

GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL



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):	National Commission of Natural Protected Areas (CONANP) and Conservation International Mexico, A.C. (CI Mexico)	Submission Date:	11/14/2017
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. FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Focal Area Objectives/Programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Co-financing
BD Objective 1. Improve sustainability of protected area systems Program 1: Improving Financial Sustainability and Effective Management of the National Ecological Infrastructure	Outcome 1.1. Increased revenue for protected areas systems and globally significant protected areas to meet total expenditures required for management. Outcome 1.2. Improved management effectiveness of protected areas.	GEFTF	3,720,574	25956966
BD Objective 4. Mainstream biodiversity conservation and sustainable use into production landscapes and seascapes and production sectors Program 9: Managing the Human-Biodiversity Interface	Outcome 9.1 Increased area of production landscapes and seascapes that integrate conservation and sustainable use of biodiversity into management.	GEFTF	3,498,876	21,500,000
(select) (select) (select)		(select)		
(select) (select) (select)		(select)		
(select) (select) (select)		(select)		
(select) (select) (select)		(select)		
(select) (select) (select)		(select)		
(select) (select) (select)		(select)		
Total project costs			7,219,450	47,456,966

B. 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 culturally diverse coastal and terrestrial landscapes of Oaxaca and Chiapas, Mexico.

¹ Project ID number remains the same as the assigned PIF number.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#).
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Project Components/ Programs	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
COMPONENT 1: Integrated management of three priority landscape for biodiversity conservation is substantially strengthened through land-use planning and the expansion and management of protected areas.	TA	<p>Outcome 1.1: Integrated management of three priority landscapes for biodiversity conservation is substantially strengthened through land-use planning and the expansion and management of protected areas.</p> <p>Outcome 1.1 Indicator 1: Number of ha with sustainable land use plans and other land use tools promoting biodiversity conservation.</p> <p>Outcome 1.1 Indicator 2: Number of globally significant species under conservation and monitoring plans.</p> <p>Outcome 1.1 Indicator 3: Increase in the average⁴ management effectiveness of the landscapes including Protected Areas over the baseline, according to Management Effectiveness Tracking Tool (METT) baseline score (14 PAs).</p> <p>Outcome 1.2: Expansion of protected areas with</p>	<p>Output 1.1.1: A model of Integrated Landscape Management (ILM) for biodiversity conservation including protected areas and corridors developed and disseminated.</p> <p>Output 1.1.1 Indicator 1: Number of gender-sensitive land use plans at an integrated landscape level. Target: At least 1</p> <p>Output 1.1.1 Indicator 2: Number of gender-sensitive annual operational plans, one per Protected Area (PA), to be updated each year during project life time this project. Target: 14 operational plans per year</p> <p>Output 1.1.1 Indicator 3: Number of Biodiversity monitoring protocols developed and implemented in each landscape. Target: 15</p> <p>Output 1.1.1 Indicator 4: The Integrated Landscape Management (ILM) model for biodiversity conservation is validated by the coordinating body in each priority landscape. Target: Model validated in Year 2.</p> <p>Output 1.2.1: Draft legislation for the expansion of 102,403</p>	GEFTF	2,052,359	16,805,986

³ Financing type can be either investment or technical assistance.

⁴ Simple (not weighted) arithmetic average

		<p>globally significant biodiversity.</p> <p>Outcome 1.2 Indicator 1: Increase in number of hectares of protected areas.</p>	<p>hectares of two protected areas which have been locally consented and approved (all new protected areas supported by GEF funds will meet the KBA standard officially adopted by IUCN in 2016).</p> <p>Output 1.2.1 Indicator 1: Percentage of rural and indigenous communities that grant their consent in PAs following the process of gender-sensitive Free, Prior and Informed Consent (FPIC). Target: 95%</p> <p>Output 1.2.1 Indicator 2: Number of hectares with draft legislation for the expansion of protected areas. Target: 102,403 ha</p>			
		<p>Outcome 1.3: Governance in the three priority landscapes with multi-stakeholder and multi-sector participation improved.</p> <p>Outcome 1.3.1 Indicator 1: A multi-stakeholder coordination body for each priority landscape is established and functional.</p>	<p>Output 1.3.1: Participation of key stakeholders, including women and vulnerable groups, in integrated landscape management and in decision-making substantially strengthened.</p> <p>Output 1.3.1 Indicator 1: Percentage of key stakeholders²⁴ that are represented in the three governance bodies for integrated landscape planning and management. Target: 70%</p> <p>Output 1.3.1 Indicator 2: Percentage of women participating in ILM governance mechanisms. Target:</p>			

			<p>30% of women out of a baseline of 15%</p> <p>Output 1.3.1 Indicator 3: Percentage of indigenous peoples and afro-descendants participating in ILM governance mechanisms. Targets: An average of 20% of Indigenous Peoples and Afro-descendants, consistent with their proportion within the population of each landscapes²⁵</p> <p>Output 1.3.1 Indicator 4: Percentage of youth participating in ILM governance mechanisms. Target: At least 10%, consistent with population representation age classes 20 – 29 yrs; baseline is the minimal participation of youth in decision making spaces</p>			
<p>COMPONENT 2: Mainstreaming models of sustainable production with a market-driven value chain approach in agriculture, fishing, aquaculture, forest and tourism activities, as a pillar of integrated management of the three priority landscapes.</p>	TA	<p>Outcome 2.1: The area of sustainable agricultural, fishery, aquaculture, forestry and tourism production is substantially increased through best practices and a market-driven value chain approach for biodiversity conservation.⁵</p> <p>Outcome 2.1 indicator: Number of hectares where Producer Organisations (cooperatives,</p>	<p>Output 2.1.1: Conventional production is transformed into sustainable production practices in the 16 PIS through organizational strengthening activities like ToT programs, Exchange of experiences and others, developing market-driven value chains for biodiversity conservation.</p> <p>Output 2.1.1 indicator 1: Number of Producer Organisations (PO) with potential to</p>	GEFTF	3,332,263	16,260,686

⁵ The project will use CONANP's (2014) sustainable business strategy and index: http://negocios-sustentables.conanp.gob.mx/documentos/ESTRATEGIA_NAL_NSS.pdf
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		<p>association, family business, etc.) in Primary Intervention Sites (PIS) have adopted sustainable production practices with a market-driven value chain approach.</p>	<p>transform conventional production practices with market orientation in the primary intervention sites (PIS) that are identified, selected and classified and/or its creation is supported. Target: At least 9 POs</p> <p>Output 2.1.1 indicator 2: Number of producers (broken down into M/W, Indigenous peoples, Afrodescendant and vulnerable groups) organized in PO that have 6-10 points in the ISP, that participate in transforming conventional production into sustainable production practices in the 16 PIS. Targets: At least 1,000 producers, seeking proportional participation of M/W, IP and Afrodescendants and youth</p> <p>Output 2.1.1 indicator 3: Number of demonstration cases of a successful model of sustainable production with a market-driven value chain for biodiversity conservation that is established in each of the three landscapes to promote learning by doing. Target: At least 5 cases</p>			
		<p>Outcome 2.2: Increased income of members of Producer Organisations (PO) that have adopted sustainable production practices with a market-driven value</p>	<p>Output 2.2.1: Producer Organisations (PO) have improved access to markets and financial mechanisms due to sustainable products.</p> <p>Output 2.2.1 indicator</p>			

		<p>chain approach.</p> <p>Outcome 2.2 indicator: Increase in income of PO members, disaggregated by sex</p>	<p>1: Number of PO that have a partnership with a buyer that will help guide the development of their value chains early on in the process. Target: At least 9 PO</p> <p>Output 2.2.1 indicator 2: Percentage of PO that benefit from financial mechanisms for investment in sustainable practices and value chain development. Target: 50%</p> <p>Output 2.2.1 indicator 3: Number of value chains that reach new markets²⁸. Target: 7 POs</p>			
<p>COMPONENT 3: Increasing financial sustainability 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 ILM and SPP* substantially increased.</p> <p>*SPP: Sustainable Production Projects with market-driven value-chain approach</p> <p>Outcome 3.1 Indicator 1: Increase in public-private co-funding aligned for integrated landscape management and sustainable production with market-orientation and value-chain approach</p> <p>Outcome 3.1 Indicator 2: Increase in public-private funding for ILM and SPP* through new (innovative) financial mechanisms (e.g. green bonds, risk</p>	<p>Output 3.1.1: Existing public and private programs mainstream their investments towards supporting the project activities, outputs and outcomes for ILM and SPP in the 16 PIS.</p> <p>Output 3.1.1 Indicator 1: Number of public or private sources of ongoing investments that have supported or coordinated with project activities, outputs and outcomes for ILM and SPP in the 16 PIS. Target: At least 7 support programs</p> <p>Output 3.1.2: Mixed financing mechanisms not currently available in these landscapes (public-private partnerships, market based financing, results oriented or other) are set up, as long-term solutions to reduce</p>	GEFTF	1,491,045	14,390,294

		capital investments, carbon marketing, and others) or the expansion of existing ones in the country to cover these three landscapes.	CONANP's funding gap and/or reduce the barriers to develop the market-driven value chains Output 3.1.2 Indicator 1: Number of financial mechanisms new to the region that are supporting project activities, outputs and outcomes, funded by diversified sources (could be market based, mixed public-private or other) as a long-term solution to for ILM and SPP activities in the three landscapes. Target: At least 3 financial mechanisms			
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Subtotal					6,875,667	47,456,966
Project Management Cost (PMC) ⁶				GEFTF	343,783	
Total project costs					7,219,450	47,456,966

C. CONFIRMED SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE

Please include evidence for co-financing for the project with this form.

Sources of Co-financing	Name of Co-financier	Type of Cofinancing	Amount (US-\$)
Recipient Government	National Commission of Protected Natural Areas/ Comisión Nacional de Áreas Naturales Protegidas (CONANP)	In-kind	9,700,000
Recipient Government	Secretariat for Agriculture, Livestock, Rural Development, Fisheries and Food/ Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación (SAGARPA)	In-kind	26,800,000
Recipient Government	Secretariat for the Environment Energy and Sustainable Development/ Secretaría del Medio Ambiente, Energías y Desarrollo Sustentable de Oaxaca (SEMAEDES)	In-kind	434,931

⁶ 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	Secretariat for the Environment and Natural History of Chiapas/ Secretaría de Medio Ambiente e Historia Natural De Chiapas (SEMAHN)	In-kind	2,430,971
GEF Agency	Conservation International	Grants	1,000,000
Private Sector	ADO Foundation/ Fundación ADO	In-kind	1,114,845
Private Sector	ALSEA	In-kind	500,000
Private Sector	DANONE	In-kind	703,515
CSO	AMBIO Cooperative/ Cooperativa AMBIO S.C. DE R.L.	In-kind	413,119
CSO	Wildcoast/ Costa Salvaje	In-kind	729,405
CSO	FONDO DE CONSERVACIÓN EL TRIUNFO A.C.	In-kind	2,247,191
CSO	PRONATURA SUR A.C.	In-kind	600,000
Beneficiaries	Union of Indigenous Communities/ Unión de Comunidades Indígenas – ISTMO (UCIRI)	In-kind	68,900
Others	National Polytechnical Institute/ Instituto Politécnico Nacional CIIDIR Oaxaca	In-kind	714,089
Total Co-financing			47,456,966

D. TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country Name/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee ^{a)} (b) ²	Total (c)=a+b
CI	GEF TF	Mexico	Biodiversity	(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
(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
(select)	(select)		(select)	(select as applicable)			0
Total Grant Resources					7,219,450	649,750	7,869,200

a) Refer to the Fee Policy for GEF Partner Agencies

E. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁷

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	2,618,250 hectares
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	4,650 hectares
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;	Number of freshwater basins
	20% of globally over-exploited fisheries (by volume) moved to more sustainable levels	Percent of fisheries, by volume
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)	metric tons
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)	metric tons
	Reduction of 1000 tons of Mercury	metric tons
	Phase-out of 303.44 tons of ODP (HCFC)	ODP tons
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	Number of Countries:
	Functional environmental information systems are established to support decision-making in at least 10 countries	Number of Countries:

F. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF Trust Fund) in Annex D.

⁷ Update the applicable indicators provided at PIF stage. 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.

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN WITH THE ORIGINAL PIF⁸

A.1. Project Description. Elaborate on: 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 area⁹ 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) innovativeness, sustainability and potential for scaling up.

A.1.1) GLOBAL ENVIRONMENTAL AND/OR ADAPTATION PROBLEMS, ROOT CAUSES AND BARRIERS THAT NEED TO BE ADDRESSED

The assessment of global environmental problems, causes and barriers that need to be addressed by the project remains essentially the same in the Project Document as in the PIF. The changes made to the Project Document related to the barriers are summarized in the bullets and table below.

- A more precise and detailed description of the root causes of the three global environmental problems identified.
- An improved analysis of the barriers, especially with regard to four of the six barriers identified in the PIF. Based on the knowledge and data gathered during PPG phase, barriers 1, 2, 4 and 5 were redefined.
- Barriers 7 and 8 were added by stakeholders since they were identified in the PPG phase as main obstacles for effective ILM. Barriers are expanded in Para 59-66 of the ProDoc.

Table 1. Identification of barriers: changes from PIF to ProDoc

PIF	Project Document
Barrier 1: Lack of a common vision between conservation and development programs	Barrier 1. Insufficient inter-institutional coordination
Barrier 2: Insufficient coverage of globally important biodiversity within the current PA system	Barrier 2. Inefficient public policies to implement integrated landscape management and mainstream the sustainable use and conservation of biodiversity
Barrier 4: Public and private programs support land-use change with adverse effects on biodiversity	Barrier 4. Inadequate funding to promote sustainable land use practices
Barrier 5: Conventional production systems in areas of high biodiversity	Barrier 5. Insufficient public funding and inefficient allocation to support the management of the PAs
	Barrier 7. Weak governance and stakeholder's participation at different levels
	Barrier 8. Insufficient capacities of small-scale producers and their organizations to access markets and integrate into value chains

⁸ For questions A.1 –A.7 in Part II, if there are no changes since PIF , no need to respond, please enter “NA” after the respective question.

⁹ 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.

A.1.2) BASELINE SCENARIO OR ANY ASSOCIATED BASELINE PROJECTS: No substantive changes were made as compared to the PIF.

A.1.3) THE PROPOSED ALTERNATIVE SCENARIO, GEF FOCAL AREA1 STRATEGIES, WITH A BRIEF DESCRIPTION OF EXPECTED OUTCOMES AND COMPONENTS OF THE PROJECT

The Results Framework went through a quality revision during the Project Preparation Grant (PPG) phase. Updates were made to simplify the outcome statements to remove unnecessary repetition. The technical approach and methodology were fine-tuned based on inputs from the participatory process with key stakeholders and discussions with government and private sector partners. The process ensured that gaps identified in the PIF stage were completed and that the project includes more specific indicators and more realistic targets.

In summary, the results framework was simplified from 7 outcomes and 25 outputs, to 6 outcomes and 7 outputs. In order to address STAP comments, the goals and indicators were revised to align with the overall budget for the life time of the project.

The following is a summary of the changes made:

<p>PIF Component 1: Strengthening biodiversity conservation through integrated 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>ProDoc Component 1: Integrated management of three priority landscapes for strengthening biodiversity conservation through land-use planning and the expansion and management of protected areas</p> <p>Justification of changes: The idea was simplified and the names of the regions were eliminated since they are already described at the beginning of the results framework and was repetitive.</p>		
Outcomes/Outputs PIF	Outcomes/Outputs ProDoc	Justification of changes
<p>Outcome 1.1. Conservation of globally significant biodiversity in three priority landscapes substantially strengthened.</p>	<p>Outcome 1.1: Integrated management of three priority landscapes for biodiversity conservation is substantially strengthened through land-use planning and the expansion and management of protected areas.</p>	<p>The original outcome 1.1 repeated the project objective, and was therefore edited to describe the actual outcome of ILM that the project wants to achieve along with outputs and activities that will take place.</p>
<p>Output 1.1.1. Three integrated landscape management plans developed through participatory workshops with multiple stakeholders, and in an advanced stage of implementation.</p>	<p>Output 1.1.1: A model of Integrated Landscape Management (ILM) for biodiversity conservation including protected areas and corridors developed and disseminated.</p>	<p>With this modification, the result is communicated more clearly (a model for biodiversity conservation through ILM) that the project aims to achieve rather than describing the activity itself (development of management plans or other forms of socio-political agreements for ILM).</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>These outputs were eliminated since they are activities that will be carried out and that are now mentioned as illustrative activities in the ProDoc.</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>		

Outcome 1.2: New protected areas with globally significant biodiversity created.	Outcome 1.2: Expansion of protected areas with globally significant biodiversity.	CONANP's policies are now focusing on improving management effectiveness of existing PA instead of creating new ones. However, expanding existing PA is a desired goal provided that corridors with high value for biodiversity conservation can be better protected and when social consent for protecting these areas has been given.
Output 1.2.1: Priority areas for conserving globally and nationally significant biodiversity identified, mapped, and validated by key stakeholders.	Output 1.2.1: Draft legislation for the expansion of 102,403 hectares of protected areas which has been locally consented and approved.	These outputs were eliminated since they are now mentioned as illustrative activities (in the ProDoc). These activities will contribute to the draft legislation for the expansion of 102,403 hectares.
Output 1.2.2: Free, Prior and Informed Consent (FPIC) of indigenous and rural communities in place for establishing new PAs obtained.		
Output 1.2.3: Draft the required legislation for the formal establishment of at least 50,000 hectares of new protected areas in priority sites submitted to the corresponding authorities		
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.		
	Outcome 1.3: Governance in the three priority landscapes with multi-stakeholder and multi-sector participation improved.	This outcome was originally located in component 3: financial mechanisms and participatory process, a combination that was confusing. The results related to governance, public policy and participation of key stakeholders are now grouped under Component 1 to improve coherence and flow.
	Output 1.3.1: Participation of key stakeholders, including women and vulnerable groups, in integrated landscape management and in decision-making substantially strengthened.	The original 5 outputs are summarized into this one result. These activities are still part of the ProDoc.
<p>PIF Component 2: Improving sustainable agricultural, fishing and forest production as a pillar of integrated management of the three priority landscapes.</p> <p>ProDOC Component 2: Mainstreaming models of sustainable production with a market-driven value chain approach in agriculture, fishing, aquaculture, forest and tourism activities, as a pillar of integrated management of the three priority landscapes.</p> <p>Justification of changes: The essence of the component did not change, improvements were made to how the component is presented.</p>		
Outcomes/Outputs PIF	Outcomes/Outputs ProDoc	Justification of changes

Outcome 2.1: Area of agricultural, fishing and forest production under sustainable practices, including internationally accepted certification standards, substantially increased.	Outcome 2.1: The area of sustainable agricultural, fishery, aquaculture, forestry and tourism production is substantially increased through best practices and a market-driven value chain approach for biodiversity conservation	The outcome was edited to make it clearer and removed the focus on “certification standards” to “best practices in sustainable production with a market-driven value chain approach”, based on the recommendations from the expert consultants and the meetings with key stakeholders and the private sector partners. With this change some of the comments received from STAP, Japan and France about the original proposal are also addressed
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.	Output 2.1.1: Conventional production is transformed into sustainable production practices in the 16 PIS through organizational strengthening activities like ToT programs, Exchange of experiences and others, developing market-driven value chains for biodiversity conservation.	The original 5 outputs were eliminated since they were describing the series of steps or activities that will take place and that are mentioned as illustrative activities in the ProDoc. Instead, these activities were summarized to one Output .
Output 2.1.2: At least two model farms/ cooperatives in each landscape adopted sustainable productive systems/practices and to serve as demonstration centers.		
Output 2.1.3: Key project stakeholders trained on sustainable systems/practices.		
Output 2.1.4: New sustainable production systems/practices introduced in each landscape.		
Output 2.1.5: New sustainable production systems/practices adopted in priority areas for biodiversity.		
Outcome 2.2: Market share for producers in the priority landscapes is facilitated and increased.		This outcome was eliminated since the approach will be market-driven value chains, and instead of separating the production process from the market process, they were merged as one integral model of production, where having access to the market is the pre-condition and incentive for small-scale producers to want to transition from conventional to sustainable production (and increase their income, as stated in output 2.2.1). Rather than an outcome in itself, it has become an output to communicate that it is the first thing that needs to happen before the project starts working with the producers.
Output 2.2.1: New strategies for increasing production and commercialization of sustainable products designed and implemented.		The 2.2.1 and 2.2.3 outputs have been moved to activities that will continue to be undertaken as described in the ProDoc.
Output 2.2.2: Household income of participating individuals improved from sustainable production practices.		

Output 2.2.3: A branding strategy that promotes sustainable agricultural production developed and implemented in each priority landscape.		
	Outcome 2.2: Increased income of members of Producer Organisations (PO) that have adopted sustainable production practices with a market-driven value chain approach	Output 2.2.2 concerning incomes was raised to outcome level because this is considered a decisive factor for achieving the component 2 objective of mainstreaming models of sustainable production with a market-driven value chain approach. The outcome definition was changed from increase in “household income” to increase in the “income of members of producer organizations (PO)”, since the project will be working at the PO level (not at the household level) and it would be extremely expensive and difficult to measure increases in household incomes.
	Output 2.2.1: PO have improved access to markets and financial mechanisms for sustainable products	The original Outcome 2.2 concerning market share of producers was lowered to the output level since access to markets is considered as one of the main conditions for producers to improve their incomes and, thus, getting incentives for adopting sustainable production practices (the component 2 objective). This flow is more consistent with the project approach of market-driven value chains where, instead of separating the production process from the market process, both were merged as one integral model of production, where having access to the market is the pre-condition and incentive for small-scale producers to want to transition from conventional to sustainable production. By placing access to markets into the broader framework of incentivizing producers, the project will communicate that it is the first thing that needs to happen before even starting to work with the producers.
PIF Componente 3: Increasing financial sustainability and stakeholder participation in the integrated management of the three priority landscapes.		
ProDoc COMPONENT 3: Increasing financial sustainability in the integrated management of the three priority landscapes		
Justification of change: Stakeholder participation moved to Component 1 above.		
Outcomes/Outputs PIF	Outcomes/Outputs ProDoc	Justification of changes
Outcome 3.1: Access to investments from public and private programs oriented towards PA conservation, connectivity and integrated management of priority landscapes substantially increased.	Outcome 3.1: Access to investments from public and private programs oriented towards ILM and SPP* substantially increased.	Outcomes 3.1. and 3.2. were merged since they represent the same result that the project seeks to achieve, but were originally written with a focus on the process. The increase in co-programing that needs to happen during the life of the project from public and private partners is now emphasized.
Output 3.1.1: Diversified financial mechanisms for conservation and integrated landscape	Output 3.1.1: Existing public and private programs mainstream their investments	Outputs 3.1.1 and 3.1.2 were originally describing activities; instead, they are better focused now by editing them as two outputs that describe two

management in each priority landscape designed and implemented.	towards supporting the project activities, outputs and outcomes for ILM and SPP in the 16 PIS.	different results that the project will achieve: 1. Mainstreaming existing public and private programs towards ILM and SPP; 2. Setting up mixed financing mechanisms currently not available in the landscapes covered by the project, diversifying CONANP's funding sources.
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.	Output 3.1.2: Mixed financing mechanisms not currently available in these landscapes (public-private partnerships, market based financing, results oriented or other) are set up, as long-term solutions to reduce CONANP's funding gap and/or reduce the barriers to develop the market-driven value chains.	
Outcome 3.2: Coordination of public policies and investments between different government institutions and sectors to foster integrated landscape management substantially improved.		This outcome was merged with outcome 3.1. as described above since they were repetitive.
Output 3.2.1: Mechanisms to improve co-programming between public programs in priority landscapes are designed and implemented.		Same as outcome 3.2: Merged with outputs 3.1.1 and 3.1.2.
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.		
Outcome 3.3: Participation of key stakeholders, including women and vulnerable groups, in integrated landscape management and in decision-making substantially strengthened.		The outcome and outputs were moved to Component 1 above and simplified, with a focus on describing the result rather than the activities or series of steps. The full justification is already mentioned in component 1 above.
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.		Same as outcome 3.3: Moved to component 1.
Output 3.3.2: Fully functioning multi-stakeholder and multi-sector coordination bodies for the integrated management of each landscape established.		
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 group integration strategy in the three priority landscapes developed and implemented.		

A.1.4) INCREMENTAL/ADDITIONAL COST REASONING AND EXPECTED CONTRIBUTIONS FROM THE BASELINE, THE GEFTF, LDCF, SCCF, AND CO-FINANCING

Incremental Cost Reasoning

Although this section remains practically the same as the PIF, a more precise description of how the resources from the GEF will support Mexico's contributions towards fulfilling the Aichi Targets was included as part of the incremental/additional cost reasoning of the project. See Para 194-200 of the ProDoc.

Among the contributions that the project will have in this area, are the following:

- The project addresses the NBSAP Knowledge axis by seeking recognition of traditional knowledge in the use of wild species and actively promoting the non-extinction of 15 critically endangered species. Thus, it contributes to the Aichi Targets 1, 2, 6, 12, 13 and 18.
- It has a strong focus on the axis of Sustainable Use and Management, incorporating sustainability criteria for the use of wildlife, forestry, agricultural, livestock and fishery, generating, strengthening and diversifying value chains, incorporating sustainable practices into conventional production systems, identifying financing alternatives and promoting the fair and equitable sharing of the benefits of sustainable use of biodiversity. In this way, it contributes to the Aichi Targets 3, 4, 6, 7, 13 and 16.
- The project converges with the NBSAP Integration and Governance axis, promoting the inclusion of ecological and cultural diversity and gender criteria in planning and management of land, such as land use planning, agreements, promoting the development of local initiatives for the conservation and sustainable use of biodiversity, social participation for biodiversity governance through local and regional decision-making structures, considering the perspective and strengthening self-management capacities for projects related to the conservation and sustainable use of biodiversity. Thus, it contributes to the Aichi Targets 16 and 18. On the other hand, by expanding the area of PAs and strengthening the management of existing ones, the Project contributes to the Aichi Target 11.

Expected contributions from the baseline

For this section, a more accurate analysis of the expected contributions from the baseline was undertaken. This analysis includes both, the related programs that are being implemented by federal institutions such as SEMARNAT, SAGARPA, CONANP, CONAFOR and CONAGUA, and the ones implemented by state institutions of Oaxaca and Chiapas.

In Mexico, there are two main government agencies that have an impact on priority regions for conservation: 1) SEMARNAT, which is responsible for the protection, conservation and sustainable use of natural resources; and 2) SAGARPA, which supports production and productivity in agriculture and fisheries.

In 2016, in the three priority landscapes SAGARPA operated two public programs with a budget of US\$66.3 million, while CONAFOR, an agency within SEMARNAT, operated four programs with a budget of US\$8.7 million.

The ProDoc presents a more complete list of 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). See Para 191-193.

A.1.5) GLOBAL ENVIRONMENTAL BENEFITS (GEFTF)

Some quantitative changes were made from the PIF. See Para 201 of ProDoc.

- The amount of hectares to develop and implement a landscape approach in three priority landscapes in Oaxaca and Chiapas changed from 2.765 million to 2,618,250: 1) Sierra Madre of Chiapas: 806,753 ha; 2) Sierra Sur and Isthmus of Oaxaca: 953,972 ha; 3) Pacific South Coast of Oaxaca and Chiapas: 857,525 ha.
- The number of threatened species that are contained in the project area changed from 167 to 75 (CR, EN and VU according to the IUCN).
- The extension of Natural Protected Areas to improve their management increased from 357,000 ha to 662,417 ha.
- Instead of creating new protected areas and corridors covering at least 110,000 ha, the project will promote the expansion of 102,403 ha of existing areas and corridors of priority importance for globally significant species.
- The area of productive landscapes where biodiversity conservation will be mainstreamed through promoting sustainable production changed from 20% to 10% of the productive area currently under conventional practices.

A.1.6) INNOVATIVENESS, SUSTAINABILITY AND POTENTIAL FOR SCALING UP

Innovativeness

This section remains practically the same as the PIF, but a more detailed analysis of the innovativeness of the integrated landscape management model introduced by the project was included. See Para 216-223 of ProDoc.

This model will support transforming production and marketing patterns through a focus on value chains towards sustainable models. First, the project will demonstrate that sustainable production is much more profitable and viable in the long term, if it is not limited to organic (or similar) certifications and/or specialized niche markets.

Also, the integrated landscape management model is intended to incorporate novel strategies around governance schemes at different levels: a) multi-actor platforms where agreements are generated at various scales for land management and the use of natural resources, with sustainability logics based on the preservation and restoration of natural capital; b) inter-institutional coordination in and between the three orders of government and between these and various instances of society.

An important change was to add that the project will help CONANP and other government agencies such as SAGARPA and CONAFOR to orient their own finances in a much more strategic way to remove the barriers that prevent the development of value chains. This way, GEF financing will be leveraged for strategic and innovative investments, such as the strengthening of social intermediaries, the provision of revolving funds for the consolidated purchase of products, the creation of risk guarantee funds for groups that are making their first sale, etc.

A.2. Child Project? If this is a child project under a program, describe how the components contribute to the overall program impact.

N/A

A.3. Stakeholders. Identify key stakeholders and elaborate on how the key stakeholders engagement is incorporated in the preparation and implementation of the project. Do they include civil society organizations (yes ☒ /no ☐)? and indigenous peoples (yes ☒ /no ☐)? ¹⁰

Stakeholder identification and characterization

According to the stakeholders analysis of the three landscapes in Chiapas and Oaxaca and the primary intervention sites established in the project¹¹, at least 11 types of stakeholders were identified that exhibit different (though common) attributes, interests and areas of involvement, according to the following table:

Table 2. Stakeholder map of the three landscapes in Chiapas and Oaxaca

Type of stakeholder	Attributes	Interest/Influence	Involvement
Educational institutions	Research, education and raising awareness	Public, multisector	Scientific, Technical and Advisory
NGOs	Research, cooperation, activism and community promotion	Private and public, multisector, national and international	Technical, Financial, Coordination and Advisory
Communities/local populations/ <i>ejidos</i> ¹²	Field implementation of programs or strategies	Public, multisector and territorial, empowerment in the territory	Communication, activity monitoring and implementation
Municipal government	Execution of government policies	Public, multisector and territorial	Coordination, financing
State Government	Policy and Program Design	Public, multisector and territorial	Coordination, Technical, Financing
Federal government		Public, multisector and territorial	
Committees or government-civil society bodies	Sectorial and territorial governance	Public, sectorial and territorial	Coordination, Co-financing
Assemblies or Community Boards	Multisector and territorial governance	Private, sectorial and territorial	
<i>Ejido</i> Councils			
Municipal delegates			
Peasant organizations or social enterprises ¹³	Economic development		
Private businesses			

Based on the above, a stakeholder engagement plan to involve the 11 types of stakeholders was designed. This plan is strategic in nature and allows prioritizing cooperation and territorial interrelation efforts between the specific projects for each primary intervention site and takes into account the characteristics of each type of local, regional or national stakeholder. See Appendix VI.5 of the ProDoc for the Stakeholder Engagement Plan.

How the key stakeholders engagement is incorporated in the preparation and implementation of the project

¹⁰ As per the GEF-6 Corporate Results Framework in the GEF Programming Directions and GEF-6 Gender Core Indicators in the Gender Equality Action Plan, provide information on these specific indicators on stakeholders (including civil society organization and indigenous peoples) and gender.

¹¹ See Excel document entitled “Annex 2 stakeholder mapping PPG Sp.xlsx”, available in google drive:

<https://drive.google.com/drive/u/0/folders/0B3whxyHX6VKzR2hZRXQ4RkUUEk>

¹² See the definition of *ejido* according to the Mexican Constitution at: <http://www.pa.gob.mx/publica/pa07ba.htm>

¹³ Another type of actor are the experts in sustainable production good practices and model farms, for example in the case of coffee, individuals with AVDC, special organic coffee producers, etc., who are considered as (family) organizations or businesses.

This project builds upon previous conservation and sustainable development experiences of CONANP and CI Mexico carried out in the Oaxaca Chiapas region related to local and traditional knowledge, biodiversity conservation and productive activities; as well as on previous joint efforts related to the management of natural resources at the landscape level, particularly in Chiapas (e.g. GEF-Ecosechas).

During the PPG phase, there were a total of six planning workshops (two per landscape) with a broad range of actors identified by landscape, two workshops with research institutions in Oaxaca and Chiapas to define landscapes boundaries, critical biodiversity and Primary Intervention Sites (PIS); another 9 conducting meetings between CONANP and CI Mexico were necessary for strategy and decision making, 67 local interviews about production, commercialization channels, environmental and social aspects; 6 workshops and meetings with NGOs and government institutions to define institutional arrangements, roles, participation and to take their experience, opinions and programs or strategies in the landscapes. In total about 249 people participated: 184 men and 65 women (26%), 24 of them being Indigenous Peoples and Afro-descendants men (10%) representing local stakeholders (such as local communities, municipalities, productive social organizations, CONANP, SEMAHN, SEMAEDESO, NGOs, state universities, local organizations, among others). Numerous additional bilateral meetings between CONANP and CI México took place for decision making purposes or analysis of information.

Indigenous Peoples

The three priority landscapes cover areas of high biodiversity as stated in the project context and overlap with lands owned, occupied or utilized by indigenous peoples and afro-descendants.

During the project preparation, an indigenous peoples plan was developed to both, ensure that indigenous peoples are actively involved in the design of the project, and that receive culturally appropriate benefits resulting from negotiations and agreements with the people and/or communities affected. Since indigenous peoples are present within the potential areas of restriction on access and use of natural resources, the Indigenous Peoples Plan must go hand in hand with the Process Framework for Restriction of Access to Natural Resources, as well as the gender mainstreaming plan. Please see ProDoc Appendix VI.2 for the Indigenous Peoples Plan.

Indigenous peoples represent 36.5% of the total population of the three priority landscapes:

- The Sierra Madre of Chiapas, has a total of 150,345 inhabitants of which 8,028 are indigenous, representing 5.3% of the population. The indigenous peoples identified for this landscape are Mam, Tzotzil and Tzeltal.
- The South Sierra and Isthmus of Oaxaca, has a total of 147,623 inhabitants of which 78,783 are indigenous who represent the 53.3% of the population. The indigenous groups identified are Binizaa (Zapotec), Chontal and Chatina.
- The Pacific South Coast of Oaxaca and Chiapas, has a total of 205,959 inhabitants of which 24,072 are indigenous who represent the 11.6% of the population. The indigenous groups identified in this landscape are Mixteco, Nahua, Chatino, Amuzgo, Tlapaneca and Huave; as well as afro-descendants or afro-Mexicans and *mestizos*.

The landscape with the most complex socio-economic and cultural context is the South Sierra and Isthmus of Oaxaca. This landscape has the highest percentage of population in poverty and extreme poverty; different municipalities with a very high degree of social marginalization and a human development index lower than the national average; the largest amount of indigenous population, and various schemes of natural resources management and appropriation.

Through an inclusive approach, the strategy of this project will benefit vulnerable groups -in particular indigenous, afro-descendent people, women, and youth- strengthening their participation in decisions related to their economic benefits and well-being.

The Mexican legal framework regarding indigenous peoples establishes their right to free determination under the constitutional framework of autonomy that secures national unity. Besides constitutional support to respect human rights

and equality within the first constitutional articles. The *Diario Oficial de la Federación* in 2016¹⁴ submitted the recommendation of the prior consultation to Mexican Indigenous Peoples and Communities to grant their consent.

International agreements, which include CBD, acknowledge that rights to prior consultation and participation are not limited to indigenous peoples as such but also include tribal peoples and "local communities". This implies that mestizo communities would also have the right to access international courts to demand respect for their rights to be consulted on mining or hydroelectric projects, for example. In a similar way, Afro-descendant populations in the Americas must be recognized as a people with its own customs, traditions and forms of organization and justice procurement. Mexico made its first attempt of recognition in 2015, by carrying out a census of the Afro-descendant population which resulted in a total of 1.4 million Afro-Mexicans¹⁵. Since the beginning of 2017, a consultation called "*How do we want to call ourselves? Towards the INEGI 2020 Census*" has been in process to define Afro-descendant peoples' self-ascribed identity in Mexico, to register the different names that Mexico's black peoples use in their regions and build a catalog of self-nominations to be included in the INEGI 2020 Census.

Particularly during the Sierra de la Costa of Oaxaca and Chiapas planning Workshop (February 9 and 10, 2017) participants stressed that cultural diversity, customary law and traditional forms of participation and government must be included in the development and implementation of the project. This adds to the proposal stating that the consultation process will be properly documented and the agreements or arrangements constituting the consent of the affected indigenous peoples will be described. Any disagreement raised will also be documented, including the way it was addressed or resolved.

A detailed description of the participation and consultation process during implementation

To develop the safeguards component for its adoption in every area of the Project, as well as the specific plans, team of experts participated in all activities of the ProDoc, including meetings, planning workshops and round tables. During the first internal meeting to define strategy for ProDoc and plan workshops at each landscape, the work group composed by CONANP personnel and CI Mexico as well as with consultants developed and analysis of key players and defined a map of actors that inhabit and/or develop research, conservation, primary economic activities or invest in programs in the area where the project would take place. This map of key players was analyzed and commented by the consultant team on safeguards. The players selected participated in planning workshops at landscape level to identify safeguards for each of the three landscapes proposed. The information gathered in the workshops was analyzed and complemented with bibliography to finally integrate the safeguard plans.

The project engaged during the PPG phase, a diversity of players, from community and *ejidos* to civil society organizations, academia, and government institutions of the three levels of government. Hence, this project social and environmental safeguards aims to contribute to respect human rights and equal participation, where interests and points of views from a diversity of players are valued equally.

A summary of results of the participatory consultation

Not all of the project's primary intervention sites overlap with indigenous peoples' territories, however, as a good institutional practice, the FPIC processes in the three landscapes will not only involve the indigenous and Afro-descendant populations, but also the mestizo population, in accordance with international standards regarding the principles of Diversity, Equity, Permanence, Transparency, Compliance and Representation also upheld by Mexico's National Commission for the Development of Indigenous Peoples (CDI).¹⁶

¹⁴ DOF, 2016. General recommendation on the right to prior consultation of Mexican indigenous peoples and communities: www.dof.gob.mx/nota_detalle.php?codigo=5447796&fecha=12/08/2016

¹⁵ According to Afro-descendant organizations such as México Negro, despite the census, Afro-descendants are not yet recognized in the Constitution (*La Jornada*, 2015). According to México Negro, "knowing how many Afro-descendants live in Mexico will influence public policies and, consequently, the money destined to them" (Ibid.)

¹⁶ Protocol for the implementation of consultations with indigenous peoples and communities in accordance with the standards of the International Labor Organization Convention 169 on Indigenous and Tribal Peoples in Independent Countries (CDI, 2013).

A framework for ensuring FPIC with the affected Indigenous Peoples' communities during project implementation

Processes and projects proposed to be developed in indigenous peoples' territories in Mexico are legally required to carry out Free, Prior and Informed Consent (FPIC) processes as well as a required policy of GEF, as established by:

- Article 2 on indigenous peoples' rights and Article 26 of the Political Constitution of the United Mexican States on democratic and deliberative planning;
- Articles 6 and 7 of the International Labour Organization (ILO) Convention 169 on Indigenous and Tribal Peoples in Independent Countries;
- Article 2 of the United Nations Declaration on the Rights of Indigenous Peoples.

The FPIC process will also consider implementing the "Guidelines for Applying Free, Prior and Informed Consent: Handbook for International Conservation" as well as with the process identified by an environmental NGO of Mexico, the Mexican Centre for Environmental Law (CEMDA), which considers six fundamental steps to establish a FPIC process: 1) Information, 2) Internal deliberation within the communities, 3) Agreement, 4) Consent, 5) Implementation, and 6) Follow-up, which can be broken down into 12 steps as shown in Figure 4 (CEMDA, 2013).

Based on this information, a proposal of FPIC Plan for the three landscapes involved in the project is presented in the following section, considering the primary intervention sites.

The objective of the FPIC plan is to establish the methodological procedures through which local and indigenous communities in the primary intervention sites within the three landscapes of the project will be consulted and IPs communities and Afro-descendant communities will be invited to provide their consent, with gender sensitiveness, through their institutions and representative agents, on the design, implementation, and evaluation of the Conservation and Sustainable Use of Biological Diversity in Priority Landscapes in Oaxaca and Chiapas Project.

Specific objectives:

1. To elaborate a technical and methodological document that establishes the subject of the FPIC process, incorporating local players and their representativeness segregated by gender, and provides details of the FPIC communication, invitation encouraging women, elderly, handicapped and other vulnerable groups, and implementation plan, including the timeline. This, at Primary Intervention Site (PIS).
2. To design materials for analysis and for the execution of meetings with groups of key players that enable participants to explore the situation and the position of the different interest groups towards the project.
3. To invite a broad spectrum of local players to participate, distribute communication and information materials, and implement accreditation mechanisms that assess the representativeness of players and community representative bodies for decision-making. Gender considerations for this objective are time, location and basic training.
4. To carry out informative meetings and discussions about the project, within decision-making bodies and in the presence of decision-makers with community representativeness, to adopt agreements.
5. To establish mechanisms for the execution and follow-up of agreements, as well as evaluation bodies and, if necessary, grievance mechanisms.

A.4. Gender Equality and Women's Empowerment. Elaborate on how gender equality and women's empowerment issues are mainstreamed into the project implementation and monitoring, taking into account the differences, needs, roles and priorities of women and men. In addition, 1) did the project conduct a gender analysis during project preparation (yes ☒ /no ☐)?; 2) did the project incorporate a gender responsive project results framework, including sex-disaggregated indicators (yes ☐ /no ☐)?; and 3) what is the share of women and men direct beneficiaries?¹⁷

The Gender Mainstreaming Plan was developed during the PPG phase (see Appendix VI.4 of the ProDoc) and aims to integrate gender into the design, implementation and monitoring of the project so that both women and men receive

¹⁷ Same as footnote 8 above.

culturally-compatible economic and social benefits, and do not suffer discriminatory effects during the development process, and enjoy full respect for their dignity and human rights. The share of women and men direct beneficiaries is 30% women and 70% men.

The three priority landscapes of the project (Sierra Madre of Chiapas, Sierra Sur and Isthmus of Oaxaca, and Pacific South Coast of Oaxaca and Chiapas) have a total population of 503,927 inhabitants, distributed in 3,788 communities (INEGI, 2010). In terms of equality, participation in politics, decision-making, conservation and rural development projects, men and women are not equitable. Local experiences on conservation or environmental initiatives have been that women's participation reaches approximately 10 to 20%.

Barriers identified preliminarily on women participation in planning, conservation and development initiatives, productive projects, and decision making in land use management show that:

- The project area is characterized for having a historic patriarchal society, where women have voice but not participate in decision making.
- Married women are the main responsables for reproduction, child care and household chores, thus their time is limited to develop other activities. Additionally, conservation and development initiatives do not provide facilities to allow women's participation, there is still a need to incorporate gender awareness activities.
- The role of women in rural or indigenous communities is focused on the housekeeping and thus, they are not able to travel outside their communities, mostly when they are taking care of their children.
- Opportunities for higher education are granted mainly to men who have more time availability and mobility to attend activities outside rural communities.
- Violence and risk in rural areas lead women to stay at home instead of having mobility outside their communities.

These barriers are going to be considered during the implementation of the project by conducting different activities (e.g. talks, workshops, films) focused on promoting gender awareness, respect to human rights and equal opportunities. Also, different strategies to foster the participation of women will be implemented, e.g. invitations will be delivered to women and men, activities will be developed in the communities, child care activities will be developed on specific cases, among others.

Specific barriers and associated measures to reduce barriers will be identified in the community gender/social analyses and local assessments that are to be carried out during the first six months of the project, after selecting the PIS. A complete local context (environmental, social, economic-production practices, cultural) assessment will be carried out by the Program Management Unit. This assessment will strengthen the baseline of the monitoring program.

Gender strategies

The project and its allies will apply gender equality as a principle to enable men and women to enjoy equitable opportunities, rights, benefits and resources. Therefore, measures will be identified to compensate disadvantages to enjoy equal conditions within the project. The principle of free opportunity must also prevail throughout the project's lifespan to provide equal opportunities for men and women to participate or not in the project.

- **Building basic capacities** on gender issues, first within the project management structure, and then among partners, allies and consultants, applying the abovementioned principles.
- Gender strategy and gender mainstreaming safeguard will be presented since the beginning of the project when hiring its personnel and it will be addressed by PMU by building their social safeguards capacities and being advised by expertise during life time of the project. During the Inception Workshop; with partners, associates, consultants and local communities a strategy will be presented to address specific policies in a collaborative manner.
- In the priority landscapes, there is a series of economic and environmental initiatives where all or most of the partners are women. The project will have a strong support **to community-based economic initiatives promoting the participation of women.** The Program Management Unit (PMU) will design appropriate strategies since the beginning of the project. The following initiatives will be considered at landscape level to identify participants for the governance bodies of each priority landscape or exchange of experiences as part of

capacity building activities at the PIS, this to integrate empowerment activities and compensate for historical disadvantages in the coffee sector:

- Invitations to participate in the project activities will be directed equally, to men and women of communities.
 - During the PO identification phase, the project will select groups to work with, aiming to promote the equality and the capacity building in gender; these groups will include the women working in coffee cooperatives: In the Sierra Madre of Chiapas there is a number of new organizations and civil associations that are small community-based enterprises formed by women. These include the Café de Mujeres of the CESMACH cooperative, the Café Metik run by the Women's Association for Sustainable Development (which grew out of female partners and wives of partners of the Comon Yaj Noptic coffee cooperative), and even a new series of ecotourism projects (for example, the coffee route in El Triunfo) managed by women.¹⁸
 - Women's leadership in the region will be recognized: For example, the Sierra Madre of Chiapas has a series of women's groups, including artisans, bakers, coffee roasting and grinding cooperatives, among others, that could be empowered by this project. Recognizing the strengths of these organizational experiences is critical for the success of conservation initiatives based on sustainable development support and encourage women participation. In the immediate future, it is proposed that the project organizes a diploma or award honoring local well known women. History of commitment to the work of female producers, leaders, artisans etc. and contribution to building alternative livelihoods and improving their families' wellbeing could pose an example to other initiatives and leaderships within the priority landscapes.
 - Environmental education or dissemination activities in local languages will impulse women participation.
- Lack of access to education and information and high levels of marginalization make literacy levels a barrier to information access. The use of community radio and dialogue tables, widely disseminated in the region, is recommended for the dissemination of environmental education materials and information on the project in the appropriate language.
 - The gender approach will be integrated into the Integrated Management of each Landscape and its instruments, such as the Land-Use Planning Instruments of each region and their governance. Therefore, gender equality will be important in decision making.
 - Gender equality will be implemented as far as possible and skills, knowledge and experience will be provided in project operations, as well as with partners, allies and consultants of the different activities and the achievement of joint results. A training session will be developed with the Project team to understand gender and apply results of this plan and general safeguards. Besides this, other trainings will be provided, for example at the inception workshop.
 - To create gender awareness at the landscape level and in the governance of each landscape, gender analyses will be developed at the landscape level and for the 16 PIS within the first six months of the project. This will help to disseminate the gender approach in the region and communities, and define specific actions, considering the culture, and customary law.
 - A protocol to address gender strategies and mainstream them will be developed during the first six months of the project.
 - The strategies to adapt the gender approach and its mainstreaming into the project will be analyzed each year to compensate for gender-based inequalities depending on the culture, local customs, and project capacities, at the landscape and PIS levels; for example, by making activities accessible, not increasing women's workload but analyzing their needs and time and seasonal availability. Since women generally have less mobility than men outside their communities due to household duties and child rearing, childcare and adequate transportation should be provided and the project should consider bringing the activities to the communities as much as possible.

¹⁸ There are innovative projects throughout the coast, such as the Ikoots midwives of San Mateo del Mar, who are traditional midwives organized in the House of Indigenous Women (CAMI). They provide community health care and prepare traditional medicines based on traditional indigenous knowledge (*Agencia de Noticias Istmo Press*, 2016).

- Documenting people's participation, by sex, in meetings as well as in the economic incentives provided is a key part of the project monitoring plan.
- Baseline of women / men participating in production activities at the PIS will be developed during the first year of the project.

A.5 Risk. Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

Project risks have been identified and analysed during the preparation phase and mitigation measures have been incorporated into the design of the project (kindly see the Risk Matrix in Appendix 4 of the Project Document). With CI support and supervision, the Project Steering Committee will be responsible for the management of such risks as well as the effective implementation of mitigation measures. A Monitoring and Evaluation (M&E) System will serve to monitor performance indicators and outputs, project risks and mitigation measures. The Project Steering Committee will also be responsible for monitoring the effectiveness of mitigation measures and adjusting mitigation strategies as needed, and to identify and manage any new risks that were not identified during the project's preparation, in collaboration with project partners.

Table 3: Project risks and risk mitigation strategy

Risks	Rating (High, Substantial, Modest and Low)	Risk mitigation measures
a. Impacts of global climate change	Substantial	The Integrated Landscape Management approach of the Project, including ecosystem restoration measures, will serve to stop and revert the habitat degradation that is being exacerbated by climate change. Restoration activities will be designed to take into consideration current conditions and conditions under a changing climate scenario. Land use planning that will be introduced by the Project at the landscape level will help improve the capacity of local stakeholders in having more effective responses to short term climate related risks (like increase in the incidence of forest fires) or mid-term (changes in external threats and the capacity of ecosystems to respond to them).
b. Forest fires	Substantial	Most forest fires in the region are generated from slash and burn agriculture. Through the land-use planning process and the introduction of best practices for sustainable production, the project will reduce the incidence of forest fires in the project sites. Project stakeholders will be able to better respond to the early warning systems developed by the government and the GEF Resilience Project (GEFID: 4763) and the existing forest brigades in the project sites will be strengthened and supported to access existing forest fires financing for equipment.
c. Extreme weather phenomena	Substantial	The focus on Integrated Landscape Approach will mitigate the impacts of global climate change and extreme weather phenomena specifically through the increase and improvement of the green infrastructure needed to build resilience. Improving green infrastructure and strengthening the local capacities of key stakeholders will help increase resilience, not only since it builds and stabilizes soils, provides protection with forest coverage, and reduces greenhouse gas emissions, but it supports the sustainable use of ecosystem services, reduces vulnerability of communities and provides the necessary conditions for adaptation processes. The project will also reduce the price-shock vulnerability of producers that sometimes is linked to climate change and extreme weather-related losses, by reducing the dependency on one crop.

		By strengthening the governance mechanisms in these landscapes and the organizational capacity of Producers Organizations, small-scale producers in rural areas will be able to recover faster from these losses.
d. Social and political problems	Substantial	<p>This risk will be mitigated through capacity building and effective participatory processes and good communication at the various scales and stakeholders of the project (national, state, and local).</p> <p>The improvement of governance mechanisms is also elementary to identify early on, address and mitigate the impact that social and political challenges could have on the project execution.</p> <p>CI's guidelines for FPIC, gender inclusion and other safeguards pertaining to social and political problems will also be an important aspect for mitigating or managing conflict resolution successfully.</p> <p>A Grievance Mechanism will be implemented to address social problems within the project boundaries (See Annex VI. Grievance mechanism).</p>
e. Illicit activities	Substantial	<p>The ILM approach with land-use plans and better governance at the local level, improved coordination among the government institutions at the landscape level, the sustainable production activities (improved productivity, secured markets, access to financing and increased income) and the additional capacities CONANP will have with the project staff, will bring new economic opportunities to the region therefore a decline in illicit activities may occur, but also, this process will allow to improve the monitoring and management of illicit activities in the area of the project.</p> <p>CONANP has strengthened local groups who will be key in the monitoring and reporting process. The PMU, and we will maintain a direct and systemic cooperation with state and local governments who are <i>partners of the project implementation</i>.</p>
f. Changes in local, state and federal government institutions	Substantial	<p>During the life of the project, the country will go through Presidential, state and municipal elections and changes in leadership will occur at various scales. The way CI-CONANP have addressed similar changes in previous GEF projects (i.e. ECOSECHAS) was by guaranteeing a constant communication and coordination with the three levels of government (national, state and municipal) by the project staff, being CONANP it's main ally. This will help maintain the project appropriation and coordination.</p>
g. Weak institutional capacities for planning, management and governance in targeted areas	Substantial	<p>The project will hire 13 project-staff that will help build planning, management and governance capacities on the ground. Not only will they be trained on these subjects, but the project will also identify gaps and help build those institutional capacities in the target areas from the bottom up. For example, during the land-use planning process, local institutional capacities will be strengthened through trainings, technical assistance and learning by doing approaches.</p>
h. Limited capacity commitment and/or governance among local people in targeted areas	Substantial	<p>One of the main assumptions of the project is that the capacity of local people will be strengthened through trainings, e.g. in decision-making, learning by doing approaches and by market-driven value chain development that will result in more productivity and increased income, local governance and commitment will be improved based on the results. Also, the new knowledge, the motivation generated by team building approaches in Producer Organizations and the strategic alliances that will be</p>

		<p>created, will be key to increase the commitment of local people. The project has a strong emphasis in improving governance among local people that will be build starting by the land use planning process.</p> <p>In the early stages of implementation, 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.</p>
i. Changes in some institutions providing co-financing could lead to their inability to do so	Substantial	In the past, during a GEF project implementation by CONANP-CI we experienced this situation and the way we solved it was by talking to the new institution's leader that took over the activities and by approaching other possible co-financiers to fill in the gap that the other institution left for the project.
j. CONANP'S budget continues to decline prohibiting the institution's full participation in this project	High	<p>This risk addresses the current budgeting situation in public policy, and future budgets might diminish by more than 10%. So, the current structure could not accomplish the basic management activities. 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) determine new financial mechanisms (public trust fund, return of the fees for visiting PA, etc.), and (iv) develop a landscape management model.</p>

A.6. Institutional Arrangement and Coordination. Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

Institutional arrangement for project implementation

The project is the product of a partnership between the National Commission of Protected Natural Areas (CONANP) and CI México A.C. (CIMEX), based on their common interest and a long history of working together for the conservation of biodiversity in the state of Chiapas, promoting good production practices and multi-institutional initiatives for the management of natural resources, with the participation of a significant number of civil society organizations, small-scale cooperatives, universities and government institutions. These stakeholders, and several others who participated in the PPG phase, form part of the institutional framework for the integrated management of three priority landscapes for the conservation of biodiversity in Oaxaca and Chiapas.

A Steering Committee (SC), composed of CONANP, CI Mexico (CIMEX), and other key partners will be established. The CI-GEF Agency, as the implementing agency, and the GEF, will ensure that the strategic focus of the project will be maintained through technical guidance, progress monitoring and impact assessment, including mid-term and final evaluations, review and approval of annual reports. CONANP and CI Mexico operate as co-executing agencies of the

project, represented by the Regional Director of CONANP's "Southern border, Isthmus and South Pacific" office (DRBSISP, for its acronym in English) and the Executive Director of CIMEX, both will appoint their respective technical officers to follow up on a day to day basis. The Steering Committee will meet on a monthly or quarterly basis with the Project Director (and invite other to participate on an ad hoc basis, like the Advisory Committee, subgrantees, consultants or other project partners), to review the project progress and discuss specific topics like monitoring and evaluation, compliance with social and environmental safeguards, annual work plans, review and approval of terms of reference, evaluations, grievance mechanism, inter-agency coordination mechanisms, fundraising activities, financial mechanisms, value chains, governance or other. Decisions will be made in principle by consensus.

CIMEX, as co-executing agency, will be responsible for the administration and execution of GEF funds, including the recruitment of personnel and consultancies and equipment of the Project Management Unit (PMU). CIMEX will also provide specific scientific and technical assistance on topics such as gender, biological monitoring, market-driven value chains, governance, partnerships, and management of relationships with key actors at national and state level, and corporations. CIMEX role will also be to encourage the stakeholders' engagement in the primary intervention sites where it has a presence in all three landscapes priorities.

CONANP, as a co-executing agency, will provide the PMU with office space in its field facilities within and near each priority landscape, and the capital cities of Chiapas and Oaxaca, to secure a close coordination of activities. Through the management and technical staff of the eight Protected Areas, in the three priority landscapes, and Oaxaca City, linkages with key local stakeholders will be developed (community, municipal, state and federal levels). CONANP will provide technical assistance and guidance based on its field experience, such as biological monitoring, best production practices, responsible fishing, non-timber forest resources, silvopastoral systems and community management, and in general management on PAs. It will support the analysis of information through the Technical Unit of the DRBSISP.

Also as part of the Advisory Committee, a Grievance Committee and a Value Chain Advisory Group. Other special advisory groups might be created as needed (for example for financial mechanisms):

- Advisory Committee: This will be an external body composed of project partners participating with co-funding like SAGARPA, government of Oaxaca, government of Chiapas, and others. We will have bi-monthly meetings (or more as needed) to coordinate our investments and activities in the landscapes.
- Grievance Committee: Within the Grievance Mechanism of this project and as a social safeguard of the CI-GEF, it will be composed of representatives of indigenous and Afro-descendant communities, of governance bodies that are formed for priority landscapes, Producer Organizations, and State Human Rights Commissions. Its function will be to assess complaints from users of the project that cannot be resolved by the Project Director or the SC. Members of this committee will prepare a reports including evaluation of resolution options.
- Value Chains Advisory Group: It will be integrated by representatives of national and international companies, such as Bonafont, business groups such as Marca Chiapas®, ADO foundation, Walmart, GreenCorner, and other could be invited like Ministry of Economy, and other. Its function will be to provide advice on the development of market-driven value chains based on real time market intelligence, and to explore partnerships with the Producer Organizations to help develop those value chains.

The project will also promote the formalization of governance bodies in each landscape, with a structure and operation rules based on the local context of each region. As a point of reference, there is a group for the Sierra Madre of Chiapas, led by CONANP, called "Sierra Madre Group", which aims to guide programs for the conservation of ecosystem services; it includes CI Mexico and Pronatura Sur, FONCET, SEMAHN, Secretariat of Planning, CONABIO and could be the basis for a governance body that could be formalized with support of this project. There are also fishing councils in coastal lagoons of Chiapas and Oaxaca, which during the PPG have shown interest in forming an organism improving the capacity to address common problems, align coastal landscape actions and improve practices. Resulting governance bodies will have the function of aligning resources and activities on the ground and enforcing agreements related to land use plans that will be designed in a participatory way during the project.

The PMU will be responsible for operational planning, day-to-day project activities and preparation of technical and administrative reports. It will give follow-up to the activities and products of consultants. This Unit will be composed of a Project Director, a Technical Manager, three Priority Landscape Coordinators, six Field Technical Assistants, one Finance Manager and one Administrative Assistant. In addition to CI's expertise pool there will be occasional support

from consultants with expertise in communications, market drive value chains, financial mechanisms and safeguards, to provide advice to the PMU and achieve the desired targets.

The Project Director will be responsible for the good execution of the project, coordinate the financial and technical managers, will receive direct guidance from the Steering Committee and the advisory committees. He/She will be responsible of achieving the overall project objective. His/her tasks will include ensuring the integrated landscape management approach and the design of the financial mechanisms, lead the fundraising activities, develop the key partnerships with government and private sector partners, and design the market-driven value chain approach for the 7 products. He/She will also lead the Grievance Mechanism. The director will also visualize the project not only in the medium term but also in the long term as a mechanism that integrates the multi-stakeholder and multi-sector participation at a landscape scale, and coordinates and articulates investments with local participation and in general will lead the model of biodiversity conservation with a landscape approach with innovate financial mechanisms. He/she will also promote and coordinate working relationships with the partners of the project.

The Technical Manager's main role will be tracking project implementation based on the monitoring and evaluation plan, integrated landscape evaluation framework, biodiversity tracking tool, Safeguards Plans, and governance mechanisms. He will oversee the three landscape coordinators and the consultants, facilitating the integrated landscape management approach among all stakeholders involved in the project. His/her tasks will be implementing the Monitoring and Evaluation Plan analyzing the data recorded by the project technicians and consultants, as well as generating reports on the progress and impacts of the project. Likewise, he/she will be in charge of establishing protocols for environmental, social and economic monitoring and evaluation, and compliance with the agreed targets (based on the landscape assessment framework). He/she will support coordination and follow-up on the commitments and suggestions of the advisory committees. He/she will be responsible for coordinating and monitoring the Biodiversity Tracking Tool throughout the priority landscapes, working in a coordinated manner with the Protected Areas in different jurisdictions and other entities, such as research and education institutions and governmental agencies. The environmental and social safeguards plans will be analyzed with the team as first activity and training sessions will be provided to the PMU on environmental and social safeguards periodically to mainstream the strategies and achieve the goals and indicators related to the plans. By doing this, the PMU will naturalize and will address safeguards policies in all the activities of this strategies mainly when implementing activities at the field or landscape level or when interacting with consultants, partners, or subgrantees.

The three Priority Landscape Coordinators will be responsible for overseeing the social safeguards in each of their landscapes by securing participation of women, indigenous people and youth across the project activities and based on the safeguard plans. Also, they will be managing and implementing land-use planning at the landscape level, as well as building governance mechanisms appropriate for the landscape, promoting the strengthening and management of municipal and community governance, overseeing the implementation of good productive practices, coordinate the recording of data for monitoring and evaluation and facilitate the logistics of field activities. Each of the officers will coordinate the management plans as well as the annual plans of the PAs located within their priority landscape, identify projects with other institutions and co-program aligned actions within the territory. Each officer will coordinate the actions of their field technicians operating within their priority landscape.

Field Technical Assistants will support local work alliances to implement the project at locality and municipal levels. They will promote the best productive practices at the 16 Primary Intervention Sites and they will also collect locally social, productive, environmental and economic information. They will be responsible of project logistics at the local level, coordinating directly their activities with each Landscape Coordinator and the Administrative Assistant.

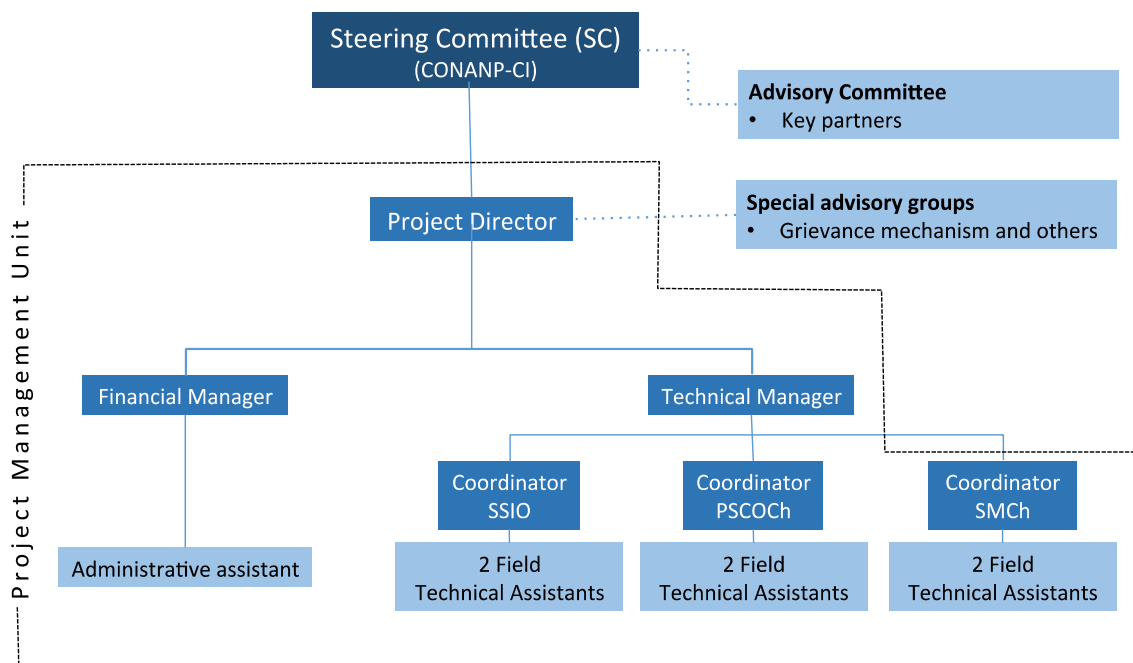
The Finance Manager will be responsible for managing the financial, material and human resources of the project, tracking the use of the financial support applied by project counterparts, and drawing up contracts. Other activities include compliance with the standard project provisions established by the CI-GEF agency, coordinate the fiscal, accounting, financial, and auditing processes. He/she will also coordinate with the partners of this project and keep track of the counterpart's support be it money or in kind; moreover he/she will assist in the monitoring, reporting and evaluation of results. This position will report directly to the Project Director, with oversight from CIMEX's Operations Director.

The Administrative Assistant will be responsible of ensuring procurement, procedures and file keeping. This position will support general requests in relation to the providers and reporting schedules. In addition, the Administrative Assistant will facilitate general logistics arrangements for all field activities and project events.

These institutional arrangements shall allow for constant interaction between key stakeholders, the PMU and CONANP and CI's field and management staff, facilitating the integration of project goals with timely conditions at implementation sites.

Finally, the approach in the implementation, monitoring and evaluation of this project will be highly participatory in both, decision-making and operations, and adaptive management will be always applied.

Figure 1. Project execution organizational chart



Planned

This project will link with other GEF projects and similar initiatives in the region by achieving the following results: (i) lessons learned and good practices among all these projects systematized; (ii) lessons learned and good practices identified through this systematization process, integrated into this project's annual plans to improve activities in the three landscapes; (iii) planning and execution of similar projects in the region, coordinated thematically and geographically.

These results will be achieved by the following activities:

- Organizing special events (face-to-face workshops, online meetings) for a) systematizing lessons learned and good practices and b) coordinating similar projects thematically and geographically.
- Dedicating a specific moment to a) systematizing lessons learned/good practices and b) coordinating similar projects thematically and geographically in routine annual or biannual meetings of GEF projects organized by SEMARNAT and CONANP.
- Building upon the above activities, seek and nurture coordination agreements.

Bilateral coordination and cooperation in the three landscapes will be sought and ensured in cases where synergies with particular projects are identified. The Project Management Unit (PMU), in close coordination with CONANP and CI, will organize events, workshops, one initial and consecutive annual meetings as follow-up activities to the project.

These activities will be implemented and followed up by the PMU together with CONANP's General Direction of Institutional Development and Promotion and the Regional Direction of the Southern Border, Isthmus and South Pacific Region.

Specific aspects of coordination and cooperation on a bilateral basis with other GEF projects in the region are described below:

Table 4: Links with other GEF projects currently being implemented in Mexico

Project Name	Years (Start-End)	Budget	Donor(s)	Project objective and short description how this project is related to the GEF project	Coordinate and cooperation with existing GEF projects
GEF ID 2078, 2654, 2655 Protected Areas Program	1995-2018	US\$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.	This project will complement management actions in the area with a landscape approach and cover some needs for connectivity among PAs.
GEF ID 4149: Mitigating Climate Change through Sustainable Forest Management (SFM) and capacity building in the Southern States of Mexico (Campeche, Chiapas and Oaxaca)	2011-2016	US\$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 dissemination of information and local participation in carbon sequestration monitoring. SFM and capacity built for Oaxaca and Chiapas will be considered under this proposed project.	The project will consider lessons learned and baseline information in terms of mitigation, capacity building in rural businesses and forest management mainly for the Sierra Madre de Chiapas landscape.
GEF ID 3813: Integrating Trade-offs between Supply of Ecosystem Services and Land Use options into Poverty Alleviation Efforts and	2010 - 2015		UNEP – CONANP, CONAFOR, WWF	Mainstream biodiversity conservation into natural resource use and development planning in the Mixteca Region of Oaxaca integrating ecosystem services (ES) tools and sustainable livelihood options.	This project will incorporate lessons learned in terms of development planning, tools for ecosystem services and sustainable livelihoods activities.

Development Planning					
GEF ID 4763: Strengthening Management Effectiveness and Resilience of Protected Areas to Safeguard Biodiversity Threatened by Climate Change	2013-2018	US\$10.2 million	GEF, UNDP - CONANP	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. 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 communities, ecosystems and productive activities.	CONANP will manage the coordination between the two projects by exchanging experiences in themes related to resilience to climate change, monitoring of biodiversity, and connectivity among PAs
GEF ID 4207: Sustainable Production Systems and Biodiversity Project	2012-2017	US\$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.	The project will share lessons learned on producer organizations and financial mechanisms for green production. The project will also seek exchanges of experiences on the results of CONABIO's project related to production chains, especially coffee, honey, cocoa, etc. vs value chains and market access proposed by this project.
GEF ID 5089: Strengthening Management of the PA System to Better Conserve Endangered Species and their Habitats	2015-2020	US\$5.6 million	GEF, CONANP	<p>PAs in Mexico contribute effectively to the conservation of endangered species.</p> <p>There are opportunities for coordination in two critically endangered turtles in the coast of Oaxaca for monitoring purposes and sustainable management strategies of the areas.</p>	Coordination will consist of exchanging information on monitoring habitat, population status and management of sea turtles (<i>Dermochelys coriacea</i> and <i>Lepidochelys olivacea</i>).

GEF ID 9613: Mainstreaming Biodiversity Conservation and Enhancement Criteria in Mexico's Tourism Sector	2018 - 2023	US\$7.2 million	GEF, UNDP, SECTUR	To promote biodiversity conservation with emphasis on BD-rich coastal ecosystems through the design and implementation of innovative policies and models of sustainable tourism in Mexico at the national and the local levels.	The PMU of this project will collaborate in the PPG phase to exchange information and define complementary activities.
GEF ID 9555: Sustainable Productive Landscapes	2018 - 2023	US\$21.8 million	GEF, World Bank, SEMARNAT, SAGARPA, FIRA	<p>To develop sustainable productive landscapes which promote connectivity of forest landscapes for biodiversity conservation and ecosystem services.</p> <p>Topics addressed by this project: harmonization and alignment of programs for integrated landscape management; development of local platforms for landscape governance; implementation of sustainable and diversified rural production systems.</p> <p>The proposed project will assess and address productive activities, on seven territories, including the northern Sierra of Oaxaca and will implement, through lessons learned on past projects, a process that can enhance governance platforms and innovate financially considering an integrated landscape management approach.</p>	The present project does not geographically but thematically overlaps with this GEF-World Bank project which currently is in the appraisal stage. When the implementation stage of both projects begin, experiences will be exchanged on landscape management, governance and financial mechanisms as well as on sustainable production value chains with market access.
GEF ID 9380: Securing the future of Global Agriculture in the Face of Climate Change by Conserving the Genetic Diversity of the Traditional Agro- ecosystems of Mexico	2017 - 2021		FAO - CONABIO	To develop policies and mechanisms that support agro-biodiversity conservation, sustainable use and resilience, by promoting the knowledge of traditional agro-ecosystems and the cultural methods that maintain that agroBD in Mexico.	The project relates geographically to the states of Oaxaca and Chiapas and thematically to maize and cacao systems, among others. This project will share information of the PIS and production systems and producers might change experiences. But specific activities will be agreed between both projects at the beginning and during the life time of both project.

Additional Information not well elaborated at PIF Stage:

A.7 Benefits. Describe the socioeconomic benefits to be delivered by the project at the national and local levels. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

- This project will develop strategies of sustainable production with access to markets that will result in inclusive socio-economic benefits, taking into account gender relations as well as vulnerable groups.
- By developing actions that lead to the conservation of biodiversity, the project will benefit the inhabitants of the region through preserving and managing ecosystem services, such as fresh water, a healthy environment and food.
- The process promoted by this project will allow small-scale producers to have greater marketing opportunities by being better organized and by integrating new processes that give more value and improve the quality of their sustainably produced products.
- At least 1,000 producers participating in Producer Organizations that have at least developed 7 market-driven value chains for biodiversity conservation will be benefited by at least a 15 percent increase in their incomes as they follow a value chain approach with a market orientation.
- Through an inclusive approach, the strategy of this project will benefit vulnerable groups, in particular indigenous and afro-descendent people, women and youth, strengthening their participation in decisions related to their economic benefits and affecting their well-being.
- Training activities under project component 2 will improve local stakeholders' capacity to adapt to changes produced by the effects of global warming.

A.8 Knowledge Management. Elaborate on the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives (e.g. participate in trainings, conferences, stakeholder exchanges, virtual networks, project twinning) and plans for the project to assess and document in a user-friendly form (e.g. lessons learned briefs, engaging websites, guidebooks based on experience) and share these experiences and expertise (e.g. participate in community of practices, organize seminars, trainings and conferences) with relevant stakeholders.

The Program Management Unit and lead members of this project will participate in organizing fora with national and international initiatives addressing Landscape Integrated Management:

- Interaction and coordination with Integrated Coastal Zone Management (ICZM) and biocultural landscapes initiatives in Mexico (for example, with initiatives supported by AFD);
- Exchange of experiences with landscape management projects in Mexico (for example, the Ecological Corridor of the Sierra Madre Oriental; Integral management of the territory for biodiversity conservation, protection and production in the Sierra Tarahumara, Chihuahua, Mexico - GEF, and the Selva Maya project: Protection and sustainable use of the Selva Maya program – GIZ).
- Exchange of experiences with CI landscape management projects, for example in Indonesia, Peru, Asia –Pacific triangle, etc.

The project will promote that key stakeholders participate in the analysis and dissemination of project methods and results:

- Presentations of the project to PA advisory councils in the priority landscapes.
- Presentations and institutional fora organized with the productive, academic and government sector, e.g. Chiapas Organic Expo, simposia, university congresses of Oaxaca and Chiapas, etc.
- Sustainable production practices sistematization, progress of their implementation and dissemination of the practices through local radio programs, printed materials such as manuals in indigenous languages.
- Training activities about subjects like: Integrated landscape management directed to local decision makers within priority landscapes; sustainable production practices and value chain approach directed to producers within the 16 primary intervention sites.

- Sistematization, dissemination of progress and results of the Project Sustainability Index of CONANP to the PAs of the landscapes and to other federal and state institutions like SAGARPA and state ministries.
- Sistematization of the integrated management model for priority landscapes, which will be presented to the PA national council of CONANP and to CONABIO as leader of the NBSAP. This model will also strengthen the integrated management landscape and connectivity national vision.

B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

B.1 Consistency with National Priorities. Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, etc.:

The project will build on investments and associated baseline projects and will contribute to fulfilling the objectives of the National Development Plan, which is responsible for green growth, preserving natural heritage, generating wealth, and increasing competitiveness and employment. Specifically, the project will contribute to meet with the component IV “Mexico Prospero,” i.e. 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.”

The project 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.”

Mexico issued its first National Biodiversity Strategy and Action Plan (NBSAP) in 2000¹⁹ and its implementation contributed to the protection, conservation and valuing of biodiversity by increasing the level of biodiversity knowledge (status and threats), institutional capacity and social awareness. In 2016, Mexico updated its NBSAP and the new version was formally presented at the CBD COP13. The updated NBSAP includes 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 Project's strategy directly addresses three of the six strategic axes, six of 24 lines of action, 17 of the 160 actions and 38 specifications contained in the National Biodiversity Strategy (ENBIO). Being linked to the Aichi Targets, the Project contributes indirectly to them: (i) Addresses the Knowledge axis, seeking recognition of traditional knowledge in the use of wild species and actively promoting the non-extinction of 15 critically endangered species. Thus, it contributes to the Aichi Goals 1, 2, 6, 12, 13 and 18. (ii) It has a strong focus on the axis of Sustainable Use and Management, incorporating sustainability criteria for the use of wildlife, forestry, agricultural, livestock and fishery, generating, strengthening and diversifying value chains, incorporating sustainable practices into conventional production systems, identifying financing alternatives and promoting the fair and equitable sharing of the benefits of sustainable use of biodiversity. In this way, it contributes to the Aichi 3, 4, 6, 7, 13 and 16 goals. (iii) Converges with the Integration and Governance axis, promoting the inclusion of ecological and cultural diversity and gender criteria in planning and land management, such as ordinances; promotes the development of local initiatives for the conservation and sustainable use of biodiversity; social participation for the governance of biodiversity through local and regional decision-making structures; considers the gender perspective and strengthens self-management capacities for projects related to the conservation and sustainable use of biodiversity. Thus, it contributes to the Aichi Goals 16 and 18. On the other hand, by expanding the area of PAs and strengthening the management of existing ones, the project contributes to the Aichi Goal 11.

The proposed project is also aligned with the CONANP 2040 Strategy which was developed considering key stakeholders and local participation, 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.

¹⁹ http://www.conabio.gob.mx/conocimiento/estrategia_nacional/doctos/pdf/ENB.pdf

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.

The project is aligned with the State Development Plan of Oaxaca (2016-2022) by addressing a regional approach considering micro regions, clusters of productive activities and business agriculture. On the strategic line 4, An innovative and productive Oaxaca is presented to address extreme poverty, employment by strengthening the economy and increasing productivity. The environmental sector is identified as a priority on the strategic line Sustainable Oaxaca focusing on forestry management. Oaxaca also counts with a recently launched State Land Use Plan identifying areas of high biodiversity as well as with the Oaxaca State Wetlands Program (2012-2016) by improving management and connectivity between PAs to improve biodiversity conservation.

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 the 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."

Table 5. Consistency with National Priorities, Plans, and Policies

National Priorities	Project Consistency
National Development Plan	The project will contribute to fulfilling the objectives of the component IV "Mexico Prospero," specifically 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."
Environment Sector Program	The project is aligned with the Objective 1: Sustained and sustainable low-carbon growth with equity and social inclusion.
National Biodiversity Strategy and Action Plan	The proposed project is strategically aligned with the updated NBSAP given that it will create new protected areas and expand current protected areas where threatened 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). The project will also strengthen governance by increasing the capacity of local key stakeholders to improve decision making related to sustainable landscape management. The project strategy directly addresses three of six strategic axes, six of 24 action lines, 17 of 160 actions and 38 of a number of specifications contained in the NBSAP; since it is linked to the Aichi Targets, the project indirectly contributes to them (see below subsection K).
National commitments to the CBD	The project will mainly contribute to meet with the Aichi Targets 11 and 12, but also 3, 5, 7, 14, 16 and 18.
CONANP 2040 Strategy	The project will help to address the main objectives of the CONANP 2040 strategy, specifically: promote the participation of key stakeholders and local communities in the conservation of biodiversity and ecosystem services; address sustainable production and consumption of natural resources; enhance the coordination of public programs and environmental problems, and increase capacity of society and government to value the natural capital within PAs.
State Development Plan of Chiapas (2013-2018)	The project contributes to the Chiapas Development Plan by addressing sustainability, gender, human rights and good governance. The three components of the project also contribute to this plan by improving the management of state PAs, protecting KBAs and the amplification of PAs; addressing sustainable production and financial sustainability, as well as designing an incentives program.

State Development Plan of Oaxaca (2012-2016)	The project contributes to the Chiapas Development Plan by improving management and connectivity between PAs in support of biodiversity conservation, and addressing sustainability, gender, human rights and good governance.
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C. DESCRIBE THE BUDGETED M & E PLAN:

Table 6. M&E plan summary


Type of M&E	Reporting Frequency	Responsible Parties	Indicative Budget from GEF (USD)
a. Inception workshop and Report	Within three months of signing of CI Grant Agreement for GEF Projects	<ul style="list-style-type: none"> • Project Team • Executing Agency • CI-GEF PA 	7,500
b. Inception workshop Report	Within one month of inception workshop	<ul style="list-style-type: none"> • Project Team • CI-GEF PA 	1,500
c. Project Results Monitoring Plan (Objective, Outcomes and Outputs)	Annually (data on indicators will be gathered according to monitoring plan schedule shown on Appendix IV)	<ul style="list-style-type: none"> • Project Team • CI-GEF PA 	2,500
d. GEF Focal Area Tracking Tools	i) Project development phase; ii) prior to project mid-term evaluation; and iii) project completion	<ul style="list-style-type: none"> • Project Team • Executing Agency • CI-GEF PA 	2,500
e. Project Steering Committee Meetings	Annually	<ul style="list-style-type: none"> • Project Team • Executing Agency • CI-GEF PA 	12,500
f. CI-GEF Project Agency Field Supervision Missions	Approximately annual visits	<ul style="list-style-type: none"> • CI-GEF PA 	<i>Covered under personnel budget</i>
g. Quarterly Progress Reporting	Quarterly	<ul style="list-style-type: none"> • Project Team • Executing Agency 	10,000
h. Annual Project Implementation Report (PIR)	Annually for year ending June 30	<ul style="list-style-type: none"> • Project Team • Executing Agency • CI-GEF PA 	7,500
i. Project Completion Report	Upon project operational closure	<ul style="list-style-type: none"> • Project Team • Executing Agency 	2,500
j. Independent External Mid-term Review	Approximate mid-point of project implementation period	<ul style="list-style-type: none"> • CI Evaluation Office • Project Team • CI-GEF PA 	20,000
k. Independent Terminal Evaluation	Evaluation field mission within three months prior to project completion.	<ul style="list-style-type: none"> • CI Evaluation Office • Project Team • CI-GEF PA 	20,000
l. Lessons Learned and Knowledge Generation	At least annually	<ul style="list-style-type: none"> • Project Team • Executing Agency • CI-GEF PA 	15,000

m.Financial Statements Audit	Annually	<ul style="list-style-type: none"> • Executing Agency • CI-GEF PA 	32,500
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PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)

A. GEF Agency(ies) certification

This request has been prepared in accordance with GEF policies²⁰ and procedures and meets the GEF criteria for CEO endorsement under GEF-6.

Agency Coordinator, Agency Name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Miguel Morales		11/14/2017	Orissa Samaroo	7033421550	osamaroo@conservation.org

²⁰ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF
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ANNEX A: PROJECT RESULTS FRAMEWORK

Objective:	Strengthening the conservation of globally significant biodiversity in the national system of protected areas and corridors, through integrated management of culturally diverse coastal and terrestrial landscapes of Oaxaca and Chiapas, Mexico.
Indicator(s):	a. 15 globally significant species effectively conserved. b. 2,618,250 hectares with sustainable land use plans promoting biodiversity conservation c. 4,650 hectares under sustainable productive practices to support biodiversity conservation.

Expected Outcomes and Indicators	Project Baseline	End of Project Target	Expected Outputs and Indicators
COMPONENT 1: Integrated management of three priority landscape for strengthening biodiversity conservation through land-use planning and the expansion and management of protected areas			
<p>Outcome 1.1: Integrated management of three priority landscapes for biodiversity conservation is substantially strengthened through land-use planning and the expansion and management of protected areas.</p> <p>Outcome 1.1 Indicator 1: Number of ha with sustainable land use plans and other land use tools promoting biodiversity conservation.</p> <p>Outcome 1.1 Indicator 2: Number of globally significant species under conservation and monitoring plans.</p> <p>Outcome 1.1 Indicator 3:</p>	<p>1.1 Indicator 1 baseline: 0 ha with sustainable land use plans at landscape level in the selected project area.</p> <p>1.1. Indicator 2 baseline: 0 conservation and monitoring plans for globally significant species.</p> <p>1.1. Indicator 3 baseline: 14 PAs have together an average management effectiveness of score of 49 out of 100 (according to METT).</p>	<p>1.1. Indicator 1 target: 2.6 million ha (PA and corridors) with sustainable land use plans and other tools for land use (scale 1: 50,000). (806,753 hectares in the Sierra Madre of Chiapas; 953,972 hectares in the Sierra Sur of Oaxaca; 857,525 hectares in the South Pacific Coast of Oaxaca and Chiapas)</p> <p>1.1 Indicator 2 target: Conservation and monitoring plans for 15 globally significant species developed and implemented.</p> <p>1.1. Indicator 3 target: 14 PAs (with a coverage of 662,417 ha) have together an average management</p>	<p>Output 1.1.1: A model of Integrated Landscape Management (ILM) for biodiversity conservation including protected areas and corridors developed and disseminated.</p> <p>Output 1.1.1 Indicator 1: Number of gender-sensitive land use plans at an integrated landscape level. Target: At least 1</p> <p>Output 1.1.1 Indicator 2: Number of gender-sensitive annual operational plans, one per Protected Area (PA), to be updated each year during project life time this project. Target: 14 operational plans per year</p> <p>Output 1.1.1 Indicator 3: Number of Biodiversity monitoring protocols developed and implemented in each landscape. Target: 15</p> <p>Output 1.1.1 Indicator 4: The Integrated Landscape Management (ILM) model for biodiversity conservation is validated by the coordinating body in each priority landscape. Target: Model validated in Y2</p>

Increase in the average ²¹ management effectiveness of the landscapes including Protected Areas over the baseline, according to Management Effectiveness Tracking Tool (METT) baseline score (14 PAs).		effectiveness score of at least 60 out of 100 (according to METT).	
Outcome 1.2: Expansion of protected areas with globally significant biodiversity. Outcome 1.2 Indicator 1: Increase in number of hectares of protected areas.	1.2 Indicator 1 baseline: 709,951 ha of PAs within the three priority landscapes.	1.2 Indicator 1 target: 102,403 ha of land cover increase of PAs within the three priority landscapes, reaching a new cover of 812,262 ha.	Output 1.2.1: Draft legislation for the expansion of 102,403 hectares of two protected areas which have been locally consented and approved. Output 1.2.1 Indicator 1: Percentage of rural and indigenous communities that grant their consent in PAs following the process of gender-sensitive Free, Prior and Informed Consent (FPIC). Target: 95% Output 1.2.1 Indicator 2: Number of hectares with draft legislation for the expansion of protected areas. Target: 102,403 ha
Outcome 1.3: Governance in the three priority landscapes with multi-stakeholder and multi-sector participation improved. Outcome 1.3.1 Indicator 1: A multi-stakeholder coordination body for each priority landscape is established and functional	1.3 Indicator 1 baseline: None governance mechanism existing at landscape level. There are basic efforts and interest of many stakeholders to improve governance.	1.3 Indicator target 1: Multi-stakeholder coordination body for each priority landscape is established and functional.	Output 1.3.1: Participation of key stakeholders, including women and vulnerable groups, in integrated landscape management and in decision-making substantially strengthened. Output 1.3.1 Indicator 1: Percentage of key stakeholders ²² that are represented in the three governance bodies for integrated landscape planning and management. Target: 70% Output 1.3.1 Indicator 2: Percentage of women participating in ILM governance

²¹ Simple (not weighted) arithmetic average

²² Key stakeholders are those belonging to the different sectors constituting a PA Advisory Council: social, private, productive, academic, CSO, government).

			<p>mechanisms. Target: 30% of women out of a baseline of 15%</p> <p>Output 1.3.1 Indicator 3: Percentage of indigenous peoples and afro-descendants participating in ILM governance mechanisms. Targets: An average of 20% of Indigenous Peoples and Afro-descendants, consistent with their proportion within the population of each landscapes²³</p> <p>Output 1.3.1 Indicator 4: Percentage of youth participating in ILM governance mechanisms. Target: At least 10%, consistent with population representation age classes 20 – 29 yrs; baseline is the minimal participation of youth in decision making spaces</p>
COMPONENT 2: Mainstreaming models of sustainable production with a market-driven value chain approach in agriculture, fishing, aquaculture, forest and tourism activities, as a pillar of integrated management of the three priority landscapes.			
<p>Outcome 2.1: The area of sustainable agricultural, fishery, aquaculture, forestry and tourism production is substantially increased through best practices and a market-driven value chain approach for biodiversity conservation.²⁴</p> <p>Outcome 2.1 indicator: Number of hectares where Producer Organisations (cooperatives, association,</p>	<p>2.1 Indicator baseline: On zero ha, Producer Organizations²⁵ in Primary Intervention Sites (PIS) have adopted sustainable production practices as evaluated with CONANP's Index of Project Sustainability (IPS)</p>	<p>2.1 Indicator target: On at least 4,650 hectares in the PIS sustainable practices have been adopted, as indicated by reaching the highest scores (6-10 points) for CONANP's Index of sustainable projects (ISP)</p>	<p>Output 2.1.1: Conventional production is transformed into sustainable production practices in the 16 PIS through organizational strengthening activities like ToT programs, Exchange of experiences and others, developing market-driven value chains for biodiversity conservation.</p> <p>Output 2.1.1 indicator 1: Number of Producer Organisations (PO) with potential to transform conventional production practices with market orientation in the primary intervention sites (PIS) that are</p>

²³ The average proportion of indigenous peoples and afro-descendants of the population in the three landscapes is 22% (see Appendix V.2 Indigenous Peoples plan), with significant differences that spread from 5.3% (SMCh) to 11.6% (PCOCh) up to 53.3% (SSO).

²⁴ The project will use CONANP's (2014) sustainable business strategy and index: http://negocios-sustentables.conanp.gob.mx/documentos/ESTRATEGIA_NAL_NSS.pdf

²⁵ As a result of consultations carried out in the workshops and interviews with producers, organized groups and staff of CONANP, there are no such practices in the primary intervention sites that were evaluated under CONANP's sustainable business strategy.

family business, etc.) in Primary Intervention Sites (PIS) have adopted sustainable production practices with a market-driven value chain approach.			identified, selected and classified and/or its creation is supported. Target: At least 9 POs Output 2.1.1 indicator 2: Number of producers (broken down into M/W, Indigenous peoples, Afro-descendant and vulnerable groups) organized in PO that have 6-10 points in the ISP, that participate in transforming conventional production into sustainable production practices in the 16 PIS. Targets: At least 1,000 producers, seeking proportional participation of M/W, IP and Afro-descendants and youth Output 2.1.1 indicator 3: Number of demonstration cases of a successful model of sustainable production with a market-driven value chain for biodiversity conservation that is established in each of the three landscapes to promote learning by doing. Target: At least 5 cases
Outcome 2.2: Increased income of members of Producer Organisations (PO) that have adopted sustainable production practices with a market-driven value chain approach Outcome 2.2 indicator: Increase in income of PO members, disaggregated by sex	2.2 Indicator baseline: To be defined during first year of the project once the PO are identified; during PPG we found that most of the producers or cooperatives do not have standardized recordings of their income and profits.	2.2 Indicator 1 target: An average 15% of income increase of members of Producer Organisations (PO) that have adopted sustainable production practices with a market-driven value chain approach.	Output 2.2.1: Producer Organisations (PO) have improved access to markets and financial mechanisms due to sustainable products. Output 2.2.1 indicator 1: Number of PO that have a partnership with a buyer that will help guide the development of their value chains early on in the process. Target: At least 9 PO Output 2.2.1 indicator 2: Percentage of PO that benefit from financial mechanisms for investment in sustainable practices and value chain development. Target: 50% Output 2.2.1 indicator 3: Number of value chains that reach new markets ²⁶ . Target: 7 POs
COMPONENT 3: Increasing financial sustainability in the integrated management of the three priority landscapes			

²⁶ There will be 1 value chain for each of the 7 products previously identified.
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<p>Outcome 3.1.: Access to investments from public and private programs oriented towards ILM and SPP* substantially increased.</p> <p>Outcome 3.1 Indicator 1: Increase in <i>public-private co-funding aligned</i> for integrated landscape management and sustainable production with market-orientation and value-chain approach</p> <p>*SPP: Sustainable Production Projects with market-driven value-chain approach</p> <p>Outcome 3.1 Indicator 2: Increase in public-private funding for ILM and SPP* through <i>new (innovative) financial mechanisms</i> (e.g.</p>	<p>3.1 Indicator 1 baseline: Zero. Public-private funding for ILM is virtually limited to the environmental sector (SEMARNAT, CONANP, CONAFOR and a few corporations and CSO) A comprehensive baseline assessment will be delivered during the first project year.</p> <p>A first approximation to potential investments from public programs: Baseline investment on PA management 2016 (CONANP, 2017)²⁷</p> <ul style="list-style-type: none"> a) SMCh, USD 868,000; b) PCOCh, USD 847,000; c) SSO, USD 311,000. <p>Total amount invested by CONANP (annual average): USD 2 Million and diminishing. 2016 key investments supporting productive activities from other government institutions (SEMARNAT, CDI, CONAFOR, SEDESOL, SAGARPA) in these landscapes were approximately of: USD 71 Million.</p> <p>3.1 Indicator 2 baseline: No innovative financial mechanisms identified in the three priority landscapes, however there are several successful financial</p>	<p>3.1 Indicator 1 target: At least USD 21 Million of the ongoing investments from public and private institutions in the three landscapes, will be aligned with this project to support integrated landscape management and sustainable production in the last project year (2022) (alignment will be determined by an alignment criteria catalogue to be developed by the project).</p> <p>3.1 Indicator 2 target: At least USD \$500.000 will be funded for ILM and SPP* through additional and diversified sources of funding</p>	<p>Output 3.1.1: Existing public and private programs mainstream their investments towards supporting the project activities, outputs and outcomes for ILM and SPP in the 16 PIS.</p> <p>Output 3.1.1 Indicator: Number of public or private sources of ongoing investments that have supported or coordinated with project activities, outputs and outcomes for ILM and SPP in the 16 PIS. Target: At least 7 support programs</p> <p>Output 3.1.2: Mixed financing mechanisms not currently available in these landscapes (public-private partnerships, market based financing, results oriented or other) are set up, as long-term solutions to reduce CONANP's funding gap and/or reduce the barriers to develop the market-driven value chains.</p> <p>Output 3.1.2 Indicator: Number of financial mechanisms new to the region that are supporting project activities, outputs and outcomes, funded by diversified sources (could be market based, mixed public-private or other) as a long-term solution to for ILM and SPP activities in the three landscapes. Target: At least 3 financial mechanisms</p>
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²⁷ Balderas et al. 2017: ProDoc, baseline assessment citing CONANP's Internal document.

green bonds, risk capital investments, carbon marketing, and others) or the expansion of existing ones in the country to cover these three landscapes.	mechanisms operating in the country (priority species fund, Paralelo 28, Paisano initiative, El Triunfo Fund, FINDECA), and the project could benefit from scaling and adding new and diversified sources of funding.	(did not exist before project start) in the 16 PIS.	
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ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

1. Response to Project Review from GEF Secretariat



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	9445		
Country/Region:	Mexico		
Project Title:	Conservation and Sustainable Use of Biological Diversity in Priority Landscapes of Oaxaca and Chiapas		
GEF Agency:	CI	GEF Agency Project ID:	9445
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	BD-1 Program 1; BD-4 Program 9;		
Anticipated Financing PPG:	\$120,000	Project Grant:	\$7,219,450
Co-financing:	\$47,340,000	Total Project Cost:	\$54,559,450
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	January, 2018
Program Manager:	Mark Zimsky	Agency Contact Person:	Orissa Samaroo

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
	1. Is the project aligned with the relevant GEF strategic objectives and results	March 18, 2016 Yes, project is clearly aligned with Program 1 and Program 9 and the associated Aichi Targets.	N/A

Project Consistency	framework? ²⁸		
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	<p>March 18, 2016</p> <p>Please clearly explain how the project is aligned with the country's revised NBSAP. In addition, please note that the second sentence in paragraph 151 makes no sense and is incomplete.</p> <p>March 28, 2016</p> <p>Adequate revisions provided.</p>	<p>Paragraphs 230 & 231 explain that the project's strategy directly addresses three of the six strategic axes, six of 24 lines of action, 17 of 160 actions and 38 specifications contained in the NBSAP.</p>
Project Design	3. Does the PIF sufficiently indicate the drivers ²⁹ of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	<p>March 18, 2016</p> <p>Yes, the project builds on previous experiences in Mexico in implementing a similar conservation strategy. While not particularly innovative, it has been shown to have the potential to be successful and to deliver results at scale.</p>	<p>As described in section H. Innovativeness (Paragraphs 216-223) of the Project Document, this project proposes a new and more comprehensive model of biodiversity conservation using the landscape approach by adopting an integrated landscape management model in key priority landscapes of Oaxaca and Chiapas.</p> <p>Specific innovations of the project in the region are:</p> <ul style="list-style-type: none"> • Apply a landscape approach in a highly diverse mosaic of cultures and natural areas, Protected Areas (PAs) that need management plans, key biodiversity areas that lack conservation status and production areas that currently threaten critical biodiversity and ecosystem services. • Introduce new conservation tools in currently unprotected biodiversity rich

²⁸ For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

²⁹ Need not apply to LDCF/SCCF projects.

			<p>areas (KBAs), including social and economic benefits.</p> <ul style="list-style-type: none"> • Introduce innovative monitoring and evaluation systems at landscape level. • Support traditional agricultural products related to the vast agrobiodiversity of Mexico that are better suited for the region and have visible social and economic benefits. • Transform production patterns through a focus on market-driven value chains, based on sustainable models of production. • Installing an Advisory Council with private sector partners from niche and mainstream markets, and national and international corporations, to help us access real-time market intelligence so that it is an actual buyer, the one that helps define how the value chain should be formed by the Production Units. • Incorporate novel strategies around governance schemes at different levels including strengthening capacities of key local stakeholders for decision making on land use considering gender, Indigenous Peoples and Afro-descendants and other vulnerable groups social safeguards. • Strengthen social participation through appropriate mechanisms that compile, value and incorporate traditional knowledge in order to sustainably safeguard the natural heritage. • Incorporate a variety of economic instruments and financial mechanisms to accompany project components in a comprehensive and joint manner.
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		<p>With regards to the project's aspirations inherent in Component Two and outcome 2.2, the project cannot develop markets, but can only facilitate an increase in market share for producers. Please clarify this language accordingly throughout the document. In addition, the project is based on an underlying assumption that a market exists. Have any market studies been conducted for the products that will be certified under Component Two? On what basis has the project decided on "destination of origin" as the key certification standard? Does this include biodiversity criteria?</p>	<p>We have removed this specific mention of “market development” from the ProDoc and the strategy is based on market-driven value chains.</p> <p>It is based on these types of models (and others) that we will develop exchanges, producer to producer, to help them develop their own, learning from success stories.</p> <p>Also, as clarified in the Project Document, the project will develop a dialogue and help open up new market opportunities since early on in the project. This will start with the corporations that have joined the Advisory Council for the market-driven value chains, where we have approached niche organic brands like Green Corner and Aires de Campo, as well as mainstream brands with programs to work with small-scale producers (Mexican and international brands like Bonafont, Walmart and ALSEA.)</p> <p>It will be possible to identify, on a case-by-case basis, new market opportunities for each PO and open up a dialogue to co-design the type of value chain needs (par. 139-141). Throughout the whole description of component 2, market-driven value chains is a central topic. The Project Document emphasizes that the development of short and long value chains with a market orientation is fundamental. An explicit part of the project strategy is to provide certainty to both sides: to the producers about volumes and quality of products demanded by the market and thus offer an incentive to increase sustainable production (par. 132), and to the buyer by improving practices and having available real and correct information about the production</p>
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		<p>Para 88 describes a critical element of Component Two, therefore, please explain how this scale and level of effort was arrived at, e.g., two farms, more than 50 hectares, two fishing cooperatives etc.</p>	<p>process.</p> <p>In order to improve market opportunities, the project will ensure that producers acquire greater knowledge of the market and value chain process through win-win partnerships, allowing for traceability systems to be in place, developing the necessary quality standards to access markets, having marketing schemes for the variety of products within their production systems, creating new spaces for dialogue and negotiation with service providers and buyers (par. 135-136).</p> <p>As to certification standards, we have removed the specific mentions to the need of certification or opportunities based on origin since the project will support traditional agricultural products related to the vast agrobiodiversity of Mexico that are better suited for the region and have visible social and economic benefits. However, the project wants to prove that sustainable production is much more profitable and viable in the long term, if it is not limited to organic (or similar) certifications and / or specialized niche markets, but that it can work with other “conventional” markets that appreciate certain attributes of the products, regardless of the origin, or the certificate, or the way it is produced, such is the trend we see now in “gourmet” products. They have high quality, they have certain attributes that the consumer appreciates, but they are not necessarily certified as organic or else. In our case we could talk about “mangrove honey” for example.</p> <p>During the PPG process, project component 2 has undergone modifications regarding the scale and level efforts for the transition to sustainable production. Outcome 2.1 target now is: On at least 4,650 hectares in the</p>
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		<p>This does not seem to be of sufficient scale to address the problem described in the PIF. Please clarify.</p> <p>CONANP has undergone serious budget cuts and loss of staff. How does the design of this project respond to this current situation from a sustainability perspective?</p> <p>March 28, 2016</p> <p>Adequate revisions provided.</p>	<p>project priority intervention sites (PIS) sustainable practices have been adopted, as indicated by reaching the highest scores (6-10 points) for CONANP's Index of Project Sustainability (IPS).</p> <p>In order to reach this target, the project will focus on 10% of the 16 PIS' productive area, developing capacities, providing technical assistance, access to financing, etc. to at least 1,000 small-scale producers, organized in at least Producer Organizations (PO).</p> <p>These targets were checked under economic/business, social and environmental criteria and are considered to be of sufficient scale for pilot interventions in the three landscapes. They are also feasible under project financing criteria (GEF and co-financing).</p> <p>As described in the Project Document, paragraph 63, barrier 5, CONANP has suffered from 2016 to 2017 one of the heaviest cuts in staff and budget among all government agencies. The project strategy to respond to this situation, delineated under component 3, builds on two approaches: better coordination with ongoing investments of other government agencies through planning and participatory processes so that these other agencies also invest in the ILM approach, reducing the pressure in CONANP's investments for example on sustainable production that SAGARPA or CONAFOR could be investing in; the second one is taking advantage of lessons learned from several successful financial mechanisms existing in Mexico that already support conservation and management of ecosystems, such as trust funds, revolving funds, user fees for conservation, and others); the project will invest efforts in the expansion of the most suitable existing financial mechanisms into the three landscapes rather</p>
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			than creating new ones, setting up a strong fundraising team to diversify sources of funding and building long term partnerships with donors and supporters to keep capitalizing the financial mechanisms that will support conservation in these landscapes.
	4. Is the project designed with sound incremental reasoning?	<p>March 18, 2016</p> <p>Yes, very well structured project design that identifies barriers to achieving project goal, elucidates a very strong baseline, and what additional investments are needed from GEF to conserve globally significant biodiversity.</p>	N/A
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	<p>March 18, 2016</p> <p>1) Please specify in Table B, under Component One that all new protected areas supported by GEF funds will meet the KBA standard which will be officially adopted at IUCN conservation congress this year.</p> <p>2) Please clarify what is the project</p>	<p>1) In Table B, under Component 1, Outcome 1.2, Output 1.2.1 we specified that the expansion of the following Protected Areas will meet the KBA standard officially adopted by IUCN in 2016:</p> <p>a. Frailescana which currently has an area of 116,753 ha. The modification proposal identifies an additional area of 63,121.40 ha. This expansion includes KBA Number 62 Peña Blanca-Concordia and Number 47 La Frailesca. It also proposes a core zone (previously absent) that includes an area of 28,466.65 ha.</p> <p>b. Tacaná Volcano Biosphere Reserve which currently has an area of 6,378.36 ha. The modification proposal identifies an additional area of 39,282 ha including a core zone of 15,750.95 ha with significant biodiversity. The expansion includes part of the area of the KBA Number 58 Mozotal which is currently without PA management, as well as KBA Number 74 Tacaná Volcano, with basic management.</p> <p>2) As set out before (see agency response to</p>

		<p>basing its targets on in Component Two (20% of areas have adopted "sustainable" production systems). Why 20 and not 40 or 60 or 100?</p> <p>3) Also please identify what certification standards will be used by the project and for what products? Given Mexico's long experience in this realm, we would expect this to be known at this point.</p> <p>4) Why has the project identified a 30% increase in financing as desirable? What was the basis for that assessment? Target 3.1.1 includes public and private funding, while Target 3.2.1 includes federal and state which is also public.</p>	<p>secretariat comment N° 3), targets have changed. The new target of 4,650 hectares increase in sustainable production is based on CONANP-CI experience in similar projects where each producer owns on average 1.5 – 2 hectares. For the time length and budget of the project, we could work with at least 1,000 producers (organized in PO), and with that we can reach a target of over four thousand hectares. Access to market through a value chain will be an important incentive to improve their productive practices based on economic, social and environmental criteria. “Sustainability” of production practices will be measured by the index of project sustainability (IPS) developed and applied by CONANP.</p> <p>This target is also feasible under financial criteria (GEF and co-financing, including producer’s own contributions and investments from project partners like government agencies and corporate partners).</p> <p>3) See agency response to secretariat comment N° 3: The project wants to prove that sustainable production is much more profitable and viable in the long term, if it is not limited to organic (or similar) certifications and / or specialized niche markets, being financially viable because there are markets in volume and price that want to consume them. We will develop market-driven value chains so that it is the market the one that helps define which certificates might be needed or not.</p> <p>4) The targets have changed distinguishing between a) aligning ongoing investments from public and private institutions in the three landscapes to support integrated landscape management and sustainable production; b) raising funds from new and</p>
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		<p>Please clarify.</p> <p>5) The PIF makes reference to "innovative finance mechanisms" developed with support from "key decision makers" as being critical for sustaining the landscape land-use plans but these "mechanisms" are not listed in the document, described in any detail, justified as a sound strategy, etc. Please address this gap in the PIF as currently this entire aspect of the project is quite vague.</p>	<p>diversified sources of funding (did not exist before project start) in the 16 PIS.</p> <p>The project builds on a 2016 baseline of USD 71 Million in key investments supporting productive activities from different government institutions in these landscapes. It was estimated that at least USD 21 Million of these 71 Million, that is 30%, can be aligned with this project in the last project year (2022). So far, we have received letters of commitment from several government agencies that add up to this target with matching funds. Based on our discussions and the estimates of ongoing investments in these landscapes, we have concluded that the 30% is a feasible and realistic target.</p> <p>5) At least USD \$500.000 will be funded for Integrated Landscape Management and Sustainable Production Projects from new sources of funding that did not exist before project start. This number was estimated based on CONANP-CI fundraising experience for similar projects. Raising at least \$500K USD during the life of the project from new sources seems like a conservative amount based on our experience.</p> <p>6) CONAFOR had budget constraints in the last two years, diminishing their programs, personnel and also has replanned their investment in key areas. This project will approach CONAFOR at regional level to agree and convene joint investment at landscape level once the project starts.</p> <p>Instead, SAGARMA has expressed interest in joining efforts at the landscape level to increase sustainable production. As explained in ProDoc paragraph 136 and 176,</p>
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		<p>6) The cofinance from CONAFOR "to support payment for environmental services" and how that relates to the project design in the priority landscapes is not at all clear nor how this relates to the projects emphasis on increasing finance for implementation of the landscape land-use plans. Please elucidate on this aspect of the project design.</p> <p>7) Why did the project identify 30% as the target for women and vulnerable groups' participation? Is that a value for each or could the project reach the target by having 1% women and 29% vulnerable groups? Please clarify.</p> <p>March 28, 2016</p> <p>Adequate revisions provided.</p>	<p>SAGARPA and SEMARNAT have expressed their interest to support sustainable production initiatives of the project. SAGARPA is the main partner of this project addressing best practices for biodiversity conservation, productivity, quality and socio-economic benefits at PIS.</p> <p>7) In terms of equality, participation in politics, decision-making, conservation and rural development projects, men and women are not equitable. Local experiences on conservation or environmental initiatives have been that women's participation reaches approximately 10 to 20%. So, our target is to double such participation of women up to 30% (see please, Appendix IV. 4. Gender Safeguard Plan for further and broader comments).</p>
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	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	<p>March 18, 2016</p> <p>Adequate at PIF stage. At the time of CEO endorsement, particularly given the nature of the project design, please fully develop these aspects of the project and include participation plans and engagement with all stakeholders.</p>	<p>As part of the PPG process of this project, the Executing agencies (CI Mexico and CONANP) performed a general review of the different components, introduction, context, compliance of environmental conventions and country legal and institutional frameworks. Eligibility questions were answered and an eligibility assessment was undertaken, implementing completely CI's Screening Results and Safeguards Analysis evaluation framework.</p> <p>The Project Document includes as appendices the following safeguards plans:</p> <ul style="list-style-type: none"> • Involuntary resettlement • Indigenous peoples plan • Grievance mechanism • Gender mainstreaming plan • Stakeholder engagement plan
	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):7.		
	<ul style="list-style-type: none"> • The STAR allocation? 	<p>March 18, 2106</p> <p>Yes.</p>	
	<ul style="list-style-type: none"> • The focal area allocation? 	<p>March 18, 2106</p> <p>Yes.</p>	
	<ul style="list-style-type: none"> • The LDCF under the principle of equitable access 	<p>March 18, 2106</p> <p>NA.</p>	
	<ul style="list-style-type: none"> • The SCCF (Adaptation or Technology Transfer)? 	<p>March 18, 2106</p> <p>NA.</p>	
	<ul style="list-style-type: none"> • Focal area set-aside? 	<p>March 18, 2106</p> <p>NA</p>	
	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	<p>March 18, 2106</p> <p>No. Please revise as indicated above.</p>	

Recommendations		<p>Also, please provide better maps of the three priority landscapes.</p> <p>March 28, 2016</p> <p>Adequate revisions provided.</p> <p>The PM recommends CEO PIF clearance.</p>	Better maps of the three priority landscapes were developed for the Project Document with technical support of CONANP (please see pages 4&7 of the ProDoc).
Review Date	Review	March 18, 2016	
	Additional Review (as necessary)	March 28, 2016	
	Additional Review (as necessary)		

CEO Endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
	1. If there are any changes from that presented in the PIF, have justifications been provided?		

Project Design and Financing	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		
	4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)		
	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. Only for Non-Grant Instrument: Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³⁰ stage from:		
	• GEFSEC		
	• STAP		

³⁰ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.
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	• GEF Council		
	• Convention Secretariat		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review Additional Review (as necessary) Additional Review (as necessary)		

2. Responses to Comments from Council

Comments France	Agency Response
<p>Recommendation: The promotion of value chains, for instance the organic coffee, should be based on a fine-tuned market access analysis, in order to add value, at the benefit of the producers, through best practices AND traceability, geographical indication approach being one interesting route to investigate.</p>	<p>This comment is highly pertinent. Throughout the description of component 2 (“Mainstreaming models of sustainable production with market-driven value chain approach”) market access is a central topic. The ProDoc emphasizes that the development of short and long value chains with a market orientation is fundamental. An explicit part of the project strategy is to provide certainty to producers about volumes and quality of products demanded by the market and thus offer an incentive to increase sustainable production (par. 132). In order to improve marketing opportunities, the project will ensure that producers acquire greater knowledge of the market, allowing for traceability systems to be in place, developing the necessary quality standards to access markets, having marketing schemes for the variety of products within their production systems, creating new spaces for dialogue and negotiation with service providers and buyers (par. 135).</p> <p>The project will develop project specific market access analyses, based on dialogues already held with a variety of private sector partners. Thus, it will be possible to identify on a case-by-case basis the market opportunity for each Producer Organization (PO) and open up a dialogue to co-design the type of value chain needs (par. 136).</p>
<p>Comment: The approach proposed on one of the area, i.e. Pacific coast, is particularly relevant and quite innovative, as compared to terrestrial approach only, and experience on ICZM in other places of the country or elsewhere should be taken into consideration, including participative governance that it implies. (FFEM is quite supportive of ICZM, which is a dedicated entry point of its current strategy).</p>	<p>We agree with that comment and will include the ICZM methodology as an approach to be considered in developing ILM planning in the Coastal priority landscape under Outcome 1.3: Governance in the three priority landscapes with multi-stakeholder and multi-sector participation improved.</p> <p>For that purpose, we will establish communication with ongoing experiences on ICZM in other regions of the country, for example in Quintana Roo or in the Gulf of Mexico.</p>
Comments Japan	Agency Response
<p>For establishing the organic and sustainably produced products market, it requires the cautious planning especially for keeping sustainability of new market.</p>	<p>As highlighted in the ProDoc, the project will assess the potential of Producer Organisations (PO) to be linked to a market where possible project partnerships have already been identified. This way we will guarantee that the market is helping define how to organize value chains. The process will be designed in a participatory manner with key stakeholders, including women, youth and other vulnerable populations, as well as government institutions and private sector partners.</p>
<p>In order to keep motivation for producers and stakeholders, utilizing the experience for private sector such as branding of the products and marketing are needed. In addition, it is important to ensure local community’s own initiative and ownership as well.</p>	<p>The project will analyze the feasibility of creating local brands, collective brands, or linking products to existing brands (e.g. Marca Chiapas®), developing the designation of origin and / or inserting products into existing value chains of commercial brands.</p> <p>Local communities’ own initiatives will be fostered mainly by strengthening Producer Organizations (PO). This will be done through a trainer of trainers’ program (ToT) and a platform to</p>

	provide technical assistance and capacity building on a day-to-day basis at the PO in the 16 PIS. At least 30% of trained trainers will be women.
JICA is contributing to Mesoamerica Biological Corridor (MBC) initiative led by Project Mesoamerica (PM) in Central American countries. In order to create a synergy and betterment of regional conservation, close coordination with JICA is highly recommended.	The Mesoamerica Biological Corridor (MBC) is a project known by key stakeholders of this project for its innovative sustainable production initiatives. Lessons in this respect have been learned from the MBC and will be useful for the present project. In this context, communication and regular contact with JICA will be maintained.

3. Response to the Scientific and Technical Advisory Panel

The project team has carefully reviewed the Response of the STAP Advisory, recommending Minor issues to be considered during project design by: (i) Open a Dialogue with STAP regarding the technical and/or scientific issues raised and (ii) Set a review point at an early stage during project development, and possibly agreeing to terms of reference for an independent expert to be appointed to conduct this review.

The project team found to be very useful the observations made about the potential risks that imply attempting far too many objectives and activities, as well as looking in detail how realistic these would be within the context of the three landscapes and the processes, costs, timeframes, results and conditions needed for their long-term sustainability; in order to improve the project design.

During the ProDoc preparation, the team attempted to address all of the points raised by STAP by hiring four groups of expert consultants, one for each of the project components (land use planning & governance, sustainable production, financial mechanisms) and for the social and environmental safeguards, and a GEF expert. With their help, the team verified and updated key assumptions and developed the theory of change. Also, through a participatory process consisting of meetings and workshops in the three landscapes with key stakeholders and public and private partners attending, we were able to assess in detail the level of effort required to implement the proposed activities. Lastly, by working with the Theory of Change, the Results Framework was simplified, which was followed by a thorough revision of each activity, budget and timeline to achieve the proposed outcomes and outputs. With this revision, the project is able to have a more strategic, clearer, and goal-oriented project proposal.

In summary, the proposed project intends to establish a difference with what has been done until now in terms of globally significant or threatened³¹ biodiversity conservation in Mexico, by integrating the economic perspective into landscape management. CONANP has been working in the areas of influence of the PAs in these landscapes for several years now, with the limited budget and resources that it has. The reason for proposing this project is to formalize and organize the work they are already doing in these corridors or areas connecting PAs. One of the key barriers CONANP has identified is that there is money in these landscapes invested by government, private sector, foundations and civil society, but the challenge is how to organize and prioritize those investments in a coordinated matter to multiply the impacts on biodiversity conservation. Therefore, the project proposes to work in different forms and levels of agreements for integrated landscape management, like land use plans or other where the process of bringing everyone together to develop them, will be the basis of building governance, participation and coordination of investments.

The second component of the project assumes that communities and small-scale farmers have a challenge with respect to the sustainable use of biodiversity due to five obstacles that will be addressed by the project: over-estimation of markets that value and are willing to pay more for the sustainable practices of production systems; variability and uncertainty of the volumes and quality of production due to a weak social organization to systematize processes; low availability and/or reliability of technical information for production; truncated assessments of value chains; and few spaces and capacities of negotiation and dialogue between the different actors that integrate the value chain.

³¹ “Threatened” according to the International Union for the Conservation of Nature–Red List of Threatened Species, as well as according to Mexican Law, NOM-059-SEMARNAT-2010. See www.iucnredlist.org
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The first step to address these barriers is to incorporate the vision of market-driven value chains so that the Producer Organizations³² have a secured market to start with, and then, that the market itself will help them design their value chain (learning by doing) helping address issues of uncertainty, variability, availability, systematization and understanding of the standards needed by the market.

The project will not be exclusive about niche markets (organic) or exclude mainstream markets (if they have specialized programs to incorporate small-scale producers in their value chains). Since demand for niche markets is still limited in Mexico, the project will highlight specific attributes of the products instead of their production process, for example: mangrove honey, instead of organic honey. So that the products find larger markets where to sell their products.

For this purpose the project has invited the experience of this regional office of CONANP- private sector and foundations as partners of the project to be part of a Value Chain Advisory Council to co-invest in developing value-chains of 7 products that have been prioritized: coffee, honey, maize, ornamental flowers, fish, shrimp and tourism. We have received written and verbal commitments from companies like ALSEA (VIPs, El Porton), Walmart, ADO Foundation (ADO owns coffee shops), Aeromexico Foundation and Danone-Bonafont and niche companies like Green Corner or Aires de Campo.

The project will also engage with these private sector partners and foundations in a new way inviting them at a very early stage to start a dialogue, exchanges and trainings with the Producer Organisations in the 16 priority sites, to match needs and work together towards the design of the value-chains. In CI's experience with cacao, the value chains developed faster when a secure market provided an incentive to transition conventional production into sustainable production, and incorporating best production practices for biodiversity conservation, whether the market requires or not certification (organic, agro-ecological, bird friendly, or other).

As for the financial mechanisms and economic and non-economic instruments, the project identified three distinct opportunities at these landscapes. The following chart summarizes how the project will address the proposed outcomes / outputs or how they were merged, corrected or simplified, based on experts' advice, participatory process and detailed review of how to operationalize them:

STAP request	Agency answer
- The proposed process and costs of developing and financing 110,000 hectares of PAs in areas where people already live	<p>CONANP is already working in these 102,403 hectares of influence of PAs, this process will formalize their ongoing support. Since CONANP budget is being reduced, staff of the institution is again approaching and applying for funding from foundations, development institutions and implementing new financial mechanism. They have good precedents in having municipal governments helping fund conservation activities as well. For example, funds from KfW are supporting decrees of new PAs for CONANP programs in 2018. The GEF will only finance the Preliminary Study (estudio previo justificativo), including a FPIC for this expansion, others funding this work also include the Rural Association of Silvopastoral Producers (with support from CONAFOR) since this is an already ongoing process. The GEF will only help accelerate reach its good term.</p> <p>The integral process of the three components of the project will address this through stakeholders agreements for integrated landscape management (ILM), sustainable production with market-driven value chains, and the financial mechanisms, all working together as an integral and systemic approach as described in the section of financial mechanisms.</p>
- How the implementation of the annual Operation Plan for PAs will be financed	During the life of the project with funding from the GEF and co-financing from the CI and CONANP. After the project ends, the governance bodies to be established will be supported by the innovative financial mechanism to keep up the development of annual operation plans for the state committed to develop and co-finance ILM activities.

³² Mexican law provides for different legal figures for producer service associations, such as Cooperatives (SP), Social Solidarity Societies (SSS), Rural Production Societies (SPR), Rural Association of Collective Interest (ARIC), and others.

<ul style="list-style-type: none"> - How exactly the project will achieve a 30% increase in federal/state funding in a declining economy - How exactly the project will achieve a 30% increase in private co-funding of PA management. - What exactly the diversified financial mechanisms for conservation landscapes looks like, and how it will be implemented. 	<p>Ongoing and inefficient public and private sector investments at the landscape level will be addressed by the project; having access to the market will help develop market-based financing for conservation of biodiversity (whether the product labels biodiversity conservation or not as a strategy); and we will look to amplify or replicate in the landscapes existing innovative financial mechanisms as follows:</p> <p>During PPG, the Project adjusted these two targets of 30% increase in government funding and 30% of private sector funding to a \$21 million dollars to support the ILM coming from existing government and private sector investments and \$500K from new funding coming from fresh sources (not currently investing in these landscapes). The increase in government investments are explained in detail in the CEO Endorsement Template and the ProDoc narrative. So, Outcome 3.1 now refers to directing the investments that federal/state governments and corporations are currently making in this region into the Integrated Landscape Management approach that the project is promoting among key stakeholders. This process started during the PPG phase with meetings with federal and state governments and corporations to identify common goals and the level of ongoing investments each have in these three landscapes. These government partners have expressed their interest in supporting with their investments the ILM, therefore, they will direct their ongoing investments that do not have a landscape approach into the project objectives. Some of these partners already committed with letters of matching funding. This process will be strengthened through the participatory process of developing landscape land use plans, where they will engage in the process.</p> <p>CONANP has been successful in implementing innovative models of mixed financial mechanisms for conservation of biodiversity and PAs management in Chiapas in collaboration with the Mexican Fund of Conservation for Nature (FMCN in Spanish). One is the Triunfo Fund which is currently assessing expanding its scope of work to all PAs in Chiapas, or to state-wide coverage or landscape coverage. This fund is a key partner of the project, and they are willing to engage and invest resources in this project to define innovations. Their funding comes from annual giving from high networth individuals, small giving from the general public, social media crowdfunding campaigns, and other with a combination of public and private funds. The second one is the more recent GEF project Strengthening Management Effectiveness and Resilience of Protected Areas to Safeguard Biodiversity Threatened by Climate Change through which CONANP in coordination with the FMCN put in place a market mechanism from tourism fees in the National Park Cañon del Sumidero, that matches government funding for conservation. Based on these experiences and others around the country, and with the guidance of these key partners, the project will try to expand or replicate them at the landscape level using project resources as seed funding.</p>
<ul style="list-style-type: none"> - What "sustainable production systems are" for agriculture, fishing and forestry, and the strategy and costs of achieving 20% coverage - How exactly they will increase market share and sustainable product value chains - What certification standards will be used for sustainable agriculture, fishing and forest production, and how effective certification is for achieving biodiversity outcomes 	<p>The project will use the methodology and definitions for sustainable production of the National Strategy of Sustainable Social Businesses developed by CONANP and the Index of Project Sustainability found here:</p> <p>http://negocios-sustentables.conanp.gob.mx/documentos/ESTRATEGIA_NAL_NSS.pdf</p> <p>This target was revised to 10% coverage of the PIS' productive areas (4,650 hectares) out of the 16 Primary Intervention Sites productive area (46,335 hectares). This would mean helping approximately 1,000 small-scale producers organize in Producer Organizations to help them transition from conventional production practices to sustainable ones using as incentives: exchanges with PO who have succeeded at this, working in market-driven value chains with private sector partners who share BD conservation objectives, providing co-financing, and accessing government and private sector programs. In CONANP-CI experience the costs to transition PO from unsustainable to sustainable practices varies a lot, depending on the productive activity, how degraded is their land and the type of support provided. However, co-investing with government, private sector, foundations and the PO, the project could provide roughly 30% of the support needed representing \$800-\$1,000 usd per producer.</p> <p>The PO will increase market share and value chains, by investing in strengthening their social organization under different legal figures (cooperatives, associations, etc.),</p>

	<p>improving their production practices, addressing the five barriers described above while forming value chains, and working in public-private partnerships that the project will facilitate.</p> <p>Certifications will only be promoted or used, when partners become a potential buyer of the value chain and whose standards require certification, demanded by their consumers. Certification will have to be financially viable and self-sustaining for that particular value chain model. According to expert advice certification can contribute to reach biodiversity goals, if it is financially self-sustaining for a market that pays for it. The challenge is that certification tends to be expensive and the market not always recognizes it and/or is willing to pay for it.</p>
- A convincing strategy for a 30% increase in household incomes using sustainable production practices	<p>The project has corrected this indicator to increase in 15% (to be more conservative) the income of PO members. The reason why we are not going to measure household income is because the project will be working at the level of Producer Organizations directly working with them throughout the project. In CI and CONANPs experience, PO members can increase their income by 30-50% by improving their production practices, getting better organization (leadership, teamwork at the PO level), managing diseases like Roya (coffee) or Monilia (cacao), improving the post-harvest processes and by developing or consolidating market-driven value chains. All this with financial support from the public-private partnerships. Most of the additional income comes from increasing productivity alone, and there will be cases that some PO will also access higher paying markets.</p>

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS³³

A. Provide detailed funding amount of the PPG activities financing status in the table below:

PPG Grant Approved at PIF: 120,000			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Salaries and Benefits	21,873	21,873	-
Professional services fees	75,796	72,189	3,608
Travel & Accommodation	10,542	8,429	2,113
Grants & Agreements	4,196	3,696	500
Meetings & Workshops	2,196	1,573	623
Other Direct Costs	5,397	5,317	80
Total	120,000	113,076	6,924

³³ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities. Agencies should also report closing of PPG to Trustee in its Quarterly Report.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF Trust Funds or to your Agency (and/or revolving fund that will be set up)

N/A