# Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility (Version 5)

## STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: April 25, 2012 Screener: Douglas Taylor

Panel member validation by: Meryl Williams
Consultant(s): Douglas Taylor

I. PIF Information (Copied from the PIF)
FULL SIZE PROJECT GEF TRUST FUND

GEF PROJECT ID: 4836 PROJECT DURATION: 5 COUNTRIES: Costa Rica

PROJECT TITLE: Conservation, Sustainable Use of Biodiversity, and Maintenance of Ecosystem Services of Internationally

Important Protected Wetlands **GEF AGENCIES**: UNDP

OTHER EXECUTING PARTNERS: SINAC

**GEF FOCAL AREA**: Biodiversity

### II. STAP Advisory Response (see table below for explanation)

Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies): **Minor revision required** 

## III. Further guidance from STAP

- 1. STAP welcomes this project proposal which will both extend and consolidate much needed support for wetland management within an ecosystem services (ES) context. Costa Rica has prioritized the proposed actions for wetlands to both the CBD and to the Ramsar Convention, and while the policy foundations for wetland conservation and sustainable use are well developed, the capacity to manage effectively wetlands including the internationally designated wetlands has remained weak. Application of PES and mitigation banking to wetlands in Costa Rica is an interesting approach, which appears to be gaining some traction in the literature. STAP also welcomes the project's support for further development of the necessary management plans for the selected sites.
- 2. In order to strengthen the project outlined in the PIF, STAP requests that the following information be considered by the proponent during development of the full project brief.
- 3. The PIF mentions, in Component 2, the intention to include valuation of ES, and to investigate wetland banking, both of which in a generic sense have been shown to enable sources of additional finance. Regarding valuation the proponents should review the wetland-related technical guidance provided jointly by the Ramsar Convention and Convention on Biological Diversity (De Groot, et al 2006) and more recently within case studies conducted by TEEB including on wetlands (TEEB, 2010). Additionally ProEcoServ, a GEF supported project, provides a supportive gateway for capacity building related to ecosystem services.
- 4. STAP, in its guidance to GEF regarding PES (STAP 2010), suggests that while valuation is a pre-condition for negotiations between buyers and sellers of environmental services (note STAP's broader definition than "ecosystem services"), it is more important to facilitate fair and balanced access between the two parties, particularly for non-carbon related services, who will subsequently negotiate †the right price for a PES deal among themselves, without the need for economists to intervene. For wetlands assignment of rights (ES and others) is not usually as clear cut as it is for other terrestrial habitats, therefore careful attention should be paid to delineation and historic shared access and benefits within communities associated with the wetlands, when empowering the negotiating parties. STAP requests that the full project brief explicitly and clearly deals with these aspects of existing user "rights" whether legal or customary.
- 5. STAP emphasizes that wetlands need to be considered within their catchment context. The PIF makes passing references to impacts upon PAs coming from outside designated boundaries, but does not consider wetlands within their catchments. It is rare for a designated wetland boundary to coincide with the catchment boundary; therefore the

ES arising from upstream parts of the catchment will influence not only the availability of ES within the wetland but also the resulting downstream ES. Neither the PIF nor the subsequent PPG document deal with this issue, which is not limited to the "buffer" zones around the internationally important wetlands, therefore STAP requests that a spatially flexible nested approach be considered that considers threats and opportunities regarding ES.

- 6. Regarding wetland banking, STAP assumes that the project will draw upon US-based experience and therefore encourages the proponents to seek advice from reputable practitioners, in order to ensure that the necessary standards are reached regarding proposals for mitigation banking credits and oversight.
- 7. Finally at present the description of the expected global environmental benefits (GEBs) is extensive and ambitious regarding 11 internationally important wetland sites, and it will be important for the full project brief to document these in terms of quantifiable indicators and targets.

#### References:

De Groot, R.S., Stuip, M.A.M., Finlayson, C.M. & Davidson, N. 2006. Valuing wetlands: guidance for valuing the benefits derived from wetland ecosystem services, Ramsar Technical Report No. 3/CBD Technical Series No. 27. Ramsar Convention Secretariat, Gland, Switzerland & Secretariat of the Convention on Biological Diversity, Montreal, Canada. ISBN 2-940073-31-7. (http://www.ramsar.org/pdf/lib/lib rtr03.pdf)

TEEB (2010) The Economics of Ecosystems and Biodiversity. (www.teebweb.org)

Project for Ecosystem Services (ProEcoServ). (http://www.proecoserv.org/)

STAP (2010) Payments for Environmental Services and the Global Environment Facility: A STAP advisory document. (http://www.unep.org/stap/Portals/61/pubs/Publications/STAP%20PES%20publication%202010%20-%20website.pdf)

University of Florida. 2010. Prospects for a Wetlands Payment for Ecosystem Services Program in Costa Rica. 2010. (http://www.law.ufl.edu/conservation/costarica/spotlight/pdf/PES\_draft\_report.pdf)

STAP advisory		Brief explanation of advisory response and action proposed
response		
1.	Consent	STAP acknowledges that on scientific/technical grounds the concept has merit. However, STAP may state its views on the concept emphasising any issues that could be improved and the proponent is invited to approach STAP for advice at any time during the development of the project brief prior to submission for CEO endorsement.
2.	Minor revision required.	STAP has identified specific scientific/technical suggestions or opportunities that should be discussed with the proponent as early as possible during development of the project brief. One or more options that remain open to STAP include:  (i) Opening a dialogue between STAP and the proponent to clarify issues  (ii) Setting a review point during early stage project development and agreeing terms of reference for an independent expert to be appointed to conduct this review  The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.
3.	Major revision required	STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical omissions in the concept. If STAP provides this advisory response, a full explanation would also be provided. Normally, a STAP approved review will be mandatory prior to submission of the project brief for CEO endorsement.  The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.