



**GLOBAL ENVIRONMENT FACILITY**  
INVESTING IN OUR PLANET

**Naoko Ishii**  
CEO and Chairperson

November 06, 2017

Mr. Bonilla Juan Pablo  
GEF Executive Coordinator  
Inter-American Development Bank  
1300 New York Avenue, NW W0500  
Washington DC 20577  
USA

Dear Mr. Juan Pablo:

I am pleased to inform you that I have approved the medium-sized project detailed below:

Decision Sought:	Medium-sized Project (MSP) Approval
GEFSEC ID:	9889
Agency(ies):	IADB
Focal Area:	Biodiversity
Project Type:	Medium-Sized Project
Country(ies):	Panama
Name of Project:	Mainstreaming Biodiversity Conservation through Low-Impact Ecotourism in SINAP II (ECOTUR-AP II)
Indicative GEF Project Grant:	\$753,427
Indicative Agency Fee:	\$71,573
Funding Source:	GEF Trust Fund

This approval is subject to the comments made by the GEF Secretariat in the attached document. It is also based on the understanding that the project is in conformity with GEF focal areas strategies and in line with GEF policies and procedures.

Sincerely,

for Naoko Ishii  
Chief Executive Officer and Chairperson

Attachment: GEFSEC Project Review Document  
Copy to: Country Operational Focal Point, GEF Agencies, STAP, Trustee



Request for medium-sized project APPROVAL  
(1-step procedure)

**PART I: PROJECT IDENTIFICATION**

Project Title:	Mainstreaming Biodiversity Conservation through Low-Impact Ecotourism in SINAP II (ECOTUR-AP II)		
Country(ies):	Panamá	GEF Project ID: <sup>1</sup>	
GEF Agency(ies):	IADB (select) (select)	GEF Agency Project ID:	PN-T1190
Other Executing Partner(s):	Ministry of Environment	Submission Date:	10-16-2017
GEF Focal Area(s):	Biodiversity	Project Duration (Months)	24
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>		
Name of parent program:	[if applicable]	Agency Fee (\$)	71,573

**A. FOCAL AREA STRATEGY FRAMEWORK AND PROGRAM<sup>2</sup>:**

Focal Area Objectives/programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Co-financing
<b>BD-1 Program 1</b>	<b>Outcome 1.1:</b> Increased revenue for protected area systems and globally significant protected areas to meet total expenditures required for management <b>Outcome 1.2:</b> Improved management effectiveness of protected areas	GEFTF	753,427	6,000,000
<b>Total project costs</b>			753,427	6,000,000

**B. PROJECT FRAMEWORK**

**Project Objective:** The general objective of the project is to strengthen conservation and management effectiveness of Panama's protected areas. The specific objectives are to: (i) strengthen the PA management related to ecotourism activities; and (ii) build participatory management models in PAs linked to ecotourism activities.

Project Components	Financing Type <sup>3</sup>	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
<b>Component 1</b> PA Management Sustainability	TA	<b>1.1:</b> Increase management effectiveness for biodiversity conservation and ecotourism in 4 priority PAs: (PNC: 270,124ha; PNVB: 15,680ha; PNP: 35,838ha; BPPPSL: 12,000ha)  (METT Score: PNC: 71; PNVB: 58; PNSL: 33; BPPPSL: 61, 2017 to PNC: 75; PNVB: 62; PNP: 37; BPPPSL: 65, 2019) (Natural resource management PMEMAP score: 31.2, 2017 to 35, 2019);	1/ Guidelines for visitor flows developed 2/ PA monitoring, control and management strategy using innovative technology developed 3/ Biosecurity Plans for 3 PAs elaborated 4/ Strategy for digital platforms for online payment of park fees elaborated 5/ Strategy for ecotourism infrastructure maintenance in PAs elaborated 6/ PA infrastructure monitoring and mitigation guidelines elaborated	GEFTF	347,400	3,950,000

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

<sup>2</sup> When completing Table A, refer to the GEF Website, *Focal Area Results Framework* which is an *Excerpt from GEF-6 Programming Directions*.

<sup>3</sup> Financing type can be either investment or technical assistance.

		(increased revenue: PNC: 381,843; PNVB: 26,894; PNP: 0; BPPPSL: 58,924, 2017 to a 10% increase in 2019)				
<b>Component 2</b> Building Participatory Management Models for Sustainable Use	TA	<b>2.1:</b> Increased capacity and participation in the co-management of 4 priority PAs (PNC; PNVB; PNP; BPPPSL)  (Number of concession contracts: from 0, 2017 to 3, 2019); (Beneficiaries participating in co-management and concession contracts: 0, 2017 to 20, 2019; 40% women)	1/ 5 business plans with CBO/private sector implemented	GEFTF	336,000	1,750,000
			2/ Database to facilitate the implementation of co-management and concessions developed			
			3/ Capacity building to facilitate the implementation of co-management and concessions provided to 50 beneficiaries			
			4/ Strategy for digital platform design to improve coordination for ecotourism service providers elaborated			
			5/ Technical advisory support for business compliance with sustainability standards provided			
<b>Component 3</b> Monitoring and Evaluation	TA	<b>3.1:</b> Project monitoring implemented	Mid-term and final evaluation	GEFTF	35,000	0
Subtotal					718,400	5,700,000
Project Management Cost (PMC) <sup>4</sup>				GEFTF	35,027	300,000
<b>Total project costs</b>					753,427	6,000,000

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

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

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Multilateral Agency	Inter-American Development Bank	Loan	6,000,000
Total Co-financing			6,000,000

### D. GEF/LDCF/SCCF RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES) AND PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country/ Regional/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee <sup>a)</sup> (b)	Total (c)=a+b
IADB	GEF TF	Panama	Biodiversity	Biodiversity	753,427	71,573	825,000
<b>Total Grant Resources</b>					753,427	71,573	825,000

a) Refer to the Fee Policy for GEF Partner Agencies.

<sup>4</sup> 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.

**E. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS<sup>5</sup>**

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	333,643 ha

**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 B.

**G. PROJECT PREPARATION GRANT (PPG)<sup>6</sup>**

Is Project Preparation Grant requested? Yes  No  If no, skip item G.

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

GEF Agency	Trust Fund	Country/ Regional/Global	Focal Area	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee <sup>7</sup> (b)	Total c = a + b
(select)	(select)		(select)	(select as applicable)			0
(select)	(select)		(select)	(select as applicable)			0
<b>Total PPG Amount</b>					<b>0</b>	<b>0</b>	<b>0</b>

<sup>5</sup> Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the *GEF-6 Programming Directions*, will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF and/or SCCF

<sup>6</sup> PPG of up to \$50,000 is reimbursable to the country upon approval of the MSP.

<sup>7</sup> PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

## 1) PROJECT DESCRIPTION

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

Panama is a critical link in the Mesoamerican Biological Corridor (MBC)<sup>8</sup>, ranking 10<sup>th</sup> in the world for its high level of biodiversity in proportion to its size, and 29<sup>th</sup> based on the GEF Benefits Index for Biodiversity. Housing over 10,444 different types of plant species, as well as 255 species of mammals, and 972 indigenous bird species, Panama is home to 21 times more plant species per km<sup>2</sup> than Brazil; more vertebrate species than any other Central American and Caribbean country, and 10% of the world's bird species (930 resident and migratory species).

Panama's economic growth in the last decades has increased the demand for natural resources, negatively impacting important ecosystems in the country. The main threats to Panamanian biodiversity are associated with the expansion of the agricultural frontier, land use changes, deterioration and loss of soils, deforestation and habitat fragmentation, water and soil contamination, creation and expansion of human infrastructure and climate change. A study on the Status of Biodiversity in Central America<sup>9</sup> found that in 2008, Panama had 52% of its original biodiversity, with 39% of its loss associated to land use changes, 4% to infrastructure construction, 3% to habitat fragmentation and 2% to climate change. In this context, species such as the white-lipped peccaries, jaguar, and tapirs have disappeared in important areas of the Panamanian section of the MBC, threatened by habitat loss and persecution. For instance, between 1989 and 2014, approximately 230 jaguars were killed by cattle ranchers (Moreno et al., 2015), and due to the expansion of agriculture, livestock and new development projects, the jaguar populations are currently confined to steep, mountainous areas.

In recognition of the need to protect its unique biodiversity and safeguard critical habitats, the Government of Panama (GOP) established the National System of Protected Areas (SINAP: *Sistema Nacional de Áreas Protegidas*) under the authority of the newly created Panamanian Ministry of the Environment (MiAmbiente,<sup>10</sup>). From the 1960s to the 1980s, the area designated for legal protection rose by a factor of four, and currently the Protected Areas (PAs) comprise 3.5 million hectares, accounting for 38.7% of the national area. Panama's PAs are strategically important for the country's socioeconomic development and poverty alleviation, supporting livelihoods and sustaining cultural heritage. A recent economic valuation of the environmental services derived from 25 PAs in the country estimated they generate annually goods and services worth more than US\$225 million<sup>11</sup>, which represents 12 times the value required for the optimal management of all the SINAP. Moreover, an evaluation of biodiversity in PAs found that the SINAP is home to 84% of Panama's biodiversity, highlighting the importance of ensuring the effective management of PAs for biodiversity conservation.

According to the latest evaluations of the PA Monitoring Program (PMEMAP) and the SINAP (2016), there are a number of barriers limiting the management effectiveness of the SINAP, including: (i) limited financial sustainability; (ii) lack of infrastructure and systems for control and monitoring of ecotourism activities and their environmental impacts; (iii) lack of sustainable infrastructure to support ecotourism activities; and (iv) limited involvement of local actors (including community and tourism operators).

**Limited financial sustainability** - The rapid expansion in the number and area of PAs has stretched the capacity of PA management authorities and of the MiAmbiente to cover direct and indirect SINAP's costs and guarantee its sustainable use and conservation. A recent financing gap study of a sample of 39 PAs estimated an annual financial gap for basic management of the entire system of US\$5.2 million and an even larger gap of over US\$12 million for optimal coverage. The lack of financial resources has constrained the capacity to conduct needed studies to provide reliable scientific information for decision-making and for substantiating financing from partners and sponsors. The financial management of PAs relies mostly on self-generated resources which are currently insufficient while most PAs are not collecting entrance fees in a consistent manner, due to the lack of infrastructure and appropriate systems for managing tourism services. For example, in 2011 it was estimated income from admission fees and other PA activities accounted for only 15% of the total budget for SINAP.

---

<sup>8</sup> The MBC is comprised by Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, and some southern states of Mexico.

<sup>9</sup> CCAD, Informe técnico sobre el estado actual y futuro de la biodiversidad en Centroamérica. 2011. PROMEBIO

<sup>10</sup> Panama's environmental ministry, Miambiente, regulates all activities affecting the protection, conservation, improvement and restoration of the country's environment. Formerly known as environment authority ANAM, the Ministry was created in 2015 with law No. 8.

<sup>11</sup> Centro Nacional de Competitividad (CNC), Competitividad del Día, Edición no. 53 (enero 2011).

***Lack of infrastructure and systems for control and monitoring of ecotourism activities and their environmental impacts*** – Presently, PAs count with minimal infrastructure and instruments to guarantee effective control of ecotourism activities and monitoring of biodiversity. This is the case, for instance, in PN Coiba, which consists of the island of Coiba (the largest island in Central America) and 37 surrounding islands and islets, where only one checkpoint is operational. In 2015, 149,004 national and international individuals visited Panama’s PAs, this number represents a 42% increase from the previous year. Therefore, improving enforcement and monitoring of ecotourism activities on the ground proves critical to promote low impact ecotourism as mean to mainstream biodiversity conservation in PAs and foster their financial sustainability.

***Lack of sustainable infrastructure to support ecotourism activities and environmental education*** - According to the PMEMAP, in 2013, only 5 of the 36 PAs assessed were equipped with the needed signage, orientation, and interpretation. In a workshop held in July 2015 with key actors, when asked which aspects should Panama focus on to improve the touristic competitiveness of Panama’s PA, most participants alluded to the need of improving touristic infrastructure (including, path, signage, and interpretation). Presently, even the most emblematic PAs lack the minimal infrastructure and services such as visitors’ centers, trails, overlooks, interpretive and science education programs.

***Limited capacity and involvement of local actors to offer ecotourism services*** – The establishment of ecotourism services is necessary to offer a meaningful and educationally sound experience to the visitors of the PAs. The Government of Panama recently approved the decrees which establish the environmental criteria for granting operation and concession permits to the civil society, communities, and private companies for the provision of ecotourism services in PAs. Therefore, the legal framework is in place to promote co-management models with the purpose of strengthening the financial sustainability of PAs. However, the involvement of local communities has been constrained by limited capacity and lack of touristic infrastructure for the provision of ecotourism services.

## 1.2. The baseline scenario and any associated baseline projects

MiAmbiente recognizes ecotourism as a critical component to strengthen the management and financial sustainability of PAs. Despite a notable and constant increase in visitations to Panama’s PAs in the last decade (from 49,516 in 2005 to 149,004 visitors in 2015), Panama is not as competitive as its neighboring countries. For example, it is estimated that, in 2014, only 3% of all international visitors to Panama visited a PA, a very low number compared to 36% in Costa Rica.

Panama benefited from an Inter-American Bank IADB/GEF project - *Mainstreaming Biodiversity Conservation through Low-Impact Ecotourism in Protected Areas Project (ECOTUR-AP- first phase)* (PN-X1003), that aimed to generate a model of low environmental impact ecotourism in the SINAP that contributes to biodiversity conservation and sustainability of Protected Areas, in a framework of innovation, entrepreneurial integration, and sustainable social development.

With the first phase of the ECOTUR-AP, MiAmbiente laid the foundation for the design of a system-wide approach for managing public use and strengthening the financial sustainability and conservation of the SINAP. The ECOTUR-AP included the definition of management instruments and guidelines, such as a Financial Strategy for the SINAP, Management Plans and Public Use Plans (PUP) for 9 priority PAs, and piloting efforts to promote the participation of local communities and the private sector in the management of PAs. One of the project major outcomes was the recently launched [Green Tourism Action Plan \(2016-2026\)](#) which defines the roadmap for ecotourism to become a driver of economic growth and social inclusion, as established by the Strategic Governmental Plan 2015-2019. The first phase of the ECOTUR-AP also contributed to the (i) definition of priority segments of demand and types of ecotourism; (ii) criteria for management and planning of ecotourism activities in the PAs based on quality of services, conservation and carrying capacity; (iii) the endorsement of normative instruments for granting concessions and shared management in protected area; (iv) identification of strategies for revenue diversification, specifically as regards the collection of entrance and other service fees and the allocation and flow of those revenues; and (v) strengthened coordination with other public entities, such as the Panamanian Authority for Tourism (ATP). Major outcomes of the first phase per components to date are summarized in the table below:

<p><b>Component 1</b> - Policies and regulatory framework for biodiversity conservation and sustainable management of ecotourism in the SINAP</p>	<p><b>Green Tourism Vision</b> which, under a participatory process, consolidates the main lines of action of PA-based tourism. <b>Legal framework</b> in place to facilitate community participation, with adoption of executive orders to facilitate co-management and concessions with community groups, and the generation of new business opportunities specifically related to tourism.</p> <p><b>Guidelines and Methodologies for Public Use Plans</b> institutionalized and implemented throughout the SINAP.</p> <p><b>Training on public use tools</b> to MiAmbiente/ATP staff external stakeholders, guides and operators to ensure capacity building at all levels.</p> <p><b>PA financial sustainability strategy</b> identifying alternative financing mechanisms and entrance fee collection system designed.</p>
<p><b>Component 2</b> – Planning and investment to increase the quality of ecotourism products in PAs and preserve biodiversity</p>	<p><b>6 PUP approved and published</b> in the Official Gazette (DAPVS Resolution) and 3 under preparation including Limit of Acceptable Change Analysis and Carrying Capacity.</p> <p><b>Investments and improvements</b> in the current and proposed infrastructure of 7 PAs</p> <p><b>Ecotourism indicators</b> integrated in PMEMAP</p> <p>Training on public use management at national and local level</p>
<p><b>Component 3</b> - Strengthening of income generation potential for local stakeholders through ecotourism in selected PAs.</p>	<p><b>Training</b> to Community based organizations and private sector.</p> <p><b>5 Business plans</b> in PAs being implemented</p> <p><b>Environmental education campaign</b> on socio-economic benefits from PAs in preparation</p> <p>Promotion strategy and marketing campaign developed and being implemented</p>

Building on the results of the first phase of the IDB/GEF-ECOTUR, an IDB loan is currently in preparation to *Support the Conservation of Management of Natural and Cultural Heritage (PN-L1146)* which will provide financing for a total of US\$20 million to priority investments in 4 PAs (PN Coiba, PN Volcán Baru, PN Portobello, BPPP San Lorenzo). Proposed interventions were identified in their respective Public Use Plans (PUP) geared at fostering the sustainable use and management of these PAs. It will include the provision of infrastructure and services for park administration and visitors, as well as activities to strengthen the management capacity in selected PAs.

The first phase advanced in developing instruments for sustainable planning, oversight, monitoring, and management of low-impact ecotourism in 9 PAs. Accordingly, GOP requested the proposed second phase to ensure continuity in the conservation efforts undertaken in the first phase, and ensure complementarity with other ongoing initiatives and projects in preparation, in particular the PN-L1146. Therefore, this second phase will help consolidating the implementation and operationalization of the ecotourism model in 4 priority PAs.

1.3. The proposed alternative scenario, with a brief description of expected outcomes and components of the project.

The recent SINAP evaluation (2016) developed the SINAP vision of “*a successful model of management, sustainability and conservation of biodiversity and ecosystem goods and services*” with the objective to “*conserve biodiversity and environmental goods and services of Protected Areas, in collaboration and coordination with key actors, contributing to wellbeing and the sustainable development of Panama*”.

The proposed second phase is consistent with SINAP Vision by strengthening the enabling environment for the operationalization of the ecotourism model. This will be achieved by (i) implementing instruments for tourism planning, management, and monitoring in 4 priority PAs; and (ii) strengthening inter-institutional coordination and participatory models for PA management and providing quality ecotourism services to increase generation of revenues and local development.

Therefore, under the proposed scenario, the management effectiveness and the financial sustainability of SINAP will be further strengthened in selected PAs through an efficient management of visitations, and the promotion of concessions of services directed to local communities and small entrepreneurs. The proposed second phase will provide evidence for potential replication in other PAs, as recommended in the of the GEF-ECOTUR Project mid-term review.

A preliminary study estimated an increase of approximately US\$2.2 million in year 10, for an average of 10% annual increase in touristic visitations. Using an optimistic scenario of 61% increase in visitations, as observed between 2014 and 2015, the revenues would increase up to approximately US\$67.5 million in year 10.

The priority PAs selected for the second phase have been chosen to ensure complementarity with the IDB loan in preparation in 4 priority PAs (See Annex B and C):

Protected Area	Size (hectares)	Visitations (2016)				Revenues
		National visitors	Int'l visitors	Others	Total	US\$
Parque Nacional Coiba (PNC)	270,125	4,100	10,017	532	14,649	381,843
Parque Volcán Barú (PNVB) <sup>12</sup>	15,680	3,040	4,802	1,361	9203	26,893
BPPP Portobelo	35,838	n/a	n/a	n/a	n/a	n/a
PN San Lorenzo	12,000	5,223	9,832	4,255	19,310	58,924

These 4 PAs were also selected for the following reasons:

- Number of visitors: The 4 priority PAs presently receive 45,000 visitors/year, representing 25% of visitations to the SINAP (comprised of 130 PAs);
- Priority areas identified in the Green Tourism Action Plan as priority destinations;
- The 4 priority PAs were included in the first phase of the ECOTUR-AP Project. Therefore, it will ensure continuity and consolidate results and lessons learned for replication;
- High biological value and provision of ecosystem services (incl. endangered species including the *Jaguar*, *Aguila Harpia*, *Quetzal* and *Guacamaya Roja*, 53 different species of corals in PNP at risk of degradation and 1,700 ha of coral reefs in PNC);
- Potential for local community involvement in the participation and execution of the project.

The general objective of the project is to strengthen conservation and management effectiveness of Panama's protected areas. The specific objectives are to: (i) strengthen the PA management related to ecotourism activities; and (ii) build participatory management models in PAs linked to ecotourism activities.

The value added of this project is:

- Management effectiveness of SINAP will be enhanced;
- Integrated approach between biodiversity conservation and economic development;
- Improved capacity to manage and monitor tourism flows and sustainable use of PAs;
- Introduction of innovative technology and guidelines to improve the control and monitoring for biodiversity conservation and sustainable use
- Improved systems for monitoring and surveillance of PAs
- Capacity building and involvement of local communities in the management of PAs.
- Diversification of income for local communities from the provision of ecotourism services
- Local support for conservation activities;

## Component and Outcomes

### Component 1 – Strengthening PA Management Sustainability

This component aims to improve PA management effectiveness with a focus on strengthening capacity for monitoring ecotourism activities and biodiversity conservation, as well as increasing park revenue. Financing from the component will include: (i) guidelines for the management of visitor flows in PAs; (ii) monitoring, control and management strategy using innovative technologies; (iii) biosecurity plan; (iv) strategy for digital platform for online payment of park fees; (v) strategy for ecotourism infrastructure maintenance; (vi) PA infrastructure monitoring and mitigation guidelines; (vii) PA infrastructure in 3PAs.

<sup>12</sup> According to the Public Use Plan of the PNVB visitations number are sub-estimated by 40% due to limited monitoring of access areas.



### Component 2 – Building Participatory Management Models for Sustainable Use

This component aims to build participation in the co-management of priority PAs through the promotion of ecotourism activities that contribute to empowerment of local stakeholders, enhancement of biodiversity and increase income generation in SINAP. Activities will include: (i) implementation of 5 business plans with CBO/private sector; (ii) database to facilitate the implementation of co-management and PA concession; (iii) capacity building to facilitate the implementation of co-management and concessions contracts; (iv) strategy for digital platform design to improve coordination for ecotourism service providers; and (iv) technical advisory support for business compliance with sustainability standards.

### Component 3 – Monitoring and Evaluation

This component will support monitoring and evaluation activities including (i) day to day monitoring of implementation progress; (ii) biannual and annual monitoring reports; (iii) mid-term and final independent evaluations focusing on the project’s effectiveness, efficiency, sustainability, relevance and coherence.

GEF focal area<sup>13</sup> strategies and Aichi targets:

<b>GEF Biodiversity Focal Area Strategy</b>	<b>BD 1: Improve Sustainability of Protected Area Systems:</b> the project will contribute to improving the management effectiveness of 4 PAs
<b>Aichi Goals</b>	<p><u>Strategic Goal A: Address the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society</u></p> <p>Target 4 on taking steps at all levels to achieve or have implemented plans for sustainable production and consumption</p> <p><u>Strategic Goal B: Reduce the direct pressures on biodiversity and promote sustainable use</u></p> <p>Target 9 on having measures are in place to manage pathways to prevent their introduction and establishment.</p> <p><u>Strategic goal C: To improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity</u></p> <p>Target 11 on areas of importance for biodiversity and ecosystems services under effective management;</p> <p>Target 14 on restoration and safeguarding of ecosystems;</p>

#### 1.4. Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF/SCCF and co-financing.

The first phase of the GEF-ECOTUR designed a system-wide approach for managing public use and strengthening the financial sustainability and conservation of the SINAP PAs. Major achievements included the establishment of institutional coordination agreements, including the adoption of Decrees to facilitate the implementation of co-management models and concessions. As a result of the first phase of the GEF-ECOTUR, the program PN-L1146 (currently in preparation), will finance investments identified in the strategies for public use, including infrastructure for ecotourism activities as well as promotion, education and capacity building activities.

In this context, the proposed second phase of the GEF-ECOTUR-AP contributes to establishing ecotourism as a system-wide strategy to SINAP’s financial sustainability and conservation efforts by implementing a sustainable management scheme in the 4 priority PAs identified in the PN-L1146. Moreover, the proposed second phase will develop mechanisms for the effective collection and reinvestment of visitor and concession fees, deriving into a flow of benefits to local communities. Therefore, the 4 priority PAs will serve as model for scaling up and attracting additional financing from the public and private sector, and allowing the conservation of globally important species and ecosystems.

#### 1.5 Global environmental benefits

The proposed Project will generate global, regional, and local environmental benefits by catalyzing efforts to protect and manage globally important species and ecosystems. Through the promotion of a model of low environmental impact ecotourism in the SINAP, the proposed project contributes to PAs’ biodiversity conservation and

<sup>13</sup> For biodiversity projects, please describe which Aichi Target(s) the project will directly contribute to and what indicators will be used to track progress towards achieving these specific Aichi target(s).

sustainability. The Global environmental benefits are the protection of ecosystems and species that are part of a national system of protected areas, some of which are of international importance, including a UNESCO Biosphere Reserve (PN Volcán Barú), and UNESCO World Heritage sites (PN Coiba, PN Portobello and BPPP San Lorenzo), and the protection of biodiversity including endangered species threatened by habitat loss and fragmentation as well as persecution.

Locally, Panamanians will benefit from improved livelihoods, ecosystem services provided by the SINAP and improved biodiversity conservation. Hence it can also be anticipated that the project could help reduce unsustainable practices in and around PAs, by generating economic benefits through improved provision of ecosystem services, poverty alleviation through the promotion of local participation in ecotourism activities, and improved infrastructure. Some of the high biodiversity value to be protected in 4 PAs are summarized in the table below:

<b>PNC</b>	<b>PNVB</b>	<b>PNP</b>	<b>BPPPSL</b>
high variety of endemic birds, mammals and plants, last refuge for a number of threatened species that have largely disappeared from the rest of Panama, such as the Crested Eagle and the Scarlet Macaw, 760 species of marine fishes, 33 species of sharks and 20 species of cetaceans, 1,700 ha of coral reefs, threatened orchids, significant populations of trans-Pacific fishes.	250 species of birds have been spotted within the park, including the resplendent quetzal, the black-bellied hummingbird, black-cheeked warbler, yellow-thighed finch, and the hairy woodpecker. All five of the big cat species live within the park, including pumas and leopards, as well as porcupines and other mammals	At least five (5) species of migratory birds (mostly shorebirds), 69 species of fish have been reported in 29 families, 34 species of fauna considered as endangered by the legislation of Panama; Among them the white-tailed deer, the saffron, the felines, the primates, the painted rabbit, the babilla, the caiman, the boa and the iguana.	311 species of vertebrates; 500 plant species; 5 endemic species of fauna and 15 species of flora. In relation to the state of conservation of the area, it can be noted that it has served as a refuge for 19 species that are protected by law. It is also worth noting that according to criteria established by IUCN at the national level, 8 species are included in the category of danger and 15 in vulnerable category.

## 1.6 Innovativeness, sustainability and potential for scaling up

### Innovativeness

The promotion of Community-based management is well known model management of PA that fosters support for conservation in PAs and their active participation, so it is not per say an innovative approach. However, in Panama, this approach is at presently at an incipient stage. Accordingly, the promotion of participatory models for the co-management of PAs remains quite innovative in the context of Panama, considering to date only 6 business plans / concessions are in operation, and capacity remains limited.

Finally, the project will facilitate the implementation of innovative technologies with the design of specific guidelines for their application for monitoring and control of the PAs. This will facilitate the biodiversity conservation, and sustainable use, and scientific assessments of the PAs. Among other measures to be implemented in terms of innovation, the following can be noted: (i) application of state-of-the-art hardware and software in the development and implementation of monitoring and control systems in protected areas, (ii) radars and detection devices of Automatic Identification Systems and Vessel Monitoring Systems in marine protected areas, (iii) improvement of the communication of the maritime fleet of the Coiba National Park, through text messages via satellite, and location of its boats by GPS.

### Sustainability

Involving local communities in managing the PAs will facilitate the long-term sustainability of investments. This will be possible thanks to the capacity building and seed funding provided for the provision of ecotourism services and concessions by third parties (NGOs, civil society, private sector). The project will also place emphasis on developing the park administration capacities. This local empowerment is of key importance in ensuring the local institutional sustainability of the PAs.

### Replicability and scaling up

This project has the potential to be replicated to other PAs, in this regard the Green Tourism Action Plans sets the roadmap for future implementation and scaling up. Moreover, a US\$20 million Fund was recently set up for the Promotion of Tourism and ecotourism constitutes one of its key pillars, setting the right path for replicability and scaling up on a national scale. It is expected the proposed investments and business plans in selected PAs with the complementary co-financing will serve as a model to be replicated.

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

No.

3. Stakeholders Will project design include the participation of relevant stakeholders from civil society and indigenous people? (yes  /no  ) If yes, identify key stakeholders and briefly describe how they will be engaged in project design/preparation

Stakeholder involvement is key for decentralizing SINAP's management. Building on achievements and lessons learned of the first phase, involvement of relevant stakeholders of the civil society will be further consolidated and encouraged in this second phase. This will be achieved through the implementation Component 2 activities, specifically through: (i) capacity building programs for CBOs/NGOs and private sector for the development and implementation of 10 business plans; and (ii) the development of tools and guidelines to facilitate good practices, management systems, and sustainability standards.

Similarly, as in the first phase, throughout the project design and implementation, specific consultations will be conducted focusing on local civil society organizations, private sector and academic institutions involved in conservation and tourism activities identified in the PUPs, aiming at finding potential partners in shared management initiatives and concessions services. The main stakeholders involved in this project, from design to implementation, are:

Scale / Type	Name of the institution	Role in project design and implementation
<b>National: Government institution</b>	Ministry of Environment (MiAmbiente)	Implementing Agency
	<i>Autoridad de Turismo de Panamá (ATP)</i>	Mandate incl. ecotourism promotion to PAs
	<i>Instituto Nacional de Cultura (INAC)</i>	Mandate to conserve cultural heritage
<b>National: AP stakeholders</b>	<i>Patronato Portobelo San Lorenzo</i> <i>Consejo Directivo del Parque Nacional Coiba</i>	Strategic coordination in PAs
<b>Local: NGO/ private sector</b>	<i>Cámara de Turismo de Panamá,</i> <i>Fundación Natura</i> <i>Smithsonian Tropical Research Institute</i>	Entities that provide strategic guidance for the project
<b>Local communities</b>	<i>Comunidad de La Guaira-Isla Grande,</i> <i>Cooperativa de Isla Grande, Comunidad de Puerto Lindo, Cooperativa de Transporte Turístico Puerto Lindo, Comunidad de Portobelo, Cooperativa de Transporte Turístico Santiago De La Gloria, Comunidad de Achiote, Los Rapaces, Asociación Café y Ambiente, Comunidad de Escobal, Amigos del Ambiente, Comunidad de Piña</i>	Communities living in and around PAs that will benefit directly from the project through capacity building in the provision of ecotourism services, and/or indirectly through the improvements of ecosystem services provided by the PAs.

4. Gender Equality and Women's Empowerment. Are gender equality and women's empowerment taken into account (yes  /no )? If yes, elaborate how it will be mainstreamed into project implementation and monitoring, taking into account the differences, needs, roles and priorities of women and men.

Building on the first phase as part of the project design strategy, selection criteria will be included to value the inclusion of women in the participation of green tourism businesses and the concessions services that are awarded. Special attention will be provided to women's associations identified in the PUPs that may be actively involved in the conservation of priority PAs. The following are some of the key principles that will be applied to ensure gender mainstreaming in the proposed operation:

- Ensure gender equity in the membership of at least one-third of the shared management agreements
- Promote joint management agreements with women's groups or associations where the majority of their members are women.
- Grant at least one-third of the concessions to companies that have gender equality among the members of their boards of directors.
- Promote microenterprises and business plans in protected areas led by women
- To prioritize the hiring of women with equality of skills for the development of technical and professional activities such as programming / design of digital platform strategies / development of biosafety plans / implementation of innovative technology.

5. *Benefits.* Describe the socioeconomic benefits to be delivered by the project at the national and local levels. Do any of these benefits support the achievement of global environment benefits (GEF Trust Fund) and/or adaptation to climate change?

The project recognizes the need to combine environmental protection with the participation of local communities to promote sustainable livelihoods, strengthen local buy-in and sound environmental management. Moreover, it is anticipated improved conservation of the Protected Areas will result in sustainable use of the natural capital of the country, and accordingly improve the provision of ecosystem services of these areas which will benefit all visitors, local communities, and Panamanians.

The proposed Project will directly benefit approximately 100,000 people (projected visitations to project PAs for 2018 and 2019), as well as local communities living near the four selected PAs or in their Buffer Zones. According to the cost-benefit analysis of the cofinancing project (PN-L1146), the Willingness to Pay of potential national visitors to the 4 PAs, ranges from US\$70 to US\$215 per year per household. This range would be presumably higher if including international visitors.

The Project will also benefit Community-based Organizations (CBOs), local governments and traditional authorities interested in pursuing co-management agreements and the private sector and civil society organizations interested in participating in the administration or services concessions in PAs. The improved management of PAs through the promotion of low-impact ecotourism is expected to contribute to the provision of sustainable benefits to the local communities while funding the safeguarding and rehabilitation of the protected areas.

6. *Risks.* Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks:

<b>Risk</b>	<b>Level</b>	<b>Mitigation Strategy</b>
<b>Operational risks</b> , lack of coordination among key public institutions involved in ecotourism in PAs	Medium	Existing mechanisms in place for the co-management of the PAs (such as el <i>Patronato de San Lorenzo y Portobelo</i> , and the <i>Consejo Directivo in Coiba</i> ) will provide a channel for coordination and consultation with relevant local actors involved.
<b>Environmental risks</b> , increase in visitations could compromise long term environmental sustainability of PAs	Low	Phase I facilitated the definition of well-defined strategies for managing public use (e.g. PUPs include carrying capacity for PAs). Phase II, will consolidate planning guidelines and strategies and facilitate implementation to guarantee visitations to PAs stay within the limits of acceptable change and work towards the long-term sustainability of the SINAP and conservation of its natural wealth and biodiversity.
<b>Sustainability risks</b> , due to limited financial capacity and political will for operating and maintaining project outputs and once the project has closed.	Medium	The project together with the co-financing Cultural and Natural Heritage Program (PN-L1146) will help to set the SINAP on a path for financial sustainability by contributing to the generation and diversification of revenues for the SINAP. Moreover, empowering local stakeholders and private sectors will ensure continuity and strengthen the financial autonomy of protected areas.
<b>Local support and participation</b> is weak due to inadequate cooperation with local stakeholders causing lack of project ownership at the local scale.	Medium	The community-based approach will maximize the likelihood of ownership and uptake at the local scale. In additions coordination meetings will be held as needs arise.

7. *Cost Effectiveness*. Explain how cost-effectiveness is reflected in the project design:

The project will contribute to improving the management effectiveness and financial sustainability of 4 PAs. The project design relied on a strong participatory approach among all stakeholders involved in Protected Areas. The Project builds on the lessons learned and planning guidelines and strategies developed under ECOTUR-AP Phase I, including the Financial Strategy of the SINAP and the Green Tourism Action Plan. Moreover, the PUPs which identify the major investments to be financed, include a detailed analysis of the proposed investment for each site, and are based on sound economic analysis, including visitor demand analysis as well as carrying capacity studies for each infrastructure.

Finally, the project will also be cost-effective in its administration and implementation given that the executing unit will be shared with the IDB loan (PN-L1146).

8. *Coordination*. Outline the coordination with other relevant GEF-financed projects and other initiatives:

The proposed project would be developed and implemented in close coordination with other similar projects that contribute to strengthening management effectiveness of the SINAP. MiAmbiente supervised the implementation of the first phase of the project ECOTUR-AP, and requested a successive second phase to enable continuity in achieving envisaged objectives as well as complementarity with the IDB loan in preparation (co-financing program. PN-L1146) = in the same priority PAs. Both the loan and proposed second phase will be implemented by the same project coordinating unit that implemented the ECOTUR-AP Project.

The project will also coordinate efforts with other ongoing GEF projects implemented by MiAmbiente, including: (i) Sustainable Production Systems and Conservation Project (WB/GEF), whose goal is to conserve globally significant biodiversity in 12 additional PAs and respective Buffer Zones in the Atlantic and central-eastern part of the country; (ii) Mainstreaming Biodiversity Conservation into the Operation of the Tourism and Fisheries Sectors in the Archipelagos of Panama (UNDP/GEF) which aims to integrate biodiversity into the fisheries, tourism and property development sectors that operate in the archipelagos of Panama; and (iii) the Second Rural Poverty, Natural Resources Management and Consolidation of the Mesoamerican Biological Corridor Project (WB/GEF) supporting efforts of the Government of Panama to integrate environmental and social sustainability into development and poverty reduction strategies in the Pacific and Atlantic municipalities. MiAmbiente holds weekly meetings to coordinate activities associated with the aforementioned projects, facilitating the coordination and implementation of strategic complementary activities.

9. *Institutional Arrangement*. Describe the institutional arrangement for project implementation:

**Implementing Partner:** The Ministry of Environment is the designated Executing Agency that will execute the project on behalf of the Government of Panama. The Executing Agency is the entity responsible and accountable for managing a project, including the monitoring and evaluation of project interventions, achieving project outputs, and for the effective use of GEF/IADB resources. Furthermore, MiAmbiente will set a Consultative Committee that will meet once a year at least or as needs arise to provide overall project guidance.

**Project Management Unit (PMU):** One of the major outcomes of the first phase was the creation of ECOTUR-AP PMU in MiAmbiente, as a specialized technical team in charge of project administration processes. To ensure continuity and coordination with the co-financing program, the same PMU will implement project activities. The PMU will be in charge of the technical and financial reporting and the M&E of the project. The PMU will also coordinate the project intervention with other on-going initiatives and will communicate with technical and financial partners as well as beneficiaries. The PMU will be staffed by a Project Coordinator and supported by an Administrative Assistant and a full-time Procurement/Financial Specialist.

The joint work between ATP and MiAmbiente within the framework of ECOTUR-AP will continue to be enriched, to ensure the needed consolidated action. It is expected the second phase of the project will give more prominence to value of green tourism as a key pillar the country's tourism strategy.

10. *Knowledge Management*.

The Knowledge Management (KM) approach has been a key component for the design of the proposed second phase by integrating recommendations of the first phase of the ECOTUR-AP. State and civil society stakeholders

were included in the design of the Ecotourism Strategy and the Public Use Plans. As advised in the Mid-term Evaluation, the consecutive second phase will “ensure current synergies and dynamics are maintained, including knowledge gained by the staff and strengthen the image of all the institutions involved”.

Additionally, the co-financing PN-L1146 program will finance the implementation of a communication plan for the program. This will facilitate disseminate the importance of PAs and the Program’s interventions and it will allow coordinate efforts to replicate them in other PAs.

11. Consistency with National Priorities. Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes  /no  ).

The project is compatible with country’s long-held priorities and strategies for environmental management and biodiversity conservation. It will support implementation of provisions in General Environment Law (Ley 41) related to strengthening SINAP and facilitating participation by new actors in joint administration of protected areas and biodiversity corridors. The proposed Project also supports many of Panama’s global commitments, including adherence to international treaties (including the CBD, RAMSAR and the Millennium Development Goal for environmental sustainability). At the national level, the Project supports the government’s Strategic Plan (2010-2014), the National Environment Strategy (1999-2020), the National Biodiversity Policy (2008), and the National Climate Change Policy (2007). The Project also contributes to implementation of the Green Tourism Action Plan (2016-2026) and the Master Plan for the Sustainable Development of Tourism (2007-2020). In complement with the first phase, this second phase will contribute to the achievement of the Sustainable Development Goals and the 2020 Aichi Biodiversity Targets, particularly towards achieving Target 11 (Protected Areas), Target 2 (biodiversity values integrated). Panama first National Biodiversity Strategic Action Plan (NBSAP) was completed in 2000, and is currently being revised with a first draft awaiting endorsement. This second phase will contribute to the achievement of new NBSAP targets with proposed timeframe of 2018-2030, by addressing in particular issues absent in the first NBSAP on; integrating biodiversity values (target 2); sustainable consumption and production (Target 4); full implementation of the programme of work on PAs, including increased protection for and connectivity of landscapes/seascapes (Target 11) and restoring and safeguarding ecosystems that provide essential services (Target 14) (CBD, 2017). In particular, project activities will align with the following Strategic Pillars, Lines of actions and targets identified in the draft NBSAP:

Strategic Pillar	Line of Action	Indicators
1. Conservation and Restoration	1.1 Conservation in situ of representative ecosystems	<ul style="list-style-type: none"> <li>○ By 2030 the Conservation plans, management and co-management plans in PAs that contribute to conservation of biodiversity.</li> </ul>
2. Reduction of biodiversity pressures	2.1 Prevention, control and monitoring of invasive exotic species	<ul style="list-style-type: none"> <li>○ By 2030, Panama will have updated its legislation incorporating updating mechanisms, creating an interinstitutional network and initiating prevention, control and monitoring activities for exotic invasive species.</li> <li>○ By 2025, mechanisms developed for the implementation of improved environmental practices in different productive sectors</li> </ul>
4. Sustainable Use and Management	4.1 Strengthening instruments that promote sustainable use and fair and equitable sharing of benefits 4.2 Sustainable use	<ul style="list-style-type: none"> <li>○ By 2025, strengthened participatory processes for sustainability focused on the sustainable use of natural resources and biodiversity.</li> <li>○ By 2030 strengthened capacity for tourism management in PAs, especially priority destinations of interest for biodiversity.</li> </ul>

12. M&E Plan. Describe the budgeted monitoring and evaluation plan.

Project Monitoring and Evaluation will be conducted in accordance with established IADB and GEF procedures. The Project Management Unit (PMU) will undertake monitoring and evaluation activities, with support from IADB-GEF, including the recruitment of independent evaluators for the mid-term and final evaluations. The project logical

framework in Annex A provides a logical structure for monitoring project performance and delivery using SMART indicators during project implementation. The result matrix and the work plan in the project document provide additional information on the allocation of funds for expected project deliverables and the timing of project activities to produce these deliverables. The work plan is provisional, and is to be reviewed during the project inception phase. The project's M&E approach will be discussed during the project's inception phase to fine-tune indicators and means of verification, and to allocate M&E responsibilities to the project's staff.

The Monitoring and Evaluation System will rely on three components:

- i. **Day to day monitoring** of implementation progress will be the responsibility of the Project Management Unit based on the project's Annual Work Plan and its indicators. The Project manager will inform the IADB of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.
- ii. **Biannual and annual monitoring reports** During the grant disbursement period, the PMU will submit Annual Work Plans (AWP) no later than 30 days before the end of each calendar year; and semiannual Project Reports (PR) no later than 30 days after the end of the calendar semester. The AWP and PR will be prepared following a template agreed upon with the Bank, and consistent with the Bank's "Project Monitoring Report." The PR will indicate, among others, the level of fulfillment of the project's output indicators planned in the AWP, explanations of execution gaps and problems encountered; and indicate corrective measures. The PR will also include a section related to the maintenance of infrastructures and equipment. At the end of the project, the PMU will prepare a final report that will summarize project implementation and final evaluation findings.
- iii. **Mid-term and final independent evaluations** focusing on the project's effectiveness, efficiency, sustainability, relevance and coherence. Consulting firms will be contracted by the executing agency to carry out mid-term and final independent evaluations. The objective of this evaluation will be to determine whether execution is satisfactory and whether the project's strategy is generating the desired impact, or whether adjustments are needed. For each Component, it will highlight the key issues that are faced and which require responses from the executing agency. It will also provide a set of preliminary insights about the project's design, implementation, and management. A final independent evaluation will be carried out a few months before the end of the project at year 4 to determine whether it has reached its objectives. The evaluation team will identify the lessons learned through the project and in particular its key successes and failures. The team will also assess the sustainability of the project's results and propose a set of recommendations to the various project's stakeholders in order to reinforce it.

**Data Collection and Instruments:** Monitoring data will be compiled from:

- On-site visual inspections;
- PAs' technical reports from GEF project and other relevant projects;
- Reports by external consultants hired by the project.

Type of M&E activity	Budget from GEF	Time Frame
Mid Term Evaluation	15,000 USD	One year after start of project implementation
Final Evaluation	20,000 USD	At the end of project implementation
<b>Total M&amp;E Plan Budget</b>	<b>35,000 USD</b>	


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

**A. Record of Endorsement<sup>14</sup> of GEF Operational Focal Point (S) on Behalf of the Government(S):**  
 (Please attach the *Operational Focal Point endorsement letter(s)* with this template. For SGP, use this SGP OFP endorsement letter).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Antonella Finis	Panama GEF Focal Point	Ministry of Environment	AUGUST 3 <sup>RD</sup> , 2017

**B. GEF Agency(ies) Certification**

**This request has been prepared in accordance with GEF policies<sup>15</sup> and procedures and meets the GEF criteria for MSP approval under GEF-6.**

Agency Coordinator, Agency name	Signature	DATE (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Juan Pablo Bonilla IDB-GEF Executive Coordinator		10/16/2017	Laura Rojas	+1202-623-3304	lrojas@iadb.org

<sup>14</sup> For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

<sup>15</sup> GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF



**ANNEX A: PROJECT RESULTS FRAMEWORK** (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

<b>COMPONENT 1 – Strengthening PA Management Sustainability</b>				
<b>Outcome indicators</b>	<b>Unit</b>	<b>Baseline 2017</b>	<b>Target 2019</b>	<b>Source of verification</b>
<b>Indicator 1:</b> Increase in PA management effectiveness (as measured with GEF Tracking Tool BD SP 1 - METT Score for 4PAs (PNC: 270,124ha; PNVB: 15,680ha; PNP: 35,838ha; BPPPSL: 12,000ha)	Score	PNC: 71 PNVB: 58 PNP: 33 BPPPSL: 61	PNC: 75 PNVB: 62 PNP: 37 BPPPSL: 65	Project report / GEF Tracking Tool
<b>Indicator 2:</b> Increase in natural resource management score (PMEMAP)	Score	31.25	35	PMEMAP
<b>Indicator 3:</b> Increase for selected PAs in yearly revenue generated ecotourism related fees including concession fees and other financial mechanisms	%	PNC: 381,843 PNVB: 26,894 PNP: 0 BPPPSL: 58,924	10% increase per PA	Project report
<b>Output indicators</b>	<b>Unit</b>	<b>Baseline 2017</b>	<b>Target 2019</b>	<b>Source of verification</b>
1/ Guidelines for visitor flows drafted	Report	0	4	Project report
2/ PA monitoring, control and management strategy developed using innovative technology	Report	0	4	Project report
3/ Biosecurity Plan designed (excl. PNC)	Plan	0	3	Project report
4/ Strategy for digital platforms for online payment of park fees developed and running	Plan	0	1	Project report
5/ Strategy for ecotourism infrastructure maintenance in PAs designed	Strategy	0	4	Project report
6/ PA infrastructure environmental monitoring and mitigation plan implemented	Plan	0	3	Project report
<b>COMPONENT 2: Building Participatory Management Models for Sustainable Use</b>				
<b>Outcome indicators</b>	<b>Unit</b>	<b>Baseline 2017</b>	<b>Target 2019</b>	<b>Source of verification</b>
<b>Indicator 1:</b> Number of concession contracts	#	0	3	Project report
<b>Indicator 2:</b> Beneficiaries participating in active co-management and concession contracts	# people	0	20	Project report
<b>Indicator 3:</b> Percentage of women participating in co-management and concession contracts	% women	0	40%	Project reports
<b>Output indicators</b>	<b>Unit</b>	<b>Baseline 2017</b>	<b>Target 2019</b>	<b>Source of verification</b>
1/ Business plans for CBOs/NGOs and private sector financed	Plans	0	5	Project reports
2/ Co-management and concessions Database developed	Database	0	1	Project reports
3/ Co-management and concessions Capacity building conducted	# people trained	0	50	Project reports

4/ Strategy for digital platforms to improve coordination for service providers developed.	Strategy	0	1	Project reports
5/ Businesses which received technical advise for the application of sustainability standards	Business	0	8	Project reports

## ANNEX B: LIST OF PROJECT PROTECTED AREAS

Protected Area	IUCN Category	Size	Visitation
1. Bosque Protector y Paisaje Protegido San Lorenzo (BPPPSL)	Categoría 5 UICN / Categoría 6	12,000	Most visited protected area in Panama in 2015 and third in 2016. Prioritized area in the Plan of Action of Green Tourism as a Destination in the Central Caribbean Coast. High potential for local communities in project participation and execution.
3. Parque Nacional Portobelo (PNP)	Categoría 2 UICN / Categoría 2	35,838	There is no available visitation data available. Area prioritized in the Action Plan for Green Tourism as a Destination Central Caribbean Coast. Very high potential for local communities in the participation and execution of the project.
4. Parque Nacional Coiba (PNC)	Categoría 2 UICN / Categoría 2	270,125	The second most visited protected area in Panama in 2015 and fifth in 2016. Priority area in the Action Plan for Green Tourism as a Destination in the Archipelagos. Very high biological value.
5. Parque Nacional Volcán Barú (PNVB)	Categoría 2 UICN / Categoría 2	15,680	Eighth most visited protected area in Panama in 2015 and 2016. Area prioritized in the Plan of Action of Green Tourism as an Inland Destination. High potential for local communities in project participation and execution. High biological value.
<b>Total Number of Hectares</b>		<b>333,643</b>	

**ANNEX C: MAP OF PROJECT PROTECTED AREAS**

