



GEF-6 PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: FULL SIZED PROJECT
TYPE OF TRUST FUND: GEF TRUST FUND
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PART I: PROJECT INFORMATION

Project Title:	Conservation and sustainable use of biological diversity in priority landscapes of Oaxaca and Chiapas		
Country(ies):	Mexico	GEF Project ID: ¹	9445
GEF Agency(ies):	CI (select) (select)	GEF Agency Project ID:	
Other Executing Partner(s):	Commission of Natural Protected Areas (CONANP) and Conservation International Mexico, A.C. (CI Mexico)	Submission Date:	03/24/2016
GEF Focal Area(s):	Biodiversity	Project Duration (Months)	60
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/> Corporate Program: SGP <input type="checkbox"/>		
Name of parent program:	[if applicable]	Agency Fee (\$)	649,750

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
BD-1 Program 1	GEFTF	3,720,574	25,840,000
BD-4 Program 9	GEFTF	3,498,876	21,500,000
(select) (select) (select)	(select)		
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(select) (select) (select)	(select)		
Total Project Cost		7,219,450	47,340,000

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: Strengthening the conservation of globally significant biodiversity in the National System of Protected Areas and corridors, through integrated management of priority coastal, marine and terrestrial landscapes of Oaxaca and Chiapas, Mexico						
Project Components	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
Component 1: Strengthening biodiversity conservation through integrated ⁴	TA	Outcome 1.1: Conservation of globally significant biodiversity in three priority landscapes	Output 1.1.1: Three integrated landscape management plans developed through	GEFTF	2,052,359	15,870,000

¹ Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCE](#).

³ Financing type can be either investment or technical assistance.

⁴ Integrated landscape management: the integration of the different sustainable development components in landscape units, developing strategies for biodiversity conservation, use, restoration and sustainable use of resources in a participatory manner with different sectors.

<p>management of three priority landscapes; Landscapes: 1) Sierra Madre of Chiapas, 2) Sierra Sur of Oaxaca, and 3) Pacific South Coast of Oaxaca and Chiapas.</p> <p><u>Project total area:</u> 2.765 million hectares</p> <p><u>Natural Protected Areas (NPAs):</u> 765,000 hectares</p> <p><u>Corridors:</u> 2 million hectares</p>		<p>substantially strengthened.</p> <p>Target 1.1.1: Sustainable land-use plans promoting biodiversity conservation in approximately 2.7 million hectares developed and implemented.</p> <p>Target 1.1.2: At least 15 globally significant species (CR, EN, and VU according to the IUCN) effectively conserved.</p> <p>Target 1.1.3: At least 15% increase in the average management effectiveness score over the baseline (baseline to be assessed during the PPG).</p> <p>Outcome 1.2: New protected areas with globally significant biodiversity created.</p> <p>Target 1.2.1: At least 110,000 hectares of new protected areas established in areas meeting the KBA criteria</p>	<p>participatory workshops with multiple stakeholders, and in an advanced stage of implementation.</p> <p>Output 1.1.2: Annual Operational Plans for at least 357,000 hectares of Natural Protected Areas (NPAs) developed/updated and implemented.</p> <p>Output 1.1.3: Monitoring and evaluation plan to measure conservation/management effectiveness of the three landscapes developed and implemented.</p> <p>Output 1.1.4: Integrated management model for priority landscapes validated, and disseminated with relevant stakeholders across Mexico.</p> <p>Output 1.2.1: Priority areas for conserving globally and nationally significant biodiversity identified, mapped, and validated by key stakeholders.</p> <p>Output 1.2.2: Free, Prior and Informed Consent (FPIC) of indigenous and rural communities in place for establishing new PAs obtained.</p> <p>Output 1.2.3: Draft the required</p>			
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			<p>legislation for the formal establishment of at least 50,000 hectares of new protected areas in priority sites submitted to the corresponding authorities.⁵</p> <p>Output 1.2.4: Draft legislation for the formal expansion of current protected areas by at least 60,000 hectares in priority sites submitted to the corresponding authorities.</p>			
<p>Component 2: Improving sustainable agricultural, fishing and forest production as a pillar of integrated management of the three priority landscapes.</p>	TA	<p>Outcome 2.1: Area of agricultural, fishing and forest production under sustainable practices, including internationally accepted certification standards, substantially increased.</p> <p>Target 2.1.1: At least 20% of conventional agriculture/fishing/forestry areas located in priority areas for biodiversity conservation have adopted sustainable production systems. (baseline will be determined during PPG and the target will be reassessed)</p>	<p>Output 2.1.1: Current or traditional sustainable production systems/practices in the three priority landscapes are compiled, discussed and analyzed among key project stakeholders.</p> <p>Output 2.1.2: At least two model farms/cooperatives in each landscape adopted sustainable productive systems/practices and to serve as demonstration centers.</p> <p>Output 2.1.3: Key project stakeholders trained on sustainable systems/practices.</p> <p>Output 2.1.4: New sustainable production systems/practices introduced in each landscape.</p> <p>Output 2.1.5: New sustainable production systems/practices</p>	GEFT F	3,332,263	21,500,000

⁵ The Federal Commission for Regulatory Improvement or the legal departments of state governments are the corresponding authorities within the regulatory and structural framework of Mexico.

		<p>Outcome 2.2: Market share for producers in the priority landscapes is facilitated and increased.</p> <p>Target 2.2.1: At least one sustainable product with a short value chain (e.g., organic coffee, fishery, nature tourism, agrosilvopastoral systems) per landscape established or improved.</p> <p>Target 2.2.2: At least 30% increase in household income over baseline from sustainable production practices.</p> <p>Target 2.2.3: At least one product per landscape with a new local brand established, designed, developed and marketed.</p>	<p>adopted in priority areas for biodiversity.</p> <p>Output 2.2.1: New strategies for increasing production and commercialization of sustainable products designed and implemented.</p> <p>Output 2.2.2: Household income of participating individuals improved from sustainable production practices.</p> <p>Output 2.2.3: A branding strategy that promotes sustainable agricultural production developed and implemented in each priority landscape.</p>			
<p>Component 3: Increasing financial sustainability and stakeholder participation in the integrated management of the three priority landscapes.</p>	TA	<p>Outcome 3.1: Access to investments from public and private programs oriented towards PA conservation, connectivity and integrated management of priority landscapes substantially increased.</p> <p>Target 3.1.1.: At least 30% increase private co-funding for PA management achieved through co-financing schemes (public-private partnerships) and innovative mechanisms in each priority landscape. (Baseline investment will be assessed during PPG and target will be reassessed).</p>	<p>Output 3.1.1: Diversified financial mechanisms for conservation and integrated landscape management in each priority landscape designed and implemented.</p> <p>Output 3.1.2: One incentive program for each state (Oaxaca and Chiapas) to foster sustainable production, supported with federal, state funds and/or private funds designed and implemented.</p>	GEFT F	1,491,045	9,970,000

		<p>Outcome 3.2: Coordination of public policies and investments between different government institutions and sectors to foster integrated landscape management substantially improved.</p> <p>Target 3.2.1.: At least 30% increase in federal and state funding (government programs only) aligned for sustainable production/development in the priority sectors (agriculture, fisheries and social development) of the three landscapes.</p>	<p>Output 3.2.1: Mechanisms to improve co-programming between public programs in priority landscapes are designed and implemented.</p> <p>Output 3.2.2: Mechanisms to improve the fair distribution of funding from public programs, incentives and benefits from the sustainable use of natural resources among different stakeholders (with particular emphasis on women, indigenous peoples and other marginalized sectors of society) designed, and implemented.</p>			
		<p>Outcome 3.3: Participation of key stakeholders, including women and vulnerable groups, in integrated landscape management and in decision-making strengthened.</p> <p>Target 3.3.1: One multi-stakeholder coordination body⁶ for each priority landscape established and functional.</p> <p>Target 3.3.2: At least three learning exchanges between the project stakeholders, take place across the three priority landscapes.</p>	<p>Output 3.3.1: A stakeholder map, and a consultation and participation plan to improve the integration and involvement of local stakeholders at different stages and components of the project completed.</p> <p>Output 3.3.2: Fully functioning multi-stakeholder and multi-sector coordination bodies for the integrated management of each landscape established.</p>			

⁶ A mechanism of collective work is defined as a “coordination body” in the Mexican regulation framework for social organization (LEEPA- Environmental Law)

		Target 3.3.3: At least 30% of project beneficiaries are women to achieve effective and equitable participation in all project activities. (stakeholder engagement meetings will be held during the PPG and this percentage will be reassessed then)	Output 3.3.3: Participation of key decision makers in land use management and sustainable development through trainings on topics like biodiversity use and integrated management of priority landscapes substantially improved. Output 3.3.4: An awareness and pride campaign in each priority landscape to promote the region's natural and cultural heritage, and increase understanding about sustainable production practices and the benefits they provide implemented. Output 3.3.5: Gender and vulnerable groups integration strategy in the three priority landscapes developed and implemented.			
	(select)			(select)		
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	(select)			(select)		
	(select)			(select)		
Subtotal					6,875,667	47,340,000
Project Management Cost (PMC) ⁷				GEFT F	343,783	
Total Project Cost					7,219,450	47,340,000

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: ()

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Recipient Government	CONANP	In-kind	8,640,000
GEF Agency	CI	Grant	1,000,000

⁷ For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

Recipient Government	Ministry of Environment and Natural History/ SEMAHN - ANP	In-kind	50,000
Recipient Government	Ministry of Environment and Natural History / Forestry sub- ministry	Grant	50,000
Recipient Government	Chiapas Agriculture and Field Ministry, SECAM	Grant	4,500,000
Others	Coffee Institute of Chiapas	Unknown	4,500,000
Others	Fishing Institute of Chiapas	Unknown	3,000,000
Recipient Government	Ministry of Agricultural Development, Fisheries and Forestry, Oaxaca (SEDAPA)	Grant	700,000
Recipient Government	CONAFOR	Grant	22,000,000
Others	State of Oaxaca Coffee Council	Unknown	500,000
Beneficiaries	Oaxaca indigenous peoples	Unknown	1,200,000
Beneficiaries	National Commission for Indigenous peoples development.	Unknown	1,200,000
(select)		(select)	
Total Co-financing			47,340,000

D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES) AND THE PROGRAMMING OF FUNDS ^{a)}

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) ^{b)}	Total (c)=a+b
CI	GEFTF	Mexico	BD	(select as applicable)	7,219,450	649,750	7,869,200
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
Total GEF Resources					7,219,450	649,750	7,869,200

a) Refer to the [Fee Policy for GEF Partner Agencies](#).

E. PROJECT PREPARATION GRANT (PPG)⁸

Is Project Preparation Grant requested? Yes ☒ No ☐ If no, skip item E.

PPG AMOUNT REQUESTED BY AGENCY(IES), TRUST FUND, COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

Project Preparation Grant amount requested: \$120,000					PPG Agency Fee: 10,800		
GEF Agency	Trust Fund	Country/ Regional/Global	Focal Area	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee ⁹ (b)	Total c = a + b
CI	GEFT F	Mexico	BD	(select as applicable)	120,000	10,800	130,800
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
Total PPG Amount					120,000	10,800	130,800

⁸ PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to \$50k for PF up to \$2m (for MSP); up to \$100k for PF up to \$3m; \$150k for PF up to \$6m; \$200k for PF up to \$10m; and \$300k for PF above \$10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

⁹ PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS¹⁰

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	2.7 million hectares under integrated management in three priority landscapes: 1) Sierra Madre of Chiapas: 928,000 hectares 2) Sierra Sur of Oaxaca: 802,000 hectares 3) Pacific South Coast of Oaxaca and Chiapas: 991,000 hectares
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	<i>Hectares</i>
3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services	Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins;	<i>Number of freshwater basins</i>
	20% of globally over-exploited fisheries (by volume) moved to more sustainable levels	<i>Percent of fisheries, by volume</i>
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO _{2e} mitigated (include both direct and indirect)	<i>metric tons</i>
5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern	Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)	<i>metric tons</i>
	Reduction of 1000 tons of Mercury	<i>metric tons</i>
	Phase-out of 303.44 tons of ODP (HCFC)	<i>ODP tons</i>
6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks	Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries	<i>Number of Countries:</i>
	Functional environmental information systems are established to support decision-making in at least 10 countries	<i>Number of Countries:</i>

PART II: PROJECT JUSTIFICATION

1. *Project Description.* Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area¹¹ strategies, with a brief description of expected outcomes and components of the project, 4) [incremental/additional cost reasoning](#) and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and [co-financing](#); 5) [global environmental benefits](#) (GEFTF) and/or [adaptation benefits](#) (LDCF/SCCF); and 6) innovation, sustainability and potential for scaling up.

¹⁰ Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF and/or SCCF.

¹¹ For biodiversity projects, in addition to explaining the project's consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving.

1. Project Description:

1. Mexico has an area of 196.4 million hectares, of which 195.9 million hectares is the continental landmass and the rest is islands. It is a mega-diverse¹² country; its territory represents about 1.4% of the total surface of the planet, but houses almost 10% of the species known in the world, including a great number of endemic species (INE, 2011).
2. Mexico has about 25,000 vascular plant species described to date, a high proportion of which—some 15,000—are endemic to the country. There are approximately 535 species of mammals, of which 488 are terrestrial and 47 are marine (Sarukhán et al., 2010).
3. Mexico's geographical location, between the oceanic influences of the Atlantic and Pacific, accounts largely for its massive diversity of marine species and ecosystems. Mexican waters include 28 ecoregions (Natural capital of Mexico, 2009).
4. Mexico's high biodiversity is paralleled by its rich and diverse culture (Sarukhán et al., 2010). It is among the 10 countries with the greatest linguistic diversity in the world.
5. There is evidence in various parts of the country that the protection and management of natural resources by indigenous and rural communities, even under new schemes of ordinance and use, is very efficient (CONABIO 2008). One third of the country's National Protected Areas (PAs), and 26.2% of its PA land area, include rural and indigenous territories. Nearly 19% of the population within such PAs is indigenous. However, most of the indigenous areas in Mexico that house important biological resources are also characterized by high social exclusion and extreme poverty. This only highlights the need for management of natural capital in a way that integrates local community development and improves human well-being in rural and indigenous territories.
6. In Mexico, PAs are under the coordination of the National Commission of Natural Protected Areas (CONANP), which is responsible for the management and protection of natural resources. There are other protected areas designations under state or municipal legislation, but these areas, in the case of Chiapas and Oaxaca, are limited in natural resource management and activities. The proportion of national territory designated as protected areas is about 12.9% for Oaxaca and 7% for Chiapas.
7. The states of Oaxaca and Chiapas are located in the southern and southeastern part of Mexico. Totalling 16.7 million hectares these states harbor the greatest biological and cultural diversity of Mexico and Mesoamerica. They represent a biological richness only comparable with that of a megadiverse country: 5,053 animal and plant species in Chiapas and 9,235 species in Oaxaca have been registered (17% and 32%, respectively, of the total number of species in Mexico).
8. In both states there are numerous conservation mechanisms in place. These include:
 - Federal: twenty-seven federally protected areas totaling 1.16 million hectares, representing 7% of the territory.
 - State: twenty-four state protected areas totaling 157,790 hectares.
 - Voluntary: 146 Area(s) Designated for Voluntary Conservation (ADVC) -which are mainly under the ownership and management of indigenous peoples and local communities- totaling 156,783 hectares.
 - Ramsar wetlands: Seventeen sites totaling 367,012 hectares.
9. In both states there are 25 different indigenous groups with more than 2 million people concentrated in areas with the most intact natural resources and where most of the protected areas are located.

¹² **Megadiverse countries** hold the greatest index of biodiversity on Earth. The United Nations Program for the Environment has identified 17 megadiverse countries, including Mexico. These countries are mostly tropical countries of the Asian South East and Latin America. They hold jointly over 70% of the biodiversity of the planet, while their territories together represent only 10% of the earth's surface.

1.1. The global environmental problems, root causes and barriers that need to be addressed

a) Global environmental problems and their root causes

10. Biodiversity in Oaxaca and Chiapas is threatened mainly by: (i) habitat loss and fragmentation; (ii) overexploitation of wildlife, and (iii) the effects of global climate change.

Habitat loss and fragmentation

11. Between 1975 and 2000, the national rates of deforestation within PAs was around 0.56% annually; while from 1986 to 2002, deforestation rates were around 0.85% outside of PAs, and in coastal-marine PAs annual deforestation rates reached 0.65% at national level (available after PA decrees that happened in the 80s). Mexico's deforestation rate is medium, when compared to 0% in Costa Rica, though lower than the high deforestation rates seen in South America and Africa (FAO, 2015).

12. The loss of forest cover is associated with habitat fragmentation, which has negative impacts on wildlife, especially those that depend on fragile ecosystems like cloud forests, "tular" reed beds, *popal*¹³ and mangroves.

13. Even though habitat fragmentation occurs within the PAs, it is much more significant outside of PAs. Even in places where there is minimal loss of forest cover, disruption of connectivity by a few hundred meters becomes critical for species that require continuous forest cover or continuous wetlands.

14. There is a preliminary list of 167 threatened¹⁴ species within the three priority landscapes; including:

For the wetlands of Chiapas and Oaxaca:

- Birds: Yellow-headed Amazon parrot (*Amazona oratrix*, EN).
- Reptiles: Leatherback (*Dermochelys coriacea*, VU) and olive ridley (*Lepidochelys olivacea*, EN) sea turtles; American crocodile (*Crocodylus acutus*, VU); beaded lizard (*Heloderma horridum*, VU); and Mexican spotted wood turtle (*Rhinoclemmys rubida*, VU).

For the Sierra Madre of Chiapas, some threatened species include:

- Mammals: Nelson's spiny pocket mouse (*Heteromys nelsoni*, CR); Chiapan climbing rat (*Tylomys bullaris*, CR); Tumbala climbing rat (*Tylomys tumbalensis*, CR); San Cristobal shrew (*Sorex stizodon*, EN); Baird's tapir (*Tapirus bairdii*, EN); and Chiapan deer mouse (*Peromyscus zarhynchus*, VU).
- Birds: horned guan (*Oreophasis derbianus*, EN); azure-rumped tanager (*Tangara cabanisi*, EN); pink-headed warbler (*Ergaticus versicolor*, VU).
- Amphibians: Engelhardt's climbing salamander (*Bolitoglossa engelhardti*, VU); mushroom tongue salamander (*Bolitoglossa flavimembris*, EN); Franklin's climbing salamander (*Bolitoglossa franklini*, EN); Bufo tacanensis (*Incilius tacanensis*, EN); Gregg's stream frog (*Eleutherodactylus greggi*, EN); Chiapas dwarf robber frog (*Eleutherodactylus Sartori*, EN); Thorny Spikethumb Frog (*Plectrohyla acanthodes*, EN); pop-eyed spikethumb frog (*Plectrohyla lacertosa*, EN); brown false brook salamander (*Pseudoeurycea brunnata*, EN); Chimalapas toad (*Bufo tutelarius*, VU); long nose bromeliad salamander (*Dendrotriton megarhinus*, VU); xolocalca bromeliad salamander (*Dendrotriton xolocalcae*, VU); Schmidt's mountain brook frog (*Duellmanohyla schmidtorum*, VU).
- Plants: Matudaea trinervia, VU; palo Mora (*Symplocos tacanensis*, VU).

For the Sierra Sur of Oaxaca:

- Reptiles: Beaded lizard (*Heloderma horridum*), VU; and Mexican spotted wood turtle (*Rhinoclemmys rubida*, VU).

¹³ Popal and Tular refers to the herbaceous freshwater wetlands.

¹⁴ IUCN status: VU vulnerable; EN, endangered; CR critically endangered.

15. The main causes of ecosystem loss and habitat fragmentation is the conversion of forest for agriculture (maize, coffee) and cattle ranching. Even in areas not suitable for agriculture, such as coastal wetlands and steep mountain areas, there has been a gradual, but continuous clearing of forest for cattle ranching.
16. Coffee has been useful, to a certain extent, in maintaining forest areas. When coffee plantations are managed under "best practices, such as using native trees for shade, it helps help maintain tree cover and habitat connectivity. However, in the last four years there has been an increasing trend to replace shade grown coffee varieties with full-sun, lower quality coffee varieties, which are in high demand because they are less susceptible to pests and diseases.
17. With the exception of coffee plots that are certified as organic products, which are promoted by CONANP in buffer zones of PAs, there is a prevalence of conventional crops and use of agrochemicals, fire, slash and burn, and other unsustainable practices that affect biodiversity.
18. Land deemed unsuitable for agricultural activities (due to high salinity in the soil) is cleared for wood for building materials.
19. Fishing is a traditional practice in coastal and lagoon areas of high biodiversity. But productivity is threatened and in decline because of increased sedimentation in the water due to erosion in the upper parts of the watersheds associated with poor soil management and vegetation clearing.
20. Construction of hydraulic infrastructure – including diversion of rivers, opening of channels, construction of drains, draining of swamps and dredging of rivers and canals – causes both, water siltation and changes in flows and patterns of fresh and salt water systems. This results in significant changes in the pattern of nutrient production and distribution of plant and fish species, including those that are commercially important and a source of food in the region. These changes have negatively affected the life cycle, distribution and abundance of several species, as well as the local fishing economy.
21. Rural road and highway infrastructure is being developed in sensitive areas without previous assessments or appropriate technology, leading to frequent landslides, siltation in floodplains, and contributing to habitat fragmentation.
22. Tourism infrastructure projects and hydroelectric dams, as well as the establishment of open pits for mining, are growing threats in the region. The number of concessions for mining exploration and exploitation is greatly increasing even within protected areas.

Overexploitation of wildlife

23. Hunting is a recurring problem, mainly in areas close to PAs. Inhabitants of coastal zones have traditionally hunted for their livelihood. The most commercialized species in the area are the green iguana (*Iguana iguana*, not listed) and the casquito turtle (*Kinosternon scorpioides*, not listed), which are used in the preparation of traditional dishes. Species such as white tail deer (*Odocoileus virginianus*, not listed) and Central American Red Brocket (*Mazama temama*, DD) are also locally threatened by hunting.
24. Although subsistence hunting within PAs decreases after PAs are formally established due to the presence of staff who monitors hunting, in recent years there has been an increase of illegal "sport" hunters affecting species such as deer. There is no reliable data on the amount of hunting and extraction of specimens because few complaints are submitted to authorities.
25. Recently, the hunting of felines, such as pumas (*Puma concolor*, not listed) and jaguars (*Panthera onca*, NT) has increased, as farmers seek to reduce attacks on livestock in newly deforested areas.
26. Species of parrots (such as *Amazona auropalliata*, VU) are trapped for sale in towns near priority landscapes, as are plants, such as orchids.

27. Logging, although not as common as hunting, is a threat to tree species such as the Chiapas pine (*Pinus chiapensis*, not listed) which is endemic to the Sierra Madre of Chiapas, and the American sweetgum (*Liquidambar styraciflua*, LC).
28. To a lesser extent, mangrove wood is used by local people for fuel, as raw material for building houses and temporary shelters, to build rustic enclosures for shrimp farming and as material for fishing gear.
29. Shrimp farming continues to increase, despite officially being banned.
30. The increase in illegal fishing, shrimping, and the collection of other species is linked to the decline of species populations. The current use of fishing resources is disorganized and is causing overexploitation and sale at very low prices. Low prices force fishers to increase their catch, which creates a vicious cycle threatening the very basis of their livelihood.

Effects of global climate change

31. The effect of climate change is evident in changes in forest phenology, such as variation in the beginning of the flowering period of species consumed by birds in their breeding season, causing a delay in the start of courtship and changes in their diets.
32. Climate change is causing irregularities in agricultural cycles, which has led producers to introduce coffee varieties from other regions. Pests and diseases, such as coffee leaf rust (*Hemileia vastatrix*), have become more frequent and virulent in recent years, due to changing climatic conditions combined with poor management practices.
33. Seasonality of rain and drought, as well as the periodicity of maximum and minimum temperatures, is becoming more irregular. The dry season is often longer than historically recorded, and rains are concentrated and intensified in two or three months with more intense cold periods.
34. Extreme weather events, such as tropical cyclones, have become more frequent and intense in recent decades, significantly increasing landslides and flooding. The latest meteorological phenomena of high impact have been tropical storms "Javier" in 1998, hurricane "Stan" in 2005, hurricane "Matthew" in 2010 and hurricane "Barbara" in 2014.

b) Barriers

35. Mexico has made good progress in its commitments to the conservation of biodiversity by establishing a protected area system, managing protected areas, and by developing and implementing medium- to long-term strategies implemented at the national, regional and local levels. CONANP was established fifteen years ago and quickly improved Mexico's conservation of biodiversity and natural resources, but it is not enough. Today CONANP does not have the capacity to adequately manage the protected areas system as a whole and doesn't have the mandate to protect critical biodiversity that occurs outside of protected areas boundaries.
36. Oaxaca and Chiapas are ready to implement a joint PAs strategy for priority landscapes identified by key stakeholders in the region. This proposed landscape approach presents challenges given the current legal and public policy frameworks, and because of lack of coordination of work plans and strategies. Fortunately, there is a recent increase in social and local participation evaluating such public policies and CONANP is currently developing a new approach to work at the landscape level. This project will serve as a demonstration to inform the design and replication of similar approaches in other regions of the country.

Barrier 1: Lack of a common vision between conservation and development programs.

37. There is a need for connectivity at the landscape level. There is some land-use planning at the local and municipal levels within the priority landscapes, but they are stand-alone pieces that do not relate to each other, much

less address an integrated management approach at the landscape scale. Although public programs influence biodiversity, Mexico has limited public programs that officially recognize a landscape approach or address the sustainable use of biodiversity and natural resources. The lack of mechanisms that encourage integration prevent sectors like agriculture, fisheries, forestry, conservation and infrastructure from aligning their programs.

Barrier 2: Insufficient coverage of globally important biodiversity within the current PA system.

38. Funding is insufficient to support the management of the various types of PA under different mechanisms (federal, state or voluntary). This is especially true as it relates to conserving biodiversity in Chiapas and Oaxaca. Furthermore, management within individual PAs does not guarantee the connectivity with other PAs. Federal staff is limited to respond to threats outside their protected area. Due to the drastic reduction in oil prices, the federal government has had major budget cuts. CONANP's, has suffered one of the heftiest reductions in staff and budget from all the government agencies. This trend in the federal budget reduction is expected to continue over the next few years.

39. In addition to budget and staff reductions, the creation and expansion of protected areas often face resistance from local people that live or rightfully own that land. Frequently, the information and consultation mechanisms are insufficient and may not follow the Free, Prior and Informed Consent (FPIC) process.

40. Key Biodiversity Areas (KBAs), especially in the Sierra Sur of Oaxaca, do not have management or conservation strategies.

41. Private lands dedicated as Area Designated for Voluntary Conservation (ADVC), especially in Oaxaca, are very limited and they lack the necessary resources for their proper management.

Barrier 3: Lack of a Monitoring and Evaluation systems (M&E) at the landscape level.

42. There are no assessment protocols or robust monitoring systems at the landscape level to facilitate adaptive management of PAs and areas critical for biodiversity conservation. Assessments of conservation action effectiveness in PAs are limited to the registration of forest cover and the presence or absence of indicator species. Outside PAs there is no database of flora and fauna, environmental impact assessments for specific projects are rarely produced and only isolated studies on specific species have been completed.

Barrier 4: Public and private programs support land-use change with adverse effects on biodiversity.

43. Economic alternatives that are promoted by corporations and some production and energy sector institutions (agriculture, oil, dams), often result in a significant increase in land-use change. For instance, varieties of shade-grown coffee are changed for sun-grown, forests and agroforestry crops are replaced with plantations of African palm or cattle pastures, and open-pit mining is expanded. Successful cases of agricultural and fish production generated in PAs that contribute to biodiversity conservation have been piloted during the last two decades, but have not been escalated due to funding constraints.

44. There is a huge gap between the resources that conservation institutions have to promote sustainable land use practices, compared to the resources of institutions and businesses that promote unsustainable production and consumption practices. Thus, policies promoting production and productivity undermine biodiversity conservation activities. Government programs are prioritized according to sectorial approaches, with no consideration of the landscape's integrity and the interrelationship of its components.

45. Furthermore, coordination platforms, such as municipal committees, regional committees, watershed committees, boards of PAs, etc., are not designed to apply an inter-sectorial approach and to address problems at the landscape scale.

Barrier 5: Conventional production systems in areas of high biodiversity.

46. Generally, production and use of natural resources is based on the demand for commercial products and on the subsidies for subsistence crops that do not take into consideration the vocation of the territory, the biodiversity,

or existing good practices for sustainable production. There are no incentives to change from conventional to sustainable production and consumption practices.

47. Some government institutions provide subsidies for various types of production projects to reduce poverty in rural areas and increase incomes; however, these are not developed under sustainable practices and a large number of small projects fail. These subsidies degrade the environment and cause reliance on government subsidies and funds.

Barrier 6: Key stakeholders are unaware of the benefits of conserving biodiversity.

48. Biodiversity conservation efforts often meet resistance, mainly with indigenous and rural people, due to: 1) a lack of adequate information available to the local population about environmental problems and the benefits of conservation and the sustainable use of biodiversity; 2) the lack of appropriate processes for addressing stakeholder concerns and needs; and 3) a lack of equal participation between men, women and other vulnerable groups.

1.2 The baseline scenario or any associated baseline projects

a) Baseline scenario

49. Without the project, the conservation of biodiversity in Chiapas and Oaxaca will continue to be fragmented, relying on isolated efforts of various environmental institutions with limited resources and capacity. Most public investments in the sites with the greatest biological and cultural diversity will continue to be concentrated in institutions from the agriculture and economic sectors, who promote unsustainable activities and undermine conservation efforts.

50. Without GEF support, the current rate of biodiversity loss will only increase as the population of the region continues to grow. The loss and fragmentation of natural habitats, overexploitation of wildlife and the effects of global climate change will become more accentuated in the next 10 years and have a significantly negative impact on the region's biodiversity.

51. Without the project, key biodiversity areas located outside of the PAs (number of hectares will be identified during PPG) will continue to be degraded and suffer from a lack of management.

52. The use of sustainable management practices will continue to be limited and restricted to certain communities and producer groups, despite the technical skill and commitment of indigenous and rural populations in achieving sustainable use of natural resources.

53. The management of natural resources and field intervention programs in agriculture and fisheries will continue to be conducted with each institution following a different approach. Land use planning is occasionally used at limited scales that meet only particular objectives like the ones performed by ejidos¹⁵. There are currently no land-use regulations that can be applied on a landscape scale that could be the basis for government and civil society interventions.

54. The economy of indigenous and rural populations that are adopting good practices depends on markets that do not value the contribution obtained from conserving biodiversity. The producers themselves are unaware of the global importance of their best practices. Without the project, these communities and markets that do value sustainable practices will not be able to meet and do business together.

b) Associated baseline projects

55. In Mexico there are two main government agencies that have an impact on priority regions for conservation: 1) the Ministry of Environment and Natural Resources (SEMARNAT), which is responsible for the protection, conservation and sustainable use of natural resources; and 2) the Ministry of Agriculture, Livestock, Rural

¹⁵ Ejido is a legal form of local organization and land ownership within a municipality, which comprises a commissioner, a secretary, a treasurer and a council.

Development, Fisheries and Food (SAGARPA), which supports production and productivity in agriculture and fisheries.

56. In 2011, 31 programs were managed by SEMARNAT with a budget of USD \$1,100 million for the entire country. SAGARPA operated 24 public programs in 2011, with a budget of USD \$3,650 million. During the current government (2012-2018), the budget for the management and conservation of PAs has been declining by an average of 5% per year, particularly for the National Commission of Natural Protected Areas (CONANP), which is dependent on SEMARNAT.

57. CONAFOR is establishing a National Program for “Payment for Ecosystem Services” with an initial investment of USD \$41.7 million (2012-2016). The main objective of the program is to recover the functionality of various basins and forests through the conservation of ecosystem services, the restoration and sustainable use of natural capital, and the integration of forest cover. This baseline initiative will support and sustain the proposed project by improving local capacity in managing local KBA or forest areas and in increasing sustainable production and will look for a close coordination of activities to benefit landscape management and local communities.

58. The following list shows baseline projects currently implemented within the states of Chiapas and Oaxaca that are related to biodiversity conservation, protected area management, climate change and watershed management (amount in USD and annual investment):

- Management and operation of PA (CONANP): Investment in personnel, operations, subsidies for productive projects with best practices within PA; USD 1,300,000.
- Chiapas monitoring and PA patrolling (Ministry of Environment and Natural History/ SEMAHN - ANP): Technical personnel and operating expenses for monitoring and evaluation; USD 10,000.
- Forests management and conservation (Ministry of Environment and Natural History / Forestry sub-ministry): Prevention and fighting forest fires and forest management projects; USD 10,000.
- National Forest Program (National Forestry Commission – CONAFOR): To recover the functionality of various basins and landscapes through conservation, restoration and sustainable use of natural capital, and the integration of forest cover. This baseline initiative will support the proposed project by improving local capacity in managing local KBA or forest areas and sustainable production; USD 5,000,000.
- Temporary Employment Program (Ministry of Environment and Natural Resources - SEMARNAT): Restoration of mangroves and hydrologic restoration; USD \$30,000.
- Programs of fishing productivity and temporary employment program (Fishing Ministry of Chiapas - SEPESCA): Restoration of fishing areas, infrastructure, capacity building, equipment to fishing cooperatives; USD 690,000.
- Temporary Employment Program (CONAGUA): Hydrological restoration, clean beaches; USD 20,000.
- Strengthening Management of the PA System to Better Conserve Endangered Species and their Habitats (GEF – CONANP). There are opportunities for coordination in creating new protected areas and in planning of sustainable management strategies.
- Cattle Support Program, coffee, corn and black beans harvesting (Chiapas Agriculture and Field Ministry, SECAM); USD 9,000,000.
- Coffee Institute of Chiapas: Coffee plants renovation, programs that support production and commercialization and capacity building to coffee farmers; USD 9,000,000.
- Oaxaca coffee promotion (State of Oaxaca Coffee Council): Training for coffee production; USD 100,000.
- Oaxaca fishing and field promotion (Ministry of Agricultural Development, Fisheries and Forestry of Oaxaca -SEDAPA): Support fishing and agrosilvopastoral activities; USD 120,000.
- Oaxaca indigenous peoples: Capacity building, rescuing traditional knowledge on production methods; USD 250,000.
- Indigenous peoples sustainable development (National Commission for Indigenous peoples development): Training, rescuing traditional knowledge, training, and production projects; USD 250,000.

1.3 The proposed alternative scenario, GEF focal area strategies, with a brief description of expected outcomes and components of the project

59. This project will promote the use of integrated landscape management as a means of conserving biodiversity in coastal and terrestrial priority landscapes, while also promoting sustainable rural livelihoods. Integrated landscape management is a way of managing the landscape that involves collaboration among multiple stakeholders with the purpose of achieving sustainable landscapes in which biodiversity is conserved, sustainable land use practices are promoted, and social and economic conditions of local communities are enhanced.

60. The key contributions will be:
- To strengthen the Mexican System of Protected Areas of Oaxaca and Chiapas by addressing integral management of the priority landscapes through land-use planning.
 - To enhance current sustainable practices in key production activities and convert conventional practices to sustainable ones in key sectors (coffee, fisheries and other).
 - To increase the interaction and business transactions between sustainable production and sustainable markets in these three landscapes.
 - To increase the financial sustainability for integral management of priority landscapes.
 - To strengthen good governance through key stakeholder participation.
 - To build capacity of key local stakeholders particularly women, indigenous communities and other vulnerable populations and including local peoples and governmental institutions, for better decision-making in the use of natural resources, improved actions and benefits from sustainable farming practices and improved landscape management, among others.

61. The equitable participation of society as a whole will be promoted by respecting and taking into consideration socio-cultural diversity and including traditional knowledge of indigenous and rural peoples of the region.

62. The project promotes a vision of integrated management of three priority landscapes for biodiversity conservation, which include diverse cultural areas: a) Sierra Madre of Chiapas, b) Sierra Sur of Oaxaca, and c) South Pacific Coast of Oaxaca and Chiapas. These include 765,000 hectares of protected areas of which 633,000 hectares have basic management and 132,000 hectares have no management. Corridors outside of the PAs cover two million hectares in the priority landscapes. This is a regional scale project embracing 2.7 million hectares in key landscapes in CONANP’s Southern Border, Isthmus and South Pacific regions including marine and terrestrial ecosystems.

63. This project is consistent with the GEF-6 Biodiversity Focal area, contributing specifically to Objective 1 (*BD1: Improve Sustainability of Protected Area Systems*) and Objective 4 (*BD4: Mainstream biodiversity conservation and sustainable use into production landscapes and seascapes and production sectors*).

64. The table below provides additional information about the alignment of the project with the GEF-6 Programming Strategy:

GEF-6 Objectives and Programs	This project
BD-1 Program 1: Improving Financial Sustainability and Effective Management of the National Ecological Infrastructure	<ul style="list-style-type: none">• Improving financial accessibility for PA management and sustainable production

	<ul style="list-style-type: none"> • Strengthening management of existing PAs through developing and implementing Annual Operational Plans for 357,000 hectares
BD-1 Program 2: Nature's Last Stand: Expanding the Reach of the Global Protected Area Estate	<ul style="list-style-type: none"> • Establishing at least 110,000 hectares of new protected areas and corridors in priority areas containing globally significant biodiversity
BD-4 Program 9: Managing the Human-Biodiversity Interface	<ul style="list-style-type: none"> • Developing and implementing integrated management plans for three priority landscapes, that include improving PA management and mainstreaming biodiversity conservation into productive landscapes • Improving the coverage of sustainable production (including certified production) in priority areas of the three landscapes • Building key stakeholders' capacity to conserve and manage their natural capital

65. The resources from the GEF will support Mexico's contributions towards the fulfilling of the following Aichi Targets:

- a. Targets 11 and 12 (Protected Areas, Landscapes and Seascapes, and Species Extinctions) by improving PA management and establishing new PAs and corridors under an integrated landscape approach; and
- b. Targets 5 and 7 (Reduction of Habitat Loss and Sustainable Management of Natural Resources) by improving sustainable production in habitats that are critical for biodiversity conservation and the provision of ecosystem services.

66. Priority landscapes were selected according to the following criteria: a) Host a wide number of species; b) host threatened species; c) host a significant group of habitats and ecosystems where threatened species live with similar and continuous physiographic conditions; d) landscapes are exposed to ecosystem lost and habitat fragmentation; e) there is cultural diversity, where peoples from different cultures live and use natural capital in a similar way; and f) similar social conditions to implement good governance.

67. The priority landscapes are:

- 1) ***The Sierra Madre of Chiapas***, with about 928,000 hectares. This region includes four federal PAs (Biosphere Reserves Tacana Volcano, El Triunfo and La Sepultura, the Area of Natural Resources Protection La Frailescana) and two state PAs (Pico El Loro Paxtal and La Concordia Zaragoza) and two KBA (Sesecapa and Huizapa). There are areas of cloud forest, pine-oak forest, deciduous forest and other vegetation relevant to biodiversity and connectivity between the PAs that are not protected. It contains 154 species classified by IUCN as either critical, endangered or vulnerable.
- 2) ***Sierra Sur of Oaxaca***, with about 802,000 hectares. It contains 27 Areas Dedicated Voluntarily to Conservation (ADVC) totaling 847 hectares. There are cloud forests and tropical deciduous forest, among other vegetation relevant to biodiversity but lacking legal protection. This priority landscape contains two species listed as vulnerable by IUCN, an Alliance for Zero Extinction site and a broad KBA.
- 3) ***South Pacific Coast of Oaxaca and Chiapas***, with about 991,000 hectares. It contains four PAs (Biosphere Reserve La Encrucijada, Huatulco and Chacahua National Parks, and Sanctuary Playa de Puerto Arista), seven ADVC, and three state PAs (Cabildo Amatal, Gancho Murillo, Huizapa - Sesecapa. Mangrove forests,

reeds, *popales* and lagoon systems are found inside and outside the PAs, and 38 species listed by the IUCN (CR, EN and VU) have been registered.

68. The three priority landscapes contain a total of 167 species listed by the IUCN (EN, VU and CR). These species are often distributed both inside and outside the PAs.

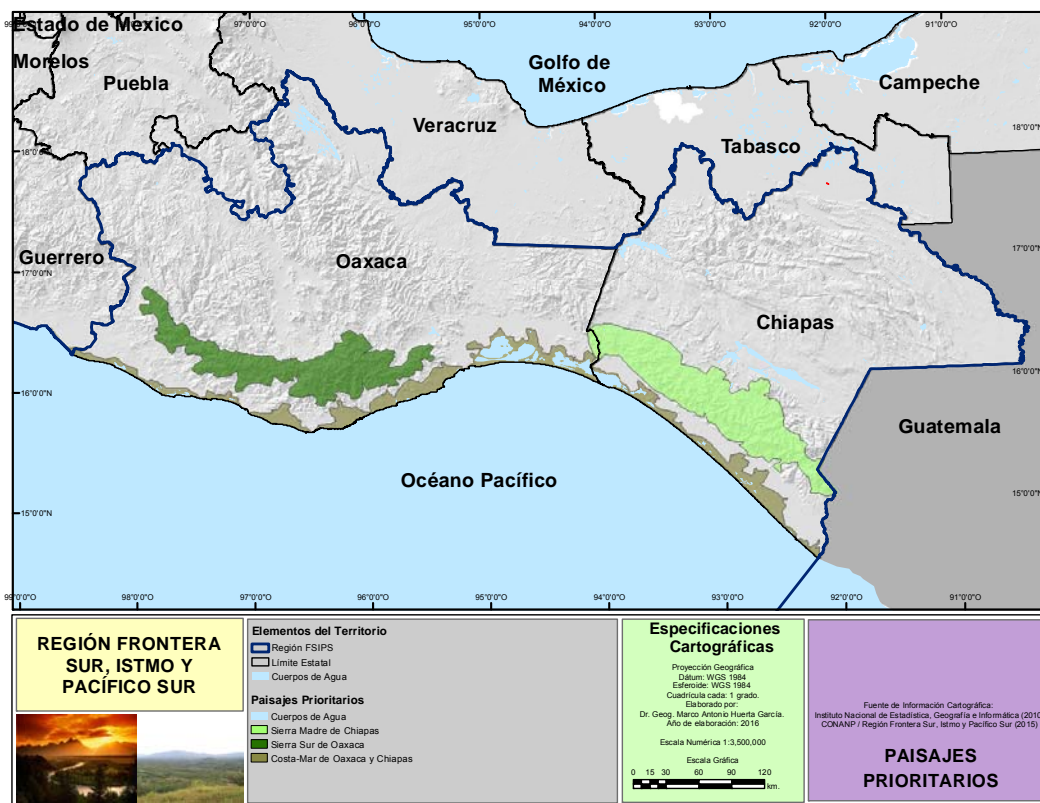


Figure 1. Project location map showing the three priority landscapes in which integrated landscape management will be promoted to achieve biodiversity conservation.

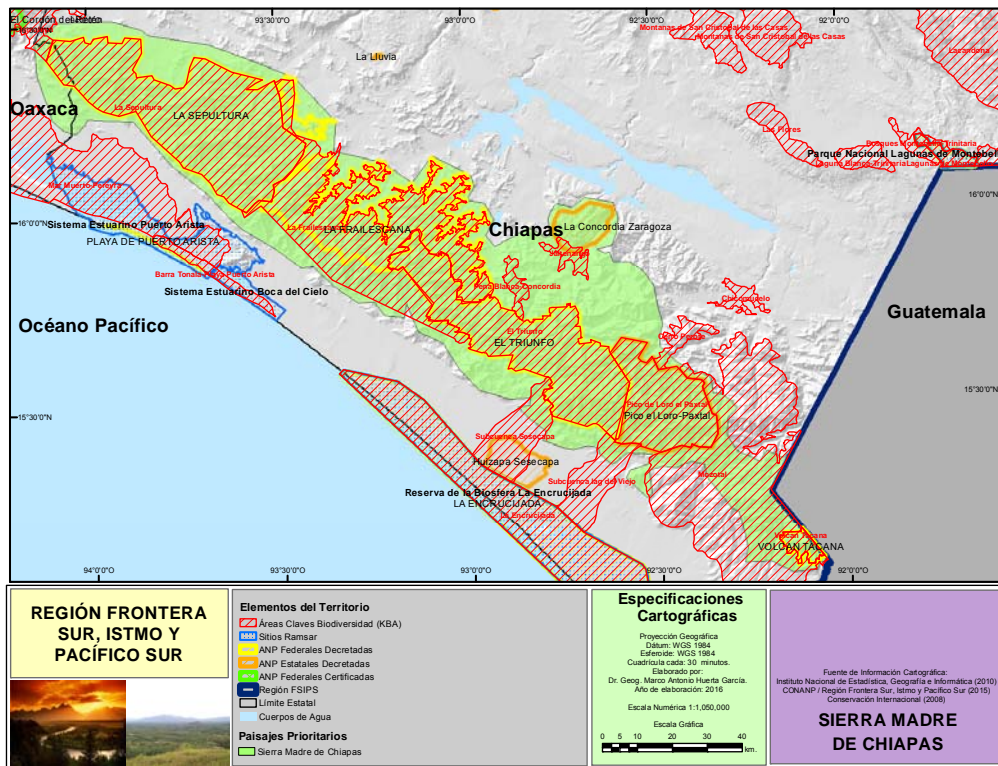


Figure 2. Landscape of the Sierra Madre of Chiapas

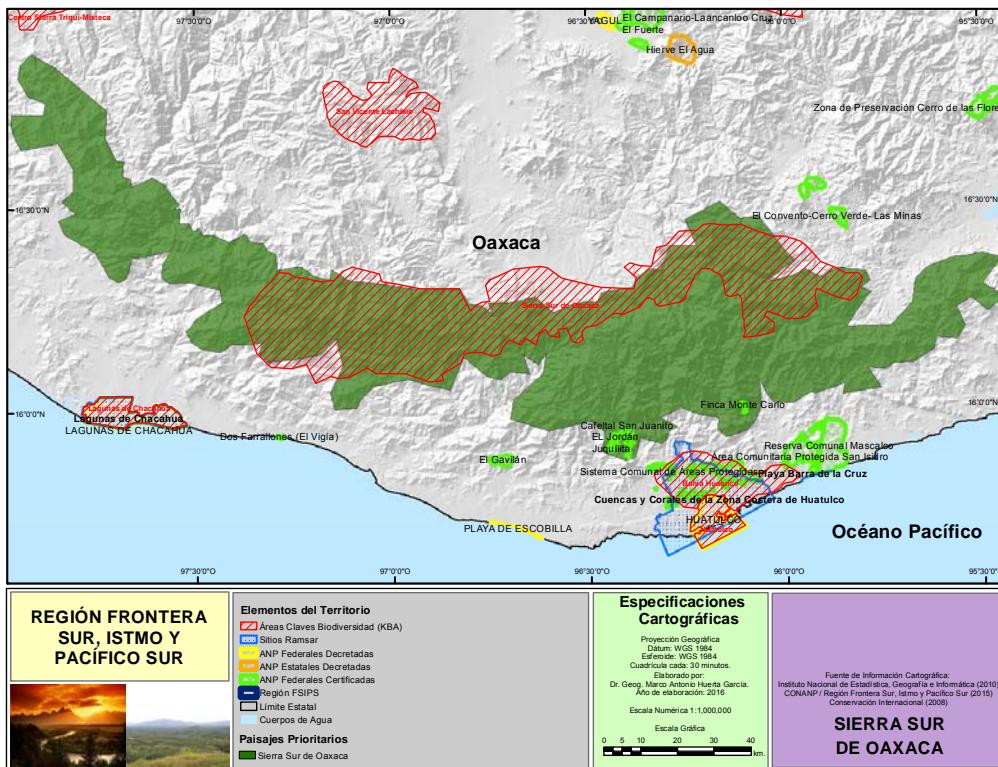


Figure 3. Landscape of the Southern Sierra of Oaxaca

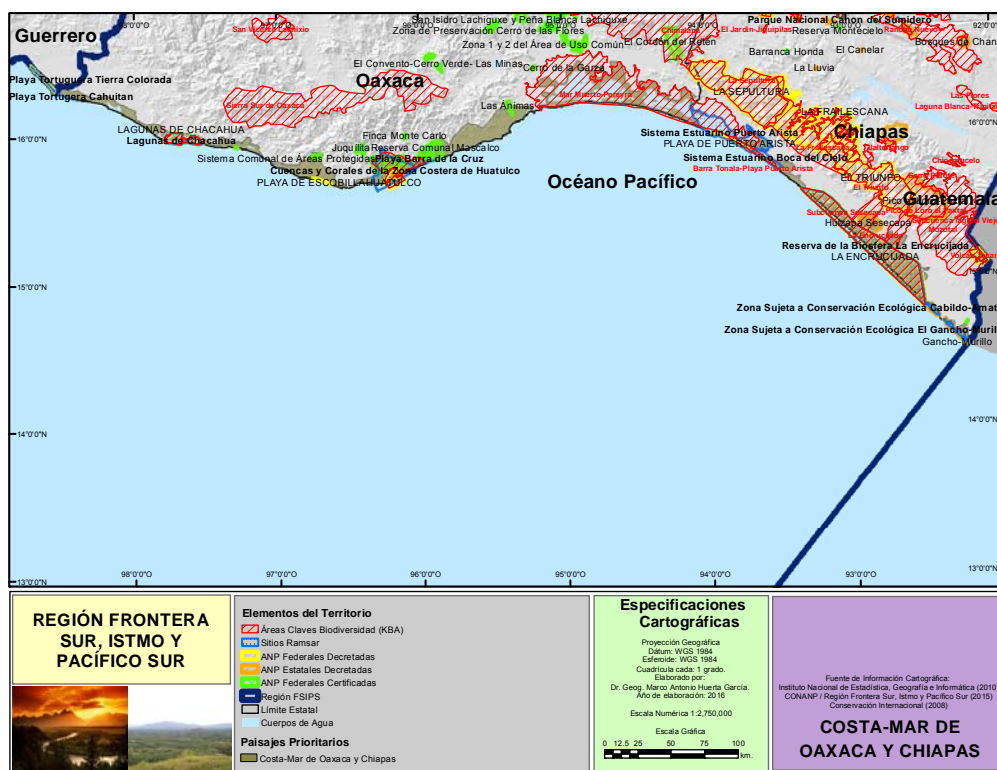


Figure 4. Landscape of the Southern Pacific Coast of Oaxaca and Chiapas

69. The project is aligned with the State Development Plan 2013-2018 of Chiapas; the State Development Plan 2012-2016 of Oaxaca and the Oaxaca Coast Wetlands Program 2012-2016.

70. The project will build on investments and associated baseline projects and will contribute to fulfilling the objectives of the National Development Plan, in component IV “Mexico Prospero,” Objective 4.4, which seeks “to promote and guide an inclusive green growth, facilitating the preservation of our natural heritage while generating wealth, competitiveness and employment.” It will also build upon the Environment Sector Program, which in its Objective 1 refers to the “sustained and sustainable low-carbon growth with equity and social inclusion.” It is also perfectly linked to the CONANP 2040 Strategy.

71. The proposal seeks to consolidate previous efforts that have been made in the region, contributing to enhance the results of GEF funded projects, such as: Consolidation of ANP systems; Improved production landscapes in the Biosphere Reserve El Triunfo; and private land mechanisms in the conservation of biodiversity in Mexico. The project will also identify synergies with projects that are currently ongoing, such as the project Protected Natural Areas Resilience to Climate Change and Coastal Watersheds in the context of climate change.

72. The overall objective of the project will be achieved through three components.

COMPONENT 1: Strengthening biodiversity conservation through integrated management of three priority landscapes.

73. This component is focused on creating a new system of integrated management at the landscape level¹⁶ including different forms of land conservation in different political jurisdictions, promoting local participation in planning, decision making and land use, and taking into account aspects of cultural diversity of the indigenous and local peoples inhabiting the key landscapes.

¹⁶ For the purpose of the proposed project, we consider “Integrated landscape management” as a way of managing the landscape that involves collaboration among multiple stakeholders with the purpose of achieving sustainable landscapes in which biodiversity is conserved, sustainable land use practices are promoted, and social and economic conditions of local communities are enhanced.

74. The operating structure to implement this component will be designed during the PPG phase. A preliminary structure has been defined including a general project manager, one coordinator per landscape, community engagement technicians, an M & E coordinator and an assistant.

75. Two outcomes will be achieved:

Outcome 1.1: Conservation of globally significant biodiversity in three priority landscapes substantially strengthened.

76. To address Barrier 1, an integrated land-use plan for each selected priority landscapes will be developed, to provide a common vision regarding conservation of biodiversity and sustainable development. Land-use plans will be developed in a participatory manner with key stakeholders, including women, youth and other vulnerable populations, as well as multi-sectorial government institutions (representing production, infrastructure, energy and environmental sectors) through the development of open forums, meetings and workshops. (The output to be generated is 1.1.1: Three integrated landscape management plans developed through participatory workshops with multiple stakeholders, and in an advanced stage of implementation.)

77. To address Barrier 2, during the first two years of the project, environmental, social and basic economic studies will be conducted. Local meetings and workshops will be held with key stakeholders for increasing their decision-making capabilities, and to develop integrated landscape management plans and regulations. At this stage, the necessary adjustments will be made to refine the boundary accuracy for each priority landscape. The implementation of the land use plans will take place in years three to five.

78. Existing PAs, especially state and ADVC, will be managed by current technical project staff designated in each PA and with the proposed project team. Their role will be to fulfill operational gaps and gather information that currently hinders addressing threats effectively. The output is to develop, update and implement Annual Operational Plans for at least 357,000 hectares of Natural Protected Areas. Annual Operational Plans will ensure that the PAs are efficiently managed beyond the life of this project.

79. Areas without or with minimal management, such as the state PAs (which include land that is necessary for the conservation of biodiversity), will develop and implement annual operational work plans.

80. It is expected that the management of approximately 357,000 hectares of existing or emerging PAs will be developed and/or improved. An agreement between the Environmental Ministries of Chiapas and Oaxaca with CONANP will be developed, for the Ministries to manage state PAs. This will address Barrier 2 by helping the staff of federal PAs, regional staff and staff designated by the proposed project overcome operational needs for managing the land.

81. A monitoring and evaluation program will be designed to assess the effectiveness of integrated management for the three priority landscapes, based on the parameters of the "GEF Biodiversity Focal Area Tracking Tool." It will be implemented during the project's lifetime, with evaluations conducted annually by an academic institution or a specialized organization contracted by the project. The information disclosed by the monitoring and evaluation program will be the basis for ongoing adaptive management and for mid-term and final evaluations, thus addressing Barrier 3. The expected output will be the development and implementation of a monitoring and evaluation (M&E) plan to measure conservation and management effectiveness of the three landscapes. The M&E activities will be developed in a participative manner within the coordination body at priority landscape level.

82. With the above-mentioned activities, this component will ensure that the project process and development model for biodiversity conservation at the landscape level is incorporated within the Mexican System of Natural Protected Area. This institutionalization will contribute to scaling up project experiences in the mid-term to other priority landscapes in the Isthmus, Coast and South Pacific regions and to replicating it in other regions and management subsystems of PAs in Mexico. For this purpose, the output identified is the validation and dissemination of an integrated management model for priority landscapes. This will be developed in participatory

workshops with the CONANP technical team in the region and the technical lead team from headquarters, as well as key stakeholders and members of PA steering committees. The case study will be validated by the coordination body at each priority landscape. By validating the model, Barriers 1, 2, 3, 4, 5, and 6 will be addressed.

Outcome 1.2: New protected areas with globally significant biodiversity created.

83. Biodiversity conservation in the three priority landscapes will be achieved through mechanisms such as PAs, forest management units, and Environmental Management Units¹⁷. The priority areas will be mapped and validated by key stakeholders to increase joint work and conservation activities, and scientific and technical reports will be published. The expansion of existing PAs will also be considered, thus strengthening conservation corridors within landscapes. These activities will address barrier 2 to protect critical biodiversity located within the three priority landscapes.

84. Outputs to be delivered include identifying, mapping and validating (with participation from key stakeholders) priority areas for conserving globally and nationally significant biodiversity. The project will obtain Free, Prior and Informed Consent (FPIC) from the indigenous and rural communities to establish the new PAs and for all activities to be implemented with indigenous and rural communities. Identification of priority areas and validation will need cartographic analysis (including the identification of KBAs, AZEs¹⁸, IBAs¹⁹ and national priority areas for conservation) and they will be defined by key stakeholders such as environmental ministries of both states, local and rural communities and CONABIO. This process will be led by CONANP. FPIC will be implemented by following the “Guidelines for Applying Free, Prior and Informed Consent: A Manual for Conservation International.”

85. Barriers 2 and 3 will be addressed by increasing the current PA system with an addition of 110,000 hectares, which will ensure connectivity of corridors and protection of at least 15 species in the three priority landscapes. The new Protected Areas will meet the KBA standard that will be officially adopted at the IUCN Conservation Congress in 2016. Category of new PAs will be discussed during the PPG with key stakeholders to define the best suited for the region based on social, KBA, land tenure criteria.

86. As required by Mexican law, a review of the environmental, social, economic and land-tenure information will be conducted. A protocol to obtain Free, Prior and Informed Consent of indigenous and rural communities, and to cover the legal formalities required, will be developed and implemented. This protocol will be the technical basis for declaring the creation or expansion of PAs, as needed, which will be submitted to the appropriate authority (i.e., Legal Counsel of Chiapas and Oaxaca for state PAs, and the Federal Commission on Regulatory Improvement if it is a federal PA). Once a feasible PA is identified—after following the established criteria, and analyzing its viability—the landowners will be consulted and technical assessments will take place to address social, land tenure, biodiversity and other requirements specified in the legal framework.

COMPONENT 2: Improving sustainable agricultural, fishing and forest production as a pillar of integrated management of the three priority landscapes.

87. This component will focus on: (i) replicating successful cases of PA management²⁰ of natural resources that contribute to biodiversity conservation, (ii) increasing producers’ incomes using sustainable practices through improved productivity and access to markets, and (iii) building capacities of key stakeholders on sustainable production topics, ranging from best practices implementation to accessing markets.

Outcome 2.1: Area of agricultural, fishing and forest production under sustainable practices, including internationally accepted certification standards, substantially increased.

¹⁷ The mechanisms considered to protect areas of high biodiversity are the ones used under the environmental conservation public framework of Mexico and are accepted by local communities.

¹⁸ AZEs: Alliance for Zero Extinction sites.

¹⁹ IBAs: Important Bird Areas.

²⁰ Local communities are part of the PA in Mexico and for the purpose of this Project lessons learned or successful cases will be considered in and out ANPS specially for sustainable activities development.

88. To address Barriers 2, 3, 4, and 5 the project will promote the adoption of sustainable production practices focused on the drivers of land-use change in places where agriculture and fisheries are conventionally practiced and that are important for maintaining habitat connectivity for biodiversity of global significance.

89. To do this, resources will be allocated in the first year to compile, systematize and disseminate successful practices generated from the official PA management system, as well as from the sustainable practices that indigenous and rural communities apply voluntarily (output 2.1.1). The number of new practices and standards that include biodiversity variables will be considered and sustainable products will be defined during the PPG phase; special attention will be given to the commodities that drive deforestation and biodiversity habitat loss. These practices will be broadly disseminated throughout each priority landscape, so that producers, technicians and government officials in the production sector will be aware of the benefits of carrying out such sustainable practices. The knowledge of indigenous peoples and rural communities will be integrated into this process by compiling previous studies and analysis of information generated by research institutions, universities, NGOs and consultants. We will ensure that we are respecting traditional knowledge rights by applying FPIC and CONANPs and SEMARNAT'S social policies and protocols.

90. Furthermore, data generated will be used in developing land-use plans and regulations (Outcome 1.1) and to identify critical sites where unsustainable production activities are threatening the continuity of natural habitats. Producers will be motivated by improved incomes achieved by adopting best practices in at least 20% of the surface of high biodiversity areas considered as "critical" based on social, commodities or production systems and impacts criteria and where no protected areas will be established. The 20% is based on CONANP's previous experience regarding projects that are implemented in a 3-5 year period and the resources available from this project. During the PPG phase, the percentage of land to be moved to sustainable practices will be assessed to ensure the maximum percentage possible (considering the above criteria and funding and timeline constraints).

91. To motivate producers to participate in the project, they need to receive incentives and to realize short-term benefits. Guidelines on best practices for agriculture, fisheries and forestry will be developed and adapted for every priority landscape.

92. At least two farms/ cooperatives (private or social property of more than 50 hectares) of small producers and fishermen in each priority landscape will receive technical assistance, supplies and basic equipment by the project (in the second year) for the adoption of sustainable best management practices that contribute to both agricultural productivity and biodiversity conservation. These prototype or model farms/cooperatives will function as schools for capacity building and scaling up sustainable production in each landscape. The prototypes will facilitate training of key stakeholders on sustainable systems. New or traditional sustainable production systems will be adopted in each priority landscape. The figures referenced here refer only to the demonstration sites (the future farm schools) that will be utilized in each landscape to scale up capacity in sustainable production. The target for the overall project is to convert 20% of critical areas where there are important species under threat from conventional production systems. The 20% figure was determined based on our capacity of conversion during the next 5 years. During the PPG phase, CI and CONANP will identify the areas of critical habitat using biodiversity, social and production criteria.

93. By improving the capacities of key stakeholders on sustainable practices Barriers 5 and 6 will be addressed. Because this is a core outcome for the project, the designated budget is significant, but adequate to address capacity building, field technical assistance, exchange of experiences, and other strategies to deliver converting conventional production into sustainable production.

94. Agro-biodiversity and "designation of origin"²¹ will be considered to implement sustainable systems. The proposed project will use previous CONANP or key stakeholders' successful prototype projects as a baseline. By achieving this output, Barriers 4, 5 and 6 will be addressed.

²¹ A "designation of origin" is not a standard but is a brand or mark applied to agriculture or other food goods with unique characteristics, particularly geographic characteristics. It is intended to also indicate quality.

Outcome 2.2: Market share for producers in the priority landscapes is facilitated and increased.

95. During the PPG, a market study will be developed that will help design demand-driven production systems for the project. Based on the findings and Ansoff's²² matrix of supply and demand, we will analyze market opportunities to increase the market share or diversify the markets of the key products that each landscape will prioritize. We will also consider previous CONANP or key stakeholders' successful prototype projects as the proposed project's baseline. By achieving this output, Barriers 4, 5 and 6 will be addressed.

96. The project will develop specific marketing strategies that will help insert these products into value chains and help increase or diversify their market share. The proposed project will design and register at least one "local brand," per priority landscape. Sustainable products associated with each landscape will have a brand and a marketing strategy, which is the current trend for niche products. One option is to work with Marca Chiapas® (an example of "designation of origin") or follow a similar model. Marca Chiapas® is a public-private initiative in Chiapas that includes technical assistance and business accelerators for locally produced products, and when these products meet the required quality standards they are packaged and branded as Marca Chiapas®. During the PPG phase we will analyze all certifications, legislation and standards and choose the products with which we will work and then select standards/seals/brands that we will apply that will include a biodiversity criteria. These actions will address Barriers 5 and 6.

97. An important goal is to improve the livelihoods of priority communities within the territory by increasing their income generation by 30% at the household level. Traditional knowledge in sustainable production practices and marketing will also be identified and utilized. Traditional knowledge, systematized and disseminated, will also improve production conditions, which along with marketing will overcome Barriers 4, 5 and 6.

98. An analysis of successful prototype projects with diversified markets will be jointly analyzed with key stakeholders to incorporate lessons learned, commercialization guidelines or protocols. A branding strategy will be developed and implemented. By achieving this output barriers 5 and 6 will be addressed.

99. CI Mexico has completed several market studies that provide evidence of a market for sustainable products, including: a rapid survey of 200 households in three major cities in Mexico; a white paper on corporate trends in sustainability and social responsibility in Mexico; in-depth interviews with key players (sustainability head of Walmart, owner and founder of Green Corner Bensi Levy, owner and founder of Aires de Campo) and three years of market basket observations at mainstream supermarkets focusing on organic products and observed changes in availability of organic products at supermarkets and specialty stores. Finally, experience gained from implementing ECOSECHAS (mainstreaming biodiversity conservation into decision making at the watershed level), a GEF funded project in Chiapas, where CI organized four trade fairs for producers of coffee, cocoa, honey, fish and other products to meet with hotel, restaurant and other food related business owners to develop direct business agreements, also provides evidence of a market for sustainably produced products in Mexico.

COMPONENT 3: Increasing financial sustainability and stakeholder participation in the integrated management of the three priority landscapes.

100. An analysis of successful prototype projects with diversified markets will be jointly analyzed with key stakeholders to incorporate lessons learned, commercialization guidelines or protocols. A branding strategy will be developed and implemented. By achieving this output Barriers 5 and 6 will be addressed.

²² The Ansoff Matrix also known as the Ansoff product and market growth matrix is a marketing planning tool which usually aids a business in determining its product and market growth. This is usually determined by focusing on whether the products are new or existing and whether the market is new or existing. The Ansoff Matrix has four alternatives of marketing strategies: market penetration, product development, market development and diversification.

101. In order for the integrated management of the three priority landscapes to be sustainable, this component will focus on: a) providing guidelines and increasing public and private investment with a focus on biodiversity conservation, b) improving coordination among sectors, and c) strengthening social participation.

Outcome 3.1: Access to investments from public and private institutions oriented towards PA conservation, connectivity and integrated management of priority landscapes substantially increased.

102. Barriers 4, 5 and 6 will be addressed through intense negotiation with federal and state institutions, civil society, local and national companies and state legislatures by sharing the importance of replicating good production practices and habitat conservation efforts inside and outside PAs for human well-being. The project will also hire specialized consultants to create new financial mechanisms or to redirect existing mechanisms for the conservation and sustainable management of each priority landscape.

103. This outcome will provide long-term financial sustainability for improved landscape management. Examples of potential mechanisms include leveraging agricultural state initiatives by co-funding sustainable production programs (mainstreaming conservation incentives), conservation finance mechanisms, partnership funds, sustainable landscape partnerships, user pay systems, debt swaps, etc. An increase of at least 30% compared to current private investments (in the form of public-private partnerships) in PA management will be achieved through inter-sectorial and inter-institutional organization mechanisms and co-programming with different public, private and social institutions. The 30% increase was defined based on previous experience of CONANP, CI and other organizations working in the region to increase investments in corridor conservation. During the PPG phase this figure will be reassessed based on an improved assessment and investment baseline.

104. CONAFOR currently has a payment for ecosystem services program in these States. However, CONAFOR does not use KBA criteria in the selection of projects that qualify for the PES program. This project will coordinate with CONAFOR to redirect funding in critical habitats and work with producer groups in the three landscapes so that the producers can benefit from CONAFOR's PES program. This will increase the investment and financing of these groups while supporting the long term sustainability. CI and CONANP have already approached CONAFOR to implement this program with coffee producing communities in the Sierra Madre de Chiapas. The groups of producers can potentially receive incentives for producing sustainably while protecting critical habitats linked to the PES program.

105. A communications and management program will be key to implementing land-use planning across the priority landscapes. An investment baseline will be developed during the PPG phase. Incentives programs will be identified or designed and implemented in each state, which will be key to deliver benefits at the household level. These incentives programs will deliver an equitable distribution of benefits, taking into account gender and social impacts. The feasibility analysis, financial platform and public policy proposal for these incentives will be delivered to the state level ministry of agriculture, forestry and natural resources. Incentives programs will be established with key government programs and stakeholders.

Outcome 3.2: Substantially improved the coordination of public policies and investments between different levels of government institutions and sectors to foster integrated landscape management.

106. To address Barriers 1, 3, 4 and 6, the project will also perform strong institutional and legislative management so that the municipal councils and state and federal institutions of agriculture, fisheries and social development substantially improve their programmatic coordination and reconcile this work with conservation and development goals. The basis of such coordination will be the land-use plans and regulations of each priority landscape and the demonstration of best practices. The proposed project will fund a participative strategy design adapted to the socio-cultural context of each landscape.

107. Currently, programs and departments that implement conservation programs and sustainable development in forestry, biodiversity, agriculture, livestock, fisheries and social and economic development do not coordinate actions, and lack instruments that promote communication of their actions, plans, strategies and investments both at the federal and state levels. This project will have the resources, implementation strategies, tools, guidelines and coordination structure to align actions and investments at the priority landscape level.

108. Co-programming in multi-annual and multi-sector work plans have been identified as priority products. The proposed project will organize quarterly meetings to coordinate inter institutional planning and follow up. A series of interviews will be conducted with key stakeholders to determine the will and commitment to integrated landscape management as well as to identify the best mechanisms to coordinate the co-programming of annual operational work plans.

Outcome 3.3: Substantially strengthen the participation of key stakeholders, including women and vulnerable groups, in integrated landscape management and in decision-making.

109. Barriers 1, 2, 3 and 6 will be addressed by focusing project resources and capabilities on promoting high participation of key stakeholders by ensuring the inclusion of women and vulnerable groups in the design, implementation, decision-making, adaptive management and evaluation of the integrated landscape management plan. A mapping of actors, the development of a consultation and participation plan as well as preliminary stakeholder engagement will take place in the PPG phase of the project.

110. The creation of a coordinating body in each priority landscape will be promoted in an inclusive and participatory way, where stakeholders of different sectors are represented. This coordinating body is primarily responsible for advising those responsible for public programs (Outcomes 2.1, 2.2 and 3.2), so that their actions are based on the land-use plans and regulations (Outcome 1.1). In order to include gender and other equity criteria in these land-use regulations, guidelines for equitable distribution of resources and open participation will be defined.

111. The social marketing methodology entitled, "Pride Campaign," or an awareness campaign, will be used, so that in each priority landscape's local people, government officials and members of civil society begin to understand their natural and cultural heritage and the benefits provided by them.

These actions will be strengthened by exchanges of experiences each year between the three priority landscapes and through direct training provided to key stakeholders with influence on decision-making in biodiversity use and priority landscapes integrated management. Thus, coordination for the integrated management of priority landscapes between stakeholders in different sectors will improve.

112. By taking a gender and vulnerable groups approach through the development and implementation of a gender strategy that cross-cuts all components under this outcome, the project ensures success in the actions of biodiversity conservation and sustainable use of natural resources that benefits everyone. Based on CONANP's experience in developing participatory projects, usually only about 15% of participants are women, so this project seeks to double this participation (at least 30% of participants are women). The cultural norm in this region is for men to be in charge and make all decisions pertaining to life outside of the household, which is a barrier this project will need to overcome to increase participation by women in the project. The identification and appropriate percentage of participation by vulnerable peoples will be determined during the PPG. A Gender Mainstreaming Plan (GMP) and baseline information will be developed during the PPG. This will address Barriers 1, 2, 3, 4 and 6.

1.4 Incremental cost reasoning and expected contributions from the baseline, the GEF TF, and co-financing

a) Incremental cost reasoning and expected contributions from the baseline

113. GEF funds will allow for new landscape-scale land management linked to PAs and globally significant biodiversity sites. Without the project, the conservation of biodiversity in Chiapas and Oaxaca will continue to depend on isolated efforts of environmental institutions with limited resources and capacity.

114. Most public investments in the sites with the greatest biological and cultural diversity will continue to be concentrated in production and economic sector institutions, whose approaches are, in general, contrary to sustainable practices and conservation.

115. Current investments in the region come from federal funding for agriculture, cattle ranching, and fisheries activities, as well as for forestry, but none of these public programs invest in developing best practices or converting

traditional agriculture-forestry-cattle ranching activities into sustainable activities. With this investment, the GEF will determine and establish best practices for these landscapes, while ensuring stakeholders understand the multiple benefits that these best practices will bring to human well-being, local and regional economies, and the area's unique biodiversity. Furthermore, GEF investment will establish three mechanisms to sustain the implementation of the priority landscapes' land-use plans and integral management. The other programs and amounts invested within the three priority landscapes will be identified during PPG process.

116. The project will finance the development and implementation of participatory land-use plans and regulations at the landscape scale, an innovative tool for Oaxaca and Chiapas.

117. The project will increase and strengthen the participation of stakeholders in priority landscapes, particularly women, indigenous and other vulnerable communities, creating inter-sectorial coordination bodies to guide public policies towards best practices in the use of natural resources.

118. GEF funds will help identify, design and build up or strengthen new financing mechanisms for PAs and surrounding areas that connect habitat of global importance.

119. The project will expand best practices that exist in some places, generating value chains and denomination of origin for products that otherwise would not have market recognition.

120. The resources from the GEF will support Mexico's advances to comply with Aichi biodiversity targets (in particular targets 2,7, 8 and 11), and towards the Global Goals for Sustainable Development, particularly: goal 8 – Decent work and economic growth: to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; goal 12 – responsible consumption and production: to ensure sustainable consumption and production patterns; and goal 15 – Life on Land: protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forest, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

b) Co-financing

121. Co-financing for this project totals roughly US \$47.3 million in grants and in-kind financing. The Government of Mexico is committing US \$8 million in co-finance from CONANP's investment in the management and operations of National Protected Areas, and US \$22 million from CONAFOR to support the payment for environmental services for community forest management and reforestation.

122. Conservation International Mexico has secured private sector co-financing from Starbucks Foundation through its project "Establishing a net-positive-impact coffee origin in Oaxaca, Mexico" which aims to strengthen Oaxaca coffee producers through environmental best practices

123. In addition, nine other public entities have offered their support and co-financing to this project for activities ranging from patrolling and fire prevention, to supporting productive activities in commodities such as cattle, coffee and fishing as well as support and capacity building for indigenous communities.

1.5. Global environmental benefits

124. This project is expected to deliver the Global Environmental Benefits described below. These benefits will be further assessed and refined during the PPG phase:

- a. Developing and implementing a landscape approach in three priority landscapes in Oaxaca and Chiapas covering approximately 2.765 million hectares containing at least 167 threatened species (CR, EN, and VU according to the IUCN);

- b. Improving the protection of threatened habitats, including cloud forests, deciduous forest, reed beds, *popales*, mangroves and coastal lagoons;
- c. Improving the management of at least 357,000 hectares of existing Natural Protected Areas;
- d. Creating new protected areas and corridors in priority areas for globally significant species, covering at least 110,00 hectares;
- e. Improving the conservation of at least 15 species considered globally threatened (the list of these species will be developed during the PPG phase); and
- f. Mainstreaming biodiversity conservation into productive landscapes through promoting sustainable production (including certified production) in at least 20% of the productive area currently under convention practices

125. Additional co-benefits include:

- g. Improving stakeholders' capacity to manage and conserve their natural resources in ways that are more compatible with biodiversity conservation;
- h. Improving household income in areas with new sustainable practices; and
- i. Improving local stakeholders' capacity to adapt to changes produced by the effects of global warming.

1.6 Innovation, sustainability, and potential for scaling up

a) Innovation

126. This project proposes a new and more comprehensive model of biodiversity conservation in key landscapes where PAs have been declared, but are managed by different actors and enacted under various laws.

127. Social participation will be strengthened through appropriate mechanisms that compile, value, and incorporate local knowledge, in order to safeguard the natural heritage. Free, Prior and Informed Consent will be utilized to safeguard local people's rights and foster landscape ownership that take into account the unique biodiversity of the region.

128. In addition, this project will introduce new conservation tools in biodiversity rich areas currently unprotected, developing activities leading to biodiversity conservation and including social benefits. This project will support traditional agricultural products related to the vast agro-biodiversity of Mexico that are better suited for the region and have visible social and economic benefits.

129. The proposed project will answer the question of how to apply a landscape approach to a highly diverse mosaic of conservation areas, key biodiversity areas that lack conservation status and production areas that currently threaten wildlife and ecosystem services. It is an innovative prototype project for adopting a regional biodiversity and sustainable development approach that can be replicated at the national level.

b) Sustainability

130. This project, led by CONANP intends to develop a model that will exist beyond the life of the project. It will be used as an instrument to strengthen public policy related to the management of protected areas in Mexico. The model will show how to integrate management of the priority landscapes within the cultural and biological diversity contexts. This project's aim is to connect isolated PAs, addressing buffer zones and integrating areas rich in biodiversity. CONANP will use this landscape model to protect and conserve PAs and their biodiversity nationwide; the project's results will be disseminated throughout CONANP to strengthen the institution and their public policy framework.

131. The project will generate coordination platforms that include institutions from various sectors traditionally investing financial resources in social and production programs. Through these platforms, funding will be redirected towards sustainable land management practices.

132. Family incomes will increase by ensuring that sustainable products reach the mass market or specialty markets.

133. The project will leverage key stakeholders' well-established community level actions related to conservation and sustainable development. These projects will be identified during the PPG phase. With the surrounding communities involved at every stage of the project, the project will ensure "buy-in" from these communities.

134. By increasing knowledge on sustainable best practices for production and specifically incorporating sustainable production practices for coffee, fisheries, and cattle ranching that increase the value of these products, the project will ensure that the communities will no longer employ deforestation for their survival, and in fact will be empowered and desire to protect these vital ecosystems to thrive.

135. Financial sustainability is a strong component under this project to ensure long-term implementation of landscape land-use plans. Innovative financial mechanisms will be developed with support from key decision-makers.

136. The state-level incentives program will focus on sustainable agro-forestry and fisheries as requested by the organic and sustainable production sectors of Chiapas and Oaxaca to improve tangible benefits at the household level.

137. The active participation of key stakeholders in planning, decision-making, and workshops to strengthen their capacities for sustainable production and understand the benefits of biodiversity will ensure acceptance of the landscape-wide land-use plan.

c) Potential for scaling up

138. The project will disseminate information about biodiversity conservation and use to different levels of decision-makers and thus have an impact on improving local, state and national legal frameworks and public policies.

139. By strengthening the PA system of Oaxaca and Chiapas and thus demonstrating the benefits of well managed priority landscapes, the project will have an impact on the national PA system as a whole.

140. This initiative is a pilot in a sub-region within the national structure of CONANP; its comprehensive landscape approach for PA management can be scaled up to other regions with similar ecological and social conditions or adapted to other regions with cultural and biological diversity.

141. There is potential for scaling up to geographically connected areas such as extending the Sierra Madre of Chiapas toward the mountain range of Guatemala.

142. This project acquires special relevance in Mexico as a megadiverse country because it will provide the different ministries a tool to better articulate programs and public policies and it will directly contribute to the sustainability goals of Mexico. CONANP will also include this model as a case study to implement integrated management of priority landscapes in other key landscapes within the Mexican System of Protected Areas such as the Sierra Madre Oriental, Sierra Madre Occidental, Sierra Norte of Puebla, Selva Zoque, Selva Lacandona and others.

2. Stakeholders. Will project design include the participation of relevant stakeholders from [civil society organizations](#) (yes X /no ☐) and [indigenous peoples](#) (yes X/no ☐)? If yes, identify key stakeholders and briefly describe how they will be engaged in project preparation.

143. The preparation and implementation of this project will be carried out in a participative and inclusive manner. A wide array of national and local government agencies, private sector organizations, NGOs, and local communities will be involved in the project preparation and implementation phases.

144. This project will utilize a community-level stakeholder engagement process and capacity building activities to ensure that all relevant community members – men, women and youth – are fully engaged.

145. Below we provide a list of potential key stakeholders for this project and a brief description and participation in this Project, the preliminary key stakeholders will be identified during ProDoc process:

a) Civil Society Organizations

Stakeholder group	Description of current responsibilities	Participation in the project
Small coffee producers' cooperatives	Group of small producers to improve livelihoods and provide high quality coffee. Cooperatives implement strategies and provide training and technical assistance to its members. Manage funding for community development projects. Negotiate volumes and prices with brokers in domestic and international markets.	Provide information and experience on best practices. Participate in exchange of experiences with conventional coffee producers. Participate in training activities for decision-making on integrated management of priority landscapes. Participate in coordination bodies in the Sierra Madre of Chiapas and the Sierra Sur of Oaxaca.
Fisheries cooperatives	Group fishermen develop project to improve productivity and provide training and technical assistance to members.	Participate as beneficiaries and key actors in the project design (ProDoc, integrated management plans) and in implementing activities.
Local associations of cattle ranchers	Group cattle ranchers; implement projects through subsidies, apply for credits and other cash and in-kind financing. Provide training and technical assistance to its members.	Some key cooperatives will be part of the coordination body as key-decision makers.
Community lands and ejidos²³ (forms of community land possession)	Decision-makers on land use	Participate in project planning, coordination bodies, training and capacity building activities. Some communities or ejidos will be part of the coordination body at landscape level.

²³ Ejido is a legal form of local organization and land ownership within a municipality, which comprises a commissioner, a secretary, a treasurer and a council.

Teaching and research centers	Generation of knowledge about the natural heritage of Mexico, its threats and opportunities for biodiversity conservation and sustainable development	Capacity building for project stakeholders. Will generate and analyze useful information for decision-making on biodiversity conservation. Monitoring and assessment of project's impact at the landscape-scale.
Certification company, Certificadora Mexicana de productos y procesos ecologicos, S.C. (CERTIMEX)	CERTIMEX is one of the main certifier bodies of Mexican coffees and other products with the capacity to certify organic products, Smithsonian Bird Friendly and other standards.	CERTIMEX could contribute to generate the good productive guidelines practices.

b) Indigenous people

	Participation in the project
Mam, Tzotzil, Tzeltal, Huave and Zapoteca	<p>Free, Prior and Informed Consent (FPIC) will be implemented in indigenous territories before any activity like the establishment or extension of PAs. FPIC will be obtained by implementing "Guidelines for applying FPIC: A Manual for Conservation International".</p> <p>Share traditional knowledge on best practices.</p> <p>Target groups for dissemination of materials and radio messages on best practices and the Pride Campaigns.</p> <p>Representation in the three priority landscapes coordination body.</p> <p>The project will seek full participation in project planning.</p>

*Detailed demographic and geographic information on the main indigenous groups in the project region will be provided during the PPG phase.

c) Government institutions

Government institutions (Federal and state level)	Participation in the project
Ministry of Environment and Natural History (SEMAHN)	<p>On operational annual plans and specifically with technical personnel and operating expenses for monitoring and evaluation.</p> <p>Sub ministry of state PA will coordinate activities on implementing site level and regional management.</p> <p>Prevention and fighting forest fires. Forest management projects. SEMAHN will be part of the coordination body of this project.</p>
Chiapas Agriculture and Field Ministry, SECAM	On operational annual plans for Cattle ranching equipment delivered to local producers. Capacity building on training package (seeds and

	technology) to harvest corn and black beans. Coffee nurseries and supplies for coffee harvesting. As well as financial mechanisms as guarantees. SEMAHN will be part of the coordination body of this project.
Coffee Institute of Chiapas	Coffee plants renovation, programs that support production and commercialization and capacity building to coffee farmers.
Fishing Ministry of Chiapas (SEPESCA)	Support to fishing as a main productive activity. Strengthen commercialization of fishing products. SEPESCA will be part of the coordination body.
CONAFOR	Payment for Ecosystem Services program. Reforestation. Forest community management. Forest management programs. At regional level a coordination with annual operational plans co-programming. This project will look for coordination in terms of geographic prioritization and selection of producer groups to work hand in hand and strengthen landscape management and benefit local communities and biodiversity conservation.
State of Oaxaca Coffee Council	Training for coffee production.
Oaxaca State Ministry of Agriculture, Forestry and Fishery	Contribution on rural sustainable development processes implementing public policies, programs, actions in an inter-institutional way by addressing organization, capacity building, management and financial resources, commercialization, monitoring and evaluation of producers, while at the same time is building up the social benefits. This key stakeholder will be part of the coordination body of this project. They will be co-programming operational annual plans in the Sierra Sur and Coast of Oaxaca landscapes.
National Commission for Indigenous peoples development (CDI)	Contribution on the following objectives: (a) Propose Indigenous legislation and observe their rights, (b) To guarantee the indigenous access to basic public services such as Health, Nutrition, Education, decent housing and, (c) Promote economic activities which could improve the family incomes and their well-being. CDI will be part of the coordination body. They will be co-programming operational annual plans in overlapping landscapes.
SAGARPA	Co-programming operational annual plans.
CONABIO	Co-programming operational annual plans and leveraging funding to address landscape approach in research and conserving critical biodiversity.

3. *Gender Equality and Women's Empowerment.* Are issues on [gender equality](#) and women's empowerment taken into account? (yes X /no ☐). If yes, briefly describe how it will be mainstreamed into project preparation (e.g. gender analysis), taking into account the differences, needs, roles and priorities of women and men.

146. The coastal regions of Chiapas and Sierra Madre de Chiapas, Isthmus, coast and Sierra Sur of Oaxaca have a local population of 654,000 inhabitants of whom 324,000 are female and 319,000 males, distributed over 4,730 localities according to the National Institute of Statistics and Geography (2010).

During the PPG phase, priority landscapes will be more exactly determined and social, population and gender statistics better detailed.

147. Women are key stakeholders in a large number of activities that occur within and adjacent to the PAs. Currently they make up only about 15% of the population who participates in planning and management within CONANP projects.
148. Every effort will be made by CONANP and CI to advance gender equity in the proposed project. To ensure that the project meets CI-GEF Project Agency's Gender Mainstreaming Policy, the executing entity will develop a Gender Mainstreaming Plan (GMP) during the PPG phase of the project. The aim of the GMP will be to identify needs and opportunities to mitigate potentially adverse effects of the project on men and women, as well as promote gender equity as an aspect of the project.
149. The GMP will include an assessment of gender roles, responsibilities, uses, and needs relating to the environment/natural resources on which the project will be based (e.g., patterns, participation in management, etc.), as well as both short-term and long-term costs and benefits of the project to men and women. It will also include potential roles, benefits, impacts, and risks for women and men of different ages, ethnicities, social structure, and status. Specific actions and activities will be identified to ensure that gender-related adverse impacts of this project are appropriately avoided, minimized, and/or mitigated.
150. The GMP will explicitly describe the actions and processes to be put in place during the PPG and implementation phases in order to ensure that women and men: 1) receive culturally compatible social and economic benefits, 2) do not suffer adverse effects during the development process, and 3) receive full respect for their dignity and human rights. Finally, the GMP will provide specific indicators for monitoring and evaluating progress towards gender equity within the project.
151. CONANP and CI have procurement procedures that explicitly recognize the promotion of gender equity as a standard business practice. As a result, gender equity will be taken into consideration through their procurement programs when sourcing staff, equipment, and consultants.
152. The GMP will ensure that gender equity is sought in all three project components, including all of the outcomes, targets, products and in general to all actions carried out where equity should and will be sought. Women and vulnerable groups are considered in all targets, such as the integrated management of priority landscapes, sustainable production, social participation and financial sustainability where the effective and equitable participation of men and women, youth and other vulnerable groups of the local population will be proactively promoted. Data will be disaggregated for gender throughout the life of the project and in all project reports. Actions planned for integrating gender criteria in project planning, implementation and evaluation are:
 - A gender and vulnerable group strategy will be developed at the project output level. This strategy will be developed in more detail during the PPG phase. In this phase, indicators and activities for achieving project outputs, outcomes and impacts will be developed that make visible the inclusion, equal participation and differentiated satisfaction of men and women. This will happen in every priority landscape.
 - All project activities, such as consultations, meetings, training courses and workshops, coordinating body meetings, working groups, generation of baseline information, will be developed with an emphasis on gender integration, with the goal of having equitable participation of men and women as well as youth and other vulnerable groups.
 - Activities for incorporating gender criteria consider both female and male participants, creating gender awareness.

- By developing and implementing the project's gender strategy, different cultural characteristics, customs and social structures, particularly those of indigenous peoples will be fully taken into account and respected.

153. Some examples of actions that will promote gender equity as a cross cut approach:

- **Component 1.** Men and women and vulnerable groups inclusion in planning and management workshops, indicators will be differentiated by men and women, and in the definitions in the M&E plan. Equal participation in FPIC activities and the activities related to amplification and establishment of new PA will be promoted.
- **Component 2.** During PPG, criteria to identify needs and contributions of women, as well as indigenous and vulnerable groups, in natural resources management and access to biodiversity benefits.
- **Component 3.** During stakeholders mapping, women, indigenous peoples, and other vulnerable groups will be identified. Active participation of these groups will be promoted. A strategy to integrate vulnerable groups in every priority landscape will be developed.

4 Risks. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable).

154. Below are the main risks that might affect the performance of this project. A ranking (scale: low, medium, or high) is provided, along with the mitigation strategy to be implemented during the life of the project.

Risk	Risk level (low-medium-high)	Risk mitigation strategy
a. Impacts of global climate change	Medium	Work with local institutions and grassroots organizations to share experiences related to climate change adaptation programs.
b. Forest fires	Medium	Expand forest fire control systems existing in some PAs to all priority landscapes in the proposed region.
c. Extreme weather phenomena	Medium	This risk will be addressed through cooperation with existing civil protection mechanisms and the natural disaster fund of Mexico, as well as by linking prevention activities of the national and state climate change programs.
d. Social and political problems	Medium	This risk will be mitigated through capacity building and effective land management practices, enhancing good environmental governance schemes and utilizing CI's guidelines for FPIC, gender inclusion and other safeguards pertaining to social and political problems.
e. Illicit activities	Medium	Illicit activities happen in some landscape units, so could occur within the project. So, the project will not intervene in high-risk areas, where the integrity of the project team could be threatened.

f. Changes in local, state and federal government institutions	Low	The project can build on governmental stakeholders with a permanent presence of mid- and high-ranking staff in the intervention area. Additionally, CONANP has strengthened local groups who can monitor and support the project. Direct communication and cooperation with state and local governments will be part of the project implementation strategy.
g. Weak institutional capacities for planning, management and governance in targeted areas	Medium	The risk will be reduced by working with and strengthening diverse institutions, from the national government to local levels, thereby minimizing dependence on any one institution. The project will invest in addressing key capacity gaps; baseline analysis to be carried out during the PPG phase
h. Limited capacity, commitment and/or governance among local people in targeted areas.	Medium	Starting with the design phase, the project will work in a participatory manner with local communities to discuss and define the strategies to be implemented in the forested areas, in order to maximize the likelihood of ownership and uptake
i. Changes in some institutions providing co-financing could lead to their inability to do so	Medium	This risk will be mitigated as much as possible by working with co-financing partners through the design phase to secure their involvement and investment. Additional co-financers will also be sought in order to ensure that the levels are maintained
j. CONANP's budget continues to decline prohibiting the ministry's full participation in this project.	High	<p>This risk addresses current budgeting situation in public policy and future budget might diminish more than 10% as planned. So, the current structure could not accomplish the basic management activities.</p> <p>The proposal has been designed so that the PAs can be strengthened with the support from key stakeholders from various sectors that depend on these landscapes (not only CONANP) including: other government institutions, communities, producers, the financial sector and the private sector. Component 3 "Increasing financial sustainability and stakeholder participation in the integrated management of the three priority landscapes" is addressing how to engage key stakeholders to develop the financial mechanisms that will provide sustainability and decrease the dependency on CONANP's budget to manage these landscapes sustainably.</p> <p>CONANP is developing strategies to address recent budget problems and reduction in personnel. Within the first three years of the project CONANP will (i) establish an institutional policy to efficiently address expenses, (ii) work with other public programs to invest in PA and landscape management, (iii)</p>

		determine new financial mechanisms (public trust fund, return of the fees for visiting PA, etc), and (iv) develop a landscape management model.
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5. *Coordination.* Outline the coordination with other relevant GEF-financed and other initiatives.

155. Below is a list of current projects or agencies that the proposed project will need to coordinate with to ensure success and add value to the Project. The coordination column explains the current objectives and how the proposal project will work with the project.

156. The following table identifies the main general projects and governmental federal institutions align with the main components of this Project. The specific project, programs and coordination will be identified and defined during Pro Doc process.

Project	Coordination
“Ecovalor”, a project of GIZ.	This GIZ program is to value environmental services in and from PAs. Project will be coordinated by CONANP.
Overall projects. CONABIO	This National Commission is implementing strategic projects at the corridor level by doing research and working in partnership with local actors to conserve and use natural capital of Mexico. CONANP, CI and CONABIO will develop an alliance and a letter of understanding to align funding, strategies and programs.
Programs about the sustainable use of natural resources and biodiversity conservation. SEMARNAT	The National Ministry of Environmental and Natural Resources implements initiatives at the national level to design, define or pilot voluntary norms for sustainable use of natural resources activities, as well as implement sustainable strategies to protect biodiversity. CONANP will manage coordination to improve outputs and achieve targets under this project.
Agrosilvopastoril programs. Agriculture, cattle ranching, fishing ministry (SAGARPA)	CONANP will coordinate with this Ministry to co-program operational plans and direct funding to protect natural resources, soil conservation and sustainable best practices.
Strategies and general initiatives of the Big NGOs	CI and CONANP will coordinate activities, strategies or plans within overlapping priority landscapes to strengthen this project and impact.
Research projects	CI will manage coordination with potential research institutions and key scientists within the priority landscapes in key topics.
Network of community based enterprises and initiatives for the sustainable use of the territory and natural resources of Local or rural communities	CONANP and CI will coordinate with local communities by presenting the project as an opportunity to improve livelihoods and their environment, establishing roles, responsibilities and project contributions in a participatory manner. Build up on current sustainable production initiatives managed by communities or community based enterprises or network of
Community-based enterprises	CONANP and CI will manage the coordination to improve performance of such local enterprises, look for joint work at the landscape level and disseminate successful stories.

157. There are some GEF project being implemented in Chiapas and Oaxaca. This Project will consider, lessons learned, outputs and information generated to implemented in the three components and improve performance of the overall activities. The following table describe the main current GEF projects and parallel in time with this Project:

Project Name	Years (Start-End)	Budget	Donor(s)	Project objective and short description how this project is related to the GEF project
Protected Areas Program	1995 - 2018	USD\$25 million	GEF, The World Bank, Government of Mexico	To strengthen priority PAs' management in Mexico. This program provides specific funds for operating costs of three PAs (El Triunfo, La Sepultura and La Encrucijada). The current management of PA is a baseline investment to improve management at the landscape scale.
Mitigating Climate Change through Sustainable Forest Management (SFM) and Capacity Building in the Southern States of Mexico (States of Campeche, Chiapas and Oaxaca)	2011- 2016	USD \$5.1 million	GEF, National Forestry Commission (CONAFOR)	To mitigate climate change in the agricultural units selected in three Southern States (Campeche, Chiapas and Oaxaca), strengthening SFM and creating local capacities, including the reduction of emissions by deforestation and the increase of carbon sequestration potential through the financing of innovative and relevant initiatives for the most vulnerable populations, particularly indigenous peoples. The project also seeks the dissemination of information and local participation in carbon sequestration monitoring. SFM and capacity built for Oaxaca and Chiapas will be consider under this proposed project.
Strengthening Management Effectiveness and Resilience of Protected Areas to Safeguard Biodiversity Threatened by Climate Change	2011 - 2016	USD \$10.2 million	GEF (CONANP)	<p>To ensure that Mexican Protected Area system is spatially configured and managed to increase resilience to the adverse impacts of climate change on biological diversity. National and local capacities for mitigation and adaptation to climate change are strengthened.</p> <p>This proposed GEF project will profit from lessons learned by the resilience project in overlapping areas, thus increasing impact especially through actions that promote adaptation in</p>

				communities, ecosystems and productive activities. CONANP will manage the coordination between GEF projects.
Sustainable Production Systems and Biodiversity Project	2011 - 2016	USD \$11.8 million	GEF, National Commission for the use and knowledge of Biodiversity (CONABIO)	To conserve and protect nationally and globally significant biodiversity in Mexico through mainstreaming biodiversity-friendly management practices in productive landscapes in priority biological corridors. Topics addressed by the project are: Sustainable production chains and biodiversity conservation; mainstreaming green production and markets; institutional strengthening and standards for green production; biological corridors. The proposed project will assess territorial overlap between the two projects, as well as opportunities for agreements between CONANP and CONABIO on actions for strengthening current projects and previous investments.
Strengthening Management of the PA System to Better Conserve Endangered Species and their Habitats	2013 - 2018	USD \$5.6 million	GEF, CONANP	There are opportunities for coordination in creating new protected areas and in planning of sustainable management strategies.

6. *Consistency with National Priorities.* Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes ☐ /no ☐). If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, etc.

158. Mexico issued its first NBSAP in 2000²⁴ and its implementation contributed towards the protection, conservation and valuing of biodiversity by increasing the level of biodiversity knowledge (status and threats) institutional capacity and social awareness. Mexico is currently updating its National Biodiversity Strategy and Action Plan (NBSAP) along six strategic lines: knowledge, conservation and restoration, sustainable management and use, threats and pressures, environmental education and culture, and mainstreaming and governance. The updated NBSAP also calls for valuing, conserving and restoring Mexico's natural capital. The next step in the process of updating Mexico's NBSAP is the public consultations, which will take place over the next few months. The updated NBSAP is expected to be formally presented at the next Convention on Biological Diversity (CBD) Conference of Parties.

²⁴ http://www.conabio.gob.mx/conocimiento/estrategia_nacional/doctos/pdf/ENB.pdf

159. The proposed project is strategically aligned with the updated NBSAP given that it will create new protected areas and expand current protected areas where threaten species exist. The project will incorporate sustainable management and use of natural resources as well as address direct threats to areas of high biodiversity by converting conventional production into sustainable systems (focusing on KBAs). Finally, the project will strengthen governance by increasing the capacity of local, key stakeholders to improve decision making related to sustainable landscape management.
160. The project will help Mexico fulfil its commitments to the CBD, specifically Aichi Targets 11 and 12, but also 3, 5, 7, 14, 16 and 18.
161. The project will contribute to meeting the objectives of the National Development Plan which is responsible for green growth, preserving natural heritage, generating wealth, increasing competitiveness and employment; as well as the Environment Sector Program, which in its Objective 1 refers to sustained and sustainable low-carbon growth with equity and social inclusion.
162. The proposed project is also aligned with the CONANP 2040 Strategy which was developed considering key stakeholders and local participation. This project is aligned with the 2040 Strategy, particularly in terms of maintaining cultural and biological diversity; addressing sustainable production and consumption; integrated participation to conserve the natural capital of Mexico; conserving biodiversity by maintaining species as well as ecosystem services; instituting a cultural norm that local people implement activities to sustainably use, produce and consume natural resources; coordinating public programs and environmental policy; and finally increasing capacity of society and government to value the natural capital within PAs.
163. The project is aligned with the State Development Plan of Chiapas (2013-2018) since this project addresses sustainability, gender, respecting human rights and good governance. This state plan is aligned with the proposed project's three components in improving the management of state PAs, by protecting KBAs and the amplification of PAs; by addressing sustainable production and financial sustainability, as well as designing an incentives program.
164. The project is aligned with the Development Plan of Oaxaca (2012-2016) by addressing sustainable production, gender, financial sustainability and the Oaxaca State Wetlands Program (2012-2016) by improving management and connectivity between PAs to improve biodiversity conservation.
165. In addition, the proposed project seeks to consolidate and further develop previous efforts that have been made in the region, particularly GEF funded projects, such as: The Consolidation of the System of PAs; Improvement in Production Landscapes of the Biosphere Reserve El Triunfo; Mechanisms of Biodiversity Conservation in Private Lands; as well as activities with private sector such as in the GEF funded project "Mainstreaming the Conservation of Ecosystem Services and Biodiversity at the Micro-watershed Scale in Chiapas." The project will identify synergies with projects that are currently being implemented, especially the project, "Protected Natural Areas Resilience to Climate Change and Coastal Watersheds in the Context of Climate Change."

7. Knowledge Management. Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

166. Lessons generated by the project will be communicated using CONANP's internal system: project experiences are shared among PA personnel, presenting successful project activities to staff working on

areas with potential to replicate best practices. This method will also be employed on a national scale by organizing exchanges with PAs in other regions of Mexico.

167. Also, as part of the project activities, there will be wide dissemination of best practices that have been compiled and tested on a pilot scale in the PAs of the three priority landscapes and implemented by local farmers. Dissemination will use locally accepted and adapted materials and media, such as radio programs, brochures and manuals.
168. Furthermore, throughout the project's lifetime, "Campaigns for Pride,"²⁵ an awareness campaign, will be used to transmit information and results of the project to stakeholders in the priority landscapes and to further the stakeholders full engagement.
169. One of main goals under this project is to design and implement the model of integrated management at the landscape level. There will be a compilation of the process, lessons and tools used, to facilitate the publication and dissemination of a case study within Mexico and presented at international forums such as the Convention on Biological Diversity.

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


A. RECORD OF ENDORSEMENT²⁶ OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):

(Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [SGP OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Carlos Raul Delgado Aranda	Director General/ GEF Operational Focal Point	MINISTRY OF FINANCE AND PUBLIC CREDIT	03/03/2016

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies²⁷ and procedures and meets the GEF criteria for project identification and preparation under GEF-6.

Agency Coordinator, Agency name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email
Miguel Morales, Conservation International		03/04/2016	Orissa Samaroo	7033412550	osamaroo@conservation.org

²⁵ Comprehensive marketing campaigns to inspire communities and decision-maker to take pride on their natural resources as well as the benefits of biodiversity in human-well being.

²⁶ For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

²⁷ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF

C. ADDITIONAL GEF PROJECT AGENCY CERTIFICATION (APPLICABLE ONLY TO NEWLY ACCREDITED GEF PROJECT AGENCIES)

For newly accredited GEF Project Agencies, please download and fill up the required [GEF Project Agency Certification of Ceiling Information Template](#) to be attached as an annex to the PIF.