



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

GEF ID:	4708		
Country/Region:	Honduras		
Project Title:	Strengthening the Sub-system of Coastal and Marine Protected Areas.		
GEF Agency:	UNDP	GEF Agency Project ID:	4826 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-1; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$3,036,364
Co-financing:	\$11,500,000	Total Project Cost:	\$14,536,364
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Andrew Velthaus	Agency Contact Person:	Santiago Carrizosa

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	AWV 11/10/11 Yes - CBD ratified in 1995.	
	2. Has the operational focal point endorsed the project?	AWV 11/10/11 Yes - on August 11, 2011.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	AWV 11/10/11 Yes, UNDP has strong capabilities in strengthening protected area systems. UNDP has implemented similar projects in the region, including in Cuba and Venezuela, and UNDP is implementing a biodiversity conservation project in Honduras, along the Moskitia coast.	

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 11-22-2010

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	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	AWV 11/10/11 No	
	5. Does the project fit into the Agency's program and staff capacity in the country?	AWV 11/10/11 Yes. UNDP has a strong environmental and biodiversity conservation program headquartered out of Panama City. (The PIF could have included more information on staff capacity.) The project aligns well with one of the objectives of UNDP's country program document for Honduras regarding sustainable natural resource management and the promotion of sustainable development through development of good practices and participation of private sector, municipal governments, and others. The project aligns well with a key UNDAF objective for Honduras to promote the adoption of "good practices for the management of ecosystems" and preservation of natural capital.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	AWV 11/10/11 Yes, Honduras has not yet accessed any resources under its BD STAR allocation of \$7.3. This project proposes using 42% of these resources, or \$3.04 million (including the agency fee.)	
	• the focal area allocation?	AWV 11/10/11 NA	

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	<ul style="list-style-type: none"> the LDCF under the principle of equitable access 	NA	
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 	NA	
	<ul style="list-style-type: none"> Nagoya Protocol Investment Fund 	NA	
	<ul style="list-style-type: none"> focal area set-aside? 	NA	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	<p>AWV 11/10/11</p> <p>Yes, the project aligns well with GEF BD Outcome 1.1 (Improved management effectiveness of existing and new protected areas) and output 1.1.1 on new protected areas and expanded protected area coverage. It will also contribute to GEF objectives on mainstreaming of biodiversity conservation into productive sectors as it addresses fisheries regulation. (BD Outcome 2.2)</p>	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	<p>AWV 11/10/11</p> <p>Yes - BD-1. See #7 for further detail.</p>	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	<p>AWV 11/10/11</p> <p>The project aligns well with goal 1.1 of the CBD's Programme of Work on Protected Areas, which Honduras is implementing through its "Strategic Plan for the National System of Protected Areas, produced in 2005. It is consistent with the emphasis in its NBSAP(produced in 2004), which emphasizes in situ conservation of biodiversity in protected areas. It has co-financing from the national protected</p>	

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		<p>area fund (ICF), which will ensure strong alignment with NPA system.</p> <p>Honduras is not undertaking an NPFE.</p>	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	<p>AWV 12/7/11</p> <p>Through supplementary answers, UNDP has explained how several different components of the project specifically target capacity building in a manner that will enhance the ecological and financial sustainability of project outcomes. Specifically, training and other capacity development will be provided to the General Directorate of Fisheries (DIGEPESCA), the co-managers of the protected areas (the protected area authority (ICF) and delegated CSOs), and fishing cooperatives and fishers so that they are able to collaborate effectively under the integrated management system for fishery resources that is to be developed for the protected areas. The plan to develop an integrated system, which will enable DIGEPESCA to draw on the support of PA managers and others in monitoring and regulation, is a good approach. The final project document for CEO endorsement should address, however, whether DIGEPESCA will have the necessary financial and staff resources at project end to be able to coordinate with its protected area management partners, and a more accurate baseline of financial support for fisheries regulation will be helpful</p>	

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		<p>(which will be developed through the PPG). It is not clear that "increased awareness" the relationship between sound natural resource management and livelihoods alone will result in increased resources for DIGEPESCA.</p> <p>AWV 11/10/11</p> <p>The PIF does not really explain clearly how the necessary capacity for sustainability will be developed. Most of what will be funded seem to be plans, development of agreements, legal declarations, management plans, regulatory instruments, and strategies. All of the listed plans and strategies appear to be necessary elements for ensuring sustainability - financial, ecological, and social - but not sufficient since staff will need to be trained and have adequate capacity to implement the plans and strategies.</p> <p>In the revised PIF, please discuss in the section on incremental cost reasoning (B.2) an approximation of funding under each component that expected to be used for training and capacity building.</p> <p>We note that a very low level of funding is available in the country for fisheries monitoring and planning (\$270,000 per year). Please also discuss how the project will build capacity in this area and how funding for this vital task will be increased sustainably.</p>	

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Project Design	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	<p>AWV 11/10/11</p> <p>Yes. This project will build on several baseline initiatives and projects/programs at the national level, including a variety of national and international institutions assisting Honduras with strengthening its PA system, improved monitoring, improving coastal zone management, and fisheries management. The baseline is described mostly using clear data, including the current extent of coastal and marine protected areas (CMPAs) and funding for different activities (e.g. monitoring and planning and control of fisheries.)</p> <p>Request to be addressed at CEO endorsement: Please provide some socio-economic baseline data (e.g. income data, incidence of poverty) for populations living near areas to be brought under protection.</p>	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	<p>AWV 11/10/11</p> <p>Yes - This project aims deliver incremental environmental benefits by expanding the coverage of CMPAs in Honduras' national protected area system. The current coverage of coastal</p>	

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		<p>and marine ecosystems in Honduras' national protected area system is a low 4%. 50% of Honduras' reefs are classified as in poor condition. Overfishing is negatively impacting livelihoods by impacting important species. Expansion of the PA system will help deal with these problems.</p> <p>AWV 12/7/11</p> <p>Moreover, UNDP has further clarified how this project will build on the work of previous and/or on-going projects in an incremental manner, focusing on niches that have not been adequately covered to date.</p>	
	14. Is the project framework sound and sufficiently clear?	<p>AWV 12/7/11</p> <p>As mentioned in item 10 above, UNDP has clarified in its response how the envisioned "integrated system for fisheries monitoring and regulation" will work, so the concern below is resolved. Capacity will be built not only in DIGEPSCA, but also within PA managers and fishing cooperatives and fishers so that they may participate in and contribute to the monitoring and regulatory function.</p> <p>AWV 11/10/11</p> <p>Needs improvement.</p> <p>The project framework is sound and clear with regard to increased coverage</p>	

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		of CMPAs and generally clear and sound in terms of financial sustainability. It seems clear on management effectiveness. What is not clear is how this project will link with efforts to improve fisheries management. The project mentions an outcome on "integrated system for fisheries monitoring and regulation" but it is not clear how this project will help in that regard.	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	<p>AWV 11/10/11</p> <p>The project mostly appears to incorporate the necessary methodological considerations for ensuring the expected outcomes: including coordination of PA planning with wider land-use and zoning efforts, strengthening of monitoring and data collection, consultation, and developing new sources of revenue for PA management. On this last issue, the project will learn from successful financing instruments/arrangements used in the Bay Islands.</p> <p>For CEO endorsement, the project should more clearly explain the assumption of how greater MCPA coverage will stabilize fish catches, since there are many variables that will influence this.</p>	

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	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?</p>	<p>AWV 12/7/11</p> <p>Through new language added to the PIF (para. 7), UNDP has improved the description of the socioeconomic benefits of the project, including gender dimensions. Some clear socioeconomic data is included, and the role of women and men is discussed.</p> <p>For CEO endorsement, please see our earlier comment below.</p> <p>AWV 11/10/11</p> <p>Though there is a discussion of socioeconomic issues, this is a weak area of the PIF. In the resubmission, please provide at least some socioeconomic data for coastal areas where protected areas are expected to be developed. If possible, please discuss the roles of women and men in natural resource management.</p> <p>For CEO Endorsement: The CEO endorsement document should provide relevant socioeconomic baseline data on income or poverty indicators (if feasible, gender disaggregated) in the coastal region of the country. If feasible, it would be good to have an outcome target in this area, even if it uses a proxy indicator. It is largely assumed that the benefits of ecosystem conservation will offset any limitations on livelihoods. There is no mention of gender issues.</p>	

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		The final proposal should explain the different roles of men and women in natural resource management in the coastal region and how both groups are likely to benefit from the program.	
	17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?	<p>AWV 11/10/11</p> <p>Yes, consultation with CSOs and local communities will be an important part of the initiative and in developing management plans. The proposal mentions co-management arrangements.</p> <p>For CEO endorsement: It is not clear whether the project targets or expects to affect Indigenous Peoples (IPs). Since the initiative might work in the Moskitia coast, it should describe whether the project has engaged IPs and how they will be affected and benefit from the project.</p>	
	18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	<p>AWF 11/10/11</p> <p>The project mentions that it will take into account the implications of a range of different climate change scenarios and this will be taken into account in PA design.</p> <p>Request for CEO endorsement: please clearly describe how information on climate change scenarios impacted decisions on PA designation.</p>	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>AWV 12/7/11</p> <p>We thank UNDP for improving the description of how the project will avoid</p>	

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		<p>overlap with and build on the IADB's long-running projects in the Bay Islands, including the on-going GEF project. We are satisfied that the project will focus mostly on coastal areas near the mainland and that investments in the Bay islands are relatively limited. Where activities in the Bay islands are contemplated, these will focus on incremental issues not previously addressed through the IADB project. It is also good that the project will focus on learning from the IADB effort in two areas.</p> <p>AWV 11/10/11</p> <p>No. We are pleased that the project mentions coordination with GEF project 1032 (Sustainable Management of the Shared Marine Resources of the Caribbean Large Marine Ecosystem) and Project 2885 Meso-American Barrier Reef System II, but there is no mention of the IADB's long-running projects in the Bay Islands, including the \$16 million GEF-IADB Project (number 1515) approved in 2003/2004.</p> <p>The PIF should be resubmitted to clarify how it will not overlap with the IADB project (will it work in MPAs in the bay island areas) and provide a better explanation of how it will learn from the project and build on it. There is mention of the Bay Islands and PA funding mechanisms used there, but</p>	

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		there is little mention of how this project relates to the IADB project.	
	20. Is the project implementation/ execution arrangement adequate?	AWF 11/10/11 The chosen executed agencies are appropriate and their tasks are mostly clear. The document at CEO endorsement should more explain the tasks to be undertaken by SERNA, ICF, and DIGEPESCA.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	AWV 11/10/11 Yes, project management costs for the GEF portion are 5% of the GEF grant. (Those apportioned to the co-financing are also 5%.)	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	AWV 11/10/11 Yes - the funding seems adequate and the distribution is balanced appropriatetely against the objectives.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	AWV 11/10/11 Indicated co-financing totals \$11.5 million, which represents a ratio of 1:3.9.	

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		This is a good ratio for a protected area project in the second poorest country in Meso-America.	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>AWV 12/7/11</p> <p>UNDP has explained the breakout of co-financing and what is meant by initiatives of other agencies developed by UNDP.</p> <p>AWV 11/10/11</p> <p>Yes - UNDP is bringing \$500,000 in co-financing to the project. It explains that an additional \$3.5 million will come from additional resources managed by UNDP or from programs that have been developed by UNDP.</p> <p>Please explain and break out what these resources are. It is not clear what is meant by an "initiatives" of other agencies "developed" by UNDP.</p>	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?	NA	
	• Convention Secretariat?	NA	
	• Council comments?		

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	<ul style="list-style-type: none"> Other GEF Agencies? 	NA	
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>AWV 12/7/11</p> <p>PIF clearance/approval is now recommended because UNDP has made the four requested improvements to the PIF requested below, and as clarified above - see sections 10, 14, 16, and 19.</p> <p>AWV 11/10/11</p> <p>This PIF is almost ready for clearance, but four improvements are needed.</p> <ol style="list-style-type: none"> 1. Please describe how this project will not duplicate the work of the IDB under GEF project 1515 and how it will learn from and build on this project. In this regard, please discuss the initial thinking on where the 8 protected areas will be located. Are they only along the coast or also in the Bay Islands. If the Bay Islands are included, please provide justification for why further resources are needed. 2. Please describe more clearly how capacity for each component will be built, including through training, and how much funding will be allocated to training versus development of plans and strategies. 3. Please address how capacity will be addressed in fisheries monitoring and 	

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		what the project will aim to do to ensure sustainable financing for this. 4. Please improve the section on socioeconomic benefits. No baseline data is provided and the benefits are simply assumed. Please also include a discussion of gender dimensions.	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	November 11, 2011	
	Additional review (as necessary)	December 07, 2011	
	Additional review (as necessary)		
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* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	AWV 12/7/11
		AWV 12/7/11
		Yes. The seven activities are all directly related to and necessary for the design of this project - socioeconomic studies, analysis of fishing activities, evaluation of

		priority MPA sites and management strategies, stakeholder analysis and consultation, institutional analysis (e.g. capacity evaluation), financial analysis, and key project design elements.
		The budget for activity coordination will be covered by co-financing.
	2. Is itemized budget justified?	AWV 12/7/11 Yes. The total request of GEF resources is \$100,000, to be matched with \$100,000 in co-financing. The budget amounts are appropriate in scale to each activity's relative importance for the successful development of the project.
Secretariat Recommendation	3. Is PPG approval being recommended?	AWV 12/7/11 Yes.
	4. Other comments	
Review Date (s)	First review*	December 07, 2011
	Additional review (as necessary)	

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