PROJECT IDENTIFICATION FORM (PIF)
PROJECT TYPE: Full-sized Project
TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT IDENTIFICATION

Project Title:	Conservation and sustainable use of biodiversity in coastal and marine protected areas (MPAs)		
Country:	Guatemala	GEF Project ID:[1]	
GEF Agency:	UNDP	GEF Agency Project ID:	4639
Other Executing Partners(s):	Ministry of the Environment and Natural Resources of Guatemala (MARN); National Council of Protected Areas (CONAP); The Nature Conservancy (TNC)	Submission Date:	8 November, 2011
GEF Focal Area (s):	Biodiversity	Project Duration:	60 months
Name of parent program: For SFM/REDD+ ☐	N/A	Agency Fee:	535,455

A. FOCAL AREA STRATEGY FRAMEWORK:

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Indicative Financing from GEF ($)	Indicative Co Financing ($)
BD-1	Outcome 1.1. Outcome 1.2.	Output 1.1. Output 1.2. Output 1.3.	5,087,000	15,339,060
Project management cost			267,545	851,475
Total project costs			**5,354,545**	**16,190,535**

B. PROJECT FRAMEWORK

Project Objective: To promote the conservation and long-term sustainable use of marine and coastal biodiversity of global importance through effectively and equitably managed marine-coastal protected areas (MPAs), which will contribute to improving the economic welfare of the Guatemalan population.

Project Component	Type	Expected Outcomes	Expected Outputs	Indicative Financing from GEF ($)	Indicative Co-Financing ($)
1. Strengthening the MPA legal, policy, and financial frameworks for the protection of marine-coastal biodiversity (BD) and its sustainable use.	TA*	**Outcome 1.1.** Three (3) new multiple-use MPAs (Las Lisas-Paraíso-La Barrona, Manchón-Guamuchal, and Hawaii-Santa Rosa) and the expansion of two (2) existing MPAs (Sipacate-Naranjo National Park and Monterrico Multiple-Use Natural Reserve) with a total area of 213,817 hectares (ha), are included in the Guatemalan System of Protected Areas (SIGAP) and protect marine BD of global importance. **Outcome 1.2.** An enabling policy/legal environment facilitates the conservation and sustainable use of BD in MPAs and their buffer areas.	**Output 1.1.1**. Three (3) new multiple-use MPAs (IUCN Category VI) gazzeted. **Output 1.1.2.** Congressional Decree legalizes the expansions of two (2) existing MPAs. **Output 1.2.1.** Reforms of the Mangrove Regulations of the National Forest Institute – INAB and CONAP promote mangrove conservation and its sustainable use. **Output 1.2.2.** Strategic Guideline 8.3 of Guatemala's Policy for the Integrated Management of Marine-Coastal Zones (PMCG) improves inter-institutional coordination, define common goals, roles, and co-responsibilities, and participative and financing mechanisms for marine-coastal management in four (4) coastal municipalities. **Output 1.2.3.** An integrated Marine-Coastal Management Program (MCMP) is developed,	990,000	1,302,970

[1] Project ID number will be assigned by GEFSEC.

			facilitating: a) the implementation of the PMCG and development plans to enhance the protection and sustainable use of marine-coastal BD; b) effective MPA management; and c) the development of policy guidelines on the Fisheries Act (MAGA), the National Reserves Act (OCRET), and the Energy and Mines Act (MEM) to reduce threats to marine-coastal BD and organize government and non-government sectors to support conservation efforts.		
		Outcome 1.3. Government and non-government sources increase funding by 10% for MPAs measured through the Total Average Score for all MPAs in the UNDP/GEF Financial Scorecard (baseline to be determined during the PPG phase).	**Output 1.3.1.** Coastal land lease rates (OCRET) established for the financial sustainability of MPAs. **Output 1.3.2.** Business plans developed and/or updated for the three (3) new and two (2) expanded MPAs. **Output 1.3.3.** An Action Plan for private sector voluntary financial contributions strengthens the financial sustainability of all MPAs.		
2. Strengthening the institutional and individual capacities for effective management of MPAs and the conservation and sustainable use of marine-coastal BD.	TA	**Outcome 2.1.** Management effectiveness of Guatemala's six (6) existing MPAs improves by 10% according to Management Effectiveness Scorecard (METT) (baseline to be determined during the PPG phase).	**Output 2.1.1.** Marine units within the MARN and CONAP are established for improving MPA planning and management. **Output 2.1.2.** Management plans for two (2) expanded MPAs and for three (3) new MPAs are developed and aligned with the municipal participatory land and marine-coastal use plans. **Output 2.1.3.** Participatory resource use and management strategy for three (3) marine-coastal zones (one in the Caribbean and two in the Pacific) include the permitted uses and restrictions for marine-coastal BD and MPAs in twelve (12) municipalities (listed in the text) and mechanisms for conflict resolution and accountability.	1,753,000	4,463,140
		Outcome 2.2. Effective deployment of human resources and funds addresses threats (loss of habitat, overexploitation of marine-coastal resources, and contamination) in existing (194,148 ha) and new MPAs (213,817 ha).	**Output 2.2.1.** Strengthened capacity of national and local governments (CONAP, MARN, INAB, the Navy, and municipalities), private sectors (fisheries, energy, maritime ports/transportation), and civil society (non-governmental MPA co-administrators and local communities) in MPA management and the conservation and sustainable use of marine-coastal BD. **Output 2.2.2**. Extension support to small-scale artisanal fisheries for implementation of BD-friendly practices.		
		Outcome 2.3. Monitoring and adaptive management systems to address threats to MPAs and marine-coastal BD.	**Output 2.3.1.** A monitoring and enforcement system for the municipalities and CONAP reduce threats to marine-coastal BD in MPAs and their buffer areas.		
3. Addressing threats from key sectors (energy, fisheries, maritime ports/transportation, and urban development) in order to strengthen MPA management and the conservation and sustainable use of marine-and coastal BD in the Pacific region of Guatemala.	TA	**Outcome 3.1.** Key species and ecosystem indicators remain stable in four (4) MPAs (Manchón-Guamuchal, Sipacate-Naranjo, Hawaii-Santa Rosa, and Las Lisas-Paraíso-La Barrona) (species and ecosystems and their baseline and conservation targets will be determined during the PPG phase).	**Output 3.1.1.** Three (3) cooperation agreements between MPA authorities (CONAP and municipalities) and the energy, fisheries, and maritime ports/transportation sectors include conservation/management committees to oversee the conservation and sustainable use of BD in four (4) MPAs and their buffer areas. **Output 3.1.2.** Ballast water management program and fee system. **Output 3.1.3.** Program for the prevention, reduction, and control of land-based contamination of MPAs and buffer areas defined jointly with municipalities, local communities, and key private sector groups (oil, maritime transportation, agro-industry, tourism, and urban development). **Output 3.1.4.** Vulnerability analysis of the impacts of climate change (CC) to BD and	2,344,000	9,572,950

			ecosystem services in three (3) MPAs and their buffer areas.		
		Outcome 3.2. Stable catches and sizes of selected fisheries species in four (4) multiple use MPAs and their buffer areas of the Pacific region by project end (species to be determined during the PPG phase).	**Output 3.2.1.** BD-friendly fishing practices reduce the impacts on two (2) key species of local importance (small-scale artisanal fisheries) and three (3) species of commercial importance in multiple use MPAs and their buffer zones (species to be defined in the PPG).		
		Outcome 3.3. Sustainable use and extraction of resources contribute to the conservation of 6,725 ha of mangroves in MPAs and their buffer areas.	**Output 3.3.1.** Participatory conservation, rehabilitation, and sustainable use of mangroves in MPAs and buffer areas of the Pacific coast favor mangrove protection and the design of riparian conservation corridors.		
Project management cost				267,545	851,475
Total project costs				**5,354,545**	**16,190,535**

*Technical Assistance = TA.

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, ($)

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount ($)
National Government	Ministry of the Environment and Natural Resources (MARN); National Council of Protected Areas (CONAP); National Council for Science and Technology (CONCYT); and National Department of Science and Technology (SENACYT).	Grant	1,956,213
National Government	MARN; CONAP; National Forest Institute (INAB); Fisheries and Aquaculture Unit (DIPESCA), Ministry of Agriculture; Municipalities (Escuintla, Retalhuleu, Mazatenango, Quetzaltenango, San Marcos, and Izabal), etc.	In-kind	1,812,709
Foundation	The Nature Conservancy (TNC)	Grant	408,000
Foundation	Fundación para el Ecodesarrollo y la Conservación (FUNDAECO), ARCAS, CALMECAC, Amigos del Bosque, and Red Manglares	In-kind	223,255
GEF Agency	UNDP	Grant	607,351
Bilateral Aid Agency (ies)	Swedish International Development Cooperation Agency (SIDA)	Grant	4,132,232
Other Multilateral Agency (ies)	Millennium Development Goals Achievement Fund (MDG-F)	Grant	1,525,000
Other Multilateral Agency (ies)	Adaptation Fund	Grant	5,000,000
Private Sector	Pacific and Atlantic Port Authorities (Sto. Tomás Castilla, Champerico, and Quetzal)	In-kind	317,082
Others	Center for Conservation Studies (CECON), San Carlos National University	Grant	59,625
Others	Dirección General de Investigaciones, Universidad de San Carlos de Guatemala (DIGI/USAC)	In-kind	149,068
Total Co-financing			**16,190,535**

D. GEF RESOURCES REQUESTED BY AGENCY (IES), FOCAL AREA(S) AND COUNTRY(IES): N/A

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. THE GEF FOCAL AREA STRATEGIES:

1. This project is framed within the BD Focal Area. It aims to promote the conservation and long-term sustainable use of marine and coastal biodiversity of global importance through effectively and equitably managed marine-coastal protected areas (MPAs), which will contribute to improving the economic welfare of the Guatemalan population. The project addresses BD Objective One (BD-1), which aims to *Improve Sustainability of Protected Area Systems*. The project will contribute to the achievement of *Outcome 1.1: Improved management effectiveness of existing and new protected areas* by: a) promoting the conservation and sustainable use of marine-coastal BD in three new and two existing MPAs; b) strengthening the capacity of national and local stakeholders to effectively manage MPAs and utilize human resources and distribute funds effectively, and the development of monitoring and adaptive management systems to address threats to MPAs and BD; and c) facilitating synergies between MPA managers and the energy, fisheries, and maritime ports/transportation sectors for the conservation of BD of global importance in the Pacific region of Guatemala. It will also facilitate an increase in the ecological representativeness of the MPA system. The Guatemalan System of Protected Areas (SIGAP), which is governed by the National Council of Protected Areas (CONAP), currently includes a total of 270 areas covering 3.52 million hectares

(ha), which equates to 32.33% of the national territory. However, there are only six MPAs within the SIGAP, which cover 194,148 ha (5.5% of the SIGAP), and just one MPA situated in the Caribbean region containing a strictly marine portion, which represents less than 0.5% of the total marine area of the country. The project will contribute to overcoming this limitation by creating three new MPAs and expanding two existing MPAs, following the recommendation of Guatemala's marine conservation gap analysis[2] and increasing to 407,965.52 ha (11.5% of the SIGAP) the coastal and marine ecosystems under protection.

2. Additionally, the project will contribute to *Outcome 1.2: Increased revenue for protected area systems to meet total expenditures required for management* by allowing for an increase of 10% in funding from government and non-government sources for MPAs and revenue generation.

A.1.2. FOR PROJECTS FUNDED FROM LDCF/SCCF: THE LDCF/SCCF ELIGIBILITY CRITERIA AND PRIORITIES: N/A

A.2. NATIONAL STRATEGIES AND PLANS OR REPORTS AND ASSESSMENTS UNDER RELEVANT CONVENTIONS:

3. The project has been driven by national policies and strategies and will directly address key priorities. Guatemala's Policy for the Integrated Management of Marine-Coastal Zones (PMCG) defines the objectives and strategies for the sustainable use of coastal and marine goods and services in the country. Furthermore, the PMCG has within its proposed strategies the institutional strengthening and coordination of the government agencies responsible for the marine-coastal zones (e.g., MPAs and BD, forests, fisheries, state territorial reserves, control and surveillance, and maritime ports) and the civil sector. This project responds to the needs of the PMCG and will contribute to its implementation through the three project components. Similarly, the project addresses Guatemala's conservation needs as established in the country's marine conservation gap analysis (2009). The gap analysis conservation portfolio consists of 11 sites that need to be part of the SIGAP to increase its ecological representativeness. The project will contribute significantly with the creation of three new MPAs and the expansion of two existing MPAs in five of the sites identified in the marine conservation gap analysis. In addition, the project is driven by the Law of Protected Areas, Decree 4-89 (modified by Decree 110-96), which establishes that BD is an integral part of the natural patrimony of Guatemalans, and therefore, must be conserved through effectively managed protected areas (PAs).

4. Guatemala is a State Party to the Convention on Biological Diversity (CBD), which was ratified on July 10, 1995. The 10th Conference of Parties, (COP 10, held in Nagoya, Japan), Decision X/2: Strategic Plan for Biodiversity 2011-2020, sets strategic goals, and the BD targets (i.e., Aichi Targets) for the parties of the CBD. This project will help Guatemala to meet its commitment to reach the Aichi Targets, in particular Target 11: *By 2020, at least 10 percent of coastal and marine areas are conserved through effectively and equitably managed, ecologically representative and well connected systems of protected areas*. This will be achieved through the creation of three new MPAs and the expansion of two existing MPAs, thereby increasing the coverage of protected marine-coastal ecosystems within Guatemala's PA system by 213,817 ha. Additionally, the project will contribute to Strategic Goal B: *Reduce the direct pressures on biodiversity and promote sustainable use*. The project will address the new Programme of Work on PAs of the CBD, in particular Programme Element 1: *Direct actions for planning, selecting, establishing, strengthening, and managing, protected area systems and sites* and the target set for MPAs: *Complete by 2012 in the marine environments the establishment of comprehensive and ecologically representative national and regional systems of protected areas*.

B. PROJECT OVERVIEW.

B.1. THE BASELINE PROJECT AND THE PROBLEM THAT IT SEEKS TO ADDRESS:

5. Guatemala possesses a great natural richness resulting from its exceptional geographic location in Central America, with coasts on both the Pacific Ocean and the Caribbean Sea. The Guatemalan coast spans 402 kilometers (km) (254 km of Pacific coastline and 148 km of Caribbean coastline), and its marine extension is estimated to be more than 118,000 square kilometers (km^2). The fauna associated with the marine-coastal zone of **the Guatemalan Pacific** is very diverse and includes at least 80 orders and 261 families. Approximately 1,012 species of fauna in the Pacific coast of Guatemala are estimated to exist. Of these, 69.33% belong to the Phylum Chordata, followed by mollusks at 27.67%, and only 3% corresponding to arthropods. More than 70% of the species are present in three classes: fish (31.57%), birds (26.17%), and bivalves (15.78%). Among the most emblematic and globally important ecosystems present in this region are mangroves, which currently cover an area of 261.7 km^2. In addition, there are sandy and muddy beaches, which serve as important feeding grounds for coastal bird species (four species from the *Charadriidae* family and 29 species from the *Scolopacidae* family) and nesting areas for sea turtle species such as the Olive Ridley (*Lepidochelys olivacea*) and the leatherback (*Dermochelys coriacea*). Other ecosystems include estuaries and coastal lagoons, as well as herbaceous wetlands, which serve as areas for feeding, refuge, and reproduction for many marine species and as resting areas for migratory birds, including the American White Pelican (*Pelecanus erythorhynchos*) and the Wood Stork (*Mycteria americana*). The ocean waters serve as foraging/breeding areas

[2] CONAP and MARN. 2009. Biodiversidad Marina de Guatemala: Análisis de Vacíos y Estrategias para su Conservación. Consejo Nacional de Áreas Protegidas, Ministerio de Ambiente y Recursos Naturales, The Nature Conservancy. Guatemala. 152 p.

for the green sea turtle (*Chelonya mydas agassizii*) and the hawksbill turtle (*Eretmochelys imbricata*), and for reproduction of the humpback whale (*Megaptera novaeangliae*). The Pink-Footed Shearwater (*Puffinus creatopus*), a pelagic bird classified as "vulnerable" on the International Union for Conservation of Nature (IUCN) Red List is also present, as well as permanently submerged coral formations made up of colonies of hermatypic coral. The Pacific coastal zone has 6,068 ha of PAs (0.18% of the total coverage of the SIGAP), 46.14% of which is classified as Multiple Use Area, 32.96% is classified as National Park Lands, and 20.9% is designated as Natural Private Reserve. The marine-coastal area of **the Guatemalan Caribbean** forms part of the Mesoamerican Barrier Reef Ecoregion, and in addition to coral reefs, it contains mangroves, coastal estuaries and lagoons, and sandy beaches that originate from coral. Among the most globally important species present in the marine-coastal region of the Guatemalan Caribbean are the manatee (*Trichechus manatus*), sea turtles (the hawksbill turtle, the green sea turtle, and the loggerhead sea turtle [*Caretta caretta*]), the spiny lobster (*Panulirus argus*), the pink conch (*Strombus gigas*), and the White-tailed Tropicbird (*Phaethon lepturus*). In the Caribbean coastal zone, there are three MPAs in existence with a total of 188,080 ha, which include a Wildlife Refuge, a Multiple Use Area, and a Permanent Ban Zone.

6. The population in the coastal region of Guatemala consists of approximately 300,000 people living in 17 municipalities. Guatemala's Exclusive Economic and Territorial Sea Zone (EEZ) has an area of 120,221.6 km^2, in which diverse economic activities occur. The importance of the country's marine-coastal zone is evidenced by the goods and services that it offers, including aquaculture, fishing, tourism and recreation, habitat for BD, and the protection of the coastline. It is estimated that all of those goods and services currently provide the country with between $216 million USD and $314 million USD in annual revenue. Brackish water aquaculture is especially lucrative, with an average annual estimated value of $20 million USD. The average annual revenue generated by national fishing production is approximately $49 million USD, and sport fishing on the Pacific coast generates close to $2 million USD annually. Although the annual revenue from tourism in PAs in Guatemala as a whole is estimated to be equivalent to 13% of the country's national budget, there is a lack of accurate statistics regarding tourism in the MPAs.

7. Because conservation and sustainable use strategies for natural systems in Guatemala have traditionally been focused on the terrestrial PAs and the establishment of the marine-coastal MPAs has fallen well behind, many marine-coastal species and ecosystems have been put at risk. The most significant threats to marine-coastal BD, particularly in the Guatemalan Pacific, include: a) loss of habitat and natural cover due to unplanned development, creating a particularly critical situation for the country's mangroves; b) contamination caused by unplanned coastal development (urban, industry, and tourism expansion) and unregulated marine transportation; c) overexploitation of marine-coastal resources, including unsustainable fishing practices, and d) climate change (CC), which may adversely affect coastal and marine ecosystems, including mangroves and coastal wetlands and lagoons due to sea level rise, increase in surface waters temperature, and changes in seawater chemistry. Since 1950, mangroves have lost 70% of their original cover, with serious implications for their associated fauna and the environmental services they provide, including the reduction of their potential use as breeding areas for fish, mitigation of impacts from CC, and reduction of impacts from storms and hurricanes.

8. The size of the marine area currently under protection in Guatemala is inadequate for the conservation of the country's marine-coastal BD, and significantly falls below the standards of the Central American region (15%) and the future objectives proposed within the CBD of at least 10%. A study performed by SIGAP's Gap Analysis Committee (2009) to evaluate the management effectiveness of MPAs revealed that on average MPA management in the Pacific and Caribbean regions is not satisfactory. Although CONAP has staff experienced in PA management, there is limited capacity within the municipalities to promote conservation and sustainable use of marine-coastal BD; municipalities are responsible for the administration of natural resources within their jurisdictions as established by the Municipal Code and the Decentralization Act (Decree 14-2002). Similarly, effective inter-institutional and inter-sectoral coordination in developing national and local policies and programs for the protection and sustainable use of marine-coastal ecosystems is sometimes lacking. For example, activities within the agriculture and fishing sectors, which are under the supervision of Ministry of Farming, Livestock, and Food (MAGA) and the Fish and Aquaculture Management Unit (DIPESCA), respectively, give limited consideration to the environmental impacts of the production activities. MAGA, through the National Bureau of Land Reserves (OCRET), is the entity charged with the administration of Territorial Reserves of the State of Guatemala (the 3-km land belt along the coastline). This agency implements programs and activities for the development of these areas; however, it must improve coordination with other environmental authorities (e.g., MARN and CONAP). This lack of coordination is due to the fact that mainstreaming marine BD across government has not been fully accomplished.

9. **The following <u>baseline</u> was developed for the project:** Guatemala invests approximately $9 million USD/year for management of the PA system (to cover recurrent and investment costs of CONAP and the SIGAP). This is complemented by donations from development partners and a loan from the Inter-American Bank of $30 million USD for the sustainable development program in Guatemala's Mayan Biosphere Reserve, which was approved in 2007 and which has already disbursed $10 million USD. Baseline investments also include: a) the project *Regional protection of biodiversity and promoting the improvement of life of coastal communities living in the coastal marine ecosystem*, which aims to promote the

development of communities living in the Gulf of Honduras. In Guatemala the project contributes to the socioeconomic development of local communities to reduce human impact on PAs. The project has a duration of 4 years (2009-2012) and total funding of $2,411,194 USD provided by the Government of Italy; and b) the 5-year *Conservation of marine resources in Central America* project, which through a 5 million-euro donation from the German Development Bank (KfW), will sustain and protect some of the most important and fragile MPAs in the Mesoamerican Reef, including the Punta de Manabique Wildlife Refuge in Guatemala.

10. Baseline investments from the Pacific coastal municipalities for coastal zone protection/land use planning and management are on the order of $30,000 USD/year, while investments from the GoG and private contributions for the management of the fishing sector are $637,000 USD/year. Additionally, the National Port Commission has investments of $1,273,000 USD/year to support the ports/transportation sector through the provision of advice and technical assistance, training and management actions, and coordination and liaison activities, to effectively perform procedures and operations in support of foreign trade.

11. **The long-term solution** to the multiple threats facing the marine-coastal BD of Guatemala depends on its effective protection through MPAs and the promotion of their sustainable use supported by a strengthened legal and institutional framework, improved skills of environmental officials to monitor and mitigate threats to BD, improved MPA management effectiveness, and the establishment of collaborative conservation efforts between key government and non-government stakeholders. This conservation strategy will permit the GoG to establish new MPAs in the Pacific region, increase marine ecosystem representativeness within the SIGAP, and push forward the establishment of a network of MPAs by the year 2020, in accordance with the guidelines of the COP 10 of the CBD. However, the following barriers exist that prevent the conservation and sustainable use of BD in MPAs in Guatemala:

Deficient legal, institutional, and financial framework for the conservation of MPAs and marine-coastal BD.	A principal barrier to the effective management of MPAs and the protection of marine-coastal BD is the existence of a weak legal and institutional framework that does not favor the coordinated development of conservation efforts among the various state agencies (e.g., MARN, CONAP, and MAGA), municipal governments, and the productive sectors (e.g., fishing, energy, and maritime ports/transportation). The existing legal and institutional framework is not conducive to the joint protection of shared coastal and marine ecosystems by institutions and sectors. Different institutions with responsibilities for marine ecosystems' management and planning operate independently of each other; thus, the possibility of effectively addressing the threats to marine-coastal BD, particularly loss of habitat, unsustainable fishing practices, contamination of coastal and marine waters, and CC impacts, is limited. A major barrier to effective MPA management is the lack of financial mechanisms that would allow the diversification of funding sources. MPA financing relies largely on central government funding, which is limited and subject to recurring budget cuts, and the allocation of resources is usually slow. Private sector contributions to MPA management are almost non-existent despite the benefits that they obtain from the multiple ecosystems goods and services that MPAs provide. On the level of individual MPAs, outdated or non-existent business plans have prevented the assessment of management costs (basic and optimal) and revenue potential of each MPA. Thus, efforts to secure funding are made without consideration of the MPAs' management needs, and MPAs remain underfunded as financial targets area not clearly defined and efforts to secure funding are not well oriented.
Limited capacity of MPA officials, local authorities, and private sectors to counteract existing threats to BD.	A major barrier for the effective management of MPAs in Guatemala is the absence of consolidated marine units within MARN and CONAP, making these institutions ill-equipped to face the challenges facing MPAs. This limitation has resulted in deficient MPA planning and management, particularly in Guatemala's Pacific coast where MPAs have limited coverage. Management plans for MPAs need to be developed and/or updated; in addition, the MPAs' managers do not possess a full range of tools needed for effective MPA management since there is a lack of monitoring and enforcement systems to reduce threats to marine-coastal BD and for the development of financial strategies (e.g., business plans and mechanisms for revenue generation and reinvestment) that are necessary to achieve MPA sustainability. Similarly, there is also limited capacity among local authorities (i.e., municipalities) for effective planning and management of marine-coastal areas and for integrating MPAs as part of their planning. Local authorities also lack resources and sufficient information on the status of marine BD to reduce the impacts from coastal development, maritime ports/transportation, and fishing operations. Finally, there are limited opportunities for the training of fishermen and the fishing industry regarding marine BD and sustainable resource management. There is limited knowledge within the fishing sector (commercial and small-scale artisanal) regarding BD-friendly practices, an important limitation since non-sustainable fishing is widespread in the MPAs.
Deficient standards and tools for the reduction of threats to MPAs and marine-coastal ecosystems.	The slow development of conservation strategies for coastal and marine areas in Guatemala has resulted in a lack of mechanisms and tools to reduce threats from key sectors and local communities to MPAs and coastal-marine BD. Few efforts have been made to involve marine-based productive sectors (e.g., energy, maritime ports/transportation, and fishing) in conservation efforts or to promote the adoption of production practices that reduce impacts on coastal and marine BD. Similarly, the effects of land-based production and development practices (e.g., agro-industry and urban development) on coastal and marine areas have not been properly addressed, thereby limiting opportunities to reduce threats, particularly contamination, that result from the lack of joint planning and management by local authorities, productive sectors, and local communities. Strategies have not been developed for participatory conservation or the sustainable use of key coastal ecosystems. This is particularly true for mangroves, which have lost a large percentage of their original coverage and continue to be threatened by non-sustainable use and extraction practices.

B2. INCREMENTAL COST REASONING AND THE ASSOCIATED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED BY THE PROJECT:

12. Historically, efforts for the conservation and sustainable use of BD in Guatemala have been focused on the terrestrial PAs; similar efforts in the marine-coastal areas of the country have made little advancement. Without this project, it is not

likely that new MPAs would be created in the near future, and as a result, key areas for conservation of BD of global, national, and local importance would continue to lack protection and natural systems will continue to be degraded. The project objective is to promote the conservation and long-term sustainable use of marine and coastal biodiversity of global importance through effectively and equitably managed MPAs, which will contribute to improving the economic welfare of the Guatemalan population. By creating three new MPAs and expanding two existing MPAs in the Pacific region, improving MPA management effectiveness, and increasing MPAs' funding, the GEF investment will contribute to the protection and sustainable use of marine-coastal BD of global, national, and local importance.

13. **Component 1** will strengthen Guatemala's existing MPA legal, institutional, and financial framework for the protection and sustainable use of the country's marine-coastal BD. Through this component and based on Guatemala's conservation gap analysis developed by the MARN, CONAP, and TNC (2009), the GEF investment will allow the creation of three new multiple-use MPAs (IUCN Category VI – PAs for the sustainable use of marine-coastal natural resources) in the Pacific region (Manchón-Guamuchal, Hawaii-Santa Rosa, and Las Lisas-Paraíso-La Barrona) and the expansion of two existing MPAs (Sipacate-Naranjo National Park and Monterrico Multiple Use Natural Reserve) with a total area of 213,817 ha, significantly increasing marine ecosystem representativeness within the SIGAP. In addition, through the project the INAB's Regulation of Mangroves will be strengthened and mechanisms to implement CONAP's Regulation of Mangroves will be defined so that mangroves are effectively protected and adequately managed in order to reverse current trends in mangrove loss and degradation in the Pacific coast. The project will also facilitate institutional reform that will strengthen four coastal municipalities by implementing the Strategic Guideline 8.3 of the PMCG, which promotes institutional building and enhances inter-institutional coordination as part of a national strategy to protect marine-coastal ecosystems. Additionally, the project will allow the development of an integrated Marine-Coastal Management Program (MCMP), which will be central for a strengthened institutional and regulatory framework for the conservation and sustainable use of marine-coastal BD and effective MPA management. The MCMP will be developed in a participatory manner so that the key local, regional, and national stakeholders of the marine-coastal zone of Guatemala (government and private and civil sectors) contribute to the development of related proposals and guidelines and are properly informed about the MCMP goals and strategies. Finally, as part of the MCMP policy guidelines will be developed that will identify the main issues within the existing legislation on fishing (Fisheries Act), coastal land use and development (National Reserves Act – OCRET), and energy and mines (Energy and Mines Act) that need to be strengthened so that the conservation and sustainable use of marine-coastal BD and support to MPA management become important considerations for the development of activities within those sectors. The policy guidelines will also include considerations to organize the governmental and non-governmental sectors to support marine-coastal BD conservation efforts and recommendations for updating existing regulations for three fishing species of commercial importance (species selection to be determined during the PPG phase) so that conservation and socioeconomic objectives are incorporated, including BD-friendly catch methods to be implemented in Component 3. The project will also contribute to the financial sustainability of MPAs through: a) adjustments of the coastal land lease rates established through OCRET so that a percentage is redirected to support MPA management; b) the development of business plans for each of the three new MPAs and for two of the existing MPAs in the Pacific region; and c) developing and implementing an action plan to encourage voluntary financial contributions from the private sector (e.g., maritime transportation, fisheries, and tourism) to MPAs. The new MPA financial framework will result in increase of at least 10% in funding (government and non-government sources) for MPAs, which will be measured using the Total Average Score for all MPAs in the UNDP-GEF Financial Sustainability Scorecard. The baseline for the Financial Sustainability Scorecard will be determined during the PPG phase. By the end of the project, an enabling policy/legal environment and a new institutional structure for MPA management and the conservation and sustainable use of marine-coastal BD will exist with more clearly defined goals, roles, and responsibilities, as well as improved institutional coordination, social participation, and financing mechanisms.

14. **Component 2** will enhance the institutional and individual capacities for effective MPA management and the conservation and sustainable use of marine-coastal BD. The project will establish Marine Units within the MARN and CONAP to increase the institutional capacity for effective MPA planning and management, and to improve marine-coastal BD conservation in buffer areas. By the end of the project, these units will have the staff and funding necessary to cover management basic needs, will be properly equipped, and their operational procedures will be in place. Project funds from this component will also support the development of management plans for the three new MPAs to be created through Component 1, which will emphasize the sustainable use of marine-coastal resources, including the conservation and sustainable use plans for two key marine species of MPAs (species to be determined during the PPG phase). Similarly, project funds will be used to update the management plans of the Sipacate-Naranjo National Park and Monterrico Multiple-Use Natural Reserve. Management plan development and updates will be performed in a participatory manner and will include the development of all technical studies (i.e., biophysical, socioeconomic, and legal) related to their expansion and will follow the existing guidelines for the preparation of management plans for PAs within the SIGAP. Existing and newly created MPAs will be supported by monitoring systems designed to assess the status of their BD and will be integrated into a monitoring and enforcement program to monitor threats to ecosystems in Guatemala's marine-coastal zones (e.g.,

contamination, non-sustainable fishing, unplanned tourism, and CC) and facilitate decision-making to reduce impacts. The monitoring and enforcement program will be supervised by CONAP in its headquarters and regional offices, and will have informational nodes in the four coastal municipalities that will benefit from institutional-strengthening actions to be delivered through Component 1 as part of the implementation of the PMCG. Additionally, the development of participatory resource use program for three marine-coastal zones (one in the Caribbean and two in the Pacific) defining the permitted uses and restriction for marine-coastal BD and MPAs in twelve[3] municipalities will complement the tools and mechanism that by the end of the project will increase by 10% the management effectiveness of existing MPAs in Guatemala using the METT. The baseline for the METT will be determined during the PPG phase.

15. The project will also strengthen the capacities of local and national stakeholders through a skills-building program that will facilitate the delivery of the previously mentioned outputs. The skills-building program will include: a) training of 200 government officials (from twelve municipalities, CONAP, MARN, MAGA, INAB, and the Ministry of Defense/Navy), representatives from the private sector (e.g., energy, agriculture, maritime ports/transportation industries, tourism and urban development), and local communities in marine-coastal planning, environmental monitoring, financial planning, and the effects of CC on marine-coastal ecosystems; b) training of 50 members of fishing federations and 500 traditional and commercial fishermen in sustainable and BD-friendly fishing practices; and c) training of 40 state officials and non-government co-administrators of the SIGAP to improve their skills in MPA management and the development of business plans. Finally, an awareness program will allow 800 leaders of coastal communities and productive sectors (fishing, tourism, energy, agro-industry, marine transportation, urban development, and maritime industry) to become familiar with and monitor compliance of environmental policies, rules, and legislation regarding MPAs and the marine-coastal zone. The impact of training will be assessed using capacity development indicators as per the UNDP Capacity Development Scorecard (baseline to be defined during the PPG phase). By project end, human resources will be effectively deployed and funds will be disbursed to address threats to MPAs and marine BD (i.e., loss of habitat, overexploitation of marine-coastal resources, and contamination) in 213,817 ha of protected coastal and marine ecosystems in Guatemala.

16. **Component 3** will address threats from key sectors in order to enhance MPA management and the conservation and sustainable use of marine-and coastal BD in the Pacific region of Guatemala**.** The project will allow the development of three cooperation agreements between PA authorities (CONAP and municipalities) and the energy, fisheries, and maritime ports/transportation sectors, which will contribute to the conservation and sustainable use of BD in four MPAs and their buffer zones. Joint conservation/management committees will be established to oversee conservation efforts and MPA management effectiveness. The project will work with port authorities and the shipping sector to manage the use of ballast water, which brings undesirable marine species and pathogens that impact marine and coastal BD. Fees and policy prescriptions will be developed to generate additional funding for MPAs. Similarly, the project will develop a program for the prevention, reduction, and control of land-based contamination of MPA and their buffer zones jointly by MPA authorities, municipalities, local communities, and key private sector groups (oil, maritime transportation, agro-industry, tourism, and urban development), which will ensure the proper disposal of solid and liquid wastes and will reverse trends in degradation of riparian environments in coastal watersheds to reduce excess surface runoff (nonpoint source pollution) and sedimentation. To address and better understand the threat of CC to MPAs, a vulnerability analysis that includes decision-making matrices and consultation with experts, will be developed for four MPAs (Manchón-Guamuchal, Hawaii-Santa Rosa, and Las Lisas-La Barrona). In addition, the monitoring system to be developed through Component 2 will facilitate the development of baseline information to determine the status of key species (e.g., sea turtles, the hammerhead shark, the whiptail stingray, and the green spiny lobster), which will serve as indicators to evaluate the project's impact (final species selection will be determined during the PPG phase).

17. Component 3 will also deliver benefits in the form of stable catches and sizes of selected fisheries species in multiple use MPAs and their buffer areas of the Pacific region (Manchón-Guamuchal, Sipacate-Naranjo, Hawaii-Santa Rosa, and Las Lisas-Paraíso-La Barrona). This will be achieved by promoting BD-friendly fishing practices (e.g., fishing gear selectivity, protection of habitat, no-fishing areas, and accurate logbooks and catch reports) for three species of commercial importance and two key marine species of local importance (small-scale artisanal fisheries) (species selection will be determined during the PPG phase). BD-friendly fishing practices will be implemented in line with MPA management plans and will be supported by agreements between fishing groups and MPA national and municipal authorities, which will outline responsibilities, monitoring, enforcement, and conflict resolution mechanisms. Finally, this component the project will allow the conservation of 6,725 ha of mangroves on the Pacific Coast through the development of a participatory program for the conservation, rehabilitation, and sustainable use of the mangroves in the Manchón-Guamuchal MPA and its buffer zone. This will include the zoning and rehabilitation of mangrove-associated riparian corridors to improve water quality (reduction of excess nutrients and sediments) and provide additional habitat for a wide range of coastal species. Lessons learned from this

[3] Pacific coast: Ocos, Champerico, Retalhuleu, Pasaco, Taxisco, Guazacapan, Iztapa, Chiquimulilla, La Gomera, and Moyuta; Caribbean Coast: Puerto Barrios and Livingston.

program will be available to other coastal communities to promote the rehabilitation and protection of mangroves and the design of riparian conservation corridors in other regions of the Pacific coast.

18. The project will deliver **global environmental benefits** through the protection of habitat for species of global importance and the creation of three new MPAs and expansion of two existing MPAs (covering 213,817 ha) that will increase the biogeographical representation of the SIGAP. A summary of the BD values and threats for each site is presented below. Species of global importance that will benefit from the project's implementation include the West Indian manatee (*Trichechus manatus*), the hawksbill turtle (*Eretmochelys imbricata*), the green sea turtle (*Chelonia mydas*), the loggerhead sea turtle (*Caretta caretta*), the spiny lobster (*Panulirus argus*), the pink conch (*Strombus gigas*), and multiple fishing species of commercial and local importance. In addition to the many marine species, coastal waterfowl and migratory birds will benefit from the project through the protection of their feeding, breeding, and resting areas. The creation of new MPAs in the Pacific region of Guatemala will contribute to the achievement of the targets set by the COP 10 (Decision X/2) and the new Programme of Work for PAs of the CBD for MPAs. Through the project, a MPA financial sustainability strategy will be put in place, including the development and update of business plans for the three new and two expanded MPAs, which will contribute to increasing their funding by 10%, as measured through the Total Average Score for all MPAs in the UNDP/GEF Financial Scorecard.

Name	**BD values**	**Threats**	**Planned management actions**
1. Las Lisas-Paraíso-La Barrona	Near-coastal benthic ecosystems and marine life.	Non-sustainable small-scale and industrial fishing, including tuna.	Promote the use of BD-friendly fishing methods and improve monitoring and enforcement of fishing regulations and restrictions.
2. Manchón-Guamuchal	Herbaceous wetlands, coastal lagoons, mangroves, and rocky and sandy beaches; aquatic birds; and near-coastal and deep benthic ecosystems and marine life.	Non-sustainable small-scale fishing (deep long lines and nets) and contamination (coastal erosion, shrimp aquaculture, and marine salt mines).	Promote the use BD-friendly fishing methods and improve monitoring and enforcement of fishing regulations and restrictions.
3. Hawaii-Santa Rosa	Mangroves, coastal lagoons, herbaceous wetlands, and sand beaches; nesting sites for the green sea turtle (*Chelonia mydas*) and the olive ridley sea turtle (*Lepidochelys olivacea*); and migratory and resident aquatic birds.	Mangrove deforestation, illegal harvesting of turtle eggs, non-sustainable small-scale fishing in coastal lagoons, and contamination (urban centers and nearby agriculture).	Sustainable use of timber and non-timber mangrove products; promote sustainable fisheries in coastal lagoons and marine areas; promote research and monitoring of ecological, economic, and social aspects in the area; and strengthen the participatory management of the area.
4. Sipacate-Naranjo National Park	Mangroves, coastal lagoons, and sand beaches; nesting sites for the green sea turtle (*Chelonia mydas*) and the olive ridley sea turtle (*Lepidochelys olivacea*).	Contamination (urban centers and industries) and trawling.	Participatory management and sustainable resource use for mangroves; implementation of a joint program for the prevention, reduction, and control of land-based contamination; and surveillance and control program for non-BD-friendly fishing practices.
5. Monterrico Multiple-Use Natural Reserve	Mangroves and sand beaches; nesting sites for the olive ridley sea turtle (*Lepidochelys olivacea*) and the leatherback sea turtle (*Dermochelys coriacea*); over 110 species of resident and migratory birds.	Contamination (urban centers port infrastructure, and shrimp aquaculture) and mangrove deforestation.	Implementation of joint program for the prevention, reduction, and control of land-based contamination and participatory management and sustainable resource use for mangroves in multiple use MPAs.

B.3. THE SOCIOECONOMIC BENEFITS TO BE DELIVERED BY THE PROJECT AT THE NATIONAL AND LOCAL LEVELS, INCLUDING CONSIDERATION OF GENDER DIMENSIONS, AND HOW THESE WILL SUPPORT THE ACHIEVEMENT OF GLOBAL ENVIRONMENT BENEFITS:

19. The project will promote the participation of local communities, municipal authorities, and private sectors from its initial stage (project design) throughout the implementation period (i.e., planning, execution, and monitoring and evaluation). More specifically, the project's socioeconomic benefits will be in the form of: a) social empowerment of men and women through participation in decision-making regarding the development of a regulatory framework and plans for the management MPAs and coastal zones (Components 1 and 2); b) strengthening of existing skills (e.g., BD-friendly fishing techniques) and the development of new skills for targeted social groups (Component 2); c) improved food security for local communities through the development of conservation strategies for key species (e.g., fisheries) and ecosystems of local economic importance (Component 3) (e.g., mangroves: increase in food options and income for local communities in the form of sustainable harvesting of fauna [e.g., bivalves: *Anadara* sp, *Grandiarca* sp; crabs: *Ucides occidentalis* and *Achrostichium daenifolium*; and mullet: *Mugil curema* and *Mugil cephalus*], and sustainable timber extraction and charcoal production); and

d) improved ecological services to enhance production for private sectors (i.e., fishing, tourism, and coastal development) (Component 3). By providing these socioeconomic benefits, key stakeholders will become active participants in the conservation and sustainable use of marine-coastal species and ecosystems of global importance.

20. The **institutional and financial sustainability** of the project outcomes will be ensured through several provisions. The strengthening of the MPA policy and institutional framework will be the basis for the institutional sustainability of project actions. Policy reforms and guidelines will improve coordination among the various national and local institutions regarding planning and management of MPAs and marine-coastal BD conservation. It will aid in defining common goals, specifying roles, and clarifying responsibilities regarding MPAs and marine-coastal BD conservation. The establishment of marine units within the MARN and CONAP will constitute a significant step in strengthening the government's capability at the national level to ensure the protection and monitoring of marine-coastal BD and its sustainable use. These units will be inserted within the agencies' organizational structures and will continue to operate after project completion with the full support of the GoG. Participatory resource use plans for marine-coastal zones will provide planning tools to 12 coastal municipalities that will strengthen their role as local administrators of natural resources together with strengthened capacities through training in marine-coastal planning, environmental monitoring, and financial planning.

21. A key element for the financial sustainability of MPA management will be the development of business plans for the MPAs to be created or expanded by the project. Business plans will aid in evaluating the specific financial needs for each area (i.e., basic and optimum management costs analysis) and evaluating future revenue generation sources for each MPA and the capture of other outside revenue sources (government and non-government). Additionally, coastal land lease rates will be established in support of MPA management, securing permanent resources from the lease of land by GoG to third parties within the 3-km land belt along the coastline. This program will be overseen by National Bureau of Land Reserves (OCRET) and CONAP. Also, an action plan to encourage private sector voluntary financial contributions will be developed on the basis that effectively managed MPAs will provide lasting ecosystems goods and services that will bring economic benefits to the sectors involved (e.g., fisheries, tourism, and urban and industrial development), which will serve as an incentive to invest in MPAs' protection and management.

B.4 RISKS, INCLUDING CLIMATE CHANGE RISKS THAT MIGHT PREVENT THE PROJECT OBJECTIVES FROM BEING ACHIEVED AND MEASURES THAT ADDRESS THESE RISKS:

Risk	Level	Risk Mitigation Strategy
Increase in threats to BD beyond currently projected levels	M*	To reduce this risk the project will strengthen the legal and institutional structure for the protection and sustainable use of the country's coastal and marine BD. The project will work closely with coastal municipal governments to provide them with participatory planning tools that will include the permitted uses and restrictions for marine-coastal BD to facilitate the monitoring and control of threats. The participation of private sectors and local communities in the project and the development of mechanism for joint conservation and management of MPAs (including roles, responsibilities, and derived benefits) will contribute also contribute to mitigate this risk.
Security issues	L	Recently Guatemala has seen an increase in security issues related to the illegal drug trade. Although most of this activity is happening in the northern part of the country along the Mexican border, there is a risk that it may expand to the coastal areas. The project will involve Guatemala's Navy and municipal governments in the monitoring and enforcement of planned actions directed to reduce threats to marine-coastal BD of MPAs, which in turn will serve to discourage any illegal activities within the project target sites. Additionally, the project will maintain good public relations and will assure the involvement of local communities in project activities, which in addition to providing direct benefits for local communities (e.g., continued availability of marine resources and food security) will serve as a social control measure to reduce this risk.
Impact of CC on marine-coastal BD.	L	Through the establishment of new MPAs and the expansion of existing MPAs, connectivity between marine-coastal ecosystems will be established, providing movement of species between different habitats and thereby serving as temporary refuge in the face of potential CC events. The protection of the mangroves will help to mitigate the impacts from storms and hurricanes associated with CC through the reduction of their intensity and the prevention of erosion in different coastal zones, with benefits for marine-coastal species as well as the human settlements in coastal areas. Finally, national- and municipal-level authorities will be trained to better understand the impacts of CC on marine-coastal BD and to adopt conservation and management strategies for mitigating CC effects and enhancing resilience.

*High = H; Medium = M; and Low = L.

B.5. THE KEY STAKEHOLDERS INVOLVED IN THE PROJECT AND THEIR RESPECTIVE ROLES:

Stakeholders	Role in project implementation
MARN	The MARN is the GEF Operational Focal Point. It will provide guidance for strengthening the regulatory and institutional frameworks for the protection of marine-coastal BD through MPAs and for their effective management (Component 1).
CONAP	CONAP, with the support of the MARN, will be the project's Executing Partner. It will play a central role in the creation/expansion of MPAs (Component 1). It will also provide technical and scientific support to project activities, including legal reform and inter-institutional coordination (Component 1) and stakeholder participation for MPA management and marine-coastal BD conservation (Components 2 and 3).
INAB	INAB will provide advice for mangrove regulation reform (Component 1) and technical support in the development of a participatory plan for the conservation and sustainable use of mangroves in Guatemala's Pacific region (Component 3).
Municipalities (8)	Will participate in the alignment of MPA management plans with municipal land/coastal use plans (Components 2 and 3), the development of a monitoring and surveillance program to monitor threats to MPAs and marine BD (Component 2), and will be beneficiaries of training.

Stakeholders	Role in project implementation
Local communities	Will participate in the formulation of MPAs management and coastal zones plans (Component 2). Will serve as advocates in the development of participatory conservation and the sustainable use of marine-coastal BD (Components 2 and 3), as well as the delivery of project benefits.
TNC	TNC will provide technical and scientific support to the project (Components 2 and 3). It will develop MPA and BD-related baseline information, and participate in the implementation of a threats-reduction monitoring system (Component 2).
Private sector	The private sector will actively participate in the formulation of MPA management plans (Component 2), the establishment of agreements to reduce and control land-based contamination in coastal zones, and the adoption of BD-friendly practices (Component 3).
UNIPESCA-MAGA	UNIPESCA-MAGA will implement actions for fisheries management and control and surveillance to be developed through Component 3. Additionally, it will provide field support and will promote the involvement of local communities, municipalities, and the fishery sector in project activities.
Navy / Ministry of Defense	Will provide patrolling and logistics support in MPAs and their buffer areas (Component 3). Will enforce agreements and resource use norms.
UNDP	The UNDP will offer overall technical and administrative support, management tools, and theoretical and practical knowledge to executing agencies to aid in implementing project activities and the timely, efficient, and effective delivery of outputs.

B.6. COORDINATION WITH OTHER RELATED INITIATIVES:

22. The project will coordinate the actions and adopt lessons learned from regional and national initiatives, including the GEF project *Meso-American Barrier Reef System II* in Mexico, Belize, Guatemala, and Honduras, and the *Sustainable Management of the Shared Living Marine Resources of the Caribbean Large Marine Ecosystem (CLME) and Adjacent Regions* project financed by GEF-UNDP, both of which are implementing activities on the Caribbean coast of Guatemala. In addition, actions will be coordinated with the GEF-IADB regional project *Environmental Protection and Maritime Transport Pollution Control in the Gulf of Honduras* (Belize, Guatemala, and Honduras), which aims to reverse the degradation of coastal and marine ecosystems within the Gulf of Honduras caused by maritime transport- and land-based pollution. The project proposed herein will focus its efforts on the establishment and effective management of MPAs in Guatemala's Pacific coast, which has lagged behind the Caribbean coast in terms of BD conservation initiatives. Thus, this project is clearly an additionality to past efforts from the GEF to promote the conservation of globally important marine and coastal biodiversity in the region.

23. The project will also develop synergies with regional initiatives that include the USAID *Management of Aquatic Resources and Economic Alternatives for Central America (MAREA) Project*, with interventions on both coasts of Central America, and the *Conservation of Marine Resources of Central America Project* funded by the German agency KfW, and which is part of the Meso-American Barrier Reef System (SAM) Fund. The Mesoamerican Biological Corridor (MBC) was proposed in 1995 as one of the areas in which actions would be taken to control the accelerated loss of BD in Mesoamerica. That same year, GEF approved financing for the identification phase of the project in order to support the establishment of this corridor. The MBC is comprised of sets of areas identified by each country and declared under specific categories of protection and management. The Mesoamerican Reef System is one of the principal components of the MBC. Actions from the project proposed herein for the marine-coastal zone of the Guatemalan Caribbean will complement the initiatives in the MBC and the Mesoamerican Reef System.

C. THE GEF AGENCY'S COMPARATIVE ADVANTAGE TO IMPLEMENT THIS PROJECT:

24. The effective conservation and management of PAs is of one of the UNDP's core signature programs for BD conservation; the UNDP currently supports PA projects in over 15 countries in Latin America and the Caribbean (LAC), covering close to 32 million ha. The UNDP has identified PA financing as pivotal to ensuring effective PA systems in LAC. In 2007 the agency produced a Financial Sustainability Scorecard as an instrument to assist managers and decision-makers in identifying and demonstrating financial needs and gaps in a systematic and periodic manner. The UNDP is continually increasing its portfolio of projects that support the financial sustainability of PAs. In addition, the UNDP has a long history of providing assistance to the GoG in the promotion, design, and implementation of activities that are consistent with the GEF's mandates as well as national conservation and sustainable development initiatives. The comparative advantage of the UNDP for GEF also lies in its global network of Country Offices, its experience in the formulation of integral development policies, institutional strengthening, and the participation of the non-governmental sector and communities, as specified in the document *Comparative Advantage of the GEF Agencies (GEF/C.31/5rev.1)*. The UNDP has been identified by the MARN and CONAP as the appropriate Implementing Agency of the GEF for this initiative, given its experience in the development of multiple projects for the GEF in BD and PAs..

C.1. INDICATE THE CO-FINANCING AMOUNT THE GEF AGENCY IS BRINGING TO THE PROJECT:

25. UNDP will contribute $607,351 USD in cash.

C.2. HOW THE PROJECT FIT INTO THE GEF AGENCY'S PROGRAM (REFLECTED IN DOCUMENTS SUCH AS UNDAF, CAS, ETC.) AND STAFF CAPACITY IN THE COUNTRY TO FOLLOW UP PROJECT IMPLEMENTATION:

26. The program framework of the United Nations in Guatemala includes environmental and disaster risk reduction topics as a priority area of work, which involves improving environmental governance at all levels of the state, sustainable use of natural resources, particularly community-based, and strengthening national capacities for disaster risk management, which include CC impacts. Specifically, the country program document of the UNDP seeks to strengthen national and local institutions across all sectors for improved environmental governance by supporting coordinated actions between governmental institutions and the private sector as well as civil society, advocating for sound management of natural resources and generating awareness of the importance of ecosystem goods and services for economic growth and social development. The Environment and Energy area of UNDP-Guatemala is currently implementing a portfolio of projects ranging from national management and sustainability of PAs to cross-sectoral adaptation programs and regional BD conservation and has the necessary capacity and experience for the implementation of the proposed project. Currently the unit is staffed by a program officer, a technical liaison officer, and an administrative/financial officer. The United Nations Development Assistance Framework (UNDAF) 2010-2014 recognizes sustainable land management, conservation, and sustainable use of BD and CC as priority areas for UN support to the GoG. This project will be under the supervision of the Regional Technical Advisor for GEF projects in Latin America and the Caribbean, who has a Ph.D. and M.Sc. in Environmental Policy and Economics. The UNDP country office will assign seven core staff members to manage and supervise project implementation. The project will be managed by the Program Analyst of the Environment and Development Unit of UNDP Guatemala, who has a MSc in Conservation and Natural Resource Management, B.Sc. in Biology, and 9 years of experience in environmental management and legal/policy issues; a Climate Change and Environment Advisor with a MSc in Marine Sciences and 8 years of experience in environmental management and CC adaptation; and a senior Program Support Associate (15 years with UNDP). Support will be provided by the Head of Crisis Prevention and Recovery Area (MSc. Applied Forestry/Hydrology and 25 years of working experience); and project monitoring and evaluation will be led by UNDP's Head of Monitoring and Evaluation Unit (10 years of experience). Implementation support on Procurement and Finance will be provided by three staff members: Finance Officer (13 years of experience), Procurement Officer (17 years with UNDP), and Human Resources Officer (16 years of experience).

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

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Point endorsement letter(s) with this template).

NAME	POSITION	MINISTRY	DATE *(MM/DD/YYYY)*
Luis Armando Zurita Tablada	Minister	Environment and Natural Resources	**SEPTEMBER 11, 2011**

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for project identification and preparation.					
Agency Coordinator, Agency name	**Signature**	**Date *(MM/DD/YYYY)***	**Project Contact Person**	**Telephone**	**Email Address**
Yannick Glemarec, UNDP/GEF Executive Coordinator		November 8, 2011	Santiago Carrizosa, Regional Technical Advisor, EBD	+507 302-4510	Santiago.carrizosa@undp.org