

Mrs. Irene Philipi
Resident Representative
UNDP CHILE

I am pleased to inform you that *Instituto Forestal* (Forest Institute) is very interested in the adequate development of the project **Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest (CONAMA-GEF-UNDP)**. For this reason, the institution in my care is in a position to contribute to the co-funding of the project with USD$ 250,000 including material, equipment, information, and research of its own property.

These assets, as well as the activities that INFOR may carry out pursuant to this project, will be specified at the moment of signing the corresponding agreement conducive to the monitoring and programmed evaluation during the 5-year period contemplated for its implementation.

Yours very truly,

FRANCISCO J. PÉREZ M.
ACTING EXECUTIVE DIRECTOR
INSTITUTO FORESTAL

WWF

WWF
Ecoregión Bosques Templados Valdivianos de Chile y Argentina

Carlos Anwandter 624
Casa 4
Valdivia
Chile

Tel : 56 63 244590
Fax: 56 63 222749
ecorregion.valdiviana@wwf.cl
www.wwf.cl

Señora
Irene Philipi
Representante Residente
PNUD
Chile

Valdivia, 10 de agosto de 2005

Ref: Compromiso aportes WWF Chile a GEF Siempreverde

Estimada Sra. Philipi

Por medio de la presente deseamos formalizar nuestro compromiso de aportes de contrapartida de la oficina del WWF Chile (Fondo Mundial para la Naturaleza) al proyecto "Sistema Regional de Areas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA, FNAM, PNUD).

Para el WWF-Chile esta iniciativa es de la más alta prioridad por que consideramos que está iniciativa contribuirá de manera significativa a nuestros objetivos de conservación.

Es por ello que WWF-Chile se compromete a aportar un monto de US$1.010.000.- (un millón diez mil dólares).

Adjunto sírvase encontrar el detalle de nuestros aportes de contrapartida

Sin otro particular, se despide Atte.,

David Tecklin
Coordinador
WWF Chile

WWF

Anexo

Actividades a financiar durante el período del Proyecto

Actividad	Monto en dólares
Acuerdos para lograr la creación del Sistema Regional de Areas Protegidas	US$ 10.000.-
Desarrollo de una unidad piloto demostrativa en la Reserva Valdiviana para el diseño y establecimiento de áreas de amortiguación	US$250.000.-
Establecimiento de acuerdos de colaboración con entidades públicas y otras áreas protegidas	US$750.000.-
Monto total	US$1.010.000.-

* Adicionalmente, el WWF gestionó el aporte de US$750.000.-, a través del Global Conservation Fund, para la adquisición de los predios Chaihuín y Venecia, para el establecimiento de una unidad piloto para la conservación privada: "Reserva Valdiviana". Como este monto ya fue depositado a TNC, no lo hemos incluido en nuestra carta de compromiso.

WWF Translation

Valdivia, 10 August, 2005

MRS. IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP
CHILE

Ref: Funding commitment of WWF Chile to GEF Evergreen

Dear Mrs. Philipi,

We are writing to execute our counterpart funds commitment of the WWF office in Chile (Fondo Mundial para la Naturaleza) to the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest" (CONAMA-GEF-UNDP).

This initiative is of the highest priority to the WWF-Chile, since we consider that it will highly contribute to our preservation objectives.

For that reason WWF-Chile is committed to contributing with US$ 1,010,000 (one million ten thousand dollars).

Enclosed please find an in-detail list of our counterpart funds.

Yours sincerely,

David Tecklin
Coordinator

WWF Chile

Annex

Activities to be funded during the period of the Project

Activity	Amount in dollars
Agreements to achieve the creation of the SRAP	US$ 10,000
Development of a demonstrative pilot unit in the Valdivian Reserve for creating and setting up buffer zones.	US$ 250,000
Setting up collaboration agreements with public entities and other protected areas	US$ 750,000
TOTAL AMOUNT	US$ 1,010,000

In addition, the WWF handled the contribution of US$ 750,000 through the Global Conservation Fund, for the acquisition of the *Chaihuín* and *Venecia* lands in order to establish a pilot unit for private conservation: the "Valdivian Reserve". As this amount was already deposited to TNC, we have not included it in our letter of commitment.

GIA

CARTA COMPROMISO DE PARTICIPACIÓN

Santiago, 29 de julio de 2005

La Corporación privada de Desarrollo Social Grupo de Investigaciones Agrarias GIA en su calidad de organización no gubernamental y cuyo objetivo es contribuir al conocimiento de los procesos económicos, sociales y políticos de la agricultura y la sociedad rural, en la perspectiva de apoyar el diseño de estrategias y la formulación de propuestas orientadas a lograr un desarrollo rural equilibrado, representada por su directora, la Sra. Maria Elena Suvaike Chiang. Manifiesta su compromiso de colaboración con el proyecto ***"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"*** promovido por el Fondo para el Medio Ambiente Mundial (GEF), el Programa de Naciones Unidas Para el Desarrollo (PNUD) y la Comisión Nacional para el Medio Ambiente (CONAMA), a realizarse durante el periodo 2006-2010 en la Décima Región de Los Lagos.

En particular nuestras acciones estarán en directa relación con los objetivos tendientes a implementar una experiencia piloto de conservación y uso sustentable con propietarios indígenas, en el sector de la Cordillera de la Costa en la Comuna de San Juan de la Costa, específicamente en temáticas relacionadas con la capacitación para el proceso de planificación y desarrollo de servicios ecoturísticos comunitarios.

Además se compromete a apoyar el desarrollo del proyecto a través de la facilitación de su capacidad instalada, como apoyo técnico y de gestión. Esto se traduce en

- Servicios profesionales de expertos
- Apoyo técnico-científico en el desarrollo de estudios
- Materiales y equipos técnicos
  Apoyo financiero para realización de seminarios, capacitaciones y programas de difusión

El conjunto de dicho apoyo se traduce en un valor aproximado de US$ 5.200 por cada año contemplado para el desarrollo de la iniciativa antes mencionada.

Maria Elena Suvaike Chiang
Directora
GRUPO DE INVESTIGACIONES AGRARIAS
UNIVERSIDAD ACADEMIA DE HUMANISMO CRISTIANO

GIA Translation

LETTER OF COMMITMENT

Santiago, 29 July, 2005

The private corporation of social development ***Grupo de Investigaciones Agrarias (GIA)***), as an non-governmental organization, and whose aim is to contribute to the knowledge of the economic, social and political processes of agriculture and the rural society, in order to support the development of strategies and the designing of proposals aimed at achieving a balanced rural development, represented by its Director (Mrs.) **María Elena Suvaike Chiang**:

Hereby expresses its commitment to collaborate on the project **Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest**, promoted by the Global Environmental Fund (GEF), the United Nations Development Programme (UNDP), and the National Environment Commission (CONAMA), to be implemented in the X Region of Los Lagos, within the period 2006 - 2010.

Particularly, our actions will be directly related to the objectives aiming at implementing a conservation and sustainable use pilot experience with indigenous landowners of the Coastal Mountain Range at *San Juan de la Costa* community, specifically in subjects related to training for planning and developing community ecotourism services.

Also it commits to support the project development through providing its installed capacity as technical and management support. This will result in:

- Professional expert advice.
- Technical and scientific support in studies development.
- Technical material and equipment.
- Financial support for seminars, training and dissemination programs.

All this support implies an approximate total cost of US$ 5,200 for each year contemplated for the above mentioned initiative.

María Elena Suvaike Chiang
Director
Grupo de Investigaciones Agrarias (GIA)

Red PFNM

PATRICIO GALLARDO ALARCON
COMISION NACIONAL DE MEDIO AMBIENTE
DECIMA REGION DE LOS LAGOS

Red de Productos Forestales no Madereros

CARTA COMPROMISO

Osorno,15 de julio de 2005

La ***Red de Productos Forestales No Maderables, Red PFnM*** en su calidad de institución relacionada con la promoción del desarrollo social de la comunidad, representada por ***Juana Palma Martínez***, Ing. Forestal.

Manifiesta su compromiso de colaboración con el proyecto ***"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"*** promovido por el Fondo para el Medio Ambiente Mundial (GEF), el Programa de Naciones Unidas Para el Desarrollo (PNUD) la Comisión Nacional para el Medio Ambiente (CONAMA), a realizarse durante el periodo 2006-2010 en la Décima Región de Los Lagos.

En particular nuestras acciones estarán en directa relación con los objetivos tendientes a implementar una experiencia piloto de conservación y uso sustentable con propietarios indígenas, en el sector de la Cordillera de la Costa en la Comuna de San Juan de la Costa, Provincia de Osorno, puesto que en dichos territorios, nuestra institución ha desarrollado un trabajo desde hace cuatro (2001-2005) años en el ámbito de la investigación, extensión y asesoría de manejo de productos forestales no madereros, lo cual también ha significado una inversión de US$ 96.0000.-

Dicha colaboración se expresará en las áreas de trabajo que actualmente la institución desarrolla en la zona involucrada, esto es, ***40°22 S 73°50'- O San Juan de la Costa*** y apoyará el desarrollo del proyecto a través de la facilitación de su capacidad instalada, como apoyo técnico y de gestión. Esto se traduce en:

- Servicios profesionales de expertos
- Apoyo técnico-científico en el desarrollo de estudios
- Materiales y equipos técnicos
- Difusión y Extensión
- Dependencias

El conjunto de dicho apoyo se traduce en un valor aproximado total de US$ 30.000.- durante el periodo contemplado por la iniciativa antes mencionada.

PFnM

Juana Palma Martínez
Ing. Forestal
Red Pfnm-Osorno

OF. PARTES CONAMA Xa. REGION
Nº Folio 16020.
Derivado A: SBA/MA

Contacto: Lord Cochrane 746 Osorno. Fono 64-223524. mail: redpfnm@surnet.cl Web: www.redpfnm.cl

Red PFNM Translation

Red de Productos Forestales no Madereros (Non-wood Forest Products Network)

LETTER OF COMMITMENT

Osorno, 15 July, 2005

Red *de Productos Forestales No Maderables, Red PFnM* (Non-wood Forest Products Network), as an institution engaged in the fostering of community social development, represented by (Ms.) **Juana Palma Martínez**, a forest engineer:

Hereby expresses its commitment to collaborate on the project **Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest**, promoted by the Global Environmental Fund (GEF), the United Nations Development Programme (UNDP), and the National Environment Commission (CONAMA), to be implemented in the X Region of Los Lagos, within the period 2006 - 2010.

Our actions will be directly related to the objectives aiming at implementing a conservation and sustainable use pilot experience with indigenous landowners of the Coastal Mountain Range at *San Juan de la Costa* community, in the Osorno Province. In these territories, our institution has been working for four years (2001-2005) in the fields of research, outreach, and consultancy on the use of non-wood forest products, which has made it necessary to invest US$ 96,000.

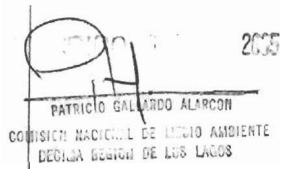
This collaboration is to be expressed in those work areas currently developed by the institution in the area concerned, namely, ***40 º 22 S 73 '50'- O San Juan de la Costa***, and will support the project development through providing its installed capacity as technical and management support. This will result in:

- Professional expert advice.
- Technical and scientific support in studies development.
- Technical material and equipment.
- Outreach and Dissemination.
- Facilities.

All this support implies an approximate total cost of US$ 30,000 during the period contemplated for the above mentioned initiative.

(Ms.) Juana Palma Martínez
Forest Engineer
Red Pfnm-Osorno

Corporación de Desarrollo Vertientes



CARTA COMPROMISO

Osorno, 12 de julio de 2005

La ***Corporación de Desarrollo Vertientes*** en su calidad de institución relacionada con la promoción del desarrollo social de la comunidad, representada por la sicóloga comunitaria, **MARCELA PAZ RIEDEMANN VASQUEZ**:

Manifiesta su compromiso de colaboración con el proyecto ***"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"*** promovido por el Fondo para el Medio Ambiente Mundial (GEF), el Programa de Naciones Unidas Para el Desarrollo (PNUD) la Comisión Nacional para el Medio Ambiente (CONAMA), a realizarse durante el periodo 2006-2010 en la Décima Región de Los Lagos.

En particular nuestras acciones estarán en directa relación con los objetivos tendientes a implementar una experiencia piloto de conservación y uso sustentable con propietarios indígenas, en el sector de la Cordillera de la Costa en la Comuna de San Juan de la Costa, Provincia de Osorno, puesto que en dichos territorios, nuestra institución ha desarrollado un trabajo desde hace 8 años en el ámbito de CONSERVACIÓN DE LOS RECURSOS NATURALES CON COMUNIDADES HUILLICHES, lo cual también ha significado una inversión de US $ 70.000, en diversos proyectos relacionados con las áreas de desarrollo de conservación y silvoagropecuarias.

~~Cochrane Nº 679 tercer Piso Oficina 3~~ / Osorno / Fono - Fax (64) 254097 / E-mail vertiente@telsur.cl

CORPORACION DE DESARROLLO
VERTIENTES

Dicha colaboración se expresará en las áreas de trabajo que actualmente la institución desarrolla en la zona involucrada, esto es: ***apoyo en tramitación de programa de forestación campesina con especies nativas como es el caso de Alerce e Investigación Aplicada de tecnologías apropiadas a la producción campesina***, y apoyará el desarrollo del proyecto a través de la facilitación de su capacidad instalada, como apoyo técnico y de gestión. Esto se traduce en:

- **Servicios profesionales de expertos**
- **Apoyo técnico-científico en el desarrollo de estudios**
- **Materiales y equipos técnicos**
  Apoyo financiero para realización de seminarios, capacitaciones y programas de difusión.
- **Dependencias**
- **Fungibles**

El conjunto de dicho apoyo se traduce en un valor aproximado total de US $ 3.000 durante el periodo contemplado por la iniciativa antes mencionada.

MARCELA P. RIEDEMANN VASQUEZ
SICÓLOGA
REPRESENTANTE LEGAL
CORPORACIÓN DE DESARROLLO VERTIENTES

CORPORACIÓN DE
VERTIENTES
Osorno
Decreto Creación del 18 Oct. 1988
Ministerio de Justicia

~~Cochrane Nº 677 tercer Piso Oficina 3~~./ Osorno / Fono - Fax (64) 254097 / E-mail vertiente@telsur.cl

Corporación de Desarrollo Vertientes translation

CORPORACIÓN DE DESARROLLO VERTIENTES

LETTER OF COMMITMENT

Osorno, 12 July, 2005

Corporación de Desarrollo Vertientes (*Vertientes* Development Corporation), as an institution engaged in the fostering of community social development, represented by (Ms.) **Marcela Paz Riedemann Vásquez**, community psychologist:

Hereby expresses its commitment to collaborate on the project "**Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest**", promoted by the Global Environmental Fund (GEF), the United Nations Development Programme (UNDP), and the National Environment Commission (CONAMA), to be implemented in the X Region of Los Lagos, within the period 2006 - 2010.

In particular, our actions will be directly related to the objectives aiming at implementing a conservation and sustainable use pilot experience with indigenous landowners of the Coastal Mountain Range at *San Juan de la Costa* community, in the Osorno Province. In these territories, our institution has been working for eight years in the field of PRESERVING THE NATURAL RESOURCES WITH HUILLICHES COMMUNITIES, which has made it necessary to invest US$ 70,000 in different projects related to conservation and forest and agriculture development areas. .

This collaboration is to be expressed in those work areas currently developed by the institution in the area concerned, namely, ***supporting the rural forestation program with native species like the Alerce, and research of technologies appropriate to the rural production,*** and will support the project development through providing its installed capacity as technical and management support. This will result in:

- Professional expert advice.
- Technical and scientific support in studies development.
- Technical material and equipment.
- Financial support for seminars, training and dissemination programs
- Facilities.
- Supplies

All this support implies an approximate total cost of US$ 3,000 during the period contemplated for the above mentioned initiative.

(Ms.) MARCELA P. RIEDEMANN VASQUEZ
PSYCHOLOGIST
LEGAL REPRESENTATIVE
CORPORACIÓN DE DESARROLLO VERTIENTES

TNC

Valdivia, 1 de agosto de 2005

SRA IRENE PHILIPI
REPRESENTANTE RESIDENTE
PNUD CHILE

Por intermedio de la presente y junto con saludarla, nos es grato comunicarle que The Nature Conservancy (TNC), en su calidad de socio del proyecto "Sistema Regional de Áreas Protegidas para el Uso Sustentable y la Conservación del Bosque Templado Valdiviano" (CONAMA-UNAM-PNUD), se compromete a aportar en el co-financiamiento de dicho proyecto.

El aporte total de The Nature Conservancy al co-financiamiento del proyecto considerado para su implementación será de US$ 10,500,000, el que básicamente se refiere a los fondos necesarios para adquirir las propiedades Chaihuín y Venecia en la Cordillera de la Costa de la Provincia de Valdivia, en la cual se implemente un área de protección (Reserva Valdiviana) que sirva de piloto para aceptar las condiciones básicas para la gobernabilidad de ésta y la creación de un fondo que asegure su sustentabilidad financiera en el largo plazo.

Este aporte está sujeto a los buenos resultados que se obtengan de la cosecha de eucaliptos presentes en el predio, los costos de restauración asociados y del éxito de la campaña de recaudación para formar el fondo.

Sin otro particular, se despide atentamente,

Mónica Ostria
Directora
Programa de Conservación
Andes del Sur

Cc:
Archivo
Francisco Solís TNC

TNC translation

The Nature Conservancy
SAVING THE LAST GREAT PLACES ON EARTH

Valdivia, August 1st 2005

MRS IRENE PHILIPI
RESIDENT REPRESENTATIVE
UNDP CHILE

I am pleased to inform you that The Nature Conservancy (TNC), as partner of the project "Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest (CONAMA-GEF-UNDP), is committed to contribute with the co-funding of the project through the activities detailed in the following attachment. The contribution of The Nature Conservancy to the co-funding of the said project for the 5-year period contemplated for its implementation amounts to U$ 10,500,000, which basically refers to the funds needed for purchasing the property, thus ensuring the basic conditions for its governance, and the creation of a fund that guarantees its financial sustainability.

Attached please find the Annex detailing the funds committed.

Yours faithfully,

Mónica Ostria
Director
Programa de Conservación
Andes del Sur

Cc: File Francisco Solís Attachment: Annex 1

ANNEX 1

List of activities to be funded during the project duration (2006 a 2010):

Action	Project Activity	US$ Year 2006	US$ Year 2007	US$ Year 2008	US$ Year 2009	US$ Year 2010	US$ TOTAL
Purchase of *Chaihuin* and *Venecia* lands for establishing a pilot unit for private conservancy .: "the Valdivian Reserve".	2.1.1. Training program for PA 3.1.7 Development of a concessions model to work with neighbor communities. 2.3.1. Establishing an entity that guarantees the VR governance	2,500,000	2,500,000	2,500,000			7,500,000

Creation of financial sustainability mechanisms for the private conservancy pilot unit: the Valdivian Reserve. (Endowment Fund)	2.2.1. Creation of a Fund for funding the VR				1,500,000	1,500,000	3,000,000
TOTAL		**2,500,000**	**2,500,000**	**2,500,000**	**1,500,000**	**1,500,000**	**10,500,000**

ANNEX K: COMMITMENT LETTERS

CONAMA

Carta de intención de participación y posibles aportes

[illegible] formar parte de una [illegible] localidad de Pocohué alto
[illegible] de la Reserva Nacional
[illegible] actividades económicas productivas que
[illegible] sustentable del bosque.

[illegible] actividades
[illegible] Ordenamient. Predial de 7 has,
Certificación Organica. Apicultura y
árbols frutales.

[illegible]
[illegible]

Mano de obra

Nombre: Carlos Eliecer Marín Velásquez
[illegible]: 6.425.474-6
[illegible]: Pocohué alto 95968607
Firma: [firma]

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Pocoihuén Alto que se considera zona de amortiguación de la Reserva Nacional Llanquihue, desarrollando actividades económicas productivas que apoyen la conservación y uso sustentable del bosque.

Me interesa participar en las siguientes actividades: Ordenamiento Predial y Certificación orgánica. Actividad Productiva Apicultura y Plantación de árboles frutales

[illegible]

mano de obra para lo que se requiera

[illegible]: Adriel Marin Velasquez (Padre)

[illegible]: 4 347 130-5

Dirección: Pocoihuén 9/9665609

Firma:

hijo: Milton Iván Marín Oyarzo
RUT 13.824.872-0

CONAMA

I- Intención de participación y posibles aportes

Por la presente [illegible] expreso mi interés de formar parte de una Unidad [illegible] de la localidad de Pocoihuin Alto [illegible] administración en la Reserva Nacional [illegible] actividades económicas productivas que [illegible] conservación y uso sustentable del bosque

Mi principal interés se concentra en las siguientes actividades productivas: Ordenamiento predial, certificación orgánica - Ganadería bovina y ovina

[illegible]

Mano de obra, potreros

Adrián Edgardo Villarroel Barría
3.672.236 - ?
Pocoihuin alto /9-348236
x [signature]

CONAMA

Carta de Intención de participación y posibles aportes

Percibven

Ordenamiento Predial
Certificación Ambiental
Agricultura
Fruticultura - Arboles de guayabano

- Venta de obra
- Venderia para cajas y estacas para cerca

Armando Veyl
4.677.595-9

CONAMA

[illegible] de interés de participación y posibles aport[illegible]

[illegible] vengo a expresar mi interés en formar parte de una Unidad [illegible] en la localidad de Pocoihuen Alto
[illegible] de la Reserva Nacional
[illegible] actividades económicas productivas que
[illegible] uso sustentable del bosque.

[illegible] en las siguientes actividades
[illegible] Ordenamiento Predial, Certificación orgánica. Me interesa ganadería bovina y ovina. Además actividades de agroturismo

[illegible]

Mano de obra, estacones para cercos

[illegible] Carlos Alfredo Gonzalez Maldonado
[illegible] 4.848.403-4
[illegible] Pocoihuen alto
[illegible] x Carlos A. Gonzalez

CONAMA

[illegible] de intención de participación y posibles aport[illegible]

[illegible] expresar mi interés en formar parte de una Unidad [illegible] Pecorhuán Alto
[illegible] de la Reserva Nacional
[illegible] a actividades económicas productivas que
[illegible] del bosque

Mi [illegible] se concentra en las siguientes actividades
[illegible] Ordenamiento Predial
Certificación Orgánica Ganadería
Bovina y ovina

[illegible]
[illegible]

Manejo de olivo, estacones.

Luis del Carmen Chávez Morales
4 849 558 - 3
[illegible] Pecorhuán Alto
x Luis Chávez M.

Carta Compromiso Indígena para la Creación de:

"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"

En Osorno 11 de julio de 2005. la Comunidade Indígenas Melillanca Huanqui, expresa su deseo y compromiso de participación y colaboración con la ejecución del proyecto ***"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"***, a cargo de la Comisión Nacional del medio Ambiente (CONAMA), cuyo objetivo principal, es el desarrollo de las bases institucionales, administrativas y financieras que permitan la elaboración participativa de un proyecto concursable al Fondo Mundial del Medio Ambiente (GEF) para la implementación de una Área Protegida Piloto en la Cordillera de la Costa Provincia de Osorno

Previamente, esta Comunidad requiere de una reunión con CONAMA Puerto Montt y el Concejal de la Comuna de San Juan de la Costa, para recabar mayores antecedentes del proyecto. Compromiso asumido con el Concejal en reunión del Sábado 09 de Julio en nuestro sector Quilloimo.

Estos compromisos se traducirán en lo siguiente

A) Las comunidades acuerdan dar las facilidades de acceso al territorio comunitario y colaborar, en la medida de lo posible, con el transporte por via terrestre a los funcionarios publicos y consultores para el levantamiento de información (línea de base) cartográfica, biológica, socioeconómica y cultural, de acuerdo a un cronograma de trabajo que deberá ser acordado por ambas partes. Todo aporte realizado por las comunidades sea este con medios físicos o de horas hombre será cuantificado y considerado como un aporte económico de las comunidades al presente Proyecto.

B) Las comunidades acuerdan participar en el proceso de búsqueda y localización de lugares para la futura construcción de infraestructura de soporte para el desarrollo del Proyecto concursable al GEF, sea de turismo o investigación científica. Una vez acordados los lugares y su superficie, se establecerán los compromisos formales para el futuro traspaso de la propiedad del Área Protegida Piloto, en el entendido que sólo sucederá siempre y cuando se ganase el Proyecto GEF y se instalase en nuestra propiedad La figura jurídica de Corporación, Fundación o cualquier otra que se defina para dicho organismo de administración de la futura Área Protegida, deberá tener representado en su estamento superior a las comunidades indígenas que suscriben el presente protocolo de manera tal, que queden protegidos nuestros derechos y costumbres ancestrales, en concordancia con la legislación vigente.

C)Las comunidades acuerdan participar en el proceso de zonificación y elaboración de planes de manejo de la futura Área protegida, que incluirá necesariamente algunas modificaciones a las Areas de Manejo existentes y/o en trámite con el objeto de garantizar la preservación, conservación y sustentabilidad de la biodiversidad y recursos que la integran, en concordancia con los principios y creencias ancestrales de nuestro Pueblos.

Suscriben el presente protocolo de acuerdo

Presidente de Comunidad Melillanca Huanqui

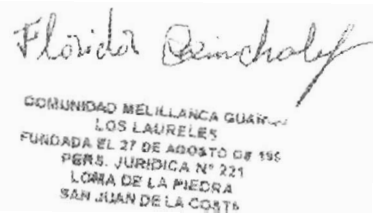
Timbre

Firma
Floridor Quinchale

Secretario de Comunidad Indígena Melillanca Huanqui

Timbre

Firma
German Deuma



Carta Compromiso Indígena para la Creación de:

"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"

En Osorno 11 de julio de 2005. la Comunidade Indígenas Trafunco Los Bados expresa su deseo y compromiso de participación y colaboración con la ejecución del proyecto ***"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"***, a cargo de la Comisión Nacional del medio Ambiente (CONAMA), cuyo objetivo principal, es el desarrollo de las bases institucionales, administrativas y financieras que permitan la elaboración participativa de un proyecto concursable al Fondo Mundial del Medio Ambiente (GEF), para la implementación de una Área Protegida Piloto en la Cordillera de la Costa, Provincia de Osorno.
Esta Comunidad Indígena se compromete respetar este compromiso siempre y cuando No se reconozca la validez territorial de la Asociación Indígena Cordillera sin Fronteras dado que está en territorio que legalmente le corresponde a nuestra Comunidad y es voluntad de esta utilizar el territorio en su totalidad en beneficio de todos los comuneros. Sin embargo declaramos también nuestra máxima voluntad de llegar a acuerdos con todas las partes involucradas en estas diferencias para que podamos obtener Desarrollo con Identidad para todos.

Estos compromisos se traducirán en lo siguiente:

A) Las comunidades acuerdan dar las facilidades de acceso al territorio comunitario y colaborar, en la medida de lo posible, con el transporte por via terrestre a los funcionarios públicos y consultores para el levantamiento de información (linea de base) cartográfica, biológica, socioeconómica y cultural, de acuerdo a un cronograma de trabajo que deberá ser acordado por ambas partes. Todo aporte realizado por las comunidades sea este con medios fisicos o de horas hombre será cuantificado y considerado como un aporte económico de las comunidades al presente Proyecto.

B) Las comunidades acuerdan participar en el proceso de búsqueda y localización de lugares para la futura construcción de infraestructura de soporte para el desarrollo del Proyecto concursable al GEF, sea de turismo o investigación científica. Una vez acordados los lugares y su superficie, se establecerán los compromisos formales para el futuro traspaso de la propiedad del Área Protegida Piloto, en el entendido que sólo sucederá siempre y cuando se ganase el Proyecto GEF y se instalase en nuestra propiedad. La figura jurídica de Corporación, Fundación o cualquier otra que se defina para dicho organismo de administración de la futura Área Protegida deberá tener representado en su estamento superior a las comunidades indígenas que suscriben el presente protocolo de manera tal, que queden protegidos nuestros derechos y costumbres ancestrales, en concordancia con la legislación vigente.

C)Las comunidades acuerdan participar en el proceso de zonificación y elaboración de planes de manejo de la futura Área protegida, que incluirá necesariamente algunas modificaciones a las Areas de Manejo existentes y/o en trámite, con el objeto de garantizar la preservación, conservación y sustentabilidad de la biodiversidad y recursos que la integran, en concordancia con los principios y creencias ancestrales de nuestro Pueblos.

Suscriben el presente protocolo de acuerdo:

Presidente de Comunidad Trafunco Los Bados

Timbre

Firma

Matias Huenupan

Secretario de Comunidad Indigena Trafunco los Bados

Timbre

Firma

Gonzalo Huenupa

COMUNIDAD INDIGENA
TRAFUNCO LOS BADOS
FUNDADA [illegible]
PERS. JURIDICA [illegible]
SAN JUAN DE LA COSTA

Carta Compromiso Indígena para la Creación de:

"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"

En Osorno 11 de julio de 2005, la Asociación Indígena Mujeres Follajes San Juan, expresa su deseo y compromiso de participación y colaboración con la ejecución del proyecto ***"Sistema Regional de Áreas Protegidas para la Conservación y Uso Sustentable del Bosque Lluvioso Templado Valdiviano"***, a cargo de la Comisión Nacional del medio Ambiente (CONAMA), cuyo objetivo principal, es el desarrollo de las bases institucionales, administrativas y financieras que permitan la elaboración participativa de un proyecto concursable al Fondo Mundial del Medio Ambiente (GEF), para la implementación de una Área Protegida Piloto en la Cordillera de la Costa, Provincia de Osorno.

Estos compromisos se traducirán en lo siguiente:

A) Las comunidades acuerdan dar las facilidades de acceso al territorio comunitario y colaborar, en la medida de lo posible, con el transporte por vía terrestre a los funcionarios públicos y consultores para el levantamiento de información (línea de base) cartográfica, biológica, socioeconómica y cultural, de acuerdo a un cronograma de trabajo que deberá ser acordado por ambas partes. Todo aporte realizado por las comunidades sea este con medios físicos o de horas hombre será cuantificado y considerado como un aporte económico de las comunidades al presente Proyecto.

B) Las comunidades, acuerdan participar en el proceso de búsqueda y localización de lugares para la futura construcción de infraestructura de soporte para el desarrollo del Proyecto concursable al GEF, sea de turismo o investigación científica. Una vez acordados los lugares y su superficie, se establecerán los compromisos formales para el futuro traspaso de la propiedad del Área Protegida Piloto, en el entendido que sólo sucederá siempre y cuando se ganase el Proyecto GEF y se instalase en nuestra propiedad. La figura jurídica de Corporación, Fundación o cualquier otra que se defina para dicho organismo de administración de la futura Área Protegida, deberá tener representado en su estamento superior a las comunidades indígenas que suscriben el presente protocolo de manera tal, que queden protegidos nuestros derechos y costumbres ancestrales, en concordancia con la legislación vigente.

C)Las comunidades acuerdan participar en el proceso de zonificación y elaboración de planes de manejo de la futura Área protegida, que incluirá necesariamente algunas modificaciones a las Áreas de Manejo existentes y/o en trámite, con el objeto de garantizar la preservación, conservación y sustentabilidad de la biodiversidad y recursos que la integran, en concordancia con los principios y creencias ancestrales de nuestro Pueblos.

Suscriben el presente protocolo de acuerdo:

Presidente de As. Indígena Mujeres Follajes San Juan — Timbre — Firma Milagro Aucapan

Secretaria de As. Indígena Mujeres Follajes San Juan — Timbre — Firma María Gualaman

ACUERDO DE COLABORACIÓN

En Valdivia con fecha [illegible] de [illegible] de 2005, entre la Comisión Nacional del Medio Ambiente (CONAMA), representada por su Director Regional Jose Luis García Huidobro Torres y el propietario [illegible] RUT [illegible], representado por [illegible] RUT [illegible], en adelante "el propietario" se acuerda lo siguiente:

PRIMERO
El propietario compromete su colaboración en el proyecto denominado "Sistema Regional de Áreas Protegidas de Conservación y Uso sustentable para la conservación del Bosque Templado Valdiviano", en adelante el Proyecto FMAM, presentado por la Comisión Nacional del Medio Ambiente (CONAMA) al Consejo General del Fondo para el Medio Ambiente Mundial (FMAM) en noviembre de 2005, siendo su agencia de implementación el Programa de Naciones Unidas para el Desarrollo (PNUD).

SEGUNDO
El propietario manifiesta su interés en colaborar en el desarrollo de una experiencia demostrativa de buenas prácticas de manejo de bosque nativo en terrenos de su propiedad, en particular en el predio denominado [illegible], rol [illegible], con el objetivo de contribuir a la implementación y difusión de técnicas, procedimientos y estándares para la conservación y uso sustentable de la biodiversidad.

TERCERO
Las actividades a realizar en conjunto entre la CONAMA y el propietario durante un periodo de cinco años, a contar del momento en que el proyecto resulte seleccionado, son las siguientes:

1. Diseño conjunto de un Plan de Conservación y Uso Sustentable del predio para su reconocimiento como Área Demostrativa de acuerdo a unos términos de referencia que serán establecidos de común acuerdo.
2. Implementación conjunta y supervisión técnica del Plan de Conservación de acuerdo a unos términos de referencia que serán establecidos de común acuerdo.
3. Implementación de infraestructuras de Uso Público: señalética, publicaciones u otros materiales de difusión.
4. Desarrollo de un programa de visitas guiadas, capacitación y entrenamiento, según un plan de trabajo previamente acordado.
5. Difusión de la experiencia a través de diversos medios regionales y nacionales.

CUARTO
El propietario se compromete a desarrollar todas las actividades anteriores, de acuerdo a unos términos de referencia previamente acordados y con la asesoría metodológica de CONAMA. El propietario deberá respaldar por medio de la documentación adecuada los aportes en recursos humanos, infraestructura, equipamiento e información.

QUINTO
Por su parte, CONAMA se compromete a co-financiar el desarrollo de estas actividades en un monto equivalente al aportado por el propietario. Los montos y condiciones de este desembolso, así como la calendarización en el desarrollo de actividades quedarán definidos en la correspondiente Carta de Entendimiento que se celebre una vez que el proyecto sea aprobado y el presupuesto definido y aprobado también.

SEXTO:
El propietario se compromete a facilitar el acceso al área demostrativa para la supervisión de todas las actividades previstas y a facilitar el acceso a grupos organizados de beneficiarios para la realización de actividades de capacitación y entrenamiento, previa definición acordada de un plan de trabajo y de visitas.

En señal de expresa conformidad, se suscribe la presente Carta de Asociación en cuatro ejemplares del mismo tenor y fecha, quedando dos en poder de cada una de las partes.

Jose Luis García Huidobro
Director Regional
CONAMA

Propietario

ACUERDO DE COLABORACION

En Valdivia, con fecha 25 de [illegible] de 2005, entre la Comisión Nacional del Medio Ambiente (CONAMA), representada por su Director Regional Jose Luis Garcia Huidobro Torres y el propietario [illegible] Angel [illegible] RUT [illegible] K, representado por ______________________ RUT ____________, en adelante "el propietario" se acuerda lo siguiente.

PRIMERO

El propietario compromete su colaboración en el proyecto denominado "Sistema Regional de Áreas Protegidas de Conservación y Uso sustentable para la conservación del Bosque Templado Valdiviano", en adelante el Proyecto FMAM, presentado por la Comisión Nacional del Medio Ambiente (CONAMA) al Consejo General del Fondo para el Medio Ambiente Mundial (FMAM) en noviembre de 2005, siendo su agencia de implementación el Programa de Naciones Unidas para el Desarrollo (PNUD).

SEGUNDO

El propietario manifiesta su interes en colaborar en el desarrollo de una experiencia demostrativa de buenas prácticas de manejo de bosque nativo en terrenos de su propiedad, en particular en el predio denominado [illegible], rol [illegible], con el objetivo de contribuir a la implementacion y difusion de tecnicas, procedimientos y estándares para la conservacion y uso sustentable de la biodiversidad.

TERCERO

Las actividades a realizar en conjunto entre la CONAMA y el propietario durante un periodo de cinco años, a contar del momento en que el proyecto resulte seleccionado, son las siguientes:

1. Diseño conjunto de un Plan de Conservación y Uso Sustentable del predio para su reconocimiento como Area Demostrativa de acuerdo a unos términos de referencia que serán establecidos de común acuerdo.
2. Implementación conjunta y supervisión técnica del Plan de Conservacion de acuerdo a unos terminos de referencia que serán establecidos de comun acuerdo.
3. Implementación de infraestructuras de Uso Publico, señaletica, publicaciones u otros materiales de difusion.
4. Desarrollo de un programa de visitas guiadas, capacitación y entrenamiento, según un plan de trabajo previamente acordado.
5. Difusion de la experiencia a través de diversos medios regionales y nacionales.

CUARTO

El propietario se compromete a desarrollar todas las actividades anteriores, de acuerdo a unos terminos de referencia previamente acordados y con la asesoría metodologica de CONAMA. El propietario deberá respaldar por medio de la documentación adecuada los aportes en recursos humanos, infraestructura, equipamiento e información.

QUINTO

Por su parte, CONAMA se compromete a co-financiar el desarrollo de estas actividades en un monto equivalente al aportado por el propietario. Los montos y condiciones de este desembolso, así como la calendarización en el desarrollo de actividades quedarán definidos en la correspondiente Carta de Entendimiento que se celebre una vez que el proyecto sea aprobado y el presupuesto definido y aprobado tambien.

SEPTIMO

El propietario se compromete a facilitar el acceso al area demostrativa para la supervision de todas las actividades previstas y a facilitar el acceso a grupos organizados de beneficiarios para la realización de actividades de capacitacion y entrenamiento, previa definicion acordada de un plan de trabajo y de visitas.

En señal de expresa conformidad, se suscribe la presente Carta de Asociación en cuatro ejemplares del mismo tenor y fecha, quedando dos en poder de cada una de las partes.

Jose Luis Garcia Huidobro
Director Regional
CONAMA

Propietario

ACUERDO DE COLABORACIÓN

En Valdivia, con fecha 21 de [illegible] de 2005, entre la Comision Nacional del Medio Ambiente (CONAMA), representada por su Director Regional Jose Luis Garcia Huidobro Torres y el propietario [illegible], RUT [illegible],
representado por _____ RUT _____
en adelante "el propietario" se acuerda lo siguiente

PRIMERO
El propietario compromete su colaboración en el proyecto denominado "Sistema Regional de Áreas Protegidas de Conservacion y Uso sustentable para la conservación del Bosque Templado Valdiviano", en adelante el Proyecto FMAM, presentado por la Comision Nacional del Medio Ambiente (CONAMA) al Consejo General del Fondo para el Medio Ambiente Mundial (FMAM) en noviembre de 2005, siendo su agencia de implementación el Programa de Naciones Unidas para el Desarrollo (PNUD).

SEGUNDO
El propietario manifiesta su interés en colaborar en el desarrollo de una experiencia demostrativa de buenas practicas de manejo de bosque nativo en terrenos de su propiedad, en particular en el predio denominado [illegible] rol [illegible], con el objetivo de contribuir a la implementación y difusión de tecnicas, procedimientos y estandares para la conservación y uso sustentable de la biodiversidad

TERCERO
Las actividades a realizar en conjunto entre la CONAMA y el propietario durante un periodo de cinco años, a contar del momento en que el proyecto resulte seleccionado, son las siguientes:

1. Diseño conjunto de un Plan de Conservación y Uso Sustentable del predio para su reconocimiento como Area Demostrativa de acuerdo a unos terminos de referencia que serán establecidos de comun acuerdo .
2. Implementación conjunta y supervision tecnica del Plan de Conservación de acuerdo a unos términos de referencia que serán establecidos de comun acuerdo.
3. Implementación de infraestructuras de Uso Público, señaletica, publicaciones u otros materiales de difusión
4. Desarrollo de un programa de visitas guiadas, capacitación y entrenamiento, según un plan de trabajo previamente acordado.
5. Difusion de la experiencia a través de diversos medios regionales y nacionales.

CUARTO
El propietario se compromete a desarrollar todas las actividades anteriores, de acuerdo a unos terminos de referencia previamente acordados y con la asesoría metodológica de CONAMA. El propietario deberá respaldar por medio de la documentacion adecuada los aportes en recursos humanos, infraestructura, equipamiento e informacion

QUINTO
Por su parte, CONAMA se compromete a co-financiar el desarrollo de estas actividades en un monto equivalente al aportado por el propietario. Los montos y condiciones de este desembolso, así como la calendarizacion en el desarrollo de actividades quedaran definidos en la correspondiente Carta de Entendimiento que se celebre una vez que el proyecto sea aprobado y el presupuesto definido y aprobado tambien

SEXTO
El propietario se compromete a facilitar el acceso al area demostrativa para la supervisión de todas las actividades previstas y a facultar el acceso a grupos organizados de beneficiarios para la realización de actividades de capacitacion y entrenamiento, previa definición acordada de un plan de trabajo y de visitas.

En señal de expresa conformidad, se suscribe la presente Carta de Asociación en cuatro ejemplares del mismo tenor y fecha, quedando dos en poder de cada una de las partes.

José Luis García Huidobro
Director Regional
CONAMA

Propietario

ACUERDO DE COLABORACIÓN

En Valdivia, con fecha 01 de AGOSTO de 2005, entre la Comisión Nacional del Medio Ambiente (CONAMA), representada por su Director Regional José Luis García Huidobro Torres y el propietario Marcelo Francisco Cerda Rapela, RUT 5.643.304-K, representado por Marcelo Cerda Rapela RUT 5.643.304-K en adelante "el propietario" se acuerda lo siguiente:

PRIMERO

El propietario compromete su colaboración en el proyecto denominado "Sistema Regional de Áreas Protegidas de Conservación y Uso sustentable para la conservación del Bosque Templado Valdiviano", en adelante el Proyecto FMAM, presentado por la Comisión Nacional del Medio Ambiente (CONAMA) al Consejo General del Fondo para el Medio Ambiente Mundial (FMAM) en noviembre de 2005, siendo su agencia de implementación el Programa de Naciones Unidas para el Desarrollo (PNUD).

SEGUNDO

El propietario manifiesta su interés en colaborar en el desarrollo de una experiencia demostrativa de buenas prácticas de manejo de bosque nativo en terrenos de su propiedad, en particular en el predio denominado Las Cumbres de Mehuín, rol 0262-036, con el objetivo de contribuir a la implementación y difusión de técnicas, procedimientos y estándares para la conservación y uso sustentable de la biodiversidad.

TERCERO

Las actividades a realizar en conjunto entre la CONAMA y el propietario durante un período de cinco años, a contar del momento en que el proyecto resulte seleccionado, son las siguientes:

1. Diseño conjunto de un Plan de Conservación y Uso Sustentable del predio para su reconocimiento como Area Demostrativa de acuerdo a unos términos de referencia que serán establecidos de común acuerdo..
2. Implementación conjunta y supervisión técnica del Plan de Conservación de acuerdo a unos términos de referencia que serán establecidos de común acuerdo
3. Implementación de infraestructuras de Uso Público, señalética, publicaciones u otros materiales de difusión
4. Desarrollo de un programa de visitas guiadas, capacitación y entrenamiento, según un plan de trabajo previamente acordado.
5. Difusión de la experiencia a través de diversos medios regionales y nacionales.

CUARTO

El propietario se compromete a desarrollar todas las actividades anteriores, de acuerdo a unos términos de referencia previamente acordados y con la asesoría metodológica de CONAMA. El propietario deberá respaldar por medio de la documentación adecuada los aportes en recursos humanos, infraestructura, equipamiento e información.

QUINTO

Por su parte, CONAMA se compromete a co-financiar el desarrollo de estas actividades en un monto equivalente al aportado por el propietario. Los montos y condiciones de este desembolso, así como la calendarización en el desarrollo de actividades quedarán definidos en la correspondiente Carta de Entendimiento que se celebre una vez que el proyecto sea aprobado y el presupuesto definido y aprobado también.

SEXTO

El propietario se compromete a facilitar el acceso al área demostrativa para la supervisión de todas las actividades previstas y a facilitar el acceso a grupos organizados de beneficiarios para la realización de actividades de capacitación y entrenamiento, previa definición acordada de un plan de trabajo y de visitas.

En señal de expresa conformidad, se suscribe la presente Carta de Asociación en cuatro ejemplares del mismo tenor y fecha, quedando dos en poder de cada una de las partes.

José Luis García Huidobro
Director Regional
CONAMA

Propietario

ACUERDO DE COLABORACION

SEXTO

El propietario se compromete a facilitar el acceso al área demostrativa para la supervisión de todas las actividades previstas y a facilitar el acceso a grupos organizados de beneficiarios para la realización de actividades de capacitación y entrenamiento previa definición acordada de un plan de trabajo y de visitas.

En señal de expresa conformidad se suscribe la presente Carta de Asociación en cuatro ejemplares del mismo tenor y fecha, quedando dos en poder de cada una de las partes.

José Luis García Hurtado
Director Regional
CONAMA

P.p. Walther von Brauchitsch-Zeppelin

María Eliana Alvarez G.
Directora de etapa de formulación del Proyecto PMAM

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de COLONIA RIO CHICO ALTO que se considera zona de amortiguación de la Reserva Nacional Llanquihue, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi interés principal se concentra en las siguientes actividades productivas: REFORESTACION CON NATIVOS

APICULTURA, GANADERIA, LEÑA

que al realizarse cuenta con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

TRABAJO, ESTACIONES

Nombre: JOEL VIDAL MONSALVE

Rut: 6 319 774-2

Dirección: Rio Chico Alto

Firma: [signature]

Carta de Intención de participación y posibles aportes

Por la presente, Yo/los [illegible] expresamos nuestro interés en formar parte de una Unidad Participativa Piloto en la Localidad de Colonia LAS QUEMADAS que se constituya como de investigación de la Reserva Nacional Lihuel Calel de acuerdo a las actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se encuentra en las siguientes actividades productivas:

— Plantación de Frutales, introducidos y nativos

— Manejo Forestal

Con respecto a mi interés con apoyo técnico y financiamiento para implementar las propuestas que surjan del taller de investigación

Mi aporte puede ser:

— Mano de obra

— Elbacas para cerco

Nombre: LUIS TRIBIÑO T

Rut: 12.202.340-0

Dirección: Colonia LAS QUEMADAS

Firma: Luis Tribiño

UNDP

CONAMA

Carta de Intencion de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de ______________________
que se considera zona de amortiguación de la Reserva Nacional Llanquihue, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sostenible del bosque.

Mi principal interés se concentra en las siguientes actividades productivas: [illegible]
[illegible]
[illegible]
Sala de proceso de Huerta [illegible] S.N.S.

Que realizaré si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

Mano de obra para levantar vivero, para trabajar en el proceso maderas.

Nombre: [illegible] Lizama Paredes

Rut: 2.034.427-3

Dirección: Colonia Alerce [illegible] de Alerce a las Mareas.

Firma: [illegible]

CONAMA

Carta de Intencion de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Colonia Rio Sur, que se considera zona de amortiguación de la Reserva Nacional Huequi me, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interes se concentra en las siguientes actividades productivas:

Visita [illegible] Ecológico con [illegible]

Que realizare si cuento con apoyo tecnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

Mano de Obra - Espacio Físico

Nombre: Escuela Colonia Rio Sur

Rut: [illegible] (Prof Jefe 8vos Prof Ecológico)

Direccion: Colonia Rio Sur Km 15

Firma:

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Colonia La Quemada que se considera zona de amortiguación de la Reserva Nacional Llanquihue, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se centrará en las siguientes actividades productivas, Continuar con el proyecto manejo del bosque nativo certificación de la tierra asociada a extracción de aceites esenciales.
Se interesa desarrollar turismo forestación con árboles nativos

Que realizaré si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser,

Mano de obra y dedicación al proyecto (tiempo) Madera necesaria para implementar el proyecto.

Nombre: José Rubén Ojeda Maldonado

Rut: 6.432.315-6

Dirección: Col. La Quemada

Firma: x [illegible]

UNDP

GEF

CONAMA
Región de Los Lagos

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Colonia Río Chico Alto que se considera zona de amortiguación de la Reserva Nacional Llanquihue, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas

- Forestación
- Proyecto de Manejo Bosque Nativo - Certificación de Leña
- [illegible]

Que realizaré si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

- [illegible]
- Mano de obra

Nombre: Ramón Gómez Rosales

Rut:

Dirección: Colonia Río Chico Alto

Firma: Ramon Gomez R.

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Colonia Río Chico Alto que se considera zona de amortiguación de la Reserva Nacional Magallanes, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas: Continuar proyecto certificación de leña. Aprovechar follaje (cosecha). Reforestación con nativos, aceites esenciales.

Que realizaré si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación.

Mi aporte puede ser:

Mano de Obra. Estos cosas

Nombre: ROSMEL VARGAS

Rut: 2.763.056-8

Dirección: Colonia Río Chico Alto

Firma: Rosmel Vargas

Carta de Intencion de participacion y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Colonia Rio Chico Alto que se considera zona de amortiguacion de la Reserva Nacional Llanquihue, dedicandome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque

Mi principal interés se concentra en las siguientes actividades productivas: Continuar con el proyecto de cortificación de leña (raleo y poda de árbol), cosecha follaje (cocina) Reforestación con materia, aceites esenciales

Que realizaré si cuento con apoyo técnico y capacitamiento para implementar las propuestas que permitan ser Zona de amortiguacion

Mi aporte puede ser:

mano de obra, colaborar

Nombre: Jose Reinabé Vargas Concha

Rut: 8595756-3

Direccion: Colonia Rio chico Alto

Firma: [signature] tel (96612879)

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de (primer tramo camino Austral) que se considera zona de amortiguación del Parque Nacional Alerce Andino, de la cual mis actividades económicas productivas que favorecen la protección y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas:

Que realizare si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación.

Mi aporte puede ser:

Nombre Corporación Comité de Servicio Chileno (Cosech)

Rut 74.008.000-8

Dirección Camino Austral (Primer Tramo) Fono 783544 5.

Firma

RAUL FERNANDEZ M.
(DIRECTOR - REPRESENTANTE LEGAL)
COMITE SERVICIO CHILENO

Raúl Fernandez
Coordinador Territorial Sur.

MI PRINCIPAL INTERÉS SE CONCENTRA EN LAS SIGUIENTES ACTIVIDADES PRODUCTIVAS :

1.- Fortalecer el trabajo iniciado con un grupo de pequeños propietarios de bosque nativo con quienes se han realizado contactos , primeramente levantando un diagnostico participativo en 5 localidades del primer tramo de la carretera austral que incluye sectores cercanos al parque Alerce andino . La idea es incluir este sector en el próximo trienio 2006- 2009 que tiene proyectado el Cosech , en su programa territorial sur . Por tal razón nos interesa que se pueda insertar esa propuesta como módulos demostrativos.

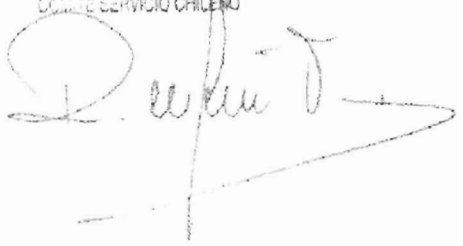
2.- Por otra parte también nos interesa participar por cuánto tenemos una propuesta a nivel de proyecto , la cuál no fue posible ejecutar en el año 2004 , en la cuál la principal unidad ejecutora es Conaf y ella incluye acciones con directa participación de pequeños productores que contando con bosque nativo , incrementarian algunas nuevas alternativas con proyección hacia un turismo rural sustentable en el territorio del primer tramo de la carretera austral.

EL APORTE DE LA ONG COMITÉ DE SERVICIO CHILENO
Puede ser :

1 - facilitar una central de de capacitación , con capacidad para 35 a 40 participantes habilitada para realizar reuniones, encuentros , talleres .....

2 - Difusión y promoción de actividades y convocatorias relacionadas con la propuesta a través de sus grupos de trabajo y organizaciones sociales en las cuales interviene el equipo de la corporación antes señalada .

RAUL FERNANDEZ V.
DIRECTOR REPRESENTANTE LEGAL
COMITE SERVICIO CHILENO



Carta de Intencion de participacion y posibles aportes

Por la presente, vengo a expresar mi interes en formar parte de una Unidad Demostrativa Piloto en la Localidad de en los predios de nuestros Socios (18). que se considere zona de amortiguación del Parque Nacional Alerce Andino dedicándome a actividades económicas productivas que contribuyan a la conservación y uso sustentable del bosque.

Mi principal interes se concentra en las siguientes actividades productivas :

- Participar en la instalación y ejecución de Módulos de Agroturismo y Servicios Turisticos en nuestros predios como Socios de la organización abajo firmante y participar en actividades de capacitación.

que realizara si cuenta con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

- Mano de Obra familiar y materiales que son propios de nuestro medio campesino.

Nombre : María Magdalena Lara Agüero (Representante legal)

Rut: 6.211.980-2.

Direccion: Piedra Azul. Km. 17 Carretera Austral.

Firma:

COMITE AGRICOLA SOCIAL
BAHIAS DEL MAR
COIHUIN - PIEDRA AZUL
PICHIQUILLAIPE
Rut: # 65.208.470-2.

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en el PARQUE NACIONAL ALERCE ANDINO y su zona de amortiguación, dedicándome a actividades económicas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en la/ siguientes actividad/es

Que realizaré si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

por un valor de U$D

Nombre:

Rut:

Dirección.:

Firma:

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa (UD) en la Localidad de Curaco Alto
que será considerada como de amortiguación del Parque Nacional Alerce Andino, dedicada a actividades económicas productivas que [illegible] sustentable del bosque

Mi área [illegible] se encuentra en las siguientes actividades productivas: Emprendimiento Productivo

Certificación Orgánica

- Producción Animal ovina

Que estaría dispuesto a realizar con apoyo técnico y de financiamiento para implementar los compromisos que permitan ser sede de amortiguación.

Mi aporte puede ser:

- Mano de obra

- Cotizar para cerco

Nombre: Abraham Ulises Guzmán Igor

Rut: 8.256.915-4

Dirección: Curaco Alto

Firma: Abraham Guzmán G.

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Carrutillar Alto que se considera zona de amortiguación del Parque Nacional Alerce Andino, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas:

Ordenamiento predial

Certificación orgánica

Producción animal bovina

Que realizaré el aporte con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

Mano de obra

Estacones para cerco

Nombre: Alfredo Manailla Subiabre

Rut: 4.823.071-7

Dirección: Carrutillar Alto

Firma:

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Pocoihuén Bajo que se considera zona de amortiguación del Parque Nacional Alerce Andino, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas: Ordenamiento predial, certificación orgánica, todas las actividades del predio. huerta (invernadero), → cultivos, frutales, papas, praderas para ovinos. Además le interesan gallinas, cerdos, pavos.

Que realizaría si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser

Mano de obra y estacones

Víctor Gabriel Águila Fuenanque

Nombre (esposa) Mandelina del Carmen García Renquín.

Rut: 5.418.926-5 09-0742684.

Dirección: Pocoihuén Bajo.

Firma: x Mandelina García

Carta de Intención de participación y posibles aportes

Por la presente vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Pocoihuén Bajo. que se considera zona de amortiguación de ~~la Reserva Nacional Llanquihue~~ PARQUE ALERCE ANDINO, dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas: Ordenamiento predial y ganadería bovina. predio no tiene acceso (camino)

[illegible] con apoyo técnico y financiamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

Mano de obra y estacones.

Nombre: Juan Norberto Chávez Vargas.

Rut: 3 456 457-6

Dirección: Pocoihuén Bajo.

Firma: X Juan N Chávez B

CONAMA

Ficha de Invitación de participación y posibles aportes

Por la presente acepto el ofrecimiento de interés en formar parte de una Unidad Productiva Piloto en la localidad de Pocahuen Bajo. 2.5 ha. que se ubicará cerca de su propiedad en de la ~~Reserva Nacional~~ PARQUE ALTO BIO BIO ~~Propiedad~~ donde podremos realizar actividades económicas productivas que beneficien la conservación y uso sustentable del bosque.

Mi participación se enfocaría en las siguientes actividades productivas: Ordenamiento predial

Apicultura y Arboles Frutales.

Que reconozco se cuenta con apoyo técnico y capacitación previo para implementar las propuestas que permitan ser parte de esta iniciativa.

Mi aporte podría ser:

Mano de Obra.

Nombre: Sergio Gerardo Manriquez Alvarez

RUT: 6.750.620-K

Dirección: Pocahuen Bajo

Firma: [signature]

CONAMA

Carta de intención de participación y posibles aportes

Por la presente vengo a expresar mi interés en formar parte de una Unidad Demostrativa Predial en la Localidad de Pocoihuén Bajo que se encuentra en zona de amortiguación del Parque Nacional Alerce Andino, desarrollando actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas: Ordenamiento predial, certificación orgánica y desarrollo de la apicultura, plantación avellanos para crianza de cerdos

Que realizaré si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación.

Mi aporte puede ser:

Mano de obra, estacones

Dionisio García – propietario

Nombre: José Abraham García hijo.

Rut: 9.165.687-6

Dirección: Pocoihuén Bajo 08-9649815

Firma: X [signature]

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de ~~[illegible]~~ Pocoihuén Bajo que se convertirá en zona de amortiguación del Parque Nacional Alerce Andino dedicándome a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas: – Ordenamiento Predial

– Apicultura

– Fertilización Orgánica

Que contaré o cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación.

Mi aporte puede ser:

– Estacas para cercos

– Mano de Obra

Nombre: Rufina Irene Barría Alvarez

Rut: 4.548.678-9

Dirección: Pocoihuén Bajo.

Firma: R Barría A

CONAMA

Carta de Intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Predial en la localidad de Pocoihuen Bajo que se encuentra en zona de amortiguación del Parque Nacional Alerce Andino, cuyo enfoque esté en actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades productivas: Ordenamiento Predial, certificación orgánica, ganadería ovina y apotreramiento, fertilización de praderas y actividades de autoconsumo

que realizaré si cuento con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación

Mi aporte puede ser:

Mano de obra y estacones.

Nombre: Amado Almonacid Maldonado

RUT: 5.548.286-1

Dirección: Pocoihuen Bajo no teléfono

Firma: X [illegible]

Carta de intención de participación y posibles aportes

Por la presente, quien suscribe expresa su interés en formar parte de una Unidad Demostrativa Piloto en la Localidad de Pocoihuén Bajo, que se considera zona de amortiguación del Parque Nacional Alerce Andino (declaratoria y categoría de conservación) y uso sustentable del bosque.

Me comprometo a participar en las siguientes actividades productivas: Ordenamiento predial, certificación, apotreramiento para ganadería ovina y bovina, fertilización de praderas.

Que realizare el cuerpo con apoyo técnico y cofinanciamiento para implementar las propuestas que permitan ser zona de amortiguación.

Mi aporte puede ser:

Mano de obra y estacones.

Nombre: Mario Hidalgo Alvarez Gallardo.

RUT: 3.176.607-9

Dirección: Pocoihuén Bajo

Firma: Mario Alvarez

Carta de intención de participación y posibles aportes

Por la presente, vengo a expresar mi interés en formar parte de una Unidad Demostrativa Piloto en la localidad de Pocoihuén Bajo, que se considera zona de amortiguación del Parque Nacional Alerce Andino, de beneficiarse a actividades económicas productivas que favorezcan la conservación y uso sustentable del bosque.

Mi principal interés se concentra en las siguientes actividades prioritarias: Ordenamiento predial, Actividades de autoconsumo (papa, huerta).

Mi aporte podría ser:

Mano de obra

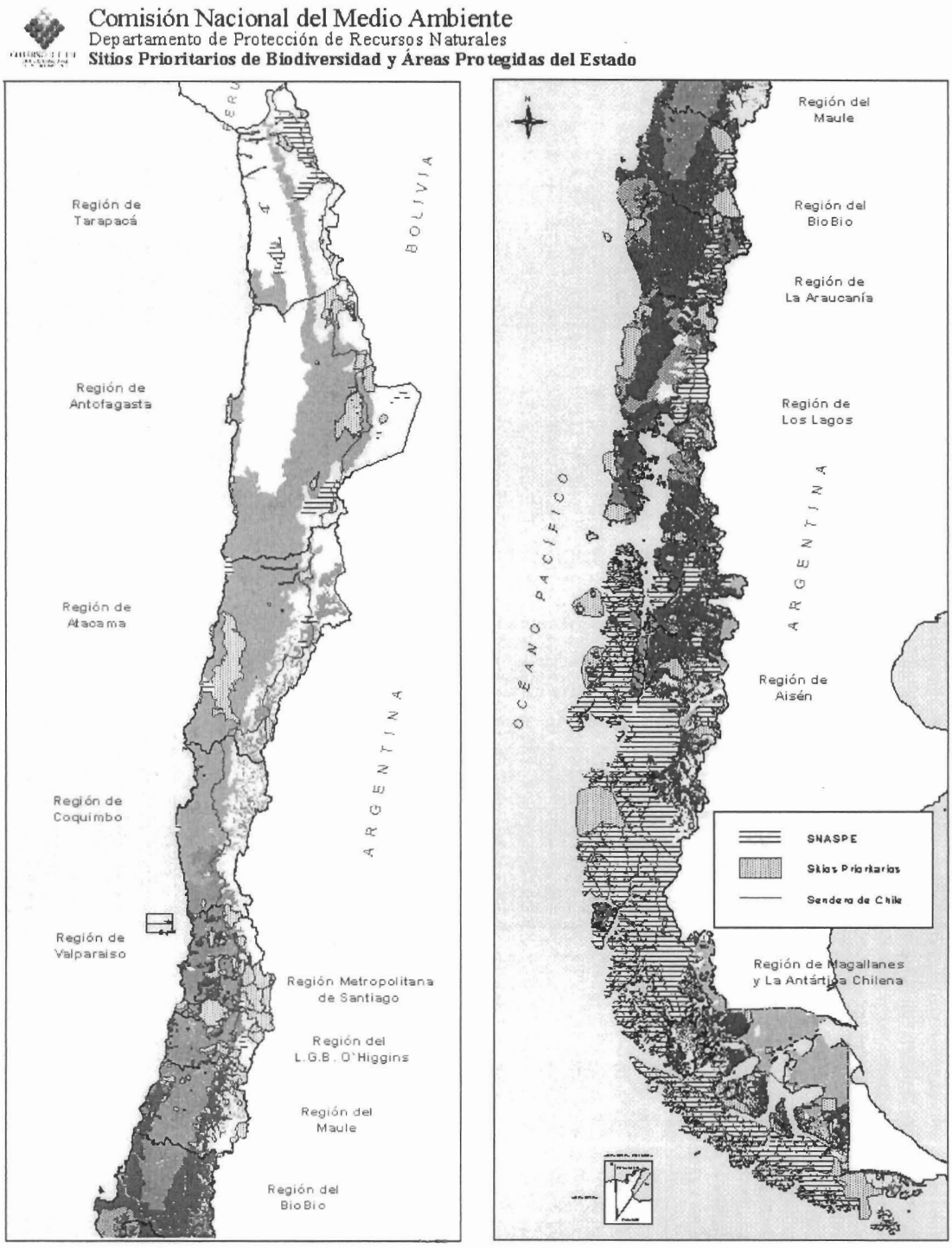
Nombre: Ernesto García Montiel.

Rut: 3.168.503-6

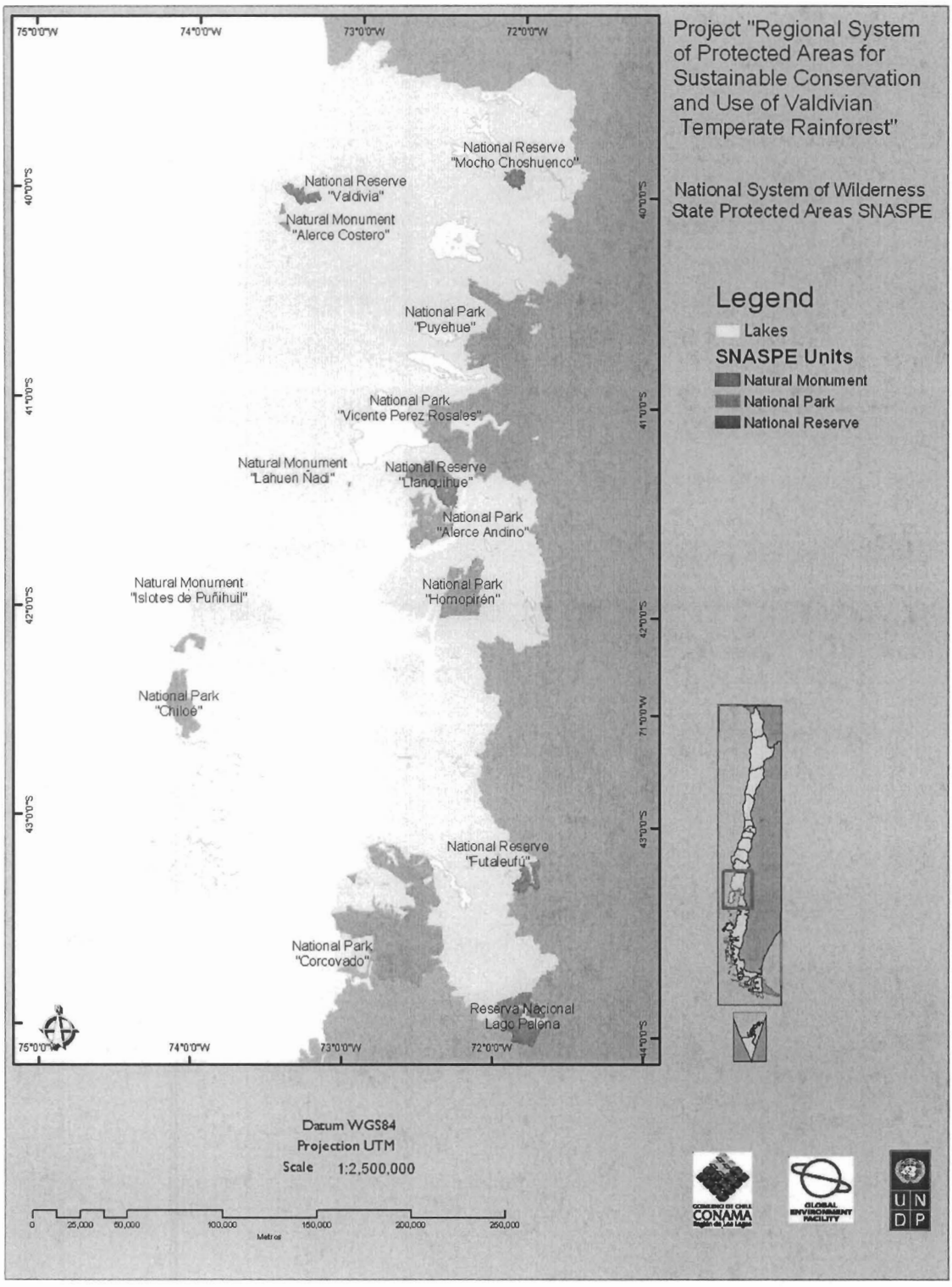
Dirección: Pocoihuén Bajo.

Firma: X Ernesto García

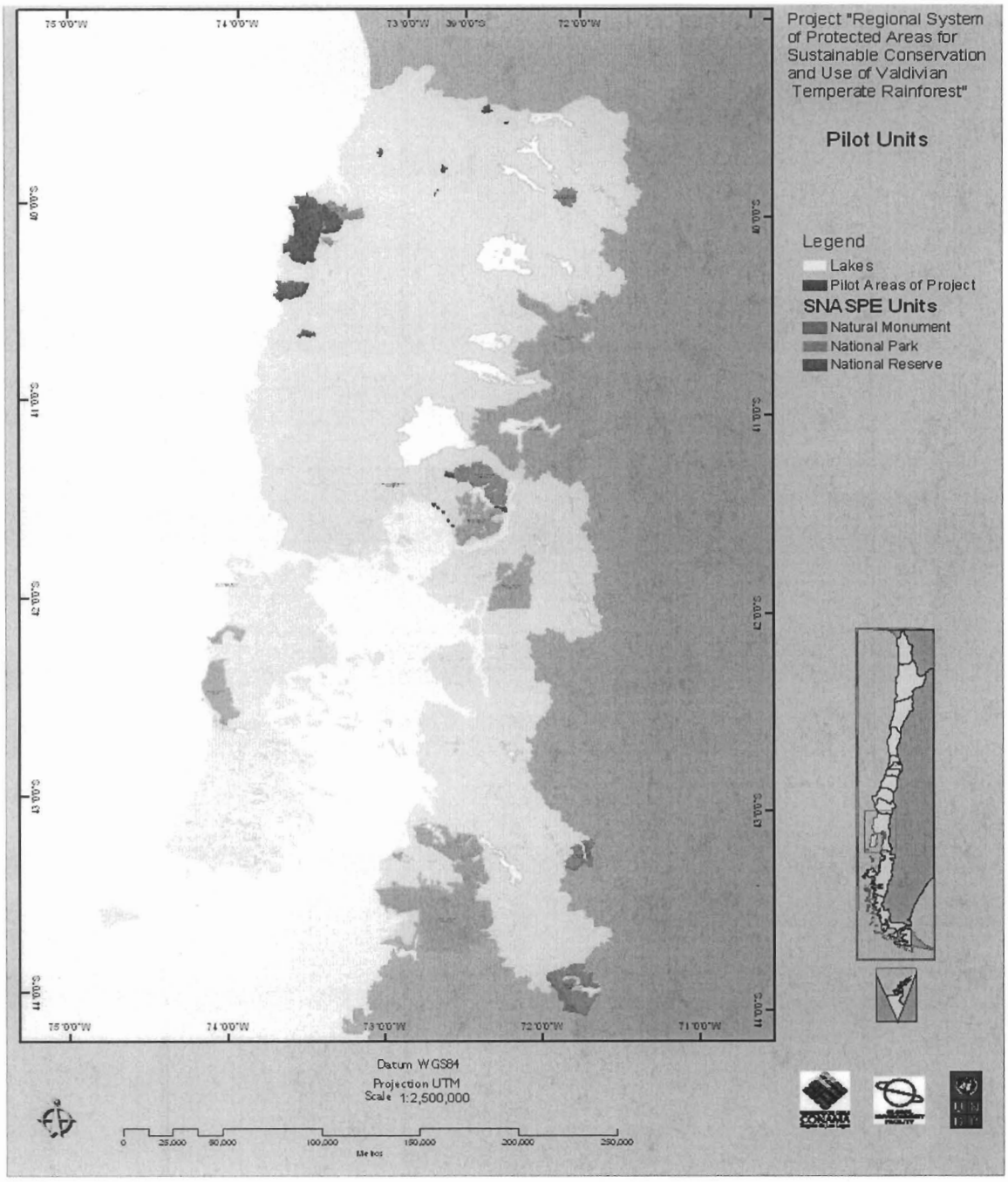
Map B-1: National Biodiversity Priority Sites and Public Protected Areas in SNAPSE



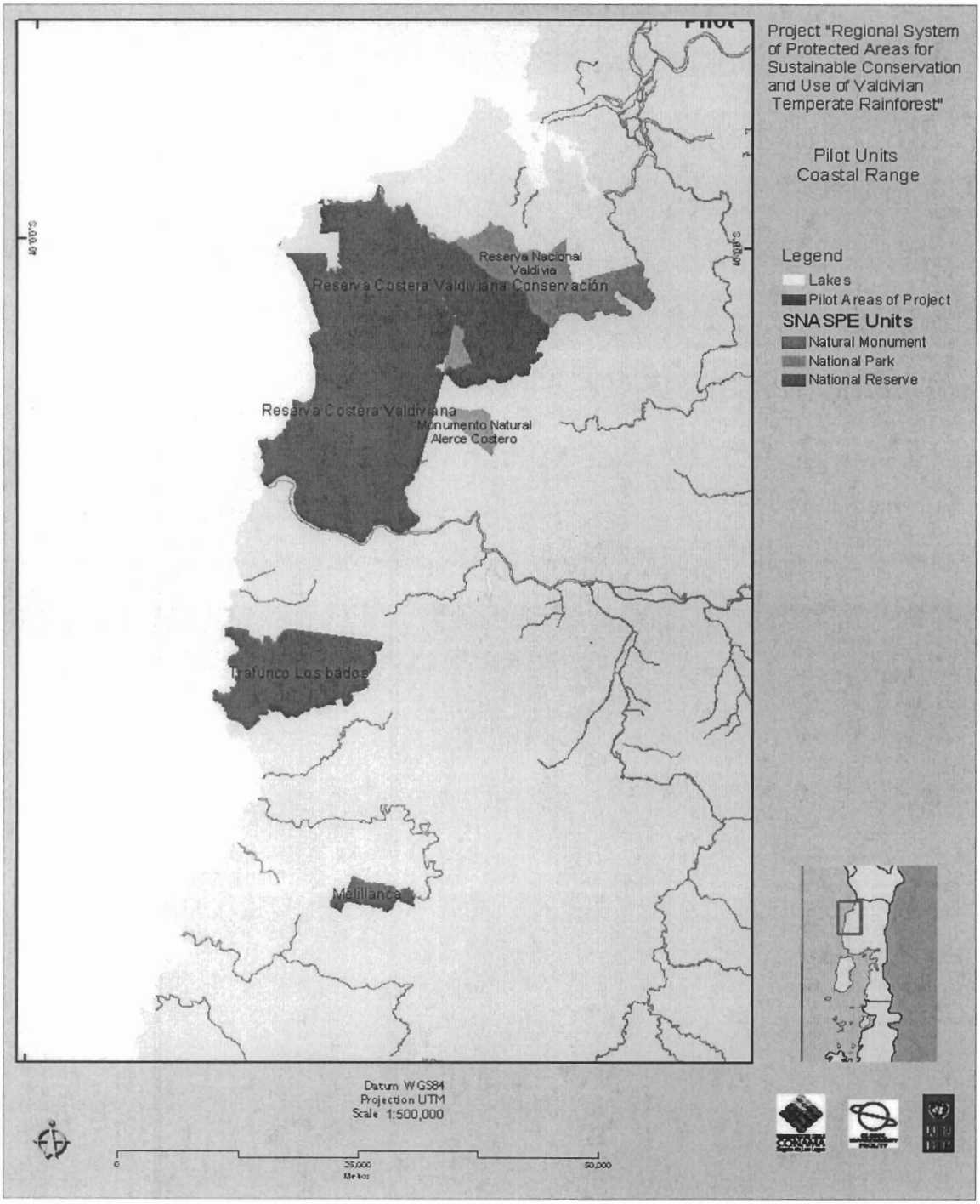
Map B-2: Public Protected Areas in SNASPE in Region X



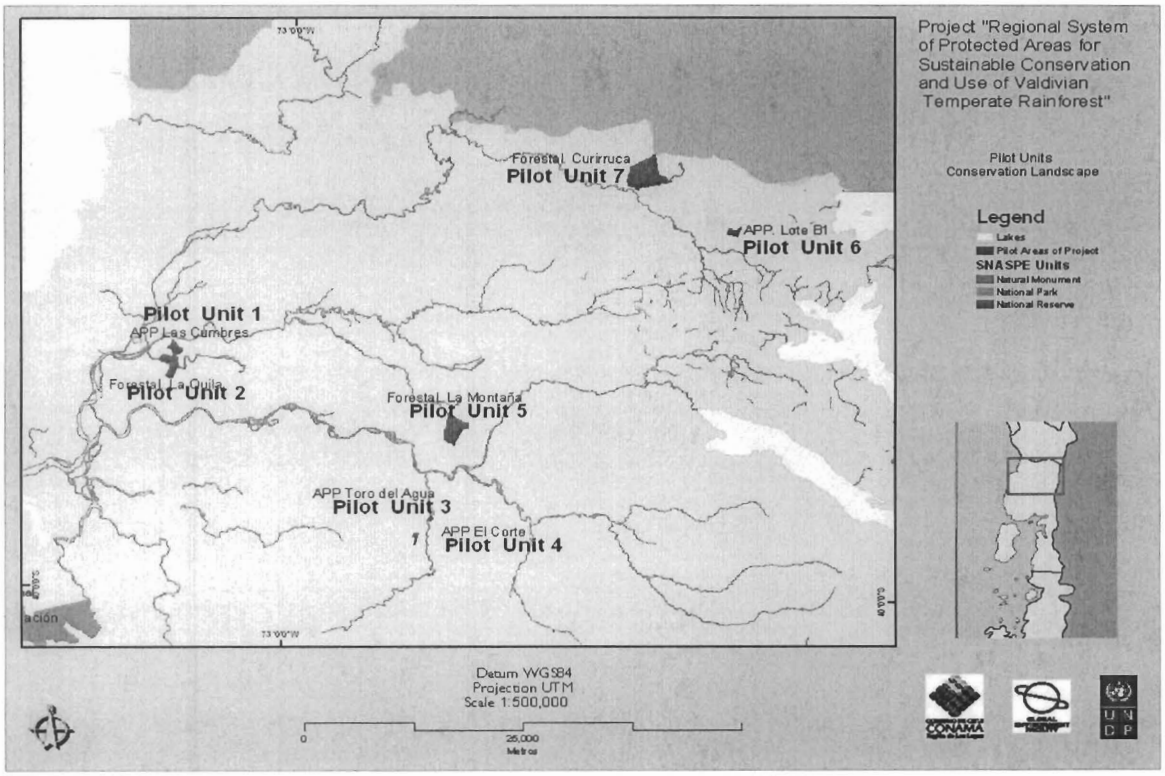
Map B3- Pilot Units and SNASPE



Map B-4 Pilot Units in the Coastal Range



Map B-5: Pilot Units in the Coastal – Andes conservation landscape



Map A-6: Pilot Unit in SNASPE Buffer Zones.