



REQUEST FOR CEO ENDORSEMENT/APPROVAL

PROJECT TYPE: Medium-sized Project

THE GEF TRUST FUND

Submission Date: December 21, 2010

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 4111

GEF AGENCY PROJECT ID: 4208

COUNTRY(IES): Colombia

PROJECT TITLE: Institutional and policy strengthening to increase biodiversity conservation on production lands (PL) in Colombia

GEF AGENCY(IES): UNDP

OTHER EXECUTING PARTNER(S): The Nature Conservancy (TNC); Administrative Unit of the Protected Areas System of Colombia (UAESPNN); Fundación Natura Colombia (FNC); Natural Reserves Network of the Civil Society (RESNATUR); World Wide Fund for Nature (WWF); Regional Autonomous Corporation for the Orinoco (CORPORINOQUIA), and local governments.

GEF FOCAL AREA(S): Biodiversity

GEF-4 STRATEGIC PROGRAM(S): BD-SP4-Policy and BD-SP5-Markets

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: NA

Expected Calendar (mm/dd/yy)	
Milestones	Dates
Work Program (for FSPs only)	
Agency Approval date	March 2011
Implementation Start	May 2011
Mid-term Evaluation (if planned)	December 2012
Project Closing Date	May 2014

A. PROJECT FRAMEWORK

Project Objective: To promote voluntary biodiversity conservation practices on cattle ranching and forestry production lands (PL) through a revised legal/policy framework and institutional strengthening, and with the application of a pilot program in the Llanos region of Colombia

Project Components	Type*	Expected Outcomes	Expected Outputs	GEF Financing		Co-Financing		Total (\$) c=a+ b
				(\$ a)	%	(\$ b)	%	
1. Adjustments in policies and laws regarding production practices promote conservation on PL	TA	<ul style="list-style-type: none"> – Seven (7) policies or laws reformed in order to promote conservation on PL: <ul style="list-style-type: none"> a) Decree 1824/1994 (CIF for Forest Plantations); b) Law 101/1993 and Decree 626/1994 (ICR) c) Law 160/1994 (land entitlement rights) d) Decree 192/2001 (General System of Participation) e) Ruling for Article 7, Law 139/1994 and Law 1377/10 (CIF for Conservation) f) Article 106, Law 1151/2007 (PES, payments by municipalities) g) Article 14, Law 299/1996 (property tax 	<ul style="list-style-type: none"> – Methodological guidelines for the Municipal Advisory Councils on the design of differential rates, exemptions, or discounts related to property taxes – Methodological guidelines for the design of avoided habitat loss payment schemes for forestry and cattle ranching production, within the national strategy for PES (NSPES) – Proposal for the regulation of special requirements for delegation of administration and collection of resources from the CIF for Conservation – Proposal for the incorporation of criteria for monitoring the 	137,146	24.7	417,810	75.3	554,956

		exemption)	conservation and sustainable use of biodiversity for the CIF for forest plantations and for the ICR for cattle ranching and forest plantations <ul style="list-style-type: none"> – Proposal for a Special Program for land entitlement rights within INCODER, benefitting rural populations that develop sustainable cattle ranching and forestry productive practices – Operational protocols designed for the proposed or modified incentives (tax exemptions, CIF for Conservation delegation, CIF for Forest Plantations, ICR, and land titling program) 					
2. Strengthened management capacity for conservation practices on PL in the Llanos region.	TA	<ul style="list-style-type: none"> – Improvement in capacity development indicators for 77 stakeholders as per UNDP Capacity Development Scorecard (baseline and target to be defined during the first 6 months of the project). 33 government officials, 20 sector representatives, 14 landowners, and 10 PRCS representatives are trained on the design, use, and monitoring of the application of private conservation tools (i.e., economic, legal, and landscape management tools) – Five (5) conservation tools included in regional planning or institutional mechanisms (i.e., plan, program, and/or project) – Two (2) forest product associations and cattle-ranching associations that promote conservation practices in the PL – Three (3) 	<ul style="list-style-type: none"> – Planning instruments for government agencies, forestry/cattle ranching organizations and landowners include tools for private conservation – Handbook of best practices for cattle ranching and forest plantations include PL conservation strategies – Financial strategies to support organizations that facilitate PRCS registration – Contract models to support legal agreements in PL (easements, usufruct, leases, and trusts) – The Land Trust’s administrative and operational procedures and business plan are developed 	227,555	22.7	775,943	77.3	1,003,498

		<p>organizations that facilitate the establishment of the PRSC</p> <ul style="list-style-type: none"> – A Land Trust facilitates the administration of conservation agreements and fundraising to implement conservation and sustainable production activities in PL 						
3. Pilot program improves biodiversity conservation and producers' income in the Llanos region.	TA	<ul style="list-style-type: none"> – Fourteen (14) farms with biodiversity conservation actions as proposed in their management plans – 10,000 ha of land under conservation agreements administrated by the Land Trust – Ten thousand (10,000) ha of land are part of the PRSC in the Llanos – Up to 10% increase in income for landowners who implement conservation–production actions – Improvement in the landowners' perception regarding the benefits generated by the incentives (baseline and target will be defined during the first 6 months of the project) – Coverage of selected terrestrial ecosystems is at least maintained: a) flooded savannas, 39,994 ha; b) high plains, 18,731 ha; c) forests, 9,619 ha; and d) scrubland, 1,688 ha – Number of species in the project area* for selected biological groups is maintained: a) birds, 93 species; and b) plants, 105 species <p>* 84,376 ha</p>	<ul style="list-style-type: none"> – Farm planning tools (e.g., maps) and landscape connectivity models for PL contribute to environmental planning at the municipal and landscape scales – Sustainable production models are developed for cattle ranches and forest plantations to increase productivity (income) and conservation contributions – Business plan models for forestry and cattle ranching practices that contribute to biodiversity conservation – Management plans and conservation agreements for 40,000 ha (10,000 ha are administrated by the Land Trust and 10,000 ha are new PRSC) – A farm-and landscape-level monitoring system that measures PL program impacts on biodiversity, land use change, and income variation – Two pilot projects compare the application of incentives in PL (land tax exemption, ICR and/or CIF) through control groups – Two pilot experiences in payment for avoided habitat loss on cattle ranches and forest plantations 	516,238	40.5	757,827	59.5	1,274,065
4. Project management				93,788	30.9	209,421	69.1	303,209

Total Project Costs	974,727	31.1	2,161,001	68.9	3,135,728
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¹ List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

² TA = Technical Assistance; STA = Scientific & Technical Analysis.

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT*

<i>Name of Co-financier (source)</i>	<i>Classification</i>	<i>Type</i>	<i>Project</i>	<i>%**</i>
The Nature Conservancy	NGO	Grant	349,479	16.2
The Nature Conservancy	NGO	In kind	150,521	7.0
WWF Colombia	NGO	Grant	40,000	1.8
WWF Colombia	NGO	In kind	135,300	6.3
Fundación Natura Colombia	NGO	In kind	150,000	6.9
RESNATUR	NGO	In kind	150,000	6.9
Fundación Pantera	NGO	Grant	55,000	2.5
Fundación Pantera	NGO	In kind	145,000	6.7
Fondo para la Acción Ambiental y la Niñez	NGO	Grant	238,122	11.0
Fondo para la Acción Ambiental y la Niñez	NGO	In kind	61,878	2.9
Patrimonio Natural	NGO	In kind	200,000	9.3
UAESPNN	Nat'l Gov't	In kind	90,862	4.2
Departmental Gov. of Casanare	Local Gov't	Grant	69,378	3.2
Departmental Gov. of Casanare	Local Gov't	In kind	92,784	4.3
CORPORINOQUIA	Local Gov't	Grant	101,596	4.7
Paz de Ariporo Livestock Committee	Beneficiaries	Grant	8,108	0.4
Paz de Ariporo Livestock Committee	Beneficiaries	In kind	72,973	3.4
Acción Verde	Private Sector	Grant	30,000	1.4
Acción Verde	Private Sector	In kind	20,000	0.9
Total Co-financing			2,161,001	100

* Money exchange rate: 1 US dollar = 1,850 Colombian pesos

** Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

C. FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	<i>Project Preparation a</i>	<i>Project b</i>	<i>Total c = a + b</i>	<i>Agency Fee</i>	<i>For comparison: GEF and Co-financing at PIF</i>
GEF financing	22,727	974,727	997,454	99,746	974,727
Co-financing	35,320	2,161,001	2,196,321		3,000,000
Total	58,047	3,135,728	3,193,775	99,746	3,974,727

D. GEF RESOURCES REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES): single focal area, single country and single GEF Agency project

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person weeks</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
<i>Local consultants*</i>	36	14,123	424,287	438,410
<i>International consultants*</i>	0	0	0	0
Total	36	14,123	424,287	438,410

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT BUDGET/COST

<i>Cost Items</i>	<i>Total Estimated person weeks/months</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
<i>Local consultants*</i>	0	0	0	0
<i>International consultants*</i>	7	17,410	0	17,410
<i>Office facilities, equipment, vehicles and communications*</i>		0	194,421	194,421
<i>Travel*</i>		8,091	15,000	23,091
<i>Others**</i>		68,287	0	68,287
Total	7	93,788	209,421	303,209

* Details to be provided in Annex C.

** Contractual Services Individuals and Companies, Audiovisual & Print Production Costs

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? yes no

H. THE BUDGETED M & E PLAN:

1. Project Monitoring and Evaluation (M&E) will be conducted in accordance with the established UNDP and GEF procedures and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from the UNDP/GEF Regional Coordination Unit (RCU) in Panama City. The Project Results Framework in Section 3 provides performance and impact indicators for project implementation along with their corresponding means of verification. The M&E plan includes an inception report, project implementation reviews, quarterly and annual review reports, and mid-term and final evaluations. The following sections outline the principle components of the M&E plan and indicative cost estimates related to M&E activities. The project’s M&E plan will be presented and finalized in the Project Inception Report following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

Project Inception Phase

2. A **Project Inception Workshop (IW)** will be held within the first three (3) months of project start-up with the full project team, relevant Government of Colombia (GoC) counterparts, co-financing partners, the UNDP-CO and representation from the UNDP-GEF RCU, as well as UNDP-GEF headquarters (HQs) as appropriate. A fundamental objective of this IW will be to help the project team to understand and take ownership of the project’s goal and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the project results framework and the GEF SO2 Tracking Tool. This will include reviewing the results framework (indicators, means of verification, and assumptions), imparting additional detail as needed, and on the basis of this exercise, drafting the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project.

Monitoring Responsibilities and Events

3. **Day-to-day monitoring** of implementation progress will be the responsibility of the Project Coordinator based on the project's AWP and its indicators. The Project Coordinator 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. The Project Coordinator will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the IW with support from UNDP-CO and assisted by the UNDP-GEF RCU. Specific targets for the first-year implementation progress indicators together with their means of verification will be

developed at this workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the AWP. Targets and indicators for subsequent years will be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

4. **Periodic monitoring** of implementation progress will be undertaken by the UNDP CO through quarterly meetings with the project implementation team, or more frequently as deemed necessary. This will allow parties to take stock of and to troubleshoot any problems pertaining to the project in a timely fashion to ensure the timely implementation of project activities. The UNDP CO and UNDP-GEF RCU, as appropriate, will conduct yearly visits to the project's field sites, or more often based on an agreed upon schedule to be detailed in the project's Inception Report/AWP to assess first-hand project progress. Any other member of the Steering Committee can also take part in these trips, as decided by the Steering Committee. A Field Visit Report will be prepared by the UNDP CO and circulated no less than one month after the visit to the project team, all Steering Committee members, and UNDP-GEF.

5. **Annual monitoring** will occur through the Tripartite Committee (TPC) Reviews. This is the highest policy-level meeting of the parties directly involved in the implementation of the project. The project will be subject to TPC review at least once every year. The first such meeting will be held within the first twelve (12) months of the start of full implementation. The project proponent 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 TPC for review and comments.

6. The **Terminal TPC Review** is held in the last month of project operations. The Project Coordinator is responsible for preparing the Terminal Report and submitting it to UNDP-CO and to UNDP-GEF RCU. It shall be prepared in draft at least two months in advance of the TPC meeting in order to allow review, and will serve as the basis for discussions in the TPC meeting. The terminal TPC 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 learned can be captured to feed into other projects being implemented.

Project Monitoring Reporting

7. The Project Coordinator, in conjunction with the UNDP-GEF extended team, will be responsible for the preparation and submission of the following reports that form part of the monitoring process and that are mandatory. A **Project Inception Report (IR)**, which will be prepared immediately following the IW. It will include a detailed First Year/AWP divided in quarterly timeframes detailing the activities and progress indicators that will guide implementation during the first year of the project. The **Annual Project Report (APR)** is a UNDP requirement and part of UNDP CO central oversight, monitoring, and project management. An APR will be prepared on an annual basis prior to the TPC Review, to reflect progress achieved in meeting the project's AWP and assess performance of the project in contributing to intended outcomes through outputs and partnership work. The **Project Implementation Review (PIR)** 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. The PIR can be prepared any time during the year and ideally prior to the TPC review. **Quarterly Progress Reports** outlining main updates in project progress will be provided quarterly to the local UNDP CO and the UNDP-GEF RCU by the project team. Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform and the risk log should be regularly updated in ATLAS based on the initial risk analysis included in Annex 8.1 of the Project Document.

8. A **Project Terminal Report** will be prepared by the project team during the last three months of the project. This comprehensive report will summarize all activities, achievements, and outputs of the project; lessons learned; 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. Reporting may also include

Independent Evaluation

9. An independent **Mid-Term Evaluation** will be undertaken at exactly the mid-point of the project lifetime (i.e., December 2012). 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, ToRs, and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The ToRs for this Mid-Term Evaluation will be prepared by the UNDP-CO based on guidance from the UNDP-GEF RCU. The management response of the evaluation will be uploaded to the UNDP corporate systems, in particular the UNDP Evaluation Office Evaluation Resource Center (ERC). The GEF SO2 Tracking Tool for the project will also be completed during the mid-term evaluation cycle.

10. An independent **Final Evaluation** will take place three months prior to the terminal Steering Committee 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 and requires a management response which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC). The ToRs for this evaluation will be prepared by the UNDP-CO based on guidance from the UNDP-GEF RCU. The GEF SO2 Tracking Tool will also be completed during the final evaluation.

Audit Clause

11. The GoC 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 according to UNDP's financial regulations, rules, and audit policies by the legally recognized auditor of the GoC, or by a commercial auditor engaged by the GoC.

12. The detailed M&E strategy for the project is presented in the Project Document (Section 6). The indicative M&E work plan and budget is as follows:

Type of M&E activity	Responsible Parties	Budget US\$*	Time frame
Inception Workshop	<ul style="list-style-type: none"> • Project Coordinator • UNDP CO • UNDP GEF 	2,163 (GEF) 3,250 (CoF)	Within first two months of project start-up
Inception Report	<ul style="list-style-type: none"> • Project Team • UNDP CO 	None	Immediately following IW
Measurement of Means of Verification of project results	<ul style="list-style-type: none"> • UNDP GEF Regional Technical Advisor/Project Coordinator will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members 	To be determined during the initial phase of implementation of the project and the IW.	Start, mid-point, and end of project
Measurement of Means of Verification for Project Progress and Performance (measured on an annual basis)	<ul style="list-style-type: none"> • Oversight by Project Coordinator • Project Team 	No separate M&E cost: to be absorbed within salary and travel costs of project staff	Annually prior to ARR/PIR and to the definition of annual work plans
ARR and PIR	<ul style="list-style-type: none"> • Project Coordinator and Team • UNDP-CO • UNDP-GEF 	None	Annually
Tripartite Committee Reviews and Reports	<ul style="list-style-type: none"> • GoC counterparts • UNDP CO • UNDP GEF RCU 	None	Annually, upon receipt of APR
Steering Committee Meetings	<ul style="list-style-type: none"> • Project Coordinator • UNCP-CO • GoC representatives 	3,000 (GEF) 7,000 (CoF) (average 3,333 per year)	Two times per year
Quarterly progress reports	<ul style="list-style-type: none"> • Project Coordinator and Team 	None	Quarterly
Technical reports	<ul style="list-style-type: none"> • Project Coordinator and Team 	None	To be determined by Project Team and

Type of M&E activity	Responsible Parties	Budget US\$*		Time frame
				UNDP-CO
Mid-term Evaluation	<ul style="list-style-type: none"> Project Coordinator and Team UNDP- CO UNDP-GEF RCU External Consultants (i.e., evaluation team) 	12,375 (GEF) 13,625 (CoF)		At the mid-point of project implementation
Final Evaluation	<ul style="list-style-type: none"> Project Coordinator and Team UNDP- CO UNDP-GEF RCU External Consultants (i.e. evaluation team) 	13,126 (GEF) 22,800 (GEF)		At least three months before the end of project implementation
Terminal Report	<ul style="list-style-type: none"> Project Team UNDP-CO 	812 (GEF) 1,849 (GEF)		At least three months before the end of the project
Lessons learned	<ul style="list-style-type: none"> Project Coordinator and Team UNDP-GEF RCU (suggested formats for documenting best practices, etc) 	2,000 (GEF) 4,500 (CoF) (average 2,250 per year)		Yearly
Audit	<ul style="list-style-type: none"> UNDP-CO Project Coordinator and Team 	7,500 (GEF) 3,000 (CoF) (average 3,500 per year)		Yearly
Visits to field sites	<ul style="list-style-type: none"> UNDP-CO UNDP-GEF RCU (as appropriate) GoC representatives 	No separate M&E cost: paid from IA fees and operational budget		Yearly
TOTAL INDICATIVE COST (*Excluding project team staff time and UNDP staff and travel expenses)		GEF	\$ 40,976	
		CoF	\$ 56,024	
		Total	\$97,000	

PART II: PROJECT JUSTIFICATION

A. THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

13. Colombia is one of 12 countries in the world with the highest indices of biodiversity; just 0.8% of its land surface contains approximately 15% of all known terrestrial species. Colombia is home to 1,870 species of birds; 754 species of amphibians; and between 40,000 and 55,000 species of plants. Colombia is also the country in Latin America with the highest number of ecological regions (18) and ecosystems (65). The Llanos ecoregion, located in both Colombia and Venezuela, has been identified as one of the 200 ecoregions given worldwide priority for the Living Planet Campaign of the World Wide Fund for Nature¹ (WWF) (see map in Figure 1). The Llanos ecoregion has an area of 355,112 square kilometers (km²), 30% of which is in the Colombian region of the Orinoco (generally referred to as the Llanos) in the eastern portion of the country. The Llanos ecoregion represents a typical Neotropical savanna where climate, geology, soil, and fire variations are the main determinants of the four large subregions of savanna ecosystems: foothills, high plains, flooded savannas, and eolian or wind plains. The density of trees on the savannas, apart from the gallery forests, varies from low to fairly dense. The Llanos ecoregion is located within the watershed of the Orinoco River and includes the Departments of Vichada (covering the entire territory of the department), Meta (covering 62% of departmental territory), Casanare (covering 97% of departmental territory), and Arauca (covering 91% of departmental territory).

¹WWF. 2000. A workbook for conducting biological assessments and developing biodiversity visions for ecoregion-based conservation. Part I: Terrestrial Ecoregions. WWF, Washington.

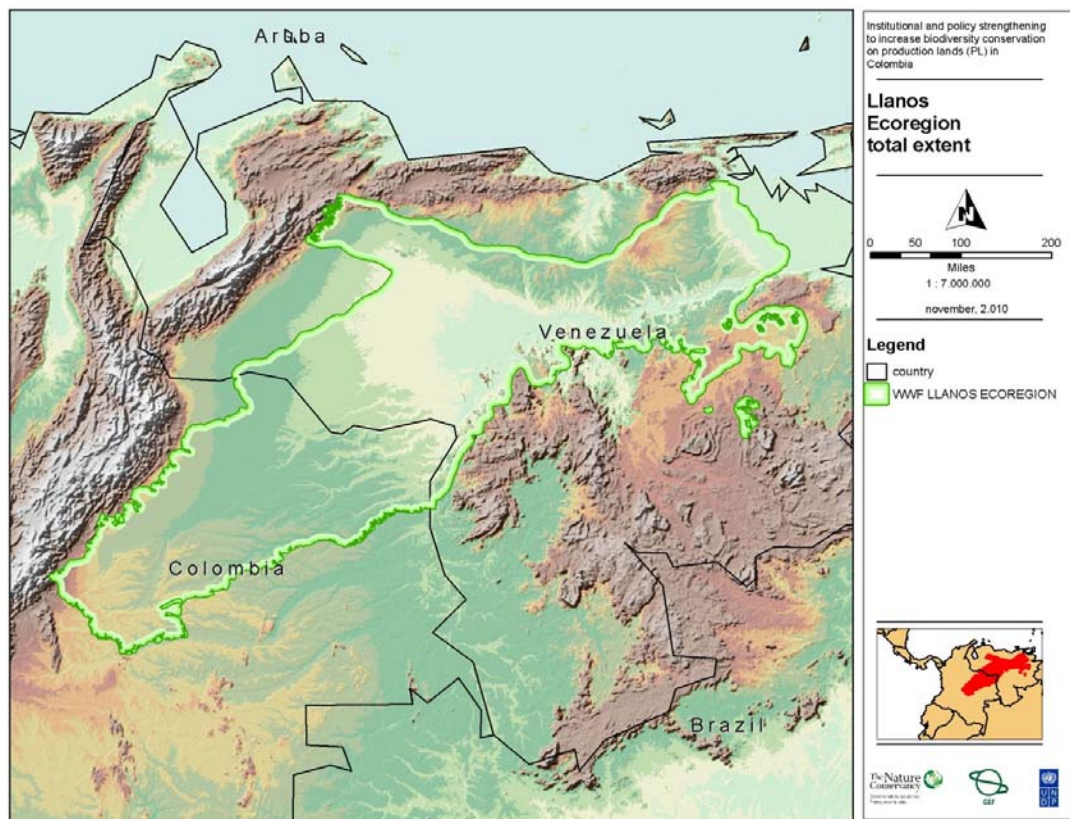


Figure 1. Location of the llanos ecoregion.

Project Area

14. The project will focus on three areas in the Llanos ecoregion representing both seasonally flooded savannas and high plains (see map in Figure 2). The first focus area, which covers approximately 1,102,629 hectares (ha), includes the municipalities of Paz de Ariporo and Hato Corozal, located in the Department of Casanare. This focus area includes forests, seasonally flooded savannas, and wetlands of the Ariporo River, Picapico Creek, and Hermosa Creek. The area is characterized by ecosystems of gallery forests, savanna forests, savannas, and flooded forests with aquatic vegetation. The second focus area, located in the Department of Vichada, covers approximately 786,799 ha and includes the municipalities of Puerto Carreño and La Primavera. This area comprises savannas and forests of the Bitá River, Liqui River, and Negro Creek, as well as high plain ecosystems, gallery forests, and flooded forests. The third focus area, located in the Orocué municipality in the Department of Casanare, covers 467,909 ha. This focus area is part of the forests and savannas of Orocué and includes well drained and poorly drained savanna ecosystems, savanna forests, gallery forests with different flooding levels, and the presence of aquatic vegetation and grasslands.

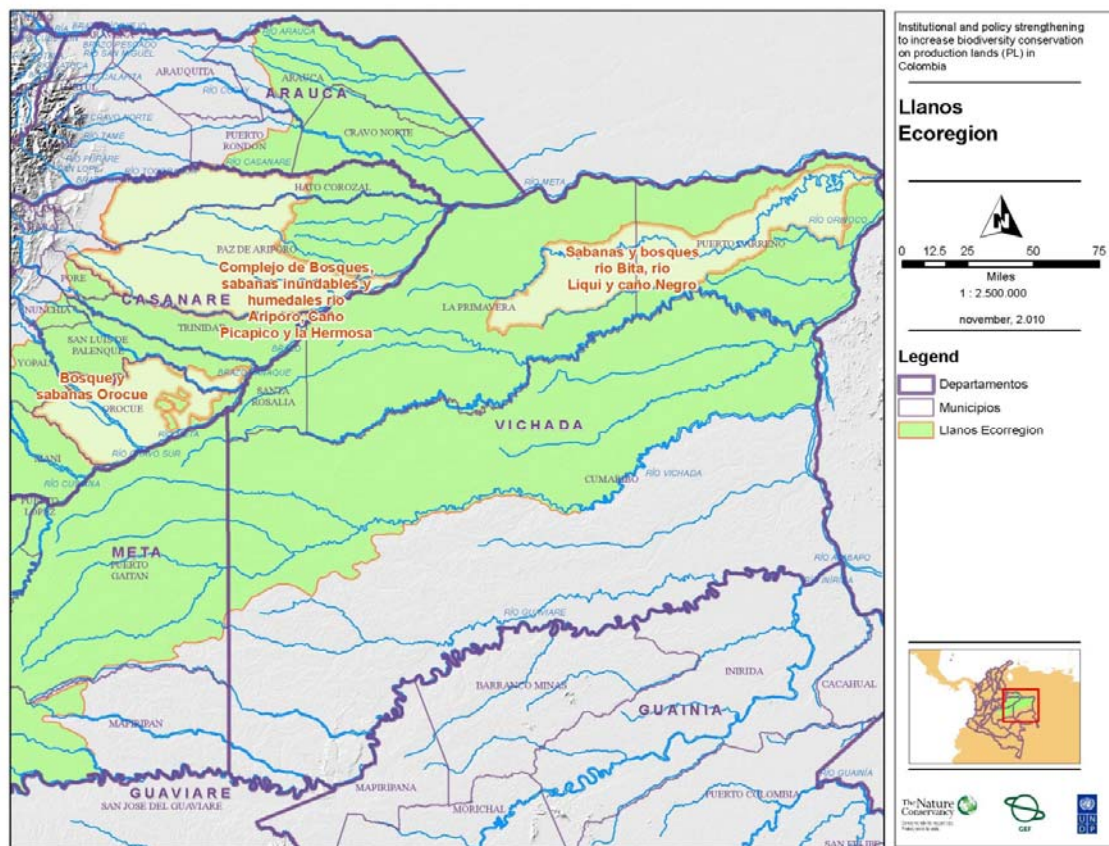


Figure 2. Focus areas in the Llanos ecoregion.

15. The focus areas were selected using the criteria of uniqueness and value of biodiversity in the Llanos, as well as the results of previous work on the identification of critical areas for conservation: Biodiversity Action Plan of the Orinoco Basin (PARBO)², Biological Conservation Priorities in Colombia³, Migratory Birds of the Orinoco⁴, Criteria for Declaration of Natural Areas⁵, Environmental Planning of the Hydrocarbon Sector for the Conservation of Biodiversity in the Orinoco Savannas of Colombia⁶, Administrative Unit of the Protected Areas System of Colombia (UAESPNN): Shortcomings in the National System of Protected Areas (SINAP)⁷, and Bi-National Workshops for Conservation⁸. Information from these studies was incorporated into a model overlaying biological data and information on conservation actions taking place in the Llanos onto a Geographic Information System (GIS) (see Figure 3). A relative value of importance was given to each layer of information with the objective of determining the areas with the greatest representation of the Llanos ecoregion. The final selection was made during a workshop for experts, with representatives of UAESPNN, The Nature Conservancy (TNC), Natural Reserves Network of the Civil Society (RESNATUR), and Fundación Natura Colombia (FNC) in attendance.

² Correa H.D., Ruiz S.L. y Arévalo L.M. (eds). 2006. Plan de Acción en Biodiversidad de la cuenca del Orinoco-Colombia/ 2005-2015-Propuesta técnica. Bogotá D.C. Corporinoquia, Cormacarena, IAvH, Unitrópico, Fundación Omacha, Fundación Horizonte Verde, Universidad Javeriana, Unillanos, WWF-Colombia, GTZ-Colombia, Bogotá, Colombia. 330 p.

³ Fandiño-Lozano, M. & W. van Wyngaarden, 2005. Prioridades de Conservación Biológica para Colombia. Grupo ARCO, Bogotá. 186 pp. con mapa de ecosistemas de Colombia.

⁴ TNC & WWF. 2010. Providing Safe Haven: Habitat Conservation for Migratory Birds in the Orinoco River Basin. Final report to the U.S. Fish and Wildlife Service. Work Document.

⁵ Biocolombia. 2000. Criterios para la declaratoria de áreas naturales protegidas de carácter regional y Local. Informe Técnico.

⁶ ANH, Agencia Nacional de Hidrocarburos – ANH, Instituto de Investigación de Recursos Biológicos Alexander von Humboldt – IAvH, The Nature Conservancy – TNC Instituto de Hidrología, Meteorología y Estudios Ambientales – Ideam. 2007. Planeación ambiental del sector hidrocarburos para la conservación de la biodiversidad en los llanos de Colombia.

⁷ UAESPNN, Vacíos de Conservación del sistema de Áreas Naturales Protegidas de Colombia, Documento de trabajo.

⁸ Lasso, C., M. Morales, S. Usma & F. Trujillo. 2009. Taller binacional “identificación de las áreas prioritarias para la conservación y uso sostenible de la biodiversidad en la cuenca del Orinoco” síntesis de los principales resultados.

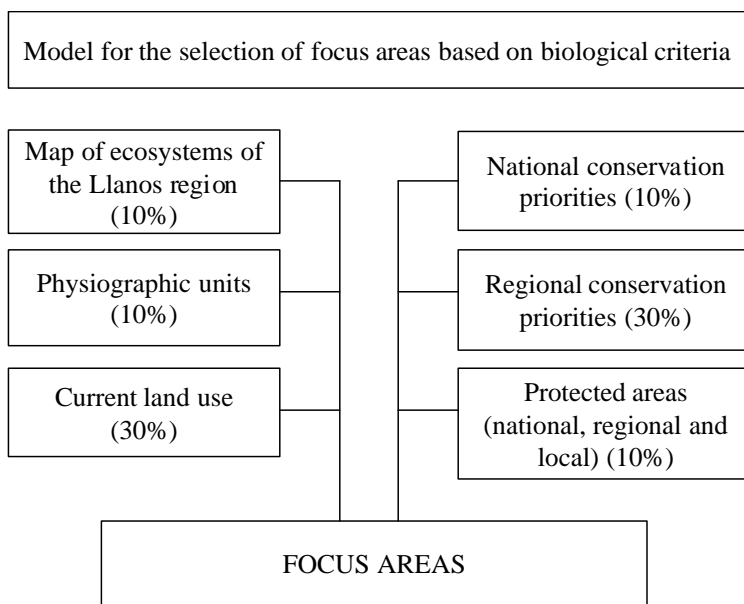


Figure 3. Model for the selection of the project focus areas.

Global Significance

16. The Llanos is a nationally and internationally recognized ecoregion with some of the world's richest tropical grasslands. In Colombia the Llanos contains unique natural environments that are shared with Venezuela as well as biodiversity of global and regional significance, which is comparable to the biodiversity present in the Pantanal of Brazil, Bolivia, and Paraguay⁹. Over 2,126 species of plants have been identified, belonging to 807 genera and 180 families. At the species level, the more diverse families are *Rubiaceae* (705), *Leguminosae* (255), *Poaceae* (214), and *Cyperaceae* (96), while the families with the larger number of genera are *Rubiaceae* (105), *Leguminosae* (76), *Poaceae* (66), and *Asteraceae* (41). The trend in the distribution within subregions shows that the high plains (Subregion 3) has the largest number of species (1,505) belonging to 653 genera and 155 families; followed by the foothills subregion with 754 species, 393 genera, and 127 families; and last, the alluvial plains subregion with 232 species, 173 genera, and 72 families¹⁰.

17. Even though the Llanos is an ecoregion rich in vertebrate fauna, specific data regarding these species and their population sizes are lacking. There are 119 species of reptiles in the Llanos, 45 of which belong to the snake suborder, representing 39 genera and 7 families. The family *Colubridae* is the most diverse family in the region with 25 genera and 38 species. There are 58 species within the *Sauria* suborder, belonging to 5 families and 27 genera. The most diverse family of this suborder is *Iguanidae*, with 9 genera and 21 species. *Anolis* is the most diverse genera with 10 species. Turtles and caimans stand out among the reptiles represented in the Llanos, with endangered species such as the Big-Headed Amazon River turtle (*Peltocephalus dumerilianus*), the Giant South American turtle (*Podocnemis expansa*), and the Orinoco crocodile (*Crocodylus intermedius*)¹¹. Bird life in the region is also particularly diverse, with 61 families, 376 genera, and 644 species reported. The most diverse family is *Tyrannidae* with 54 genera and 80 species. The genera with the largest number of species are *Myrmotherula* with 9 species and *Tangara* with 8 species¹². In addition, there are 5 families, 15 genera, and 28 species of amphibians. The most diverse family is *Hylidae* with 5 genera and 13 species, while the richest genera in number of species is *Leptodactylus* with 5 species¹³. There are 190 known species of mammals in the Llanos, most notably the giant river otter (*Pteronura brasiliensis*), ocelot (*Felis pardalis*), cougar (*Felis concolor*), jaguar (*Pantera onca*), armadillo (*Dasyponovem cintus*), deer (*Odocoileus*

⁹ Ruiz, D. 2010. La biodiversidad en la ecorregión de los llanos de Venezuela y las prioridades para su conservación. <http://redalyc.uaemex.mx/pdf/540/54013215.pdf>

¹⁰ Rangel, O; H. Sanchez, M.; P. Lowy-C., M. Aguilar-P. & A. Castillo. 1995. Región de la Orinoquía. In: J. O. Rangel-Ch. (cd.) Colombia Diversidad Biótica I. Instituto de Ciencias Naturales. Universidad - Nacional de Colombia. Bogotá, 1995, pp. 239-254.

¹¹ Acosta-Galvis 2000, Instituto de recursos biológicos Alexander Von Humboldt [IAVH], 1999.

¹² Rangel et al 1995 (5).

¹³ Rangel et al, 1995 (5).

virginianus), paca (*Agouti paca*), wild pigs (*Tayassu tajacu*), tapir (*Tapirus terrestris*), manatee (*Trichechus manatus*), and the capybara (*Hydrochaeris hydrochaeris*)^{14/15}.

18. The protection of biodiversity in Colombia has taken place largely through the establishment of the SINAP. The total coverage of protected areas (PAs) in Colombia is 11,624,540.9 ha, or approximately 12% of the country. However, there are ecoregions and ecosystems that are not well represented in the SINAP, such as the Llanos ecoregion, which has less than 4% (194,300.5 ha) of its territory under some type of protection. The establishment of Private Reserves of Civil Society (PRCS) has complemented, connected, and expanded existing public PAs, as well as contributed to the consolidation of buffer zones. There are ecoregions where the establishment of PRCS is the only viable conservation strategy, especially in areas where biodiversity is present in production lands (PL). In Colombia, the PRCS are organized into networks and articulated under organizations of PRCS (or the Articulator Organization of PRCS [AOPRCS]), which may operate nationally or locally. The leading organization in this field is RESNATUR, a national non-governmental organization (NGO) that has 14 regional branches, 16 NGOs that support its work with PRCS, and more than 246 private reserves for the conservation of biodiversity (covering 80,000 ha). The Orinoco branch of RESNATUR has 32 reserves (31,000 ha) and is coordinated by the Fundación Horizonte Verde (FHV). In addition, the UAESPNN and local environmental authorities are developing activities to promote the conservation of biodiversity on private lands and the creation of PRCS. Existing PAs in the Departments of Casanare and Vichada are listed below.

National Category of PA	Location	Name	Area (ha)
National Park	Vichada	El Tuparro	554,841
National Forest Reserve	Casanare	Río Satocá	4,152
Regional & Municipal Reserve	Casanare	San Miguel de Farallones	No data
Regional & Municipal Reserve	Casanare	Cuenca hidrográfica del Río Unete	No data
Regional & Municipal Reserve	Casanare	Microcuencas La Cascada, San Juan y Monquirá	No data
Regional & Municipal Reserve	Casanare	Santiago de las Atalayas	No data
Regional & Municipal Reserve	Casanare	Laguna de Tinije	No data
Regional & Municipal Reserve	Casanare	Reserva Natural Protectora Cuenca Quebrada Las Guamas	2,629
Regional & Municipal Reserve	Casanare	Reserva Natural y Patrimonio Ecológico Laguna y Caño Tinje	No data
Regional & Municipal Reserve	Casanare	Reserva Forestal Islas Antiguas y Riberas del río Cuisiana	No data
Regional & Municipal Reserve	Casanare	Reserva Natural Protectora Quebrada El Vainillal	No data
Regional & Municipal Reserve	Casanare	Río Satoca	4,200
Regional & Municipal Reserve	Casanare	Reserva Natural Protectora nacimientos de los ríos Bojaba, Chiquito, Calañitas, Banadías, San Joaquín, Miguel, Satoca, y Quebrada La Para	No data
Regional & Municipal Reserve	Casanare	Reserva Forestal La Tablona	1,420
Regional & Municipal Reserve	Casanare	Parque Municipal La Iguana	No data
Private Reserve	Vichada	Serranías de Casablanca	350
Private Reserve	Vichada	Bojonawi	3,881
Private Reserve	Vichada	Rancho Santa Barbara 1 y 2	3,366
Private Reserve	Arauca	El Torreño	993
Private Reserve	Vichada	La Ventana	1,294
Private Reserve	Vichada	Villa Miriam	1,774
Private Reserve	Vichada	Nimajay	2,012

¹⁴ Cortés, A. 1986. Las tierras de la Orinoquía, Capacidad de uso actual y futuro. Universidad Jorge Tadeo Lozano, Bogotá.

¹⁵ Batipste, L.G. y A.I. Ariza. 2008. Ecología de las sabanas inundables del Casanare. In: Memorias de 1º congreso internacional producción y desarrollo sostenible versión sabanas inundables y 1º simposio recursos genéticos del trópico húmedo. Universidad Cooperativa de Colombia Facultad de Medicina Veterinaria y Zootecnia - Sede Arauca, Arauca, 29, 30 y 31 de octubre de 2008.

National Category of PA	Location	Name	Area (ha)
Private Reserve	Vichada	Pitalito	3,202
Private Reserve	Vichada	Wakuinali	2,384
Private Reserve	Casanare	La Esperanza 1 y 2	1,600
Private Reserve	Casanare	La Gloria	2,563
TOTAL			590,661

19. Colombia has also developed a legal framework for incentives to promote biodiversity conservation on PL. For example, a municipal-level land tax exemption exists to compensate natural forest conservation or reforestation (Law 14/1983). Incentives for the conservation of natural forests such as the 1994 and 1997 Forest Incentive Certificates (CIF) and deductions of taxes by environmental investments (Decree 3192/2003) also exist. Legal instruments are in place for the creation of conservation incentives for PRCS registered within the Ministry of Environment (Decree 1996/1999). The Environment Law (Law 99/1993 modified by Law 1151/2007) determines that 1% of municipalities' or departments' income can be used to finance Payment for Environmental Service (PES) schemes, and in 2008 the Colombian government defined the National Strategy for PES (NSPES).

20. Despite these advances in biodiversity conservation on PL, certain challenges and threats remain. Financial and institutional resources are increasingly being used in Colombia to promote PL conservation. However, resources flowing into PL are not fulfilling the objectives of conservation through PL due to their inefficient allocation and use. Colombia's legal, policy and institutional framework for promoting conservation strategies for PL needs to be adjusted for efficiency, and better procedures must be put in place in order to make conservation on PL operational. Additionally, there are organizations in the production and conservation sectors that do not have the capacity needed to make conservation successful at the field level, and they do not have the required planning, management, or monitoring tools to establish conservation agreements among owners, sectors, and environmental authorities to define operational mechanisms or ensure effective biodiversity conservation on PL.

21. One of the greatest threats currently facing biodiversity conservation in the Llanos of Colombia is the **loss or transformation of habitat** due to the expansion of intensive agricultural practices. This change has led to an increase in unsuitable habitat for native species, reduced population numbers, and negative effects imposed upon migratory species. Environmental characteristics of the Llanos have resulted from a long history of interaction and interdependence between humans and their natural surroundings. The traditional use of the land has created natural ecosystems that are managed in such a way that production activities and biodiversity coexist in a synergetic and harmonious way. These ecosystems maintain a composition and structure that have seen minimal impact by traditional land use practices, and have not varied significantly from their original status¹⁶. However, this traditional use of the land, based mainly on traditional extensive cattle ranching in natural savannas, is now being replaced by intensive cattle production practices, tree plantations with non-native species, and monoculture crops such as rice and oil palm.

22. **Water and soil pollution** also constitutes a threat to the conservation of biodiversity in the Llanos. The intensive production models of cattle, forestry, rice, and oil palm depend on agrochemicals (fertilizers, herbicides, and pesticides) that are frequently and excessively used. This activity causes a loss of wildlife population and genetic malformations among individuals. In some areas of the Llanos the soil must be fertilized with quicklime added in order to neutralize the acidity and elevate concentrations of nutrients. Vegetative life is cut short because of the use of herbicides and pesticides. Runoff from the agrochemicals contributes to pollution of the soils and drains to water sources, leading to water pollution affecting the aquatic biota and creating ecological unbalances due to excessive nutrients.

23. The introduction of **non-native species** to the Llanos for the development of the productive sector is also a threat to biodiversity in the natural savannas. These invasive species often establish themselves and then proliferate, modifying ecosystems, native species, and their natural habitat. For example, in cattle ranching, the non-native species of grass, *Brachiaria sp.*, has gradually taken over the natural grasses of the savannas. This transformation has produced genetic uniformity as monoculture of these grasses is sought through seasonal burns. In addition, the partial or total replacement

¹⁶ Andrade, G., L. Castro, A. Durán, M. Rodríguez, G. Rudas., E. Uribe y E. Wills. 2009. La Mejor Orinoquía que podemos construir. Elementos para la sostenibilidad ambiental del desarrollo. CORPORINOQUIA- Universidad de los Andes – Foro Nacional Ambiental - FESCOL. Bogotá.

of native cattle with the Brahman breed, or by combining this breed with breeds adapted to the Llanos environment, has also taken place. In the forestry sector, tree plantations with non-native species have been established in the high plains. Some of the species that have been planted are *Eucalyptus pellita*, *E. tereticornis*, *Pinus caribea*, *Pinus oocarpa*, *Hevea brasiliensis*, and *Anacardium occidentale*. Current regional development policies seek to establish 800,000 ha of tree plantations without any restrictions on the use of non-native species and 7.8 million ha with minor restrictions; however, they do not take into account their impact on the environment. These plantations could generate a change in the structure of the savanna landscape as they are transformed from natural savannas to tree plantations, thereby disrupting natural ecosystem cycles.

24. **Climate change** is a growing threat to the biodiversity of the Llanos due to the changes it can cause in hydrological and water cycles (length and intensity of the rain and dry seasons), which are key for the spatial and temporal distribution of animal and plant species. Estimates indicate that by 2050 the mean temperature in the Llanos will increase by approximately 2.7°C, and precipitation levels are expected to diminish by approximately 10 to 20%¹⁷. Likewise, desertification processes are predicted in the dryer forest areas and savannas.

25. For the selected focus areas the most important threats are:

Focus Area	Threats
Forests, flooded savannas, and wetlands of the Ariporo River, Picapico Creek, and Hermosa Creek	Impacts or conflicts from the expansion of the agricultural activities, changes in hydrological systems, fires, climate change, and extraction of forest products.
Savannas and forests of Bitá River, Liqui River, and Negro Creek	Fires, climate change, increase in density of roads, tree plantations with introduced species, hunting, loss of ecosystem connectivity.
Forests and savannas of Orocué	Expansion of <i>Brachiaria sp.</i> , changes in the hydrological systems, construction of new roads, oil palm and rice fields, existence of introduced species in gallery forests, large-scale production projects, fires, climate change, expansion of the agriculture activities, deforestation, and hunting.

26. The last decades have seen drastic changes that threaten biodiversity in the Llanos. The main underlying causes of these threats include human population growth, expansion of the agricultural frontier, increased intensity in the agricultural sector, and the efforts made by the GoC to promote production models that are not compatible with the Llanos environment.

27. In the Llanos there has been an **expansion of the agricultural frontier**, caused mostly by the development of tree plantations and the growing intensity of cattle production activities. Cattle production activities are taking place on approximately 5.5 million ha (34% of the Llanos area). Commercial tree plantations currently cover close to 30,000 ha (10% of tree plantations in the country). In addition, an area of 7.8 million ha has been deemed suitable for commercial forestry activities¹⁸.

28. The Llanos region is also experiencing an **intensification of the agricultural sector**. Traditional extensive cattle farming is being replaced by intensive cattle operations and tree plantations and oil palm and rice plantations, all of which use non-sustainable technologies such as excessive tilling or mechanization on fragile soils, lack of crop rotations, soil exhaustion caused by overuse, changes in natural hydrological cycles of the savannas, and increased dependence on chemical products¹⁹.

29. **The GoC actively promotes the establishment of tree and oil palm plantations in the Llanos.** Large national and international businesses are investing and using tax breaks and financial incentives to establish tree and oil palm plantations in the region without taking into consideration their environmental impact. The MADR has been promoting the intensive use of the savannas since 2002 with their project “The rebirth of the Colombian Orinoquia.” According to

¹⁷ Instituto de Meteorología, Hidrología y Estudios Ambientales (IDEAM), 2001. Sistema de información Ambiental de Colombia (SIAC). Tomo 3. Perfil del estado de los recursos naturales y el ambiente en Colombia 2001. Bogotá, Colombia.

¹⁸ Rangel et al, 1995; Correa et al, 2005, Andrade et al, 2009 (5, 17, 39).

¹⁹ Rangel et al, 1995; Correa et al, 2005, Andrade et al, 2009 (5, 17, 39).

National Federation of African Palm Growers (FEDEPALMA), in the Llanos there are over 1.2 million ha with the potential for the establishment of oil palm plantations²⁰, in addition to the area of 7.8 million ha that has been identified as suitable for commercial forestry activities. Tree and oil palm plantations are drivers in the transformation of ecosystems.

30. Increased human population growth in the Llanos has resulted from increased migration. The expansion of the production sectors (agriculture, forestry, oil industry) in the Llanos and the development of infrastructure have attracted people from other regions of the country, creating increased pressure on natural resources. There has been an increase of approximately 85,000 people per year²¹. The current threats faced by biodiversity in the natural landscapes of the Llanos are correlated with the growing demand by humans for land and natural resources fueled by an unsustainable extraction socioeconomic model that seeks short-term economic benefits, causing rapid loss of natural savannas and a reduction in the population of some native species.

31. The long-term solution to the loss of biodiversity in the Llanos consists of mainstreaming biodiversity conservation into cattle ranching and forest plantation production practices implemented on PL. This will be achieved through the use of incentives to establish production systems that are biodiversity-friendly, and the use of conservation tools that favor biodiversity and improve the quality of life for the landowners. However, effective biodiversity mainstreaming in forest and cattle ranching practices is limited by the following barriers:

32. An important obstacle for conservation on PL is the **lack of a policy and legal framework** that would make voluntary conservation more attractive to landowners. The GoC encourages production through existing incentives such as the Rural Capitalization Incentive (ICR) and the CIF for Forest Plantations, which promotes the development of cattle ranches and tree plantations; however, biodiversity conservation criteria are not incorporated into these programs. The ICR lacks a credit line for the establishment of tree plantations that protect, restore, and maintain the natural ecosystems of the Llanos. The CIF for Forest Plantations does not include independent criteria for biodiversity conservation in the plantations. In addition, the existing incentives for conservation on PL are not yet operational. For example, in the case of the CIF for Conservation, the authority for its management and funding generation has not yet been delegated; as a result, it is still not available for landowners interested in applying for those benefits. Even though there is a legal framework for PES programs, there is still a lack of methodological guides for their implementation and operation. Furthermore, although municipalities can grant tax exemptions to landowners who are conserving biodiversity on their lands, the General System of Participation, through which public funds are distributed, does not provide any compensation for lost revenue to the municipalities granting the property tax exemptions. At the same time, council members in municipalities are not knowledgeable about these incentives, and there is a lack of political interest. In addition, the implementation of economic and fiscal incentives is usually complex; therefore, they are not easily accessible to the general population. Finally, incentives for conservation on PL that are included in Colombian legislation require the landowner to demonstrate ownership of the land with a recorded land title, thereby excluding a significant number of Colombians who do not possess a title for the land they occupy, but who might benefit from the implementation of conservation actions.

33. Biodiversity conservation on PL is also limited by the **lack of capacity of their owners and cooperating agencies to promote biodiversity-friendly practices**. Specifically, conservation on PL is limited by the lack of knowledge, awareness of environmental issues, and interest by landowners about the impacts that non-sustainable cattle farming and forest plantations have on biodiversity and the natural capital upon which they depend. They lack the necessary tools for planning and sustainable management of PL, including the development of business and management plans, and the technical and administrative capacity to evaluate and characterize the production systems they currently use and then compare them with sustainable systems. There is also a lack of knowledge among landowners about biodiversity-friendly production practices and the existence of legal tools and incentives to implement those practices. In those cases where they do know about the incentives, the complexity of the process to obtain them prevents many landowners from applying for them. Based on interviews conducted during the Project Preparation Grant (PPG) phase, it is clear that landowners usually do not participate in conservation-based initiatives that might provide them with long-term environmental and economic benefits. This finding is in agreement with the results from the *Agenda for Science and*

²⁰ IAvH. 2009. Informe sobre el estado de la biodiversidad en Colombia 2007-2008: piedemonte orinoquense, sabanas y bosques asociados al norte del río Guaviare. Instituto Alexander von Humboldt. Bogotá.

²¹ Andrade et al. 2009 (39).

Technology for the Department of Casanare, 2001-1012, which had as its main objective to design, in a participatory manner, the technical tools needed to promote sustainable development in the Department of Casanare considering short-, medium-, and long-term scenarios.

34. Public institutions at the national level do not have the capacity to provide timely or effective technical and administrative support to landowners who are interested in incorporating biodiversity conservation into their productive systems. For example, the UAESPNN, the public agency in charge of the registration of PRCS in the SINAP, lacks the necessary staff to support the administrative process to designate private properties as private reserves; nor can they provide technical support to landowners to facilitate their compliance with the requirements to become a PRCS. The UAESPNN depends on the Regional Autonomous Corporations (CARs) to conduct the field verification visits, which are a requirement of the process to become a PRCS. However, the CARs' administrative priorities do not necessarily match the needs of the owners of PL. This situation makes the process slow, expensive, and in many cases the landowners prefer to withdraw their applications. Regional- and local-level public entities do not view conservation on PL as a priority, which is made evident by the fact that they do not even mention any biodiversity conservation tools in their planning instruments nor provide funding for their development. It is worth noting that they do focus on efforts to conserve water resources such as reforestation activities in small watersheds and the acquisition of some properties for that purpose. Some of the factors that cause this lack of commitment for conservation on PL include a lack of knowledge about available conservation tools by the staff in charge of the departmental governments, CARs, and municipalities. In addition, PL conservation is not seen as a priority by these entities. For this reason, they are not motivated to include these types of activities in their local and regional development projects. Other deficiencies of public entities include: a) lack of standardized monitoring mechanisms for conservation agreements and incentives that could measure their impact on biodiversity; b) lack of responsible entities to monitor conservation agreements on PL; c) a limited capacity to test, in the field, models and conservation agreements in PL (i.e., usufructs, leases, and trusts), and a lack of mechanisms to make those models and agreements accessible to PL owners once they have been successfully tested; d) lack of skills and knowledge by staff about the legal, financial, and technical components of conservation tools; and e) the lack of mechanisms to increase the knowledge of the importance of conservation tools among political leaders.

35. On the other hand, civil society organizations lack the capacity to replicate successful conservation experiences in PL when they do exist. There is not a sufficient array of mechanisms in these organizations to provide for a permanent exchange of experiences and lessons learned. During the PPG phase it was learned that during the last decades there have been multiple efforts made in Colombia for the development of sustainable technological production models (mostly in the Andean region), but there has been little work done to research their application and adjustment to the Llanos environmental conditions and PL conservation needs. NGOs that promote the creation of PRCS lack economic strategies and the human resources to promote conservation-production initiatives on a larger scale. (i.e., landscape level and ecoregions). Their efforts to implement projects promoting the use of conservation tools are limited by their lack of those same resources, which is caused by the lack of a financial sustainability strategy.

36. Finally, there is limited knowledge among the producers' associations about the use of conservation tools on PL, and their benefits are not widely known. For this reason, support provided to their members is limited and representatives of these associations generally lack knowledge about sustainable farming activities. Finally, there are no models for institutional agreements that would facilitate effective biodiversity conservation on PL as a collaborative effort by all parties (i.e., public entities, NGOs, and production groups).

37. This project aims to remove the barriers mentioned above through three interrelated outcomes. To this end, the GoC, through TNC, is requesting support from the GEF and UNDP to promote conservation of biodiversity on PL in Colombia. The **project objective** is to promote voluntary biodiversity conservation practices on cattle ranching and forestry PL through a revised legal/policy framework and institutional strengthening, and with the application of a pilot program in the Llanos region of Colombia. The project's outcomes and outputs are described below.

Outcome 1: Adjustments in policies and laws regarding production practices promote conservation on PL.

38. Through this project component, at least five policy proposals will be developed that facilitate the incorporation of biodiversity conservation criteria into the cattle ranching and forestry sectors in Colombia. The identified proposals are the result of an analysis of existing standards and policies regarding conservation on PL, as well as the gaps identified during the PPG phase. Upon completion of the project, a set of policy documents will be available (i.e., methodological

guides and regulatory proposals) for the application of conservation incentives on PL. In addition, protocols will be developed for modified or newly created policies that will guide the implementation of the incentives. The outputs defined for this component are described in the following paragraphs.

Output 1.1: Methodological guidelines for the Municipal Advisory Councils on the design of differential rates, exemptions, or discounts related to property taxes.

39. Through the project a national-level technical, legal, and economic document will be developed to guide municipalities in the design of different alternatives for conservation incentives through deductions, differential rates, and property tax exemptions. To achieve this, the following actions will be performed: a) during the first year of project execution regulations and experiences in the application of conservation incentives in property taxation at the national level, including property tax benefits or exemptions through deductions, differential rates, and exemptions, will be compiled and systematized. It will include the compilation of case law, doctrine, and successful and unsuccessful experiences at the national level, as well as administrative acts to this effect; b) during the second year of project execution a Methodological Guide for Municipal Advisory Councils will be developed in which results from the pilot experiences that are carried out through Component 3 of the project (pilot application of conservation incentives on PL through property tax exemptions) will be used, and will include the methodological guidelines, legal framework and alternatives, and recommendations and models for administrative acts and Municipal Agreements; c) during the third year of project execution 1,000 copies of the Methodological Guide will be published and disseminated, having been adopted and validated by the MAVDT. A national-level workshop will be held, with participation from representatives of the Colombian Federation of Municipalities (FEDEMUNICIPIOS), the Municipal Advisory Councils, and the Association of Regional Autonomous Corporations (ASOCARS), as well as two local dissemination workshops with participation from municipal administrations, departmental governments, CORPORINOQUIA, and Municipal Advisory Boards; and d) a bill or proposed public policy document will be developed for adoption by the National Council of Economic and Social Policy (CONPES) that will provide compensation to those municipalities implementing conservation incentives on PL to make up for the reduction in revenue.

Output 1.2: Methodological guidelines for the design of avoided habitat loss payment schemes for forestry and cattle production within the national strategy for PES (NSPES).

40. The project will facilitate the development of a Methodological Guide to technical, legal, and economic issues for the design of a PES scheme, which includes a proposed method for identification and valuation of services, estimates of the willingness to pay, and the design of legal tools for legal feasibility. The guide will incorporate lessons learned from the two pilot experiences that will be developed in Output 3.7 (payment for avoided loss of habitat by cattle ranching and forest plantations) and from other successful experiences in the Llanos region and the country. During the second year of the project, legal and economic information from documents, interviews, and the two pilot experiences carried out in the framework of Outcome 3 will be gathered and systematized. The Methodological Guide will be developed based on the information mentioned previously and using baseline information developed in Output 2.1. The guide will be published during the third year of the project and will include editing, layout, and publication of 1,000 copies, as well as its dissemination through two workshops (one local and one national) with participation from the MAVDT, civil society organizations, producers' associations (e.g., FEDEGAN and FEDEMADERAS), CORPORINOQUIA, universities and research institutions, and officials from municipal and departmental governments.

Output 1.3: Proposal for the regulation of special requirements for the delegation of administration and collection of resources from the CIF for Conservation.

41. The third legal instrument that will be developed is a draft decree that contains special requirements for the management of resources from the CIF for Conservation (Article No. 7 of Law 139/94) and includes guidelines for the management and allocation of resources. The legal framework that is required to delegate the long-term management of financial resources of the CIF for Conservation to public or private entities will be created. A regulatory proposal for Law 1377/10 will also be developed in order to allow the fair selection of CIF beneficiaries and with consideration given to biodiversity conservation criteria. During the first year of the project, regulatory alternatives will be selected that facilitate the management and allocation of resources from the CIF for Conservation. This will include the development of a document that summarizes a regulatory strategy based on the capability of the GoC to regulate the CIF for Conservation. The development of the required text and draft decrees, as well as their justification, which includes an adjustment to Decree 900/97 that regulates forestry conservation incentives, will be made during the second half of the first year of the project. During the second year a CONPES proposal document will be developed to secure

the necessary resources for the CIF for Conservation, and will include provisions to adjust the value of the incentive to ensure its financial sustainability.

Output 1.4: Proposal for the incorporation of criteria for monitoring the conservation and sustainable use of biodiversity for the CIF for forest plantations and for the ICR for cattle ranching and forest plantatio .

42. The project will enable the development of proposals for Special Programs and Provisions that include criteria related to biodiversity conservation for the CIF for Forest Plantations and the ICR, which are associated with sustainable production practices in the cattle ranching and forestry sectors. These proposals will define mechanisms for access to resources that support biodiversity conservation and sustainable production practices, as well as monitoring their impact. Activities to be carried out during the first year of the project are: a) development of a technical, legal, and economic proposal of conditions or criteria for granting the CIF for Forest Plantations that is associated with biodiversity conservation; b) design of a special provision for the ICR that will facilitate financing for sustainable production practices linked with biodiversity conservation in the cattle and forestry sectors, including the establishment of protective plantations and the restoration and maintenance of natural ecosystems; c) development of administrative decree projects (i.e., agreement with the FINAGRO Board of Directors) that are necessary for the implementation of the proposed provisions and criteria; and d) beginning in the second year of the project, presentation of the abovementioned proposals to the Ministry of Agriculture and FINAGRO.

Output 1.5: Proposal for a Special Program for land entitlement rights within INCODER, benefitting rural populations that develop sustainable cattle ranching and forestry production practices.

43. Through the project a proposal will be developed for a Special Program (regarding rules and procedures) for land entitlement rights based on sustainable cattle ranching and forestry production practices to benefit farmers settled in public lands. This granting of land rights will incentivize the ecological function of the land awarded to farmers and will promote biodiversity conservation. To achieve this the project will facilitate the following activities: a) identification of the baseline for existing and applicable programs to grant land rights with the aim of fostering biodiversity conservation, as well as the identification and systematization of the regulatory framework to support the proposal to create the Special Program and perform an analysis of its impact; b) development of a regulatory proposal that establishes the program and formulates rules to gain access to it, including an administrative decree of INCODER, through which it will be adopted; and c) presentation of the Special Program proposal to INCODER and MADR to facilitate its adoption by these entities. These activities will be carried out during the first two years of the project.

Output 1.6: Operational protocols designed for the proposed or modified incentives (tax exemptions, CIF for Conservation delegation, CIF for Forest Plantations, ICR, and land titling program).

44. In order to facilitate the use of conservation incentives on PL, the project will develop, publish, and disseminate standard operational procedures (SOPs) to the national authorities whose jurisdiction covers the actions developed through this project component. This will include: a) compilation of the standards that regulate the instruments for which it is necessary to establish SOPs, as well as identification of the necessary standards for adoption; b) development of the standards through required administrative decrees that will depend on the competency and the type of decree that should be issued; and c) publication (including design and editing) and promotion of the SOPs for adoption by the competent national authorities. The proposed standards will be published in official newspapers, gazettes, and informational media. In addition, two workshops will be held with the participation of key stakeholders including the MAVDT, MADR, FINAGRO, CORPORINOQUIA, mayoral offices, and departmental governments to inform them about the instruments that are developed. The activities to achieve this project output will take place during the first two years of the project.

Outcome 2: Strengthened management capacity for conservation practices on PL in the Llanos region.

45. Through this component institutional and individual capacities will be strengthened to develop conservation practices through the design of land use plans on the regional and local scales; the implementation of capacity-building activities for the design and monitoring of the application of conservation tools on PL (i.e., economic, legal, and landscape management tools) to facilitate the training of national, regional, and local government staff, as well as representatives from cattle ranching and forest producers' associations; the strengthening of three civil society institutions to facilitate the establishment of new private reserves and their registry as PRCS; the development of contract models for conservation that will be administered by environmental authorities from the Llanos region; and a

Land Trust that will be established through the project. The outputs for this component are described in the following paragraphs.

Output 2.1: Planning instruments for government agencies, forestry/cattle ranching organizations and landowners include tools for private conservation.

46. The project will facilitate the inclusion of conservation tools for PL in development and investment plans, PAT, PGAR, and POT or EOT for the CORPORINOQUIA, departmental governments (Casanare and Vichada), and municipalities within the project area. The conservation tools will include: a) landscape management tools such as biological corridors, reforestation of protector-producer forests, fodder banks, and clean production mechanisms for cattle and forest production; b) economic tools including property tax exemption, CIF, the ICR, and other incentives identified in Component 1; and c) legal tools, such as conservation agreements (see Output 2.4) and current state regulations (see Component 1). Specific activities related to this project output that will be developed in the first year of the project are: a) a review of existing land use planning tools using as a base existing documentation from project executing partners and key stakeholders; b) development of proposal documents for conservation tools with the participation of technical and administrative staff from key participating agencies; and c) three institutional meetings (consultation, negotiation, and adjustment) held to approve proposal documents. This last activity will take place during the second year of the project. Upon completion of the project, there will be five PL conservation tools included within regional and municipal land use and development plans, programs, and/or projects.

47. Through the project 33 people (five representatives from each of the municipalities in the pilot areas, two representatives from CORPORINOQUIA, two representatives of the departmental governments in the project's area of influence, two representatives from the UAESPNN, and two from the Ministry of Agriculture/FINAGRO) will be trained in the design and monitoring of the application of private conservation tools (i.e., economic, legal, and landscape management tools). In order to achieve this, training modules will be designed using as the basis results from the training needs analysis that was performed during the PPG phase, including the development of the associated teaching materials. This activity will be carried out beginning in the second month of the project. Training sessions will be held in the capitals of the two departments during the first 2 years (each year two workshops per department will be held). In addition, follow-up meetings with trained officials will be held to foster the application of the private conservation tools and to assess the impact of training through interviews, documentation review, and review of the results from activities implemented in PL.

48. Additionally, by the end of the project, 20 representatives from the producers' associations and 14 PL owners will have been trained in the use of economic, legal, and landscape management tools and in techniques for monitoring progress of the development of cattle ranching and forestry sustainable production models. Beginning in the second month of the project, training modules and related teaching materials will be developed using the results of the training needs analysis that was performed during the PPG phase. During the first 2 years of the project, field-based training sessions will be held on PL located in each of the two departments (two training sessions per department per year). Training for landowners will achieve the following: a) facilitate the implementation of incentives and other tools developed under the project and allow the application of participatory planning methodologies for PL using sustainability criteria, and b) raise awareness among landowners about the importance of conserving biodiversity and ecosystems services at the landscape level. In addition, progress meetings will be held with trained representatives from the cattle ranching and forestry producers' associations and PL owners to foster implementation of the private conservation tools and to assess what was learned through interviews, review of documentation, and fieldwork activities. This last activity will be carried out almost continuously during the final four months of each year of the project's life.

Output 2.2: Handbook of best practices for cattle ranching and forest plantations include PL conservation strategies.

49. Training activities will be complemented by the development of an Informational Handbook on Biodiversity-Friendly Cattle Ranching and Forestry Practices, which will include instructional information about best production practices (i.e., environmentally friendly) and conservation tools for the cattle and forestry sectors in the Llanos, as well as information about the legal and institutional framework for conservation on PL, procedures to access conservation incentives, and an index of related resources. The handbook will serve as a practical teaching tool to support state agencies, associations, and PRCS organizations. The following activities will be performed to facilitate the development of the handbook: a) bibliographic and institutional review of successful experiences in sustainable production in the

Orinoco beginning in the ninth month of the project; b) design and development of the handbook in consultation with cattle and forestry producers about the scope of proposed practices and tools during a meeting in each department's capital; and c) publication and distribution of the handbook. The design and development process for the handbook will last approximately 3 to 4 months. Once the handbook is developed, it will be distributed among the relevant stakeholders: FINAGRO, MAVDT, FEDEGAN, municipal committees of cattle ranchers in each municipality of the Orinoco, departmental governments, mayoral offices, and second-tier lending institutions (i.e., local lending institutions that specialize in channeling resources to the production sectors).

Output 2.3: *Financial strategies to support organizations that facilitate PRCS registration.*

50. In order to establish and register new PRCS in the Llanos region, the project will strengthen two civil society institutions with support from the UAESPNN, CORPORINOQIA, and RESNATUR. Institutional capacity will be strengthened and the formulation of financial strategies will be supported for an institution in each department (Casanare and Vichada) that will serve as the AOPRCS for registration of private reserves with the PRCS Board. An analysis of stakeholders and capacities that was performed during the PPG phase identified Fundación Palmarito and Fundación Mata de Monte in Casanare, and Fundación Omacha in Vichada as the NGOs that presented the best perspectives for becoming AOPRCS given their history in the region and their knowledge of conservation and sustainable development in their respective areas. In particular, the following activities will be developed through the project: a) the design of a plan to strengthen capacities, including development of didactic material, so that each AOPRCS is trained to help private reserve owners in the registry as well as the development of management plans for the reserves and the implementation of sustainable production systems; b) the development of two training sessions with the AOPRCS in each department's capital; and c) participatory meetings to formulate a financial strategy that will guarantee the sustainability of each AOPRCS so that they may provide continuous services to the owners of private reserves and producers. Six meetings will be held with each agency to collect information and formulate and coordinate the financial strategy. These activities will be developed during a period of 15 months during the first 2 years of the project.

Output 2.4: *Contract models to support legal agreements in PL (easements, usufruct, leasing, and trusts).*

51. Through the project four conservation contract models will be developed that could become conservation agreements, ecological easements, usufructs, leases, and/or trusts, and which upon finalization of the project will be legally constituted and operational. To achieve this, a review of successful national and international contract models will be made during the first year of the project, and will serve as the basis for negotiating contracts in the project area. The participatory design of the contract models will be carried out during the first and second years of the project with delegates from the project's partners, organizations benefitting from Output 2.1, and owners who will benefit from the pilot activities (see Component 3) to allow sufficient time for its implementation and monitoring and evaluation. The monitoring and evaluation will be performed by the project's executing partners and/or the organizations mentioned in Output 2.1, as well as by the Land Trust (see Output 2.5). These agencies will also be responsible for documenting the lessons learned during the formulation and implementation processes so that the information is made available for the replication of successful conservation models. During implementation, amendments will be made to the already established contracts when the parties involved deem it necessary.

Output 2.5: *The Land Trust's administrative and operational procedures and business plan are developed.*

52. The project will promote the creation of a Land Trust for the Colombian Orinoco that will facilitate the administration of conservation agreements, fundraising to implement conservation and sustainable production activities in PL, and the creation and monitoring of the contract models mentioned in Output 2.4. Based on the proposal for creation of the Land Trust developed by FNC and TNC, the following activities will be developed: a) a study will be performed regarding the operationality of the Land Trust, including its legal basis and mechanism of formation and options for the management of resources and business development guaranteeing its sustainability; b) the Land Trust will be created as a business that will operate within an existing organization (for example FNC or other NGOs, or as part of a dual private-public organization) or as a legal independent entity; c) administrative and operational plans will be defined, including the selection and contracting of the Director and core staff; and d) commercial activities will be started and services will be promoted which include the definition of the business plan and its implementation. In order to develop the business plan, the specific financial needs of the Land Trust will be evaluated, as well as the potential sources of revenue generation through businesses and the procuring of other external revenue sources (governmental and non-governmental). In addition, an analysis will be conducted of the relation between cost and income so that

different long-term financial scenarios (minimum of 5 years) can be defined, and a risk evaluation will be performed. The feasibility analysis for the creation of the Land Trust will be carried out during the first year of the project, and the Trust will be operational beginning in the second year.

Outcome 3: Pilot program improves biodiversity conservation and producers’ income in the Llanos region.

53. The project will improve biodiversity conservation as well as producers’ income on 40,000 ha of the Llanos region (in the Departments of Casanare and Vichada) through a pilot program for conservation on PL and the creation of 10,000 ha of new PRCS. The pilot program will include the implementation of sustainable and biodiversity-friendly production systems on PL, the application of conservation incentives created as part of Component 1, the establishment of conservation agreements, and the development of management plans for up to 14 farms benefitting from the project. In order for these activities to be successfully carried out, the project will work with national and regional authorities such as the UAESPNN and CORPORINOQUIA and farm owners to establish the pilot program. Ecosystem connectivity and conservation models for natural savannas will also be developed to identify habitats at the landscape and farm levels that are in need of increased connectivity and facilitate the conservation of species. Information drawn from existing ecosystem conditions, an analysis of priorities for species conservation, land use maps, and an analysis of the socioeconomic characteristics of the farms will be used to generate a biological and economic baseline to evaluate the project’s impact.

54. During the PPG phase the project was widely disseminated to livestock and forestry groups, as well as landowners implementing cattle farming and forestry activities in the Llanos. As a result of this process, it was determined that the project should work in the surrounding areas of existing PRCS in order to use the experience of private reserve owners as a mechanism to increase the awareness of landowners from the surrounding areas. This in turn will allow the establishment of biological corridors connecting natural reserves and productive farms with conservation potential.

55. During meetings held in different areas within the Llanos and the project’s Strategic Framework of Project Results Workshop, landowners interested in participating in the pilot program were asked to fill out an informational form. Based on the information collected at those meetings, specific properties within the project focus areas were selected (see Table 1). Accordingly, properties have been identified as potential participants in the project’s pilot program and they will serve as the core or reference point for each focus area. In the surrounding area of each existing PRCS, three to four additional properties will be selected. The final selection of those properties will be completed during the first 6 months of the project.

Table 1 - Productive properties identified within the focus areas of the project.

Focus Area	Municipality	Pre-Selected Property (Core Area)	Ecosystem	Description
1	Paz de Ariporo	PRCS La Esperanza	Flooded savannas, includes five ecosystems: gallery forests, flooded gallery forests, savanna banks, grasslands, and flooded savannas (“esteros”).	1,200 ha of native grasslands with sustainable cattle activities, conservation of wildlife, and ecotourism for small groups (fewer than 30 people).
	Hato Corozal	PRCS La Aurora	Gallery forests, savannas, flooded forests, wetlands, and grasslands	9,704 ha dedicated to extensive cattle ranching, conservation through PRCS and with ecotourism activities.
2	Primavera	Hato Irosebia		17,000 ha with 70% of high plains and 30% of low lands; has had extensive cattle farming for 33 years.
	Puerto Carreño	PRCS Nimajay, Wakuinali, Pitalito, and Bojonawi	Gallery forests and flooded forests	Nimajay: 2,012 ha where cashews are grown, sustainable cattle, and ecotourism; Wakuinali: 3,460 ha dedicated to conservation-production of cattle and forestry products (wood and rubber); Pitalito has an extension of 3,200 ha and Bojomawi 4,800 ha.

3	Orocué	PRCS Palmarito	Well and poorly drained savannas, savanna forests, gallery forests with different degrees of flooding, has aquatic vegetation and grasses	3,000 ha in conservation, extensive cattle farming, and ecotourism for selected clients.
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Output 3.1: Farm planning tools (e.g., maps) and landscape connectivity models for PL contribute to environmental planning at the municipal and landscape scales.

56. Farm planning tools articulated with landscape/land use management instruments will allow farm owners to zone their land and set aside areas for conservation and the implementation of best practices on PL. In particular, the following activities will be performed through the project: a) during the first 6 months baseline scenarios will be defined through a participatory method which considers existing land planning instruments such as management plans for watersheds (POMCAS), EOT or POT, and PGAR; b) consensus will be built with PL owners benefitting from the project (up to 14 PL owners) and whose property complies with project requirements, such as their placement within core work areas, farms with forest and/or cattle ranching production systems and natural areas; the potential for spatial connectivity with natural areas within the larger landscape (i.e., remnant forests, gallery forests, natural grasslands, PAs), and a commitment by the land owners to develop the actions required by the project; c) a GIS will be designed and implemented at the farm and landscape levels based on geographical mapping, satellite imagery, and social mapping, which will be operated by a regional institution (CORPORINOQUIA and the UAESPNN's Regional Division are the most qualified institutions) – the GIS with its databases and mapping information will provide the necessary inputs for the project's monitoring system (see Output 3.5); and d) farm use and zoning plans will be created based on an analysis of maps and spatial matrices allowing the identification of production and conservation activities, existing resources, and areas that favor connectivity.

Output 3.2: Sustainable production models are developed for cattle ranches and forest plantations to increase productivity (income) and conservation contributions.

57. The project will facilitate the implementation of at least six measures in the context of the pilot project outlined in Outputs 3.6 y 3.7 that promote biodiversity conservation on PL for each production system (cattle ranching and forest plantations), based on best practices that have been successfully tested for similar systems. The activities that will be carried out include: a) consensus building with selected PL owners for the implementation of best practices for each stage of the production cycle (establishment, transformation, and commercialization); b) validation and tracking of the implementation of sustainable activities based on the inclusion of experimental tests with native flooded savannas²² and high plains²³ species (activities will include the management and conservation of soil, water, and biodiversity, reduction of agrochemical use as well as their proper handling and control, spatial arrangements with native species for production systems that use introduced or non-native species, recycling of wastes from the cattle production system, and fair treatment and good working conditions for the employees of the forest plantations and cattle ranches); and c) at least six field trips in each of the selected core work areas (Paz de Ariporo, Hato Corozal, and Orocué municipalities in the Department of Casanare; Cuenca Bitá in the Department of Vichada) to raise awareness among the producers and staff from key agencies (e.g., NGOs, CORPORINOQUIA, Ministry of Agriculture, and producers' associations) about sustainable and biodiversity-friendly production models. Successful experiences will be included in the Informational Handbook on Biodiversity-Friendly Cattle Ranching and Forestry Practices (see Output 2.2). The sustainable conservation-production models and their associated farm and landscape components (e.g., live fences [hedges], wind-breaking barriers, agroforestry systems, soil stabilization, and biological corridors) will contribute to mitigating the impacts of climate change on forest and grassland species and will provide stable carbon stocks.

Output 3.3: Business plan models for forestry and cattle ranching practices that contribute to biodiversity conservation.

58. The development of business plan models will complement the set of conservation and sustainable production tools available to the PL owners. Beginning in the second year of the project, the project will select PL owners to be trained

²² **Fodder:** *Axonopus purpusii*, *Andropogon bicornis*, *Panicum laxum*, *Sida glomerata* and *Sida acuta*, *Hyttis suaveolens*, *Hyptis mutabilis*; **Shrubs and trees:** *Euphorbia hirta*; *Curatella americana*; *Copaifera officinalis*; *Acrocomia aculeata*; *Spondia mombin*; *Coccoloba caracasana*; *Ceiba pentandra*; *Hymenaea coubaril*; *Cassia grandis*; *Crescentia sujeta*.

²³ **Fodder:** *Andropogon bicornis*, *Schizachyrium hirtiflorum*, *Paspalum pectinatum*, *Trachypogon vestitus*; *Trasya petroso* and sedges; **Trees:** species of the family *Amaranthaceae* and *Compositae*, *Spondias mombi*, *Tapirira guianensis*, *Jacaranda obtusifolia*, *Spathodea campanulata*, *Elephantopus mollis*, *Eupatorium sp.*, *Hiporum hirtellum*, *Curatella americana*, *Davilla aspera*, *Byrsonima crassifolia*, *Psidium maribense*, *Genipa caruto*, *Melochia parvifolia* and *Piriqueta cistoides*.

in the development of business plans for sustainable cattle and forest production practices, and existing cattle and forestry production practices will be improved to meet national and international sustainable production standards (e.g., Environmental Management Systems – ISO 14000, Occupational Health and Safety Management Systems – OSHAS 18000, Standards for Sustainable Agriculture and the Sustainable Agricultural Network – RAS, Voluntary Forest Certification [FSC], and other environmental guidelines for cattle ranching and forestry production and marketing). The project will provide support to the PL owners in formulating business plans with assistance provided by experts who are knowledgeable in national and international markets, so that at the end of the project there will be at least two business plan models in place (one for cattle ranching and the other for forest plantations) targeting green and clean production markets.

Output 3.4: Management plans and conservation agreements for 40,000 ha (10,000 ha are administrated by the Land Trust and 10,000 ha are new PRCS).

59. The project will facilitate the development of management plans for approximately 14 farms (cattle ranches and forest plantations) in the selected work areas as well as the signing of conservation agreements between the environmental authorities and/or NGOs and the PL owners. These actions will contribute to the conservation of 40,000 ha of flooded savannas, high plains, grasslands, and gallery forests on PL. During the final selection of the project farms, which will be performed during the first six months of the project, consensus with PL owners will be built to define the scope of actions that will be carried out on their lands, and which will be based on biodiversity conservation and sustainable production. The terms of cooperation between PL owners and the project will also be agreed upon during this time. This will include the development of management plans for each farm based on the guidelines set forth by RESNATUR (i.e., farm characterization, updated mapping and zoning of the farm, definition of conservation and sustainable production objectives, and definition of impact indicators) with support from the UAESPNN and CORPORINOQUIA. The management plans will include detailed operational plans and long-term investment plans (10 years). The conservation agreements may be established between the PL owners and environmental authorities such as the UAESPNN and CORPORINOQUIA, municipalities, and NGOs. The agreements will be ratified through commitment acts or signed contracts, and will include approval of the management plans. Among the 40,000 ha that will be under conservation agreements, 10,000 ha will be under the Land Trust, while 10,000 ha will constitute new PRCS. The management plans and conservation agreements will be established during the second semester of project execution and the related activities related may extend until the end of the project.

Output 3.5: A farm- and landscape-level monitoring system that measures PL program impacts on biodiversity, land use change, and income variation.

60. The development and implementation of a monitoring system at the farm and landscape levels will assess the project's impact on biodiversity conservation and income generated for the PL owners benefitting from the implementation of conservation tools, including the application of conservation incentives. During the first 6 months of the project, a monitoring system will be designed and key measurable variables will be selected and linked to project indicators as defined in the Strategic Results Framework (see Section 3 of this project document). The design will include the setup of databases, definition of procedural standards, information gathering, digitalization, and data analysis for the biodiversity groups to be monitored (birds and plants). The selection of these groups is due to their ease of identification and the fact that they are commonly used as indicator groups for biodiversity status. Experts from the Llanos region who already possess firsthand knowledge of these biological groups will be linked for collaborative purposes to the project. A baseline will be established to determine economic benefits for the PL owners implementing conservation actions. Additionally, an initial analysis will be made of the perception of the PL owners regarding the benefits that the incentives generate, and mapping at the farm and landscape levels (land cover and land use) will be performed. The baseline for the monitoring system will be articulated with the development of the farm management plans that are part of Output 3.4, making optimal use of both resources and time. The monitoring system will be part of the Project Management Unit (PMU) that TNC will establish in its capacity as the project's executing agency. The information that is generated will be made available to the PL owners and other interested stakeholders. At a minimum, three cycles of data gathering and analysis will be completed during the life of the project.

Output 3.6: Two pilot projects compare the application of incentives in PL (land tax exemption, ICR, and/or CIF) through control groups.

61. Beginning in the second year of the project the PL owners committed to implementing the sustainable production models (see Output 3.2) will receive support for the application of conservation incentives such as property tax

exemption and the ICR and/or the CIF. During the first year of the project the incentives to be applied will be identified jointly with the PL owners and national, regional, and local environmental authorities. In addition, baseline variables that will facilitate an evaluation of the impact of the incentives on biodiversity conservation will be defined. Beginning in the second year two pilot experiences in the application of incentives (one for cattle production and the other for forest production) will be implemented. In a preliminary phase (during the first year of the application of incentives) project funds will be used so that the incentives can be rapidly applied as the legal reforms and adjustments that will be developed through the project's Outcome 1 will not be available until the end of the second year (in the case of property tax payment will be made equivalent to the application of a differential rate or a percentage discount); thus, the authorities responsible for granting the incentives will be unable to do so until they have the legal basis. Once this requirement is completed at the beginning of the third year, it is expected that the relevant authorities will take over the application of the incentives directly. The 2-year time period for incentives application is the minimum time necessary to make an initial assessment of the impact on biodiversity conservation, the effect on net income for the PL owners, and the potential for replicability in other PL. This assessment will be made through comparison between PL beneficiaries (with incentives) and PL control groups (without incentives); the latter will be selected during the first year of the project with support from the cattle ranching and forest producers' associations. Finally, the pilot projects for the application of incentives in PL will provide lessons learned (e.g., criteria for selection of beneficiaries, design of agreements and payment mechanisms, monitoring and evaluation) that will be used in the development of methodological guides and proposals for regulation through Outcome 1 of the project, as well as for the development of SOPs for property tax exemption for conservation, the CIF, and the ICR.

Output 3.7: Two pilot experiences in payment for avoided habitat loss on cattle ranches and forest plantations.

62. This output will be developed in a similar way to Output 3.6. Beginning in the second year of the project two PES pilot experiences will be developed, one on a cattle ranch and the other on a forest plantation, which are designed to avoid loss or degradation of habitat (i.e., high plains and flooded savannas). This PES model constitutes an additional tool that the PL owners may use to promote conservation actions and sustainable production. During the first year of the project the PES scheme will be designed, and will include the proposal design, an analysis of the cost-effectiveness of the PES scheme as a tool for biodiversity conservation, and the definition of the payment mechanisms. Beginning in the second year of the project the PES scheme will be implemented on two PL (forest plantation and cattle ranch), and will use project funds for initial payment. Similar to the application of incentives in PL (see Output 3.6), it is expected that third parties (e.g., local government, the private sector, or a specialized market) will take over the application of incentives directly beginning in the third year. In this manner the PES scheme will be implemented during two consecutive years and an initial evaluation of its impact on biodiversity conservation and the effect on net income for the PL owners will be possible. The two pilot PES experiences for avoided habitat loss will provide valuable information for the creation of a Methodological Guide that will be developed through Output 1.2 of the project.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL AND/OR REGIONAL PRIORITIES/PLANS:

63. Through this project, Colombia partially fulfills the country's commitments to conserve biodiversity of global significance as expressed in the Convention of Biological Diversity (CBD, Law 165/1994) and in its National Biodiversity Policy (1996) by developing policies and implementing conservation actions on PL in high-priority areas. The project also complements government activities directed towards strengthening Colombia's SINAP. One objective of SINAP's Action Plan is to generate a favorable inter-sectoral scenario for conservation actions and PA management. The project is consistent with this plan and contributes to sector-level actions as stated in its proposed outcomes. In 2008, the MAVDT created the NSPES, which defines working areas and actions to promote conservation. The project's activities will help to generate financing and implementation mechanisms in support of the NSPES.

64. The project is consistent with the country's development plans at the national, regional, and local levels. The goals of Colombia's National Development Plan (2006-2010 and 2010-2014) include promoting a land tax exemption in recognition of forest conservation and implementing sector actions that integrate agrochemical environmental considerations such as efficient use, integrated pest management, good agricultural practices application, and review of inter-sectoral environmental agendas. Aspects related to conservation in PL and conservation incentives have been included in department- and municipal-level development plans, and in CORPORINOQUIA's PAT. Additionally, the project is consistent with the Fight against Desertification and Drought National Action Plan (2004), through implementation of sustainable and economically viable cattle ranching practices in critical areas. According to this plan,

28 municipalities in the Department of Meta, six municipalities in Vichada, and three in the Department of Casanare contain desertification areas, all of which are located in the Llanos.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH [GEF STRATEGIES](#) AND STRATEGIC PROGRAMS:

65. This project will develop laws and policy proposals to create new and review existing conservation incentives for PL, and will strengthen public and private organizations to establish conservation agreements for the management of PL. The project will have a field pilot program for forest plantations and cattle ranching in Colombia’s Llanos ecoregion that will include the participation of producers’ associations. In addition, it will generate change in existing incentives to support conservation so that PL owners will have access to new markets. As a result, the project is consistent with the Strategic Objective Biodiversity: Incorporation of biodiversity in productive landscapes and sectors, through Strategic Program 4: Strengthening of policy and regulatory framework to integrate biodiversity and Strategic Program 5: Fostering for markets biodiversity goods and services.

66. Colombia is eligible to receive assistance from the UNDP through its Standard Basic Assistance Agreement (SBAA) with the United Nations, which was signed in 1974. The proposed initiative is in line with the Program of Action prescribed by the UNDP Colombia Country Program Document. In response to United Nations Development Assistance Framework (UNDAF) National Priority Area II: to strengthen national capabilities to promote sustainable development, the UNDP Country Office proposes to provide support for initiatives that are intended to strengthen the national framework for biodiversity management by governmental and non-governmental agencies at the national, regional, and local levels.

D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES.

67. This project will fund activities directed towards promoting biodiversity conservation on PL. Specifically, project activities will result in new and revised PL conservation-related laws and policies, strengthened institutional capacity for the management of conservation agreements and management plans for PL and PRCS, and pilot projects to field-test proposed policy changes and biodiversity-friendly production practices. The financing support to be provided by GEF resources would consist of a grant to cover the incremental costs of these activities. Thus, GEF resources would be used mostly in providing technical assistance.

68. The project will be executed under National Implementation Modality (NIM-modality), according to the standards and regulations for UNDP cooperation in Colombia. The costs of the incremental activities that are required to contribute to global benefits that will be financed by GEF are \$974,727. A summary of the project’s budget is presented in Table 5.

Table 5 - Total project budget.

Outcome	Budget (USD)	Percentage of total budget
Outcome 1. Adjustments in policies and laws regarding production practices promote conservation on PL.	137,146	14.1
Outcome 2. Strengthened management capacity for conservation practices on PL in the Llanos region.	227,555	23.3
Outcome 3. Pilot program improves biodiversity conservation and producers’ income in the Llanos region.	516,238	53.0
Project management costs	93,788	9.6
TOTAL	974,727	100

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

69. The project will coordinate actions and exchange lessons learned with the GEF-WB project *Mainstreaming biodiversity in sustainable cattle ranching*. The objective of the GEF-WB project is to promote the adoption of

environment-friendly silvo-pastoral production systems for cattle ranching in Colombia's project focus areas, to improve natural resource management, enhance the provision of environmental services, and increase productivity on participating farms. The project proposed herein will complement efforts by the GEF-WB project through: a) generating institutional capacity to manage conservation agreements and implement PL incentives, especially in local cattle ranching associations and for strengthening PRCS; b) creating a monitoring system for conservation agreements; and, by c) adjusting a legal/policy framework to include environmental considerations and conservation incentives in cattle ranching policies. TNC is one of the executing organizations of the GEF-WB project and a member of its Steering Committee (SC), and has a close working relationship with FEDEGAN, the agency responsible for the project. TNC will be responsible for developing baseline information regarding the designs of biological corridors that will enhance ecosystem connectivity, the design of the land tenure management plan, providing support for training activities, advice regarding biodiversity conservation and ecosystem connectivity, design and implementation of the monitoring and evaluation system for biodiversity at the landscape and ecoregion levels, and the development of PES schemes. During the PPG phase meetings were held between TNC and members of the project team from FEDEGAN to initiate coordination actions between the two projects. Since TNC will be directly involved in the implementation of both projects and will be part of their SCs, the exchange of information, experience, methodologies, and lessons learned will be facilitated and synergies between both initiatives will be established. This, together with the fact that the project proposed herein will be implemented in a geographic area of the Llanos (seasonally flooded savannas and high plains of the Departments of Casanare and Vichada) different from the ones prioritized by the GEF-WB project (foothills of the Department of Meta), any overlapping of actions will be avoided.

70. The project will also coordinate actions with the GEF/Inter-American Development Bank (IADB) project *Mainstreaming Biodiversity in Palm Cropping in Colombia with an Ecosystem Approach*, to be implemented by FEDEPALMA and WWF. The GEF-IADB project is scheduled to begin implementation in 2011 and will include actions related to integrated ecosystem management in palm plantation areas; environmental services related to water resources, PAs, and biological corridors to enhance connectivity and conservation of biodiversity; and development and access to green markets for raw materials and certified products. During the PPG phase representatives from TNC held meetings with members of the GEF-IADB project to initiate coordination efforts and they agreed to continue these meetings on a regular basis to ensure an ongoing exchange of feedback between the two projects. As WWF will be an executing partner of both projects, the process of the exchange of knowledge and lessons learned will be facilitated.

71. Lessons learned will also be shared with the GEF-UNDP project *Mainstreaming Biodiversity in the coffee sector in Colombia*. During the PPG phase topics of interest for both projects were identified together with members of the coffee project team (project director and technical staff) and with support from UNDP Colombia. These include: a) development of negotiation methodologies and tools with owners to implement actions; b) conservation actions in PRCS for the establishment of biological corridors and implementation of conservation activities; c) use of control farms to assess project impacts; d) implementation of PES schemes; e) incentives for conservation through municipal property tax exemptions; and f) monitoring of biodiversity on farms and in the surrounding landscapes. Mechanisms will be developed for effective coordination between projects, including: a) exchange of information (e.g., annual plans, Annual Project Reports (APR)/Project Implementation Reviews (PIR), and independent evaluation reports) through UNDP Colombia; and b) periodic meetings within the framework of the NSPES coordinated by MAVDT, during which results and experiences on PES-related issues will be presented. The project proposed herein will also incorporate knowledge and results from the GEF-WB project *Colombian National Protected Areas Conservation Trust Fund*. In particular, results from the adjustments to the legal/policy framework will be considered that may be related to the SINAP and to the establishment of land administration contracts with agencies responsible for PA management.

72. This project will also seek close coordination and exchange of lessons learned with several other initiatives, including: a) TNC's initiative that resulted in the signing in 2005 of a Memorandum of Understanding with seven other organizations to formulate and implement the NPAS Action Plan; b) TNC and WWF's technical support to CORPORINOQUIA, UAESPNN, and landowners for the creation of a new regional-level PA and private reserves to protect 366,000 ha of wetlands in the Llanos; and c) the agreement signed by RESNATUR, TNC, WWF, UAESPNN, and FNC (2007) to promote and strengthen conservation in private lands by means of seminars, publications, events, and proposed changes to regulations. Finally, this project is being proposed with the following existing conservation tools in mind: a) calf-breeding model for the Llanos developed by the FHV and TNC; b) conservation agreement models and sustainable cattle ranching models for farms located in the Andean Oak Forest Corridor developed by FNC;

c) farm planning tools developed by TNC and CIPAV; and d) regional-level maps identifying migratory bird site conservation needs for the Llanos developed jointly by TNC, WWF, and RESNATUR.

F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :

73. The project will contribute to conservation of biodiversity of global importance, including mammals (e.g., the South American Tapir [*Tapirus terrestris*], the Giant River otter [*Pteronura brasiliensis*], and the jaguar [*Panthera onca*]), resident and migratory birds (e.g., Sharp-tailed Ibis [*Cercibis oxycerca*], the Scarlet Macaw [*Ara macao*], the Solitary Sandpiper [*Tringa solitaria*], and the Canada Warble [*Wilsonia canadensis*]), and reptiles (e.g., the Orinoco crocodile [*Crocodylus intermedius*], the Giant South American turtle [*Podocnemis expansa*], and the Red-footed tortoise [*Geochelone carbonaria*]), whose habitats will also be protected through this project. The ecosystem representation of the Llanos ecoregion in the NPAS will be increased through the creation of private reserves, the establishment of connectivity through biological corridors, and the establishment of additional hectares in PL conservation around or between public PAs.

Baseline Scenario

74. Under the “business as usual” scenario important programs will be developed; however, these programs alone will not overcome the barriers that prevent biodiversity conservation practices from being voluntarily adopted on forest and cattle ranching PL in the Llanos of Colombia. The baseline programs are divided into three areas that correspond to the project’s three outcomes. These three areas of work are described below and include investments made during 2009 and 2010, as well as investments that will be made from 2011-2114.

75. **Changes in the regulatory framework related to biodiversity-friendly production practices on PL.** Existing and planned investments for baseline programs and activities for the 2010-2013 time period are estimated at \$48,649 . There are only a few projects and programs that are currently in development or that will be developed during the life of the project that deal with legal reform, the development of legal instruments, and the creation of policies related to the promotion of biodiversity-friendly production practices on PL. Only two projects have been identified: the first, led by RESNATUR and WWF, is to develop legal tools for private conservation, particularly tools that allow the implementation of ecological easements and the legal analysis of private conservation incentives; the second project, led by FHV, has among its objectives the development of legal instruments that contribute to the consolidation of PAs and the creation of sustainable economic alternatives for owners of private reserves who form part of the El Tuparro Biosphere Reserve in the Department of Vichada.

76. **Institutional capacity for the development of conservation practices on PL in the Llanos region.** Existing and planned investments for baseline programs and activities for the 2009-2014 time period are estimated at \$493,234 . RESNATUR’s actions have been primarily directed towards creating skills and knowledge for strengthening institutional management of PL and training for conservation incentives and sustainable cattle production systems. The above has been developed jointly with TNC and FHV with the objective of facilitating participatory farm land use planning with cattle ranch owners who are interested in implementing conservation-production activities for livestock breeding in the flooded savannas of the Department of Casanare. Beginning in 2003 the FHV started consolidating the Orinoco regional network of PRSC through the strengthening of private farm owners in the Orinoco region in legal issues, environmental policy, conservation incentives, production systems, and biodiversity conservation to influence the decision-making process on environmental issues in the region, as well as to generate knowledge regarding biodiversity in the Llanos region and to define conservation strategies. The presence of FHV and its activities as the coordinating body of the Orinoco regional network of PRSC will extend beyond the life of the project. Finally, the investment by FNC and TNC to create a proposal for management and administration of PL for conservation through a Land Trust is included among the actions of NGOs related to institutional strengthening to promote conservation on PL.

77. Investments by state agencies have been very limited. The only notable investment was by CORPORINOQUIA within the framework of the project *Rice Production System as a Clean Production Alternative* in the four municipalities of the Department of Casanare (Tauramena, Aguazul, Yopal, and Nunchia) that facilitated the training of producers in the conservation of soils and water, including agrochemical management (the reduction in use of insecticides and herbicides, and the substitution of organic for chemical fertilizers), and to raise awareness about the importance of the sustainable management and use of natural resources as the basis to maintain the productivity and

competitiveness of farming activities. Although these investments are outside of the project's work areas, they are included as part of this analysis since the lessons learned from this process will be useful for the project's actions related to the development of improved production practices.

78. **Sustainable production models and biodiversity conservation on PL in the Llanos region.** Existing and planned investments for baseline programs and activities for the 2010-2013 time period are estimated at \$566,829 . The investments made by NGOs have been primarily focused on the implementation of conservation and sustainable production measures in cattle ranching systems and PRCS management. The work done by RESNATUR jointly with TNC and FHV has been directed towards the implementation and evaluation of the social, financial, and environmental viability of a production system to improve productive and reproductive parameters of livestock breeding, as part of a participatory farm land use planning process. In addition, work by the NGOs has been geared towards the design of a model of economic incentives to support the implementation of sustainable development activities for the Orinoco flooded savannas.

79. The FHV, as coordinating body of the Orinoco regional network of PRSC, has made investments to consolidate and expand private PAs in the El Tuparro Biosphere Reserve (Department of Vichada), to fund the design and implementation of management plans for sustainable production systems (ecological, social, and economic), and to contribute to the conservation of ecosystems and threatened species. CORPORINOQUIA has worked to establish new PRCS (approximately 12,150 ha) within the project's work areas in the Department of Casanare.

GEF Alternative to Generate Global Benefits

80. Under the alternative GEF scenario, biodiversity conservation practices would be voluntarily adopted by the owners of forestry and cattle ranching PL in the Llanos of Colombia with a series of benefits above the baseline. First, the alternative GEF scenario will facilitate **political and legal adjustments related to production practices to promote conservation biodiversity on PL**. Incremental financing will be in the amount of \$554,956, of which GEF will provide \$137,146 and co-financing sources will provide \$417,810. Through a participatory process and using as a guide the lessons learned from the implementation of two pilot experiences in the application of conservation incentives and two pilot experiences in payment for avoided habitat loss, the GEF alternative will facilitate the creation of five regulatory proposals that will promote voluntary conservation on PL as part of a wider strategy to incorporate biodiversity conservation criteria in the cattle and forestry sectors in Colombia. The proposals that are created with project funding will be complemented by investments from WWF, FNC, RESNATUR, TNC, UAESPNN, the Departmental Government of Casanare, the Paz de Ariporo Livestock Committee, Fundación Pantera, and Fondo Patrimonio Natural. These funds will also facilitate the development of protocols for modified or newly created standards that will be used to bring the implementation of the incentives into operation.

81. Second, **institutional and individual capacities will be strengthened for the development of conservation practices on PL in the Llanos region**. The incremental financing expected for this outcome is \$1,003,498, of which GEF will provide \$227,555 and co-financing sources will provide \$775,943. The strengthening of capacities for the development of conservation practices on PL will be a joint effort between GEF and WWF, FNC, RESNATUR, TNC, UAESPNN, the Departmental Government of Casanare, the Paz de Ariporo Livestock Committee, Fundación Pantera, Fondo Patrimonio Natural, and the FAAN. These investments will facilitate the design of land use planning instruments at the regional and farm scales; training of state officials, association representatives, and PL and PRCS owners in the design and monitoring of the application of private conservation tools; strengthening of three civil society institutions to facilitate the establishment of new PRCS and their registration with the proper agencies, in addition to the development of contract models for conservation on PL.

82. Third, **a pilot program to improve biodiversity conservation and generate economic benefits for the producers in the Llanos region** will be developed. The incremental financing will be \$1,274,065, of which GEF will provide \$516,238, and \$757,827 will be provided by co-financing sources. The GEF increment will allow the establishment of a pilot program that will contribute to biodiversity conservation in 40,000 ha of PL in the Llanos region (Casanare and Vichada). With participation from WWF, FNC, RESNATUR, TNC, the Departmental Government of Casanare, CORPORINOQUIA, the Paz de Ariporo Livestock Committee, Fundación Pantera, and Acción Verde, the pilot program will facilitate the application of conservation incentives on selected cattle ranching and forestry PL, the establishment of conservation agreements, and the development of management plans for up to 14 farms. A biological and economic baseline will be developed to evaluate the project's impacts based on available information regarding the

condition of ecosystems, analysis of species conservation priorities, land cover and land use maps, and an analysis of the socioeconomic characteristics of the beneficiary PL groups (with incentives) and control PL groups (without incentives).

83. **System Boundary:** The GEF alternative will facilitate the development of proposals for regulatory reforms that will have an impact throughout Colombia. The specific actions for the application of incentives that promote voluntary conservation on PL will be circumscribed to the Llanos ecoregion in the Departments of Casanare and Vichada in eastern Colombia. Specifically, the project will implement conservation and sustainable production activities in up to 14 (40,000 ha) cattle ranches and forest plantations in three focal areas, one for each department, and will establish 10,000 ha of new PRCS. The project will span 3 years.

84. **Incremental costs summary:** The incremental cost matrix that follows summarizes baseline costs and incremental activity costs for each outcome of the project. The total baseline amounts to **\$1,108,712**. The costs of the incremental activities required to contribute to global benefits are **\$3,135,728**, **\$974,727** of which will be financed by GEF and **\$2,161,001** of which will be provided by co-financers. The latter have stated their commitment to the project through written letters signed by their legal representatives. In summary, the GEF Alternative has a total cost of **\$4,244,440**, of which GEF resources represent 23% (excluding PPG resources). The incremental costs matrix included in Section 3.1 of the Project Document shows the detailed distribution of baseline costs and co-financing and GEF funds.

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES:

85. Four main risks were identified during the PIF and were validated during the PPG phase of the project; these continue in force and are summarized below. Risk mitigation measures have been incorporated into the design of the project. Details related to the risk analysis developed during the PPG phase are included in the Project Document as Annex 8.1.

Risk	Rate	Mitigation risk measures
1. Landowners' resistance to adopt biodiversity-friendly and sustainable production practices.	M	Biodiversity conservation on PL depends on the willingness of landowners to adopt compatible production practices. To mitigate the risk of landowners not doing so, the project will implement pilot projects and take advantage of existing experiences to demonstrate potential users' real benefits from a biodiversity-friendly production system (sustained income, soil and water conservation, among others). Additionally, producers' training and technical assistance during the adoption of biodiversity-friendly production practices will facilitate this transition and will maintain owners' involvement with the project.
2. Difficulty in obtaining political support for the proposed legal form.	M	Government support of PL conservation-related policies is essential for project success. To obtain the needed political support for legal and policy proposals, the project will make use of the experience, relationships and alliances, and lobbying skills of partners, conservation NGOs, environmental networks, and public research organizations to maintain the interest and promote willingness of decision-makers in the proposals and their implementation.
3. Increased productivity promotes the return to traditional production practices.	L	To prevent landowners from reversing their decision of promoting conservation on PL, the project's aim will be to sign conservation agreements that define long-term commitments for the allocation of areas for conservation. Agreements will be monitored and enforced by the signatory environmental organization such as the CARs, or by the Land Trust.
4. Climate change impact on key ecosystems in production landscapes.	M	Conservation-production models will incorporate landscape management tools (e.g., live fences [hedges], wind-breaking barriers, agroforestry systems), and generate microclimates that will mitigate climate change impacts on forests and savannas. Proposed activities will provide a stable source for carbon sequestration by promoting forest and soil conservation and vertical and horizontal connectivity, allowing species mobility and refuge from temperature changes.

H. EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:

86. In line with the GEF Council's guidance on assessing the cost-effectiveness of projects (Cost Effectiveness Analysis in GEF Projects, GEF/C.25/11, April 29, 2005), a qualitative approach to identifying the alternative of best value and feasibility for achieving the project objective was used.

87. This project has been developed using cost-effectiveness criteria, which focus on removing the legal, institutional, and technical barriers that prevent the adoption of voluntary biodiversity conservation practices on cattle ranching and forestry PL in Colombia, particularly in the Llanos region. The project will propose legal reforms concerning incentives for conservation, institutional strengthening and individual capacity development, and will implement a field pilot program to allow effective conservation on PL based on the involvement of public and private institutions that support changes in production at the farm and landscape levels. In addition, PL owners will be aware of the environmental and economic benefits of conservation-production systems. By improving productivity and efficiency, especially in the use and management of production inputs and strategic land use planning, reductions in costs will be generated and an increase in the owners' long-term income is expected. This increased income will finance conservation activities and conservation areas, and is also expected to ensure the sustainability of the proposed actions, thereby preventing producers' return to the baseline scenario. This represents a more cost-effective approach compared with the alternative in which adjustments to existing conservation incentives will be slow or may not happen at all, and in which changes in forest plantations and cattle ranching practices leading to more sustainable production systems will not be developed at the pace needed to reduce current negative impacts on areas of biological importance. Under the alternative scenario, capacity-building for effective conservation and institutional strengthening will not occur, and diminished capacity among landowners, planners, and policy makers for promoting PL conservation at the farm and landscape levels will be the norm. As a result, under the alternative scenario, isolated conservation actions will prevail, and will miss the opportunity to implement results from biodiversity conservation actions on PL at broader spatial and temporal scales.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

88. UNDP will be the only Implementing Agency of the project.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

89. This project will be nationally implemented (NIM-modality) and is an integral part of the UNDP Country Program Action Plan (CPAP) [2008 - 2012] signed by the GoC and the UNDP in 2008. The signing of the UNDP CPAP constitutes a legal endorsement by the GoC.

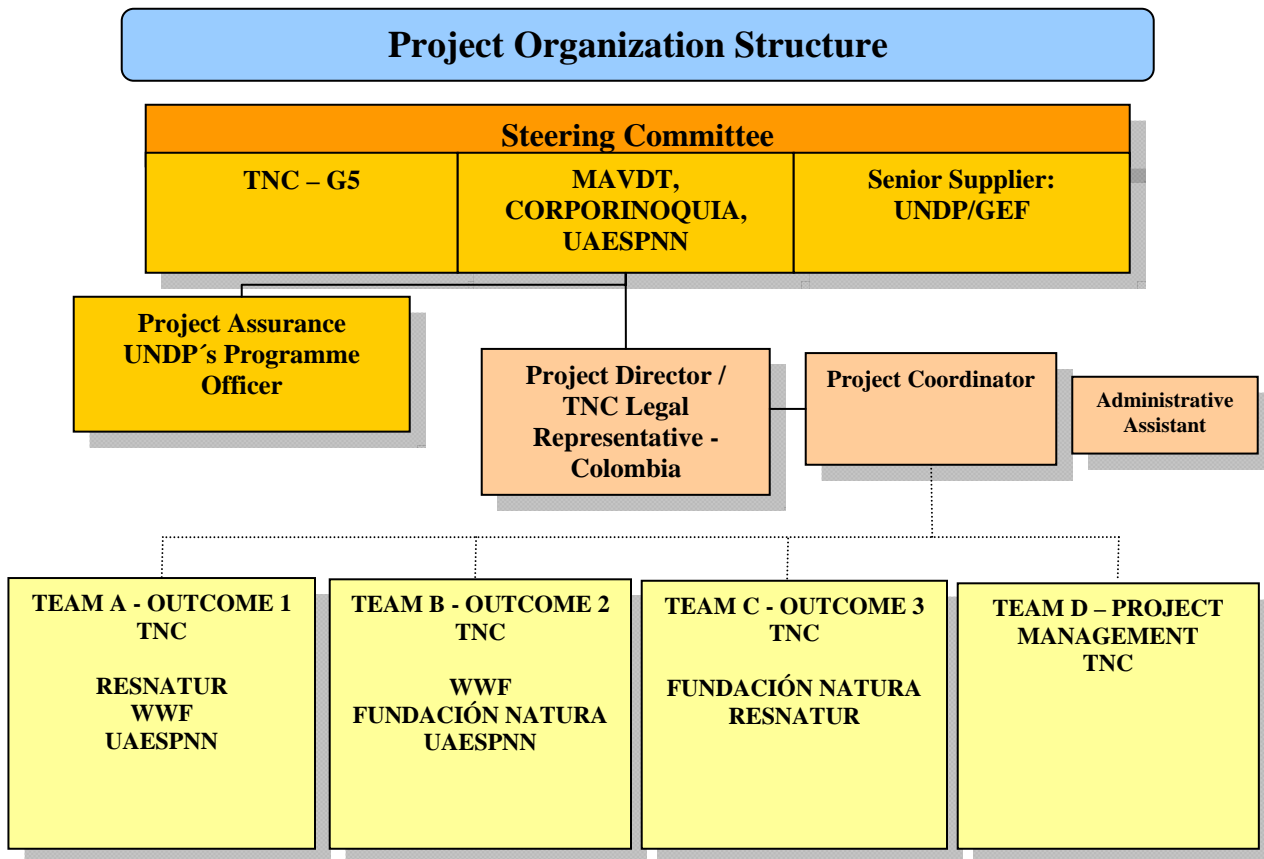
90. To ensure UNDP's accountability for programming activities and use of resources while fostering national ownership, the appropriate management arrangements and oversight of UNDP programming activities will be established. The management structure will respond to the project's needs in terms of direction, management, control, and communication. As the project is cross-functional and involves various stakeholders, its structure will be flexible in order to adjust to potential changes during project execution. The UNDP Project Management structure consists of roles and responsibilities that bring together the various interests and skills involved in, and required by, the project.

91. The UNDP will act as the Implementing Agency for this project. As a part of the Steering Committee (SC), UNDP brings to the table a wealth of experience working with the GoC in the area of biodiversity conservation and sustainable use, and is well-positioned to assist in both capacity-building and institutional strengthening. The UNDP Country Office (UNDP-CO) and UNDP/GEF Regional Coordination Unit (RCU) in Panama will be responsible for transparent practices, appropriate conduct, and professional auditing. Staff and consultants will be contracted according to the established principles of equal opportunities to all, development results, best value for the money, fairness, integrity, transparency, and effective international competition of transparency, of the United Nations and all financial transactions and agreements will similarly follow the same principles.

92. The project will be executed by TNC in Colombia as the Implementing Partner. TNC will implement the project with the participation of the members of the Colombian Interagency Group for Private Conservation Tools (G5): RESNATUR, FNC, WWF, TNC, and the UAESPNN. Each of these organizations brings a wealth of technical skills, best practices, and expertise to ensure success in achieving the expected outcomes of the project. TNC will also coordinate work with other institutions collaborating on this project. TNC will be the sole project manager of the

project. The capacity assessment results of the Implementing Partner (TNC) are included in Annex 8.3 of the project document.

93. The Director of TNC’s Northern Andes & Southern Central America Conservation Program and Legal Representative of TNC in Colombia will serve as Project Director. He/she will be assigned to provide general project oversight to the project and will represent the interest of the GoC during project implementation. The duration of the project is three (3) years.



PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF

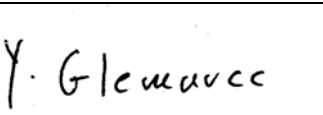
94. The project design is closely aligned with the original PIF, and the structure of the project components resembles the structure that was originally approved by the GEF. However, the following changes were made due to a 28% reduction in co-financing due the current economic crisis. The expected project benefits of improved biodiversity conservation and increased producers’ income on 60,000 ha (covering 20 farms) of the Llanos region through a PL/PRCS conservation pilot program (Component 3) were reduced by 20,000 ha to 40,000 ha, covering only 14 farms. Additionally, only 10,000 ha will be established as new PRCS, which is a reduction of 5,000 ha from the 15,000 ha projected in the PIF. Similarly, the expected project contributions to conservation through the LT were reduced from 15,000 ha to 10,000 ha. These changes will compensate for the co-financing shortages as fewer farm planning tools and sustainable production models will be designed and implemented. In addition, the number of management and business plans for new PRCS that were projected to be developed through the project will decrease. Finally, the scope of the plan proposed in Component 3 of the PIF to raise awareness among landowners about the importance of conserving biodiversity and ecosystems services at the landscape level was also reduced. Some of the expected activities are now included as part of *Output 2.1. Planning instruments for government agencies, forestry/cattle ranching organizations and landowners include tools for private conservation* to bring about cost savings.

95. Small changes in the indicative GEF financing by components were made, as a result of the adjustments for improved project outcome/output delivery and overall project management. The indicative GEF financing by components is presented below.

Project Components	ProDoc	Original PIF
Component 1	137,146	174,000
Component 2	227,555	241,727
Component 3	516,238	470,364
Project Management	93,788	88,636
TOTAL	974,727	974,727

PART V: AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Yannick Glemarec, UNDP/GEF Executive Coordinator		December 21, 2010	Santiago Carrizosa, Regional Technical Advisor	+507 302-4510	Santiago.carrizosa@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK

This project will contribute to achieving the following Country Programme Outcome as defined in CPAP: <i>Public and Civil Society Organizations strengthen their capacity to formulate and implement Environmental Management programs and initiatives that guarantee the provision and maintenance of environmental goods and services, with an emphasis on conservation, restoration, sustainable use of strategic ecosystems processes; and provision, rational, and efficient use</i>					
Country Programme Outcome Indicators: <i>An appropriate territorial planning instrument designed and implemented</i>					
Primary applicable Key Environment and Sustainable Development Key Result Area: <i>Poverty reduction and sustainable development</i>					
Applicable GEF Strategic Objective and Program: <i>BD-SP4-Policy and BD-SP5-Markets</i>					
Applicable GEF Expected Outcomes: <i>Policy and regulatory frameworks governing sectors outside the environment sector incorporate measures to conserve and sustainably use biodiversity; Markets created for environmental services</i>					
Applicable GEF Outcome Indicators: <i>The degree to which policies and regulations governing sectoral activities include measures to conserve and sustainably use biodiversity as measured through GEF tracking tool; Number and extent (coverage: hectares, payments generated) of new payment for environmental service schemes created</i>					
	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
Project Objective: To promote voluntary biodiversity conservation practices on cattle ranching and forestry PL through a revised legal/policy framework and institutional strengthening, and with the application of a pilot program in the Llanos region of Colombia	Area with conservation–production management plans	– 45,969 hectares (ha)	– 85,969 ha	– Maps/GIS – Field verification reports – Conservation agreements with land owners	– Landowners willing to implement conservation-production practices – There are additional incentives to promote conservation in PL
	Number of species for biological groups (birds and plants) in the project area (84,376 ha)	– Birds: 93 species – Plants: 105 species	– Birds: 93 species – Plants: 105 species	– Reports/monitoring database – Field biological assessments	– There are no substantial changes in the land cover/use – Sampling efforts are optimal – Actions are implemented that are detectable by the available remote sensors
	Change in land cover of terrestrial ecosystems	– Flooded savannas: 39,994 ha – High plains/savannas: 18,731 ha – Forests: 9,619 ha – Scrubland: 1,688 ha	Natural cover of selected ecosystems is at least maintained: – Flooded savannas: 39,994 ha – High plains/savannas: 18,731 ha – Forests: 9,619 ha – Scrubland: 1,688 ha	– Field verification notes – Maps/GIS	– Environmental changes within normal variability ranges

<p>Component 1: Adjustments in policies and laws regarding production practices promote conservation on PL</p>	<p>Number of policies or laws reformed that promote conservation in the PL</p>	<p>– Zero (0)</p>	<p>– Seven (7): a) Decree 1824/1994 (CIF for Forest Plantations) b) Law 101/1993 and Decree 626/1994 (ICR) c) Law 160/1994 (land entitlement rights) d) Decree 192/2001 (General System of Participation) e) Ruling for Article 7, Law 139/1994 and Law 1377/10 (CIF for Conservation) f) Article 106, Law 1151/2007 (PES, payments by municipalities) g) Article 14, Law 299/1996 (property tax exemption)</p>	<p>– Text of the adjusted rules/standards – Administrative decrees – Case-building document</p>	<p>– There is political will among the GoC and regional and local governments to promote the adjustment of these rules/standards – The eventual issuance of other regulation (e.g., the Forestry Law and Rural Development Statute) does not alter and contributes to the legal framework of the project’s proposals</p>
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- Outputs:**
- 1.1. Methodological guidelines for the Municipal Advisory Councils on the design of differential rates, exemptions, or discounts related to property taxes.
 - 1.2. Methodological guidelines for the design of avoided habitat loss payment schemes for forestry and cattle production within the national strategy for PES (NSPES).
 - 1.3. Proposal for the regulation of special requirements for delegation of administration and collection of resources from the CIF for Conservation.
 - 1.4. Proposal for the incorporation of criteria for monitoring the conservation and sustainable use of biodiversity for the CIF for forest plantations and for the ICR for cattle ranching and forest plantations.
 - 1.5. Proposal for a Special Program for land entitlement rights within INCODER benefitting rural populations that develop sustainable cattle ranching and forestry production practices.
 - 1.6. Operational protocols designed for the proposed or modified incentives (tax exemptions, CIF for Conservation delegation, CIF for Forest Plantations, ICR, and land titling program).

Component 2. Strengthened management capacity for conservation practices on PL in the Llanos region.	– Improvement in capacity development indicators for 77 stakeholders as per UNDP Capacity Development Scorecard (baseline and target to be defined during the first 6 months of the project). 33 government officials, 20 sector representatives, 14 landowners, and 10 PRCS representatives are trained on the design, use, and monitoring of the application of private conservation tools (i.e., economic, legal, and landscape management tools)	– Capacities for engagement: X – Capacities to generate, access and use information and knowledge: X – Capacities for strategy, policy and legislation development: X – Capacities for management and implementation: X – Capacities to monitor and evaluate: X	– Capacities for engagement: X – Capacities to generate, access and use information and knowledge: X – Capacities for strategy, policy and legislation development: X – Capacities for management and implementation: X – Capacities to monitor and evaluate: X	– Capacity Development Scorecard update	– Willingness of the agencies to train their staff – Willingness by the institutions to include the tools in their planning mechanisms
	Number of conservation tools included in regional planning or institutional mechanisms (i.e., plan, program, and/or project)	– Zero (0)	– Five (5)	– Planning instruments published	
	Number of forest and cattle producers' associations that promote conservation practices in the PL	– One (1) (FEDEGAN)	– Three (3) by project's end	– Conservation agreements or memorandum of understanding	– Willingness by the cattle and forestry sectors to incorporate biodiversity conservation practices in PL for conservation in their productive landscapes
	Number of organizations that facilitate the establishment of the PRSC	– Four (3) (UAESPNN CORPORINOQUIA, and FHV/RESNATUR)	– Six (6)	– Certificates of establishment (issued by the UAESPNN or RESNATUR)	

	Organizations that facilitate the administration of conservation agreements and fundraising to implement conservation and sustainable production activities in PL	– Zero (0)	– Land Trust is established	– Signed agreements/contracts – Financial reports	– Willingness of landowners to establish conservation agreements
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Outputs:

2.1. Planning instruments for government agencies, forestry/cattle ranching organizations and landowners include tools for private conservation.

2.2. Handbook of best practices for cattle ranching and forest plantations include PL conservation strategies.

2.3. Financial strategies to support organizations that facilitate PRCS registration.

2.4. Contract models to support legal agreements in PL (easements, usufruct, leasing, and trusts).

2.5. The Land Trust’s administrative and operational procedures and business plan are developed.

Component 3. Pilot program improves biodiversity conservation and producers’ income in the Llanos region.	Number of farms implementing biodiversity conservation actions that are proposed in the management plans	– Ten (10)	– Twenty-four (24) farms	– Progress reports on the implementation of actions defined in the management plans – Registry (photos, field notes, maps) of land management tools implemented – Conservation agreement	– Willingness by the landowner to practice conservation – Additional incentives that promote conservation on PL in place
	Area (ha) of land under conservation agreements administrated by the Land Trust	– Zero (0)	– 10,000 ha	– GIS/maps – Signed agreements – Monitoring reports	
	Area (ha) of established PRSC	– 30,373.4 ha	– 40,373.4 ha	– Certificate of establishment	
	Income change for landowners who implement conservation– production actions	– To be defined during the first 6 months of the project	– Baseline + up to 10%	– Annual surveys on income generated by PL owners – Project monitoring and evaluation reports	– Stable markets and fiscal policies – Landowners are willing to participate – Incentives are sufficiently attractive for the landowner to participate
	Change in the landowners’ perception regarding the benefits generated by the incentives	– To be defined during the first 6 months of the project	– To be defined during the first 6 months of the project	– Satisfaction level survey results	

Outputs:

- 3.1. Farm planning tools (e.g., maps) and landscape connectivity models for PL contribute to environmental planning at the municipal and landscape scales.
- 3.2. Sustainable production models are developed for cattle ranches and forest plantations to increase productivity (income) and conservation contributions.
- 3.3. Business plan models for forestry and cattle ranching practices that contribute to biodiversity conservation.
- 3.4. Management plans and conservation agreements for 40,000 ha (10,000 ha are administrated by the Land Trust and 10,000 ha are new PRCS).
- 3.5. A farm-and landscape-level monitoring system that measures PL program impacts on biodiversity, land use change, and income variation.
- 3.6. Two pilot projects compare the application of incentives in PL (land tax exemption, ICR and/or CIF) through control groups.
- 3.7. Two pilot experiences in payment for avoided habitat loss on cattle ranches and forest plantations.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF)

Reviewer's comments	Responses
GEF Sec comments/review for Full-size project on PIF, October 22nd, 2008	
<p>1) Please ensure by the time of CEO endorsement, that the global benefits will be measurable through clear indicators and well-established baseline conditions such that a quantitative and qualitative benefit can be measured.</p>	<p>A group of indicators has been included in the Project Results Framework that will be used to assess the expected project benefits in terms of improved biodiversity conservation at the farm and landscape levels, including the number of species for selected biological groups (birds and plants), changes in coverage of selected terrestrial ecosystems (flooded savannas, high plains, forests, and scrubland) and area (ha) with conservation–production management plans. This set of indicators will enable benefits to be measured for some of the world's richest tropical grasslands.</p>
<p>2) At the time of CEO endorsement, a full costed plan for coordination will be expected. This coordination exercise should be conducted by the lead Government project executing agency for this project and the other GEF-supported projects in the GEF-4 and GEF-3 portfolio that are engaged in mainstreaming biodiversity in productive landscapes. The current portfolio in Colombia in this thematic area does not seem well coordinated in terms of avoiding overlap (which is not solely geographic), sharing good practice, and generating knowledge products of good practice in the area of biodiversity mainstreaming in productive landscapes. There is a real danger that the GEF is funding different partners to do the same activities in different parts of the country with no dialogue amongst executing entities.</p>	<p>The project will ensure coordination in terms of avoiding overlap, sharing best production practices, and generating knowledge for biodiversity mainstreaming in productive landscapes with the current projects in Colombia's portfolio, including: GEF-WB <i>Mainstreaming biodiversity in sustainable cattle ranching project</i>, GEF-IADB <i>Mainstreaming Biodiversity in Palm Cropping in Colombia with an Ecosystem Approach</i>, and GEF-UNDP <i>Mainstreaming biodiversity in the coffee sector in Colombia</i>. The MAVDT sits in the steering committees of all of these projects and will ensure that they are well coordinated. Furthermore, all of these GEF projects include actions for the development of PES-related activities, which will contribute to the NSPES coordinated by the MAVDT, which holds periodic meetings to present results and promote discussion on the topic. This effort led by the MAVDT has also been identified as a mechanism that will contribute to building collaborative efforts among these different GEF initiatives.</p> <p>During the PPG phase meetings were held with the project team members, TNC representatives, and members of the project team from each of the executing entities from the projects mentioned above (FEDEGAN, FEDEPALMA, and the Colombian Coffee Federation) to discuss and establish mechanisms for the exchange of experiences and knowledge, lessons learned, and to identify areas of cooperation. Since TNC and WWF are directly involved in the implementation activities in the GEF-WB and GEF-IADB projects, respectively, cooperation between projects will be facilitated and synergies between these initiatives will be established. Also, UNDP Colombia will play an important role in making sure that the projects within its portfolio effectively exchange information.</p> <p>The design of this medium-size project includes as part of the monitoring and evaluation work plan a budget for learning and knowledge-sharing that will contribute to guaranteeing dialogue among the executing entities.</p>

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF RESOURCES

<i>Position Titles</i>	<i>\$/ person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
For Project Management			
<i>Local</i>			
	NA	NA	
<i>International</i>			
M&E Expert	2,490	3	Mid-Term project evaluations
M&E Expert	2,485	4	Final project evaluation
Justification for Travel, if any: Airfares, land travel costs, accommodation, vehicle rental for mid-term evaluation final evaluation and monitoring and evaluation.			
For Technical Assistance			
<i>Local</i>			
Legal Consultant	521.00	12	Identify financing opportunities for the CIF; create land titling program for INCODER, develop operational protocols for CIF and ICR.
Lawyer	327.96	12	Develop land titling program for INCODER operational protocols for CIF and ICR.
Economics Expert	327.95	12	Identify financing opportunities for the CIF.
Justification for Travel, if any: N/A			

* Provide dollar rate per person weeks or months as applicable; ** Total person weeks/months needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

PPG activities have been undertaken as anticipated. The main outputs of the PPG were the Project Document and the CEO Endorsement Request. In addition, the following outputs were delivered: a) assessment of legislation and policies for promoting conservation on PL; b) assessment of needs for strengthening stakeholders' capacities to enhance conservation through PL; c) baseline data collection and definition of producers' income and biodiversity indicators; and d) project M&E strategy including baseline levels, indicators, methodologies, and targets to track project progress and effectiveness.

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

Findings during the PPG phase have been incorporated into the design framework of the project. No major factors are anticipated that would prevent the achievement of the project's objective, beyond the risks described in the Project Justification section of this CEO Endorsement Request.

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF Amount (\$)</i>				<i>Co- financing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
Assessment of legislation and policies for promoting conservation on PL	Completed	2,509	2,509	0	0	3,690

Assessment of needs for strengthening stakeholders' capacities to enhance conservation through PL	Completed	0	0	0	0	6,600
Baseline data collection and definition of producers' income and biodiversity indicators	Completed	4,649	4,649	0	0	10,930
M&E strategy and Project Management	Yet to complete	15,569	13,039	2,530	0	14,100
Total		22,727	20,197	2,530	0	35,320

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee. N/A

ANNEX E: CALENDAR OF EXPECTED REFLOWS: N/A

ANNEX F: TOTAL BUDGET AND WORKPLAN

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)	Total (USD)	See Budget Note:
OUTCOME 1:	The Nature Conservancy		GEF	71300	Local Consultants	0	14,123	0	14,123	1
				71400	Contractual Services Individuals	16,150	11,893	12,258	40,301	2
				72100	Contractual Services Companies	44,587	35,485	2,650	82,722	3
					Total Outcome 1	60,737	61,501	14,908	137,146	
OUTCOME 2:	The Nature Conservancy		GEF	71400	Contractual Services Individuals	21,671	19,829	17,338	58,838	4
				71600	Travel	13,354	5,240	2,127	20,721	5
				72100	Contractual Services Companies	94,063	29,053	14,208	137,324	6
				72800	IT Equipment	6,000	0	0	6,000	7
				74500	Miscellaneous Expenses	1,672	2,000	1,000	4,672	8
					Total Outcome 2	136,760	56,122	34,673	227,555	
OUTCOME 3:	The Nature Conservancy		GEF	71400	Contractual Services Individuals	24,251	34,944	42,183	101,378	9
				71600	Travel	26,046	26,322	16,020	68,388	10
				72100	Contractual Services Companies	99,873	148,911	84,388	333,172	11
				72500	Supplies	3,500	0	1,300	4,800	12
				72800	IT Equipment	3,000	0	0	3,000	13
				74500	Miscellaneous Expenses	1,500	1,500	2,500	5,500	14
					Total Outcome 3	158,170	211,677	146,391	516,238	
PROJECT MANAGEMEN			GEF	71400	Contractual Services-Individuals	16,820	17,661	18,331	52,812	15

T (INCLUDES MONITORING AND EVALUATION COSTS)	The Nature Conservancy			Subtotal Project Management	16,820	17,661	18,331	52,812	
		71200	International Consultants	0	7,470	9,940	17,410	16	
		71400	Contractual Services-Individuals	1,667	1,667	1,666	5,000	17	
		71600	Travel	1,214	1,861	5,016	8,091	18	
		72100	Contractual Services - Companies	4,663	2,500	2,500	9,663	19	
		74200	Audio Visual & Print Production Cost	0	0	812	812	20	
			Subtotal Monitoring and Evaluation	7,544	13,498	19,934	40,976		
			Total Project Management	24,364	31,159	38,265	93,788		
				PROJECT TOTAL	380,031	360,459	234,237	974,727	

Total Budget Summary

Donor Name	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Total (USD)
GEF	377,031	363,459	234,237	974,727
WWF	56,884	64,103	54,313	175,300
FNC	50,000	50,000	50,000	150,000
RESNATUR	50,000	50,000	50,000	150,000
TNC	123,762	196,968	179,270	500,000
UAESPNN	45,798	22,162	22,902	90,862
Departmental Gov. Casanare	61,716	100,446	0	162,162
CORPORINOQUIA	0	99,665	1,931	101,596
Paz de Ariporo Livestock Committee	27,027	27,027	27,027	81,081
Fundación Pantera	84,998	65,116	49,886	200,000
Acción Verde	16,667	16,667	16,666	50,000
Fondo Patrimonio Natural	144,345	48,970	6,685	200,000
FAAN	187,924	68,958	43,118	300,000
TOTAL	1,226,152	1,173,541	736,035	3,135,728

Atlas Budget Summary

Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Total (USD)
71200	International Consultants	0	7,470	9,940	17,410
71300	Local Consultants	0	14,123	0	14,123
71400	Contractual Services- Individuals	80,559	85,994	91,776	258,329
71600	Travel	40,614	33,423	23,163	97,200
72100	Contractual Services - Companies	243,186	215,949	103,746	562,881
72500	Supplies	3,500	0	1,300	4,800
72800	IT Equipment	9,000	0	0	9,000
74200	Audio Visual & Print Prod. Costs	0	0	812	812
74500	Miscellaneous Expenses	3,172	3,500	3,500	10,172
Total		380,031	360,459	234,236	974,727

Budget Line & Description	Total (USD)	Percentage
71200 - International consultant	17,410	1.79
71300 - Local consultants	14,123	1.45
71400 - Contractual Services - individuals	258,329	26.5
71600 - Travel	97,200	9.97
72100 - Contractual Services - companies	562,881	57.75
72500 - Supplies	4,800	0.49
72800 - IT Equipment	9,000	0.92
74200 - Audiovisual & Printing Prod. Costs	812	0.08
74500 - Miscellaneous Expenses	10,172	1.05
TOTAL	974,727	100.00

Outcome	Total budget assigned	Percentage of total budget assigned
Outcome 1	137,146	14.1
Outcome 2	227,555	23.3
Outcome 3	516,238	53.0
Project Management	93,788	9.6
TOTAL	974,727	100.0

Project Budget Notes

Atlas Category	Atlas Code	Budget Notes
Outcome 1.		
1. Local Consultants	71300	<ul style="list-style-type: none"> – Consultants to help with new incentives access criteria to be negotiated with administrating agencies. Total cost: \$14,123. <ul style="list-style-type: none"> ▪ Legal consultant: 12 weeks at \$521.00/week; ▪ Lawyer: 12 weeks at \$327.96 /week; ▪ Economics expert: 12 weeks \$327.95/week.
2. Contractual Services – Individuals	71400	<ul style="list-style-type: none"> Support for policy review at national, regional, and local levels – Project Coordinator. Total Cost: \$ 35,790; 30 weeks at \$1,193/week. – Regional Coordinator (Department of Vichada) Total cost: \$4,510; 11 weeks at \$410/week.
3. Contractual Services - Companies	72100	<ul style="list-style-type: none"> Contractual services for: <ul style="list-style-type: none"> – Designing and editing land tax exemption manual for municipalities and PES information gathering. Total cost: \$915. – Conservation and production forest incentives update and writing of decrees. Total cost: \$42,059. – Creating the necessary legal and political support for ICR and CIF; biodiversity access criteria incorporation. Total cost: \$16,660. – Develop and negotiate a land titling program and operational protocols with INCODER. Total cost: \$15,990. – Support for forestry related policy reform at national, regional, and local levels. Total cost: \$7,098.
Outcome 2.		
4. Contractual Services – Individuals	71400	<ul style="list-style-type: none"> Support for institutional and capacity building: <ul style="list-style-type: none"> – Project Coordinator. Total Cost: \$42,948; 36 weeks at \$1,193/week. – Regional Coordinator (Department of Vichada): Total Cost: \$15,890; 35 weeks at \$454/week.
5. Travel	71600	<ul style="list-style-type: none"> – Airfares, land travel costs, vehicle rental for: a) follow up on PL program implementation; b) training for government organizations on conservation and PL tools; c) training for PRCS on business plans; d) Land Trust analysis and start up. Total cost: \$20,721.
6. Contractual Services - Companies	72100	<ul style="list-style-type: none"> – Contractual services to provide food and logistics for: a) conservation tools workshops for producers' associations; b) business plans and financial plan training workshop for PRCS; c) financial strategies development workshop for PRCS. Total cost: \$25,902.

		<ul style="list-style-type: none"> - Contractual services for: a) CORPORINOQUIA and UAESPNN strategic plan review; b) design and help implement a PL program; c) contracts design for incentives' pilot program. Total cost \$28,658. - Contractual services for: a) design training materials on tax exemptions and biodiversity conservation activities; b) producers' associations follow up on tax exemption activities adoption. Total cost: \$12,770. - Contractual services for: a) training material development with PRCS; b) training in business plan and financial strategy development. Total cost: \$16,118. - Contractual services for: a) Land Trust operations analysis; b) Land Trust start-up. Total cost \$28,135. - Contractual services to provide support for institutional and capacity building, and development of landscape and farm planning instruments. Total cost \$25,741.
7. IT Equipment	72800	- Computers (2) for support to institutional and individual capacity building. Total cost \$6,000; \$3,000/unit.
8. Miscellaneous Expenses	74500	- Incidental expenses related to business and financial plan training sessions, and planning tools development. Total cost: \$4,672.
Outcome 3.		
9. Contractual Services Individuals	71400	<p>Support for selection of farms, technical assistance, and conservation-sustainable production models development:</p> <ul style="list-style-type: none"> - Project Contractual services for Coordinator. Total cost: \$71,580; 60 weeks at \$1,193. - Regional Coordinator for the Department of Vichada. Total cost: \$29,798; 65.5 weeks at \$448.09/week.
10. Travel	71600	- Airfares, land travel costs, vehicle rental for project personnel for: a) meetings with stakeholders for farms selection; b) meetings to negotiate best practices implementation at farm level; c) field trips with land owners for best practices training; d) farm planning. Total cost: \$68,388.
11. Contractual Services - Companies	72100	<p>Contractual services for</p> <ul style="list-style-type: none"> - Project personnel meetings to evaluate incentives implementation at farm level. Total cost: \$2,972. - Cost effectiveness of PES schemes and PES payments in 7,000 ha. Total cost: \$89,281. - Payment for land tax exemption incentive for 5,000 ha. Total cost: \$50,670. - Biodiversity baseline development and monitoring in Vichada. Total cost: \$54,054. - Develop farm management plans and signing of conservation agreements. Total cost: \$16,655. - Training and advice on farm business plans for private preserves. Total cost: \$21,899. - Field trips with land owners for training in PL best practices. Total cost: \$25,479. - Field implementation of sustainable production alternatives. Total cost: \$26,041. - Provide support for selection of farms, technical assistance, and conservation-sustainable production models development. Total cost \$46,121.
12. Supplies	72500	- Office supplies, conservation-sustainable production model development, and field monitoring activities. Total cost \$4,800.
13. IT Equipment	72800	- Computer (1) for support to conservation-sustainable production model development, and field monitoring activities. Total cost \$3,000.
14. Miscellaneous Expenses	74500	- Incidental expenses related to implementation of a pilot program to improve biodiversity conservation and producers' income.

Project Management		
15. Contractual Services- Individuals	71400	<ul style="list-style-type: none"> – Project coordinator: project planning, day-to-day management of project activities, project reporting, maintaining key relationships among stakeholders. Total cost: \$ 21,652; 18 weeks months at \$1,202.89/week. – Financial Specialist. Responsible for financial management of the project, accounting, purchasing, and reporting. Total cost: \$31,160; 142.4 weeks at \$218.82/week.
Monitoring and Evaluation		
16. International Consultants	71200	<ul style="list-style-type: none"> – Mid-term project evaluation: Total cost: \$7,470; 4 weeks at \$2,490 /week. – Final project evaluation. Total cost: \$9,940; 4 weeks at \$2,485/week.
17. Contractual Services – Individuals	71400	<ul style="list-style-type: none"> – Project board meetings (2 per year). Total cost: 3,000. – Review and systematization of lessons learned and best practices: Total cost \$2,000.
18. Travel	71600	<ul style="list-style-type: none"> – Airfares, land travel costs, accommodation, vehicle rental for mid-term evaluation (\$5,641), final evaluation and monitoring and evaluation (M&E) in the field (\$2,450).
19. Contractual Services – Individuals	71400	<ul style="list-style-type: none"> – Project Inception Workshop. Total cost \$2,163. – External audit (3). Total cost: \$7,500
20. Audio Visual & Print Production Cost	74200	<ul style="list-style-type: none"> – Printing of Terminal Report. Total cost \$812.