



United Nations Development Programme

Project title: Conservation and sustainable use of biodiversity in coastal marine production landscapes		
Country: Panama	Implementing Partner: Ministry of Environment (MiAmbiente)	Management Arrangements: National Implementation Modality (NIM)
UNDAF/Country Programme Outcome: Outcome 3.2: By 2020, the State has strengthened its capacities for the design and implementation of Policies, Plans and Programs that contribute to environmental sustainability and food and nutrition security, adaptation to climate change, reducing disaster risk and building resilience.		
UNDP Strategic Plan Output: <u>Output 1.3</u> : Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.		
UNDP Social and Environmental Screening Category: Low		UNDP Gender Marker: GEN2
Atlas Project ID/Award ID number: 00099240		Atlas Output ID/Project ID number: 00102547
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Planned start date: 06/2018		Planned end date: 06/2022
LPAC date:		
Brief project description: The project’s objective is to mainstream the conservation and sustainable use of biodiversity into production land/seascapes for the integrated environmental management of coastal marine areas and for the benefit of the coastal population. The Global Environment Facility (GEF) investment will counteract the loss of coastal marine biodiversity in a production land/seascape in the Coastal Marine Special Management Zone (ZEMMC) in the southern part of the Azuero Peninsula in Panama. This will be achieved through the development of an enabling policy environment for the integrated environmental management of coastal marine production landscapes, facilitating the conservation and sustainable use of coastal marine biodiversity of global importance and the ecosystems goods and services provided to society through the integrated environmental management of the ZEMMC (292,970 hectares [ha]), and by systematizing best practices and lessons learned about coastal marine biodiversity conservation and its sustainable use in production landscapes and seascapes of the ZEMMC of the southern part of the Azuero Peninsula, thereby ensuring that these are made available for use in other production landscapes and seascapes in Panama. The project will help to maintain stable populations of selected fish species of commercial importance as a result of the use of best fishing practices, maintain the coverage of sea turtle nesting beaches, maintain stable numbers of three species		

of sea turtles nesting in the beaches of the southern area of the Azuero Peninsula, maintain the coverage of 6,072.3 ha of mangroves in the ZEMMC, and improve the habitat for coastal marine biodiversity of global and local importance in the southern area of the Azuero Peninsula as a result of reduced contamination (trash, solid waste, and agrochemicals) and sedimentation (erosion control). The project will span 4 years with a total cost of USD 7,384,030; USD 1,780,822 financed through a GEF grant and USD 5,603,208 in parallel co-financing.

FINANCING PLAN

GEF Trust Fund	USD 1,780,822
UNDP TRAC resources	USD 0
Cash co-financing to be administered by UNDP	USD 0
(1) Total Budget administered by UNDP	USD

PARALLEL CO-FINANCING *(all other co-financing that is not cash co-financing administered by UNDP)*

UNDP	USD 724,938
Ministry of Environment (MiAmbiente)	USD 4,878,270
(2) Total co-financing	USD 5,603,208
(3) Grand-Total Project Financing (1)+(2)	USD 7,384,030

SIGNATURES

Signature: print name below	Agreed by Government	Date/Month/Year:
Signature: print name below	Agreed by Implementing Partner	Date/Month/Year:
Signature: print name below	Agreed by UNDP	Date/Month/Year:

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II. ACRONYMS AND ABBREVIATIONS

AMP	Panamanian Maritime Authority (Acronym in Spanish)
ANAM	Panamanian National Environmental Authority (Acronym in Spanish)
ARAP	Panamanian Office of Aquatic Resources (Acronym in Spanish)
ATP	Panamanian Tourism Authority (Acronym in Spanish)
AWP	Annual Work Plan
BDA	Agricultural Development Bank (Acronym in Spanish)
CBD	Convention on Biological Diversity
CDR	Combined Delivery Reports
CPAP	Country Programme Action Plan
CPUE	Catch per unit of effort
CREHO	Regional Center for the Western Hemisphere (Acronym in Spanish)
DICOMAR	Office of Coasts and Seas (Acronym in Spanish)
EAC	Environmental Advisory Committees
EMP	Environmental management plan
ERC	Evaluation Resource Centre
FAD	Fish aggregating device
FECI	Special Interest Compensation Fund
FSP	Full Sized Project
GEF	Global Environment Facility
GEFSEC	Global Environment Facility Secretariat
ha	hectares
IBA	Important Bird Areas
IEO	Independent Evaluation Office
IPAT	Panamanian Tourism Institute (Acronym in Spanish)
KBA	Key Biodiversity Areas
km	kilometers
LAC	Latin America and the Caribbean
LPAC	Local Project Appraisal Committee
MiAmbiente	Ministry of Environment (Acronym in Spanish)
MIDA	Ministry of Agricultural Development (Acronym in Spanish)
MINRE	Ministry of Foreign Affairs
MiPyME	Micro-, small-, and medium-sized businesses
M&E	Monitoring and evaluation
NBSAP	National Biodiversity Strategy and Action Plan
NGOs	Non-governmental organization
NIM	National Implementation Modality
PCU	Project Coordination Unit
PIF	Project Identification Form
PIGOT	Indicative Plan of Territorial Management (Acronym in Spanish)

PIR	Project Implementation Report
POPP	Programme and Operations Policies and Procedures
PPG	Project Preparation Grant
PPP	Public-private partnership
RCU	Regional Coordination Unit
RTA	Regional Technical Advisor
SBAA	Standard Basic Assistance Agreement
SDG	Sustainable Development Goal
SENAN	National Air and Naval Service of Panama (Acronym in Spanish)
SESP	Social and Environmental Screening Template
SIA	Interinstitutional Environment System (Acronym in Spanish)
SINAP	National System of Protected Areas (Acronym in Spanish)
TE	Terminal evaluation
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
VMS	Vessel monitoring system
WC	Watershed Committees
ZEMMC	Coastal Marine Special Management Areas

III. DEVELOPMENT CHALLENGE

1. The country of Panamá, with 2,988 kilometers (km) of coastline and 66,405 square kilometers (km²) of coastal areas, features high levels of biological and geographical diversity associated with three distinct water bodies: the Caribbean Sea and the Gulfs of Chiriquí and Panamá in the Pacific Ocean. The Pacific coast extends for 1,700 km, is irregular, and the continental shelf is quite large (an average depth of 200 meters) with a gradual slope. In contrast, the Caribbean coast extends 1,288 km, is more regular, and has a narrow continental shelf (535 km). The Panamanian ocean territory (12 miles) has an approximate surface area of 320,000 km².¹

2. Panamá has extensive areas of globally important coastal marine ecosystems. It is currently estimated that the country's mangroves represent 5.2% of the total forest cover (2.3% of the country's total surface area). The mangroves are most abundant in the Pacific coast (96.6%) where they cover an approximate area of 170,000 ha, plus more than 18,700 ha of dwarf mangrove populations in areas of high salinity.² With 11 species of mangroves, Panamá has the largest diversity of all of the countries on the American continent.³ In addition, Panamá has approximately 754 km² of coral reefs in the Caribbean Sea, primarily fringing reefs, with around 70 species of hard coral. In the Pacific, these species cover approximately 2,024 hectares (ha) among coral reefs and coral communities.⁴ Although there is no available information about the coverage of other ecosystems, there are five species of sea grasses, which are found principally in Colón in the Caribbean Sea and in the Gulf of Chiriquí in the Pacific. Approximately 150 rivers drain into the Caribbean and 350 discharge into the Pacific. This provides the source for numerous estuaries present in the river outfalls, which are areas of high biological productivity. In addition, there are numerous rocky, muddy, and sandy beaches. Among the more than 1,518 islands, islets, and keys present in Panamá, especially notable are the oceanic and continental islands of the Panamanian Cove (Ensenada de Panamá) and its surrounding waters that comprise one of the most dynamic and productive marine ecoregions of the southeastern Pacific. Of the eight sea turtle species in existence, five lay their eggs in the beaches of Panamá: leatherback (*Dermochelys coriacea*), loggerhead (*Caretta caretta*), green (*Chelonia mydas agassizii*), hawksbill (*Eretmochelys imbricata*), and olive ridley (*Lepidochelys olivacea*). The coastal marine area also provides habitat for numerous other species of global and national importance, such as the whale shark (*Rhincodon typus*), the tiger shark (*Galeocerdo cuvier*), the manta ray (*Manta birostris*), the humpback whale (*Megaptera novaeangliae*), the orca (*Orcinus orca*), the pantropical spotted dolphin (*Stenella attenuate*), the common bottlenose dolphin (*Tursiops truncatus*), the West Indian manatee (*Trichechus manatus*), the Caribbean spiny lobster (*Panulirus argus*), and hundreds of other fish, echinoderm, mollusk, and crustacean species. Highlighted among the marine plant species present in Panamá are mangroves (e.g., *Rhizophora mangle*, *R. harrisoni*, *Avicenia germinans*, *Laguncularia racemosa*, and *Pelliciera rhizophorae*) and sea grasses (e.g., *Thalassia testudinum*, *Syringodium*, *Halodule wrightii*, and *Halophila decipiens*).

3. Currently, Panamá has 105 protected areas that form part of the National System of Protected Areas (SINAP) that covers 38.66% of the country's territory. This includes terrestrial areas comprising 35.85% of the total area, and protected marine areas covering 2.81%.⁵ Additionally the country has three (3) Coastal Marine Special Management Areas (ZEMMC) with presence of fragile coastal marine ecosystems, nesting or rearing sites of globally important species, marshes, wetlands, coral reefs, and reproduction and rearing areas that, because of their ecosystem characteristics, require integrated coastal management. More specifically, in these areas coordinated strategies for the distribution of environmental, socioeconomic, and institutional resources must be developed and carried out, with the goal of achieving the conservation and sustained management of the coastal marine area. The ZEMMC include the Coastal Marine Special Management Area of the southern part of the Azuero Peninsula (292,970 ha), which was established through Resolution ADM/ARAP (Panamanian Office of Aquatic Resources) No. 095 on August 18, 2010, and is located on the Pacific coast between the Pocrí, Pedasí, and Tonosí districts in the Los Santos

¹ Datos generales e históricos de la Republica de Panamá. Available at: <https://www.contraloria.gob.pa>.

² Rodríguez, J. y Windevoxxel, N. 1998. Análisis regional de la situación de la zona marina costera centroamericana. Estudio preparado para el Banco Interamericano de Desarrollo, No. ENV-121. 103 pp.

³ ANAM-ARAP. 2013. Manglares de Panamá: importancia, mejores prácticas y regulaciones vigentes. Panamá: Editora Novo Art, S.A. 73 pp.

⁴ Garcés, H. 2013. Seminario-taller Zonas Costeras y Gestión Integrada de Recursos Hídricos. Estado Actual de los Ecosistemas Marino-costeros en Panamá.

⁵ Quinto Informe Nacional de Biodiversidad de Panamá. 2014. 114 pp.

province. The objective of this ZEMMC is to protect coastal marine resources, increase their productivity, and maintain biodiversity of its ecosystems, with the goal of improving the quality of life for the communities living in the area. It includes approximately 83,387.79 ha of marine protected areas, Important Bird Areas (IBA), and Key Biodiversity Areas (KBA): Island of Frailes del Sur, Isla Cañas Wildlife Refuge, Playa la Marinera Biological Reserve, and Isla Iguana Wildlife Refuge.

Threats to Coastal and Marine Biodiversity

4. Compared with the terrestrial area, historically the coastal marine area of Panamá has received very little attention despite the high levels of biodiversity present, and despite the fact that a large part of the economic activity as well as the population is concentrated within the coastal strip of Panamá. The coastal marine area is subject to numerous territorial and land use conflicts which brings about a negative impact on the biodiversity and coastal marine resources. The largest problems stem from an intensive use of the land that is not suitable for agricultural use as well as the expansion of the urban footprint. The change in land use from forest to agricultural and ranching activities has resulted in the loss of natural forest along the coastal strip, including mangroves. It is estimated that during the past 50 years more than half of existing mangroves have been cut down, from 360,000 ha in 1969 to around 170,000 ha in 2007.⁶ The loss of mangrove forests is also due to the development of unsustainable production practices related to the development of shrimp farms, production of charcoal, extraction of bark for tanning processes, extraction of wood for varied uses, and development of the coastal areas.

5. *Pollution:* The urban, industry, and tourism development sectors in the coastal areas, in addition to contributing to deforestation, are also the main sources of contamination through continuous runoff of wastewater to coastal waters and estuaries and the dumping of solid waste and trash directly into ecologically sensitive areas such as sea turtle nesting areas and mangroves. Contamination also affects coral reefs, such as those in the Bocas del Toro province and those surrounding the Comarca de Kuna Yala islands in the Caribbean Sea. In addition, these activities contribute to the degradation of beaches through the use of sand and gravel for construction activities. Agricultural development also contributes to contamination through the widespread use of agrochemicals (fertilizers and pesticides), which flow to coastal and marine waters through runoff, as well as sedimentation from high erosion—a product of unsustainable agricultural and ranching practices.

6. *Overexploitation of Marine Resources:* Activities within the fishing sector play an important role in the country's gross domestic product (0.6% in 2105). Nonetheless, industrial fishing using trawl nets in the Pacific for catching shrimp, anchovies, and herring, carries with it the capture of large quantities of immature individuals from multiple species that have little or no commercial value; this affects the reproductive potential of these species⁷ and alters the ecological balance of the coastal marine ecosystems. Small-scale/traditional fishing for commercial purposes, which primarily uses gillnets and other nets, also brings about negative effects as it impacts these and other species by capturing very different and uneven sizes from juveniles to adults. This is one of the principal threats in the ZEMMC in the southern part of the Azuero Peninsula, where minimum catch sizes are not respected, thereby threatening the sustainability of snapper (*Lutjanus spp.*) and grouper (*Epinephelus spp.*) populations, both of which are economically important to the local community.⁸ In the same regard, the pressure from unregulated fishing also represents a threat to fish populations in the ZEMMC of the Las Perlas Archipelago, as well as to the spiny lobster population in the ZEMMC of Bocas del Toro.

7. *Climate Change:* Last, coastal marine biodiversity is being affected by climate change. According to the First National Communication on Climate Change⁹, the coastal marine biodiversity that would be most affected are those that are exposed to the gradual and later permanent flooding resulting from sea level rise, particularly wetlands and beaches, as well as the biodiversity that is affected by increased erosion in the coastal areas. The loss of biodiversity due to climate change will mean a decrease of potential resources for national economic development, a decrease in the coastal communities' livelihoods, and the deterioration of ecosystem services. The changes that this threat

⁶ ANAM-ARAP. 2013. Manglares de Panamá: importancia, mejores prácticas y regulaciones vigentes. Panamá: Editora Novo Art, S.A. 73 pp.

⁷ IV Informe Nacional de Biodiversidad. 2010. 110 pp.

⁸ Arden & Price Inc. 2011. Plan de Manejo Marino Costero Integrado de la Zona Sur de la Península de Azuero. Autoridad de los Recursos Acuáticos (ARAP). 393 pp.

⁹ Autoridad Nacional del Ambiente - ANAM. 2000. Primera Comunicación Nacional sobre Cambio Climático. 126 pp.

carries with it have already begun to affect the coastal populations of the Bocas del Toro and Colón provinces, as well as Comarca Kuna Yala.

8. The long-term solution for safeguarding coastal and marine ecosystems in Panama is to incorporate the conservation and sustainable use of biodiversity into production landscapes and seascapes for the integrated environmental management of the coastal marine areas and for the benefit of the country's population. However, there are currently barriers that prevent the achievement of this goal:

<p>Limited tools and training for the integrated management of ZEMMC</p>	<ul style="list-style-type: none"> • There is no public policy specific to integrated coastal management; the existing regulatory framework is complex and overlaps with other frameworks, and the principal regulatory instruments originate from the Panamanian National Environmental Authority (ANAM), which was the agency charged with natural resource and environmental management in Panamá until 2015 when MiAmbiente replaced it. • Given that MiAmbiente was so recently established, its institutional structure for the integrated management of the ZEMMC is weak; the Office of Coasts and Seas (DICOMAR) does not have the operational guidelines and tools for effectively allocating human and financial resources for the conservation and sustainable use of coastal marine biodiversity outside of protected areas. • There is little interinstitutional coordination in the public sector for integrated environmental management in coastal marine production landscapes; there are numerous public institutions with different levels of responsibility for coastal marine management, which creates confusion as to jurisdiction, the allocation of efforts, and limits the exchange of information and knowledge. • The existing Environmental Advisory Committees (EACs) are not yet operational and have limited financial, technical, and organizational capacity to lead integrated coastal marine management at the local level and to advise MiAmbiente regarding the development of environmental policies and strategies that are meaningful at the district level. • There is limited capacity in MiAmbiente and in other national public institutions for monitoring the status of coastal marine biodiversity. • If indeed many of the country's ZEMMC have integrated management plans, they lack the financial resources to implement and sustain them.
<p>Barriers to the implementation of the ZEMMC integrated management plans, including the lack of incentives for development of biodiversity-friendly production systems</p>	<ul style="list-style-type: none"> • The local environmental officials (districts) have limited knowledge and few regulatory and technical instruments to plan and develop landscape-level initiatives with the private sector and civil society to effectively reduce threats to coastal marine biodiversity that result from unsustainable production practices. • There is a lack of incentives for the different production sectors (fishing, tourism, coastal development, and agriculture/cattle-ranching) to adopt production practices that are friendly to coastal marine biodiversity. • The participation of civil society in the management and sustainable use of coastal marine biodiversity is not permanent nor structured, due to the fact that there is little awareness of the value of biodiversity and ecosystem services. • Given that there is no permanent environmental monitoring of the ZEMMC the population dynamics of species of fish that are commercially and locally important are unknown, as are the quality of the coastal waters and the adjacent waterways, and the health of ecosystems that provide numerous services to the populations settled in the coastal areas.

Barriers to Gender Mainstreaming, Knowledge Management and Learning	<ul style="list-style-type: none"> • Limited participation of women in the design, implementation, and monitoring and evaluation of coastal marine biodiversity initiatives. • Women have limited knowledge and skills to promote coastal marine biodiversity conservation and its sustainable use, or when they are trained, this does not necessarily translate into equality in decision-making or distribution of benefits. • Limited opportunities and funding for women interested in adopting coastal marine biodiversity-friendly production practices, including limited access to credit, technical support, and other incentives. • There is no centralized information about the status of marine and coastal biodiversity and natural resources that would support decision-making for their conservation and sustainable use. • Lack of a mechanism for knowledge sharing and knowledge forums that will allow documenting and systematizing best practices and lessons learned regarding efforts for coastal marine biodiversity conservation and sustainable use in production land/seascapes limits opportunities for replication and scaling up.
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IV. STRATEGY

9. The project's objective is to mainstream the conservation and sustainable use of biodiversity into production land/seascapes for integrated environmental management of coastal marine areas and for the benefit of the coastal population. The Global Environment Facility (GEF) investment will counteract the loss of coastal marine biodiversity in a production land/seascape in the ZEMMC in the southern part of the Azuero Peninsula. This will be achieved through three interrelated outcomes as follows:

- Component/Outcome 1: Strengthening the regulatory and institutional frameworks
- Component/Outcome 2: Integrated environmental management of the target ZEMMC in the southern part of the Azuero Peninsula
- Component/Outcome 3: Gender Mainstreaming, Knowledge Management and Learning

10. **Outcome 1** will develop an enabling policy environment for the integrated environmental management of coastal marine production landscapes. To achieve this the project will develop a National Coastal and Marine Policy for coastal and marine spatial planning to guide the management of coastal marine areas, including the characterization and demarcation of the ZEMMC (to be approved through Ministerial Resolution and/or Executive Decree), and to guide the management of coastal marine areas in the country in coordination with relevant institutions, the traditional authorities of indigenous territories (*Comarcas*) and populations, and civil society. In addition, the project will strengthen institutional framework through the development of the organizational structure, operational guidelines, and the issuing of a Ministerial Decree, which will be supported by a needs assessment that will allow DICOMAR to assign personnel and increase government financial resources by 50% for the integrated environmental management of the coastal marine areas. The strengthening of the institutional framework will also include the establishment of national-level interinstitutional agreements to clarify competencies and include mechanisms for the effective coordination and exchange of information between MiAmbiente and public sector institutions that comprise the Interinstitutional Environment System (SIA); these include ARAP, Panamanian Maritime Authority (AMP), Panamanian Tourism Authority (ATP), Ministry of Agricultural Development (MIDA), Ministry of Housing and Land Development (MIVIOT), and other public agencies, which have the responsibility of managing the coastal marine areas. A training program for 200 technical staff and decision-makers, including women, in the national institutions and EACs that oversee the conservation and sustainable use of coastal marine biodiversity will increase national and local institutional capacity for the integrated environmental management of the coastal marine areas. The impact of the training program will be assessed through the GEF/United Nations Development Programme (UNDP) capacity development scorecard.

11. To further consolidate the necessary institutional support for the integrated environmental management of coastal marine production landscapes, an informational strategy to raise awareness among public and private decision-makers about the importance of conservation and sustainable use of biodiversity in the coastal marine production landscapes will be developed. In addition, the project will design financial strategies for the sustainability of the integrated environmental management of at least three (3) ZEMMC. The financial strategies will be developed together with the private sector and civil society so that these sectors can become active participants in the implementation of the actions needed for the sustainable funding of coastal marine management, which currently mostly relies on short-term specific projects. This strategy will help to overcome the existing financial barriers that prevent the management plans for the ZEMMC from being regularly updated and implemented.

12. Finally, technical tools will be made available to support coastal marine management. Through the project, protocols for the implementation of biodiversity-friendly practices and for ecosystem protection will be made available to the different production sectors: fishing, tourism, urban development, and farming/ranching.

13. **Outcome 2** will facilitate the conservation and sustainable use of coastal marine biodiversity of global importance and the ecosystems' provision of good and services to society through the integrated environmental management of the ZEMMC in the southern part of the Azuero Peninsula (292,970 ha). This component will help to reduce threats to coastal marine biodiversity and will be aligned with the management plan for the ZEMMC. To this end, the project will establish four (4) local interinstitutional cooperation agreements among environmental agencies (DICOMAR/MiAmbiente, ARAP, and municipalities) and the fishing, tourism, urban development, and agricultural sectors for the implementation of an integrated management plan for the ZEMMC, including forming management committees to effectively oversee coastal marine biodiversity conservation.

14. The project will work closely with the production sectors of the ZEMMC to reduce threats to coastal marine biodiversity and will contribute to the conservation of species and ecosystems of global, national, and local importance. To improve fishery sector practices, stricter regulations (including an ARAP Resolution) regarding the size of the small-scale fishing fleet and the types of small-scale fishing methods allowed for the extraction of fish species of commercial and local importance will be supported and approved through a participatory process. Concessions for communal fishing areas with management plans, defined with the participation of small-scale fishing cooperatives and environmental and fisheries officials, will be granted and informed through an economic analysis of the fishing sector to determine the catch per unit of effort (CPUE) and to establish the optimal effort for the sustainability of the fish species of commercial importance that will provide the greatest economic benefit for small-scale fishermen. This will serve to better organize the small-scale fishing sector, and a 10% increase in the average income of small-scale fishermen who adopt sustainable and biodiversity-friendly fishing practices is expected, and the populations of species of local importance will remain stable (e.g., grouper [*Epinephelus spp.*] and snapper [*Lutjanus spp.*]). By project's end, 20% of small-scale fishermen's cooperatives in the ZEMMC will have adopted sustainable and biodiversity-friendly fishing practices.

15. A local regulatory framework that is aligned with the Land Use Development Plans will be agreed upon with the urban development sector and the municipal authorities of the ZEMMC in the southern part of the Azuero Peninsula to regulate construction activities in areas of high ecological sensitivity (mangroves, sea turtle nesting beaches, dunes, coastal wetlands, and coral reefs). It will also be used to regulate the prevention, reduction, and control of land-based contamination and the management of trash and solid waste at the municipal level and among the coastal communities and the private sector (tourism, urban development, and agriculture), avoiding contamination of water bodies and degradation of mangroves. By project's end, specific sites for the disposal of wastes will have been established together with recycling activities to reduce the contamination of water bodies and the degradation of coastal ecosystems, particularly mangroves and beaches. To ensure the long-term sustainability of these actions and the associated biodiversity conservation benefits, tariff systems for collection and disposal of trash and other solid wastes will be agreed upon with the local population, the private sector, and municipal officials.

16. The project will further contribute to the conservation of mangroves through participatory zoning, protection and management for their preservation (5,547.6 ha), rehabilitation (30 ha), and sustainable use (494.7 ha). This strategy will establish a balance between the socioeconomic needs of the local communities that use mangroves and the ecosystem health of mangrove forests, avoiding loss in their coverage and preserving their structure. In addition, a participatory monitoring program will be established to assess changes in populations of fish

species of commercial and local importance, the quality of the coastal waters and adjacent waterways, and the health of key ecosystems (for example, sea turtle nesting beaches, mangroves, and coral reefs). The information derived from monitoring will be systematized and analyzed and made available through the national information system on coastal marine biodiversity (see Outcome 3) and through printed media to support decision-making for reducing threats to the marine and coastal biodiversity of the ZEMMC.

17. The project will make available mechanisms and technical support to incentivize the different sectors to adopt biodiversity-friendly production practices, including lines of credit available for micro-, small-, and medium-sized businesses (MiPyME) that participate in sustainable tourism and biodiversity-friendly fishing, with special consideration given to MiPyME led by women. This will be achieved with the participation of national and private banks and state agencies related to tourism and fisheries development the country. In addition, a national and international advertising campaign will be carried out to promote the ZEMMC of the southern part of the Azuero Peninsula as a destination in Panamá where tourism with low environmental impact and local social benefits can be practiced. The advertising campaign is aimed principally at promoting the image of tourism-related MiPyMEs and will include coastal cleanup activities together with local hotel staff, the municipalities, and the local population. Through ecological certification, MiAmbiente (or another competent authority) will recognize agricultural farms and cattle ranches that adopt sustainable production practices to reduce the use of agrochemicals and contribute to erosion control. Ecological certification will contribute to strengthening the corporate image and will provide a competitive advantage and differentiation in the market to farm owners who adopt biodiversity-friendly production practices. A public information campaign will increase awareness and local support for accessing the incentives proposed by the project and for the implementation of best practices to reduce threats to coastal marine biodiversity.

18. Finally, to facilitate the integrated environmental management of the ZEMMC in the southern part of the Azuero Peninsula, the project will train 300 people at the local level (local community members, small-scale fishermen, owners of MiPyMEs including women, owners of agricultural farms and cattle ranches, municipal authorities, among others) in sustainable and biodiversity-friendly practices, including sustainable fishing, pollution reduction and garbage and solid waste management techniques, the protection of beaches, mangroves, wetlands, and coral reefs, and as a strategy to promote the participation of women.

19. **Outcome 3** will allow systematizing best practices and lessons learned about coastal marine biodiversity conservation and its sustainable use in production landscapes and seascapes of the ZEMMC of the southern part of the Azuero Peninsula and to ensure that these are made available for use in other production landscapes and seascapes in Panamá. It will also support adaptive management so that the project integrates experiences that result during implementation of the activities in the new programmatic cycles of the project.

20. Also, through this component a national information system on coastal marine biodiversity will be developed that will allow the country to have for the first time centralized and systematized information about status and knowledge of coastal marine biodiversity. The information system will be a key tool for decision-making regarding conservation and ecological monitoring and will be developed with the participation of public institutions, the private sector (agriculture, tourism, urban development, and fishing), members of academia, and civil society, who will become the main users. The national information system on coastal marine biodiversity will include indicators and protocols for data gathering, as well as an office that is equipped (information platform, software, hardware, etc.) for its operation.

21. The project results as outlined in the project results framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results. The gender-mainstreaming plan, which will take into account the needs of women and outline activities that address gender-differentiated needs and impacts related to coastal marine biodiversity conservation and its sustainable use, will also be monitored through this project component. Finally, project-level monitoring and evaluation (M&E) will be undertaken in compliance with UNDP requirements as outlined in the UNDP Programme and Operations Policies and Procedures and UNDP Evaluation Policy.

22. The project design considers the assumption that strengthening the regulatory and institutional frameworks for the integrated environmental management of coastal marine production landscapes will contribute to the conservation and sustainable use of coastal marine biodiversity in Panamá, including the ZEMMC in the

southern part of the Azuero Peninsula, and to gender mainstreaming with equal benefits of men and women who inhabit coastal areas and depend on marine natural resources; this will help to overcome the identified barriers that limit the development of strategic planning and implement solutions to counter the loss of coastal and marine biodiversity (“Theory of Change”). The project strategy builds on the active participation of public, private, and civil society partners in Panamá, including small-scale fishermen and small farmers, and will result in the mainstreaming of biodiversity conservation objectives into coastal landscapes/seascapes and sectors in Panamá, generating global environmental benefits as well as social and economic benefits at the local level. The interrelated outcomes described above will be the means through which this is achieved (see Figure 2).

Global environmental benefits

Current practice (baseline)	Alternative to be put in place by the project	Global Environmental Benefits
The conservation of coastal marine biodiversity in production land/seascapes relies on a regulatory framework with overlapping functions and jurisdictions, limiting opportunities for interinstitutional programming	Strengthened national policy and institutional framework for integrated environmental management of coastal and marine production land/seascapes	<ol style="list-style-type: none"> 1. The populations of the selected fish species of commercial importance (snapper [<i>Lutjanus spp.</i>] and grouper [<i>Epinephelus spp.</i>]) remain stable by project’s end as a result of the use of fishing best practices. 2. The coverage (ha) of sea turtle nesting beaches remains stable. 3. The number of Olive Ridley (<i>Lepidochelys olivacea</i>) sea turtles that nest in the beaches of the southern area of the Azuero Peninsula (La Marinera and the Isla de Cañas) remains stable. 4. The coverage of mangroves (6,072.3 ha) in the southern area of the Azuero Peninsula is stable. 5. Habitat is improved for aquatic species in the southern area of the Azuero Peninsula as a result of reduced contamination (trash, solid waste, and agrochemicals) and sedimentation (erosion control). The species include: the leatherback sea turtle (<i>Dermochelys coriacea</i>), the fin whale (<i>Balaenoptera physalus</i>), and the sperm whale (<i>Physeter macrocephalus</i>), which are species that use the ocean waters adjacent to the Azuero
The recently established DICOMAR does not have the operational guidelines and tools for effectively allocating human and financial resources for the conservation and sustainable use of coastal marine biodiversity outside of protected areas	Organizational structure, operational guidelines, and funding mechanisms of the DICOMAR defined for effective coastal marine biodiversity conservation and sustainable use in production land/seascapes	
Efforts for monitoring the status and threats of coastal marine biodiversity are few, limiting effective decision-making regarding biodiversity conservation in production land/seascapes and integrated coastal management	Information management platform on coastal marine biodiversity, including biodiversity health indicators and protocols for data gathering, support decision-making.	
Lack of incentives for the different production sectors (fishing, tourism, coastal development, and agriculture/cattle-ranching) limits their ability to adopt production practices that are friendly to coastal marine biodiversity	Lines of credit available for MiPyME that participate in sustainable tourism and biodiversity-friendly fishing, national and international publicity campaign to promote sustainable tourism, and ecological certification accredited by MiAmbiente for the reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches, promotes the adoption of production practices that are friendly to coastal marine biodiversity	
Few legal and technical tools at the local level to plan and develop land/seascape initiatives to reduce threats to coastal marine biodiversity that result from	Local regulatory framework improved and aligned with municipal Land Use Development Plans regulates construction activities in high ecological sensitivity areas and allows for effective	

unsustainable production practices in the ZEMMC in the southern part of the Azuero Peninsula	trash and solid waste management in the municipalities, coastal communities, and by the private sector	Peninsula as a migratory route; the common bottlenose dolphin (<i>Tursiops truncatus</i>) and the spotted dolphin (<i>Stenella spp.</i>); and others.
Limited number of initiatives to promote the participation of civil society and the private sector in the management and sustainable use of coastal marine biodiversity	Participatory zoning, protection, and management of the ZEMMC in the southern part of the Azuero Peninsula promotes the conservation, rehabilitation, and sustainable use of mangroves; and coastal cleanup campaigns carried out with participation from the hotel/tourism sector and local communities	
Limited participation of women in coastal marine biodiversity conservation initiatives	Gender mainstreamed into coastal marine biodiversity conservation activities in the ZEMMC in the southern part of the Azuero Peninsula	

23. The GEF alternative scenario will mainstream conservation and sustainable use of biodiversity into production landscapes for the integrated environmental management of coastal marine areas and for the benefit of the coastal populations. It is framed within the GEF Biodiversity Focal Area strategy, more specifically Objective 4 (BD-4): *Mainstream biodiversity conservation and sustainable use into production landscapes/seascapes and sectors; Program 9: Managing the Human-Biodiversity Interface.*

24. The project will also contribute to achieving the Aichi Targets, particularly Target 1: By 2020, at the latest, people are aware of the values of biodiversity and the steps they can take to conserve and use it sustainably; Target 4: By 2020, at the latest, governments, businesses, and stakeholders at all levels have taken steps to achieve or have implemented plans for sustainable production and consumption and have kept the impacts of use of natural resources well within safe ecological limits; Target 6: By 2020, at the latest, all fish and invertebrate stocks and aquatic plants are managed and harvested sustainably, legally, and through applying ecosystem-based approaches, so that overfishing is avoided, recovery plans and measures are in place for all depleted species, fisheries have no significant adverse impacts on threatened species, and vulnerable ecosystems and the impacts of fisheries on stocks, species and ecosystems are within safe ecological limits; Target 8: By 2020, pollution, including from excess nutrients, has been brought to levels that are not detrimental to ecosystem function and biodiversity; and Target 12: By 2020 the extinction of known threatened species has been prevented and their conservation status, particularly of those most in decline, has been improved and sustained.

25. Panamá signed the Convention on Biological Diversity (CBD) on June 13, 1992, and it was ratified through Law No. 2 of January 17, 1995. The first National Biodiversity Strategy and Action Plan (NBSAP) of Panamá was completed in 2000. The project is consistent with the NBSAP, particularly with Strategic Objective No. 1: Promote change in the production systems to change practices that are destructive to biodiversity; Strategic Objective No. 5: Increase the participation of local and indigenous communities in the management, planning, administration, and sustainable use of biodiversity; Strategic Objective No. 7: Prevent, control, and minimize the adverse impacts of activities that bring environmental contamination and/or alter ecological processes in natural systems and decrease biodiversity; and Strategic Objective No. 12: Contribute to the conservation of global biodiversity.

26. The project is also consistent with the National Biodiversity Policy of Panamá (2008), which has the objective of implementing the National Biodiversity Policy as the main tool of a national strategy to articulate biodiversity sustainability with economic and social development processes in order to improve the country's competitiveness, the quality of life, eradicate poverty, subsistence, the integration of the populations, and sustainable development. The 4th and 5th National Biodiversity Reports to the CBD emphasize conservation of biodiversity and integrated management of the country's coastal marine areas; the project is aligned with these objectives and will contribute to their realization.

27. The project is also consistent with General Law 41 of the Environment (1998), which in its Article No. 2 defines the concept of national environmental territorial management as: “the process of planning, evaluation, and control directed to identifying and programming human activities that are compatible with the use and management of natural resources in the national territory, respecting the carrying capacity of the natural environment to preserve and restore ecological balance and protect the environment, as well as ensure the well-being of the population.” The Indicative Plan of Territorial Management (PIGOT) of Panamá has the objective of guiding the settlement of the population, the economic activities, and infrastructure development in a harmonized way, considering criteria for economic growth, social development, security, defense, and environmental conservation, based on the knowledge of their ecological, social, and cultural aptitudes, their carrying capacities, and the inventory of renewable and non-renewable natural resources. Through its actions for the integrated management of the coastal marine areas, the project will contribute to environmental territorial management according to that established by the PIGOT.

28. The project is also aligned with the United Nations Development Assistance Framework (UNDAF) 2016-2020 for Panama; the project will contribute to Outcome 3.2: By 2020, the State has strengthened its capacities for the design and implementation of Policies, Plans and Programs that contribute to environmental sustainability and food and nutrition security, adaptation to climate change, reducing disaster risk and building resilience (Strategic Area 3: Environmental Sustainability and Inclusive Growth). In addition, the project is part of UNDP’s effort to support the progress of Panama towards achieving the Sustainable Development Goals (SDGs). In particular, the project will contribute to achieving the following SDGs: Goal 1: End poverty in all its forms everywhere; Goal 2: Zero hunger; Goal 5: Achieve gender equality and empower all women and girls; Goal 12: Ensure sustainable consumption and production patterns; Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

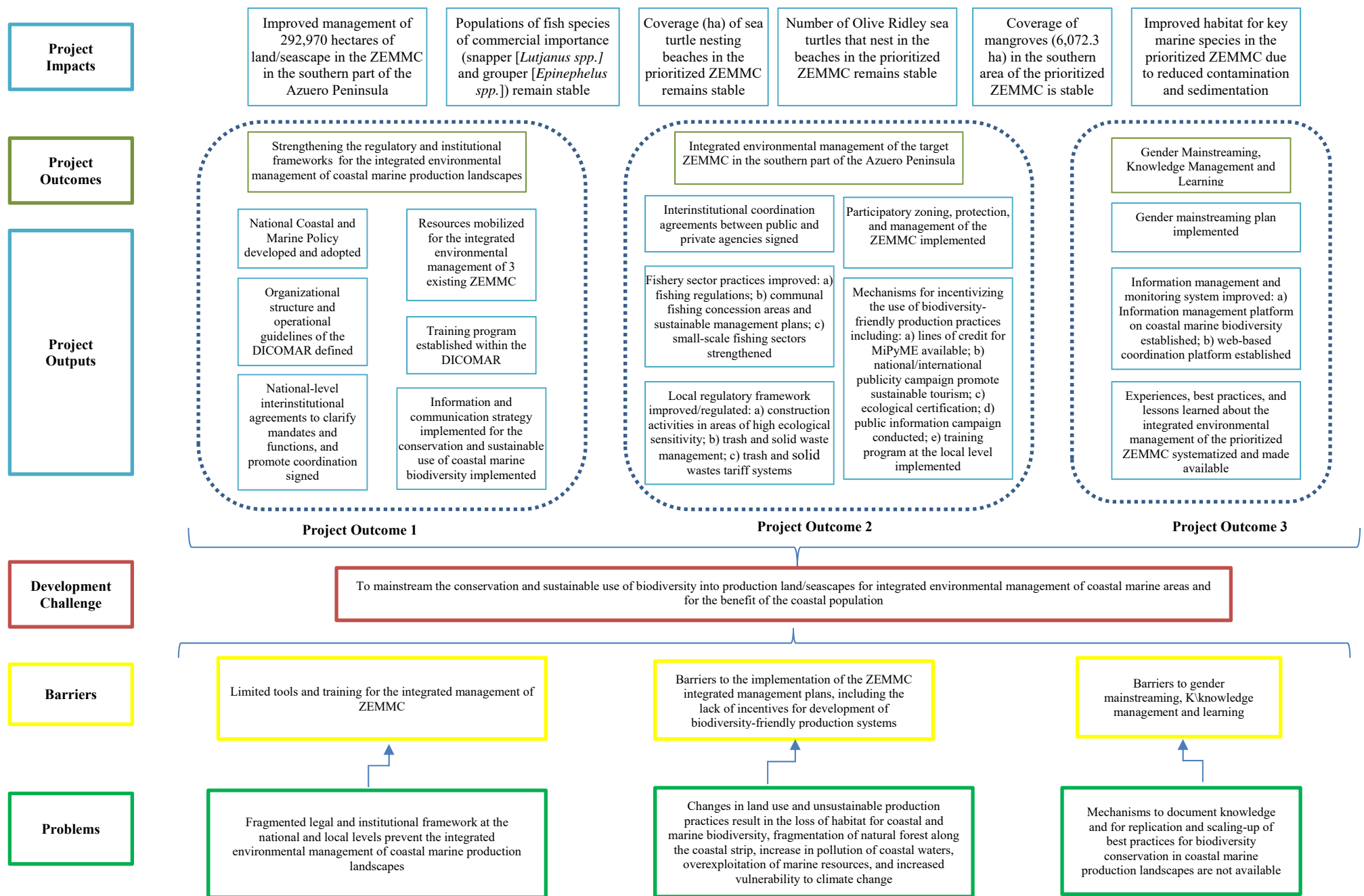


Figure 1. Theory of Change

Baseline scenario

29. For safeguarding coastal and marine ecosystems in Panama, the government has established the MiAmbiente in 2015 (Law 8 of 2015), which adopted the competencies, powers, functions, and references related to coastal marine integrated management. The Law also modified provisions of the ARAP and provided the guidelines for the establishment of EACs, as local-based advisory bodies to MiAmbiente. Nevertheless, MiAmbiente must be strengthened to create a political and institutional environment so that the necessary technical and political tools may be developed through the DICOMAR to effectively manage the coastal marine environment, in coordination with the relevant national and local institutions (districts). In addition, the Government of Panamá recognizes that the incorporation of biodiversity conservation objectives into various sectors is a central aspect for the implementation of the NBSAP, and to honor its commitments within the framework of the CDB. To achieve this goal, territorial management and the integrated management of the coastal marine areas of the country have been identified as tools that will allow the conservation of biodiversity in production landscapes¹⁰, and coastal marine integrated management plans have been developed for a number of the ZEMMC. Nevertheless, there has been little progress made in implementing the management plans because of weak national and local institutional capacities and the limited availability of financial resources.

30. The problem that the baseline activities attempt to address is preventing the degradation and loss of biodiversity in the coastal marine areas of Panamá. Through the project *Improving capacities through a Wetlands Comprehensive Plan in the Republic of Panama*, MiAmbiente/Regional Center for the Western Hemisphere (CREHO) will invest \$757,806 USD. This 5-year investment (2015-2020) will improve capacities for the assessment, management, and communication about the environmental health of wetlands in Panamá, following the guidelines established by the Ramsar Convention and the National Wetland Policy. In addition, through the project *Development of Sustainable Economic Alternatives as Sea Turtle Conservation Strategy in coastal areas of the Pacific and Caribbean in Panama*, MiAmbiente will invest \$175,000 USD for the conservation of sea turtles that nest on the beaches of Panamá and use coastal marine waters as feeding areas.

31. UNDP will invest \$654,938 USD to support the modernization of environmental management in Panamá. MiAmbiente leads this process in collaboration with various non-governmental and governmental organizations, in order to develop strategies such as the National Water Security Plan, National Wetland Policy, the update of the Panama Wetlands Inventory, the Million of Hectares Reforested project, among others, and to build capacities around these subjects. As part of this effort, MiAmbiente will invest \$852,036 USD from government funds. Finally, MiAmbiente will invest through its recurrent budget approximately \$3,093,428 USD for KBA management (Isla Iguana Wildlife Refuge, Isla Cañas Wildlife Refuge, and Pablo Arturo Barrios Wildlife Refuge) over the next four years. In the Azuero Peninsula and in particular for the ZEMMC, additional funding is being seek for the period 2016-2019 for sea turtle conservation (Isla de Cañas Wildlife Refuge), mangrove reforestation, and coastal management including addressing sanitation issues.

Project area

32. The project area of influence covers 292,970 ha in the ZEMMC in the southern part of the Azuero Peninsula, which includes IBAs and KBAs such as the Island of Frailes del Sur, Isla Cañas Wildlife Refuge, Playa la Marinera Biological Reserve, and Isla Iguana Wildlife Refuge. These areas are home to a rich coastal and marine diversity, and provide key ecosystem services to local communities including rich brackish and marine fish stocks of local importance and recreational areas key for ecotourism. In addition, coastal mangroves contribute to building ecosystem resilience to climate change and protection from storms. The southern area of the Azuero Peninsula is part of the Los Santos Province (Figure 2). A complete description of the project area is included in Annex N.

¹⁰ IV Informe Nacional de Biodiversidad. 2010. 110 pp.

recommendations made by the coastal and marine authorities (e.g., MiAmbiente, ARAP, AMP, etc.), which will be validated through at least two (2) consultation workshops held with local stakeholders. The final document will be drafted considering the feedback provided during the validation and consultation process, and will be made available to the public through various mechanisms such as MiAmbiente's website, distribution of hard copies, posted on social media, etc. This National Coastal and Marine Policy will constitute an effort to support the initiative for the Modernization of Environmental Management in Panamá.

35. The National Coastal and Marine Policy will also serve to regulate the approval of ZEMMCs through Ministerial Resolution and/or Executive Decree, and will be based on extensive public consultation. The project will make use of an existing draft of this regulation that will be revised and updated as needed, and then subjected to public review and validation. Once the policy and the regulation for establishing ZEMMCs are approved, the ZEMMC in the southern area of the Azuero Peninsula will be properly delineated, its boundaries demarcated, and the ZEMMC will be officially established. In addition, the Coastal Marine Management Plan of the ZEMMC in Southern Azuero Peninsula will be updated and legally approved through Ministerial Resolution, and is expected to be endorsed by the local communities and other stakeholders.

Output 1.2. Organizational structure and operational guidelines of the DICOMAR defined for effective integrated environmental management of the coastal marine areas, including external disclosure and analysis of institutional capacities to identify strengths and needs for coastal marine management at the national level.

36. The project will assess the current organizational and operational guidelines of DICOMAR/MiAmbiente to identify any weaknesses and outline a strategy for its strengthening. This will include an institutional capacity assessment to promote the integrated environmental management of coastal marine production landscapes in Panamá. It will also include an assessment of the financial needs for its operation and the resources needed for the proper management of the country's ZEMMCs. The strategy for strengthening DICOMAR will include an organizational analysis through review of the agency's organizational charts and hierarchical structures; its staffing, technical, training, and financial needs; and its operational mechanisms. Existing communication and information-sharing mechanisms and procedures for promoting interinstitutional cooperation will also be assessed. In addition, the strategy will include the development of an Action Plan, which will be made available to the public through communication and/or awareness-raising campaigns to inform about the institutional roles and responsibilities of DICOMAR. The strategy for the organizational and operational strengthening of the DICOMAR will be submitted for consideration by the governing boards and heads of MiAmbiente for approval.

37. DICOMAR is directly responsible for planning, implementing, and monitoring initiatives, as well as developing programs and projects related to ZEMMC management and marine-coastal biodiversity conservation in coastal production landscapes/seascapes. As a result of the project, the capacity of DICOMAR to coordinate actions in this regard with other offices within MiAmbiente (e.g., Office for the Protection of Environmental Quality, Office of Protected Areas and Wildlife, Office of Forest Management, and the Climate Change Unit) and other government agencies (e.g., ARAP, and MIDA), municipalities, EACs, Watershed Committees (WC), non-governmental organizations (NGOs), and the private sector will also be strengthened.

Output 1.3. Strengthening of existing interinstitutional coordination structures in order to clarify mandates and functions of individual agencies to establish effective mechanisms for coordination and information exchange between DICOMAR /MiAmbiente and public sector institutions such as the SIA (Office of Aquatic Resources – ARAP, Panamanian Maritime Authority – AMP, Panamanian Tourism Authority – ATP, Ministry of Agricultural Development – MIDA, Ministry of Housing and Land Development – MIVIOT, etc.).

38. To strengthen existing interinstitutional coordination structures for promoting the integrated environmental management of coastal marine production landscapes, an assessment of the existing interinstitutional coordination mechanisms will be conducted, which will include consultations with public sector institutions and local stakeholders. Areas of overlapping mandates and responsibilities for coastal and marine management will be identified, as well as any existing mechanisms for cooperation that have the largest positive impact on specific cases of coastal and marine management, so that they may be strengthened and replicated. The assessment will include the following activities: a) analysis of existing structures, legal framework, and functions of public sector institutions that are part of the Interinstitutional Environment System (SIA), including ARAP, AMP, ATP, MIDA, and MIVIOT, among others, and an analysis of the different coordination mechanisms that exist in

MiAmbiente's legislation so as not to create new coordination legal figures but rather to use those already in place; b) drafting of proposals for enhancing the mechanisms for coordination and information exchange between DICOMAR /MiAmbiente and SIA institutions, including mechanisms for communication and conflict resolution, and holding meetings and workshops with these and other stakeholders to share the findings of the assessment and proposals for enhancing interinstitutional coordination structures; c) reaching agreements on the most appropriate interinstitutional coordination structures for the integrated environmental management of coastal marine production landscapes; and d) operationalizing such structures through an Action Plan that will be defined jointly by all the participating institutions, and which will include periodic interinstitutional evaluations to assess the progress in integrated environmental management of coastal marine areas in the country.

Output 1.4. Public, private, and civil society resources mobilized for the sustainability of the integrated environmental management for three (3) existing ZEMMC.

39. Currently there are three ZEMMCs in Panama: the Las Perlas Archipelago ZEMMC established in 2006, the ZEMMC in the southern part of Veraguas Province established in 2008, and the ZEMMC in the southern part of the Azuero Peninsula established in 2010. Although the ZEMMCs have integrated management plans, they lack the financial resources to implement them. Progress in the implementation of these plans has relied on limited government funding and on specific projects and donors, which have not been sufficient to sustain actions or achieve conservation and management objectives. Accordingly, the project will develop a financial strategy for the sustainability of the integrated environmental management of the three existing ZEMMCs. This will include a review of the integrated management plans and current budgets, as well as an assessment of the investment needs against conservation goals. Based on this assessment, the project will develop a strategy to secure additional financial resources for integrated management plans from public, private, and civil society sources. Government funding may include: a) an increase in government allocations for coastal and marine management; b) strategic financial prioritization to secure grants and international cooperation funds; c) payments from environmental licenses, permits, and contracts for access to or use of coastal and marine resources; and d) fines related to negative impacts to coastal and marine biodiversity.

40. An analysis of alternatives for the generation of nongovernmental financial resources for the sustainable management of the ZEMMC may include: a) willingness to pay for coastal and marine ecosystems services and potential for revenue generation; b) indirect market conservation benefits through additional payments or premiums from buyers of coastal and marine sustainable products; c) biodiversity offset mechanisms (i.e., ecological compensation); and d) voluntary contributions. In addition, public-private partnerships (PPPs) for coastal and marine natural resources management, including concessions for the management of coastal and marine areas of biological importance, will be explored. The analysis of alternatives will include legal feasibility and transfer fund mechanisms for the financial options considered. In addition, business plans for each ZEMMC to better engage donors, the private and civil sectors, and the government to facilitate the mobilization of funds for the integrated environmental management of the three ZEMMCs will be developed, including short- and long-term financial needs and different financial scenarios to achieve conservation goals.

Output 1.5. Training program established within the DICOMAR on planning, management, and monitoring and control of integrated environmental management of coastal marine areas and at least 200 staff trained by the project's completion.

41. The project will improve the capacity of DICOMAR and the Office of Protected Areas and Wildlife (DAPVS) staff for enhanced planning, management, and monitoring and control within the integrated environmental management of coastal marine areas, through the training of field (regional) and central office officials on marine-coastal issues such as restoration and reforestation of marine-coastal wetlands (including mangroves); endangered species monitoring (e.g., marine mammals and sea turtles); integrated coastal management, surveillance, and control; and local community engagement. Further training needs will be identified during project implementation as the training of officials from other government agencies with responsibilities related to coastal marine management and other sectors that can benefit from the knowledge imparted, will be considered. Training modules and materials will be designed related to the topics identified, and up to 200 officials will be trained by the end of the project through workshops, seminars, short courses, and field visits/knowledge-sharing to coastal-marine areas where biodiversity conservation and threat reduction will be promoted. The impact of the training program will be

assessed through interviews and follow-up conducted in the field about what was learned and through the application of the UNDP Capacity Development Scorecard (the scorecard will be applied twice more during the life of the project: at the mid-point and at finalization).

Output 1.6. Information and communication strategy implemented raises awareness among public and private decision-makers of the importance of conservation and sustainable use of coastal marine biodiversity.

42. The project will implement an information and communication strategy to increase the awareness of the public, government officials, and groups or organizations living in the ZEMMC about the importance of mainstreaming coastal marine biodiversity conservation objectives into decision-making and for the implementation of measures to reduce threats, principally the expansion of agricultural lands and the urban footprint, non-sustainable tourism, pollution, overexploitation of marine resources, and climate change. The communication strategy will include the development of innovative communication tools to create two-way communication mechanisms between coastal marine environmental authorities, local communities and organizations, and the private sector to facilitate the integrated management of the ZEMMC. These mechanisms will allow finding solutions for identified issues related to coastal marine biodiversity and its sustainable use considering local communities' views and needs and will help the local communities and sectors to gain confidence in the authorities, whom they tend to distrust. The communication mechanism to be used by the project will be identified through a participatory process and will include the technologies to be used, delivery of information and communication (messaging), and procedures for reporting grievances and complaints. The information and communication strategy will closely align with the project's Stakeholder Engagement and Communication Plan (Annex K), which will ensure the equitable participation of women and local communities, among other stakeholders.

Component/Outcome 2: Integrated environmental management of the target ZEMMC in the southern part of the Azuero Peninsula

43. This project component will facilitate the conservation and sustainable use of coastal marine biodiversity of global importance and the ecosystems goods and services provided to society through the integrated environmental management of the ZEMMC in the southern part of the Azuero Peninsula (292,970 ha). Threats to coastal marine biodiversity will be reduced in line with the management plan for the ZEMMC.

Output 2.1. Four local (4) interinstitutional agreements developed and signed for cooperation among public (DICOMAR/ MiAmbiente, ARAP, and municipalities) and private environmental agencies and the fishing, tourism, urban development, and agricultural sectors for implementation of an integrated management plan for the target ZEMMC.

44. The project will establish four (4) local interinstitutional cooperation agreements among environmental agencies (DICOMAR/Ministry of the Environment, ARAP, and municipalities) and the fishing, tourism, urban development, and agricultural sectors for the implementation of an integrated management plan for the ZEMMC, including forming management committees to effectively oversee coastal marine biodiversity conservation. The four agreements are:

- a. Interinstitutional agreement between ARAP, fishermen's associations, and the National Air and Naval Service of Panama (SENAN) to reduce illegal and unregulated fishing practices and improve monitoring and control. This will include close coordination with fishermen's associations in forming a group of fishermen "monitors" who will report illegal fishing practices, contribute to enforcing related regulations, and promote biodiversity-friendly fishing practices. Social media networks will be established (e.g., through WhatsApp) and the fishermen will be trained to report violations and file complaints using a standardized process.
- b. Local interinstitutional agreement with private sector entities to establish a land use plan with emphasis on sustainable land use and production practices, mangrove protection, management and disposal of solid waste, and the reduction and gradual elimination in the use of agrochemicals that are not environmentally friendly (i.e., inorganic fertilizers, pesticides, and insecticides). This will include a technical study and proposal for land use planning, which among other things will provide information on the health of key

ecosystems (i.e., mangroves, beaches, and coral reefs) and living marine resources and how these are affected by residues of agrochemicals in sediments.

- c. Local interinstitutional agreement for the use of trammel nets in the fishing area of the ZEMMC regulating the size of the mesh eye and the season of use. The agreement will propose a total ban of an eye mesh size over 3.5 inches and for smaller eye mesh sizes restrict their use to the dry season only. Fishing with trammel nets will be regulated gradually so that fishermen can adapt to the new fishing practices. The use of a fishing log and an agreement not to give fishing permission or license in the absence of information will be established under this agreement.
- d. Interinstitutional agreement between local authorities, national police, national environmental authorities, the private sector, local communities, NGOs, and other stakeholders for the development of a participatory plan to control the extraction and sale of turtle eggs, as well as a plan to mitigate the impact of beachfront lights during turtle nesting season. The project will explore the creation of a local cooperative for the legal and rational use of turtle egg, following the experience of the Ostional National Wildlife Refuge in Costa Rica where the Ostional Integral Development Association is authorized and supervised by the Energy and Environment Ministry for the legal and rational use of the eggs during the first hours of arrival of the olive Ridley turtle. Activities will be closely monitored, and based on the best scientific information, standards will be adopted to improve light management close to turtle nesting sites.

Output 2.2. Fishery sector practices improved through:

a) Stricter regulations (including ARAP Resolution) of size of the small-scale fishing fleet and the type of small-scale fishing methods allowed for the extraction of species of fish of commercial and local importance.

45. The project will develop stricter regulations to control the activities of fishing vessels in the area of the ZEMMC in close coordination with ARAP, DICOMAR, and in consultation with the fishermen's associations. This will include the development a fishing logbook for use by the small-scale fishing fleet. Riparian fishing permits will only be processed and approved for those small-scale boats that comply with providing catch information. There is currently an obligation to fill out a fishing logbook, but the mechanism for collecting and using the information is not fully implemented in the ZEMMC. The project will review the mechanisms in place for collect information for fisheries management and will develop additional guidelines and procedures to collect data so that the best scientific information is available for decision-making to promote sustainable fishing practices.

46. Guidelines will also be developed to improve the surveillance of foreign, small-scale, and national industrial fleets through WhatsApp networks and a hotline number for calls that is linked to the local police. This activity will complement the activities to be developed under Output 2.1 that establish an interinstitutional agreement between ARAP, fishermen's associations, and SENAN to reduce illegal and unregulated fishing practices and improve monitoring and control.

b) Development of communal fishing concession areas and sustainable management plans with participation of small-scale fishing cooperatives and environmental and fisheries officials, informed by economic analysis to determine the catch per unit effort (CPUE) and optimal efforts for the sustainability of the fish species of commercial importance and to determine options for the greatest economic benefit for small-scale fishermen.

47. The development of communal fishing concession areas and sustainable management plans for the ZEMMC in the southern part of the Azuero Peninsula will be based on the establishment of a co-management plan for fishing activities in the ZEMMC following the guidelines of the Coastal Marine Management Plan for the area. The establishment of communal fishing concession areas will be based on an assessment of current fishing activities and their impacts, and the presence of local and global biodiversity; areas for conservation, co-management, and "no fishing" would be identified as a result of this study, which will include the active participation of small-scale fishing cooperatives and fishermen in the ZEMMC.

48. Specific areas for fish landings will also be defined and mechanisms for the delivery of the fishing log will be agreed upon. In addition, a fishing vessel monitoring system (VMS) will be introduced for each fishing vessel operating in the ZEMMC, and anchored fish aggregating devices (FADs) and other artifacts that attract fish, such as artificial reefs, will be established following a cost/benefit analysis and using non-polluting materials.

49. The development of communal fishing concession areas and sustainable management plans will also consider an economic analysis performed to determine the CPUE and the optimal effort for the sustainability of fishing of species of commercial interest and the greatest economic benefit for small-scale fishermen. A fishery statistics system will be developed and data will be collected, tabulated, and analyzed to determine the aspects of population dynamics in order for the small-scale fishing cooperatives and environmental and fisheries officials to have the best possible information for decision-making regarding the management of fish stocks in the communal fishing concession areas. A prospecting study will also be carried out to identify other potential species for fishing in order to diversify and make the current fishery more sustainable. The fishery statistics system will include data regarding the costs of small-scale fishery operations with the objective of scaling the cost/benefit ratio in the communal fishing concession areas. Data regarding the behavior of the markets, including supply and demand, transportation, pricing, and cultural aspects will be used to ensure the sustainability of fisheries from a socioeconomic perspective.

c) Support provided for strengthening of the small-scale fishing sectors, including cooperatives.

50. The project will strengthen the small-scale fishing sectors, including cooperatives by making available incentives for responsible fishing, including the certification of biodiversity-friendly fishing practices, a compensation mechanism or award for responsible fishing for fishermen associations and cooperatives that perform better according to previously defined parameters that are known to all fishermen, and small grants to promote sustainable small-scale fishing, which will be released following UNDP Guidance on Micro-Capital Grants. In addition, a training plan for fishermen's cooperatives and associations in fisheries administration, communal fishing concession areas management, and conservation of fish populations and biodiversity as part of the sustainable management plans for the concession areas will be implemented. Information on morphometrics and size structures of snapper and grouper species that are captured with the various fishing systems in the ZEMMC to assess the status of their populations will be collected. This will be complemented with a capacity development plan for families involved in fishery activities, with a focus on women, to improve fish products (e.g., pickled tuna) and provide technical assistance and training to promote entrepreneurship. The capacity development plan will also include training for fishermen in such aspects as GPS management, fishery data collection, engine maintenance, and conservation issues, among other topics. Finally, the project will promote the decentralization of functions of ARAP by empowering its regional office in the ZEMMC to issue fishing permits and licenses and for enforcing and monitoring their implementation.

Output 2.3. Local regulatory framework improved and aligned with the Land Use Development Plans regulates:

a) Construction activities in areas of high ecological sensitivity (mangroves, sea turtle nesting beaches, dunes, coastal wetlands, and coral reefs) in the ZEMMC of the southern part of the Azuero Peninsula.

51. A local regulatory framework that is aligned with the Land Use Development Plans will be agreed upon with the urban development sector and the municipal authorities of the ZEMMC in the southern part of the Azuero Peninsula to regulate construction activities in areas of high ecological sensitivity (mangroves, sea turtle nesting beaches, dunes, coastal wetlands, and coral reefs). Specific activities include: a) apply the Best Practices Guide on construction in beach areas and tropical coasts. This will include the adoption of local agreements for land use planning that includes the regulation of constructions in areas surrounding the mangroves, limiting the installation of lights in or near sea turtle nesting beaches, and the protection of sea turtle nesting areas and coral reefs from construction remains and related pollution; b) promote the approval by the DICOMAR of the Land Use Plans for each district within the ZEMMC. This will include establishing a coalition of local stakeholders to sign letters of support and lobbying for the final approval of the plans by MiAmbiente; and c) define an action plan to implement the portion of the Coastal Marine Management Plan for the southern part of the Azuero Peninsula approved by ARAP in 2011, which entails the regulation of construction activities in areas of high ecological sensitivity (mangroves, sea turtle nesting beaches, dunes, coastal wetlands, and coral reefs).

b) Trash and solid waste management in the districts (municipalities), the coastal communities, and by the private sectors (tourism, urban development, and agriculture) avoiding contamination of water bodies and degradation of mangroves.

52. The project will allow regulating the prevention, reduction, and control of land-based contamination and the management of trash and solid waste at the municipal level, and among the coastal communities and the private sector (tourism, urban development, and agriculture), avoiding contamination of water bodies and degradation of mangroves. By project's completion, specific sites for the disposal of wastes will have been established together with recycling activities to reduce the contamination of water bodies and the degradation of coastal ecosystems, in particular mangroves and beaches. To this end, the project will sign municipal agreements (Pocrí, Pedasí, and Tonosí districts) to eliminate non-recyclable materials (e.g., foam, cartridges) accompanied by a replacement plan with recyclable materials to meet local demand (e.g., paper plates, reusable bags, etc.). In addition, an assessment will be conducted to determine the sites that are technically and environmentally suitable for the establishment of controlled landfill disposal sites. It will also evaluate the convenience or not of one or two sites for disposal of solid waste by municipality in the region. Based on this assessment municipal landfills that are currently located near water sources and water bodies will be relocated and a recycling system for aluminum, plastic, tetrapak, and organic materials will be put into operation, thus reducing the amount of waste, and install an improved system for the treatment of leachates. Finally, monitoring protocols will be drafted to periodically assess the presence of contaminants from trash and solid waste in water bodies and degradation of mangroves.

c) Tariff systems for collection and disposal of trash and other solid wastes.

53. To ensure the long-term sustainability of the collection and disposal of trash and other solid wastes and the associated biodiversity conservation benefits, tariff systems for collection and disposal of trash and other solid wastes will be agreed upon with the local population, the private sector, and municipal officials. An assessment of the current fee system in each municipality (Pocrí, Pedasí, and Tonosí districts) will be completed, which will include an analysis of the actual cost of waste collection. Also, existing practices for the collection and disposal of trash and other solid wastes, as well as the volume of wastes produced and the capacity of existing landfills will be assessed. A cost analysis of the establishment and/or relocation of landfills and the way it translates into the cost for the users, including the collection of household and commercial waste, will also be carried out. In addition, an analysis of the costs and benefits of having an incineration system for toxic, dangerous, organic and hospital waste will be carried out.

54. Based on the assessment results, the tariff system for each municipality will be updated and a more environmentally friendly collection and disposal system will be proposed with the participation of district authorities. An awareness and communication campaign will be conducted to inform the public and private sectors about the adjusted of tariff systems for collection and disposal of trash and other solid wastes and the associated environmental benefits.

Output 2.4. Participatory zoning, protection, and management of the ZEMMC implemented, contributing to the preservation (5,547.6 ha), rehabilitation (30 ha), and sustainable use (494.7 ha) of mangroves, and participatory monitoring program establishes changes in populations of fish species of commercial and local importance, the quality of the coastal waters and adjacent waterways, and the health of key ecosystems (sea turtle nesting beaches, mangroves, coral reefs, etc.).

55. The project will further contribute to the conservation of mangroves through participatory zoning, protection, and management for their preservation (5,547.6 ha), rehabilitation (30 ha), and sustainable use (494.7 ha). This strategy will establish a balance between the socioeconomic needs of the local communities that use mangrove and the ecosystem health of mangrove forests, avoiding loss in their coverage and preserving their structure. In addition, a participatory monitoring program will be established to assess changes in populations of fish species of commercial and local importance, the quality of the coastal waters and adjacent waterways, and the health of key ecosystems (for example, sea turtle nesting beaches, mangroves, coral reefs, etc.). The monitoring information derived will be systematized and analyzed and made available through the national information system on coastal marine biodiversity (see Component 3) and through printed media to support decision-making for reducing threats to the marine and coastal biodiversity of the ZEMMC.

56. Specific activities include: a) complete a ZEMMC mangrove inventory, including an assessment of degradation and deforestation in the last 20 years; b) develop strategic guidelines for the zoning of mangroves in the ZEMMC and designating its use according to the ecological and health characteristics of the mangrove; c) develop a mangrove recovery program based on a rapid assessment of mangrove conditions, including the identification of

recovery and conservation zones, multiple-use areas, and production areas; d) rehabilitation of 30 ha of mangrove in areas such as Refugio Pablo Arturo Barrios (El Toro Beach, Pedasí River, Purio) and the estuaries of the Oria, Cañas, and Mensabe rivers; e) rehabilitation of 35 ha (> 25 km) of riparian forests in the ZEMMC; f) assess the level of mangrove and river and coastal pollution in the ZEMMC through participatory monitoring; and g) establish a digital geographic information system (GIS) to assess future changes in forest cover in the ZEMMC.

Output 2.5. Mechanisms established for incentivizing the use of biodiversity-friendly production practices available including:

a) Lines of credit, small grants, and incentives available for MiPyME that participate in sustainable tourism and biodiversity-friendly fishing.

57. Within the framework of Law 80/2012 for Tourism Incentives, the project will facilitate access to for MiPyME that participate in sustainable tourism and agrotourism to the different incentives available, which includes tax exemptions (property tax and tourism income tax) as well as exemptions for imported materials for sustainable tourism. Similarly, the project will explore options for MiPyME that participate in biodiversity-friendly fishing to access favorable credits from the Agricultural Development Bank (BDA) of Panama. The project will promote the associativity among fishermen so that it is easier for them to access favorable credits since traditionally fishermen have difficulty in approving loans as individuals. The project will also explore the possibility for the recognition of fishing by the government as an activity that can be favored through the Special Interest Compensation Fund (FECI), established in 1994 to promote agriculture and livestock production and which also benefits aquaculture. MiPyME that participate in biodiversity-friendly fishing may also benefit from small grants to be provided by the project, which will be released following UNDP Guidance on Micro-Capital Grants. The project will provide support to the MiPyME by provide training and technical guidance to help them fulfill the requirements established by the financial institutions.

b) National and international publicity campaign to promote sustainable tourism in the ZEMMC of the southern part of the Azuero Peninsula.

58. The project will design and implement a publicity campaign to promote sustainable tourism in the ZEMMC in coordination of the Panamanian Tourism Institute/Tourism Authority of Panama (IPAT/ATP), MiAmbiente, ARAP, MIDA, the Ministry of Commerce, and Ministry of Foreign Affairs. The project will take advantage of the fact that the southern part of the Azuero Peninsula is already a tourism destination due to the renowned traditional festivities and carnivals that are celebrated in the region every year, the presence of protected areas, and the coastal and marine beauty that attract national and international visitors. The publicity campaign will focus on the coastal marine biodiversity conservation values of the ZEMMC, and emphasizing how local communities, sectors, and local authorities work together to promote sustainable production practices in the region (e.g., fishing, agriculture, and cattle ranching). Visits will be promoted to pilot project sites where sustainable production practices are implemented delivering global environmental benefits as well as socioeconomic local benefits and will be included as part of tourism packages and tours that are advertised for the region. In the case of sustainable agriculture and cattle ranching, the project will work closely with ATP and MIDA to include project beneficiary farms as part of their agrotourism program and to benefit from their accreditation process, training and technical assistance, and most important, their participation in marketing campaigns.

59. The promotion of the ZEMMC of the southern part of the Azuero Peninsula as a destination for sustainable tourism will include Internet “hosting” using the IPAT/ATP, MiAmbiente, ARAP, MIDA web pages and technical support for web page design. The project will also work closely with national and local tourism businesses, and the Chambers of Commerce, Industry and Agriculture at the subnational and national levels as part of the support to the publicity campaign to promote sustainable tourism in the ZEMMC.

c) Ecological certification accredited by MiAmbiente for the reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches.

60. Through ecological certification, MiAmbiente and MIDA will recognize agricultural farms and cattle ranches that adopt sustainable production practices that reduce the use of agrochemicals and contribute to the control erosion in the ZEMMC of the southern part of the Azuero Peninsula. The project will develop the ecological certification standard and guidelines, as well as the verification mechanisms to assess compliance with the define

standard. Standards will be developed considering existing environmental policies in Panama for agriculture and cattle production. The ecological certification mechanisms will be promoted amongst producers within ZEMMC as an incentives that may include: a) financial compensation through the water, protected areas, and wildlife Trust established through Executive Decree No. 69/2107 of MiAmbiente, and which can finance biodiversity-friendly production activities; b) access to favorable loans through the FECI (as low as 4%); and c) advertising by MiAmbiente and MIDA through their websites. The standards will be made available through MiAmbiente and MIDA web pages and through a hard copy format. Ecological certification will contribute to strengthening the corporate image and will give a competitive advantage and differentiation in the market to farm owners who adopt biodiversity-friendly production practices, in particular practices that are oriented to reduce threats to coastal marine biodiversity.

d) Public information campaign increases awareness and local support for the implementation of best production practices to reduce threats to coastal marine biodiversity, including coastal cleanup activities carried out with participation from the hotel sector, the municipalities, and the local population.

61. A public information campaign will increase awareness for the implementation of best practices to reduce threats to coastal marine biodiversity. Working together with local communities, local producers, and municipal authorities a greater understanding of the biodiversity conservation objectives of the ZEMMC of the southern part of the Azuero Peninsula will be achieved. The public information will give special consideration to women, the youth, adolescents, boys, and girls and will include awareness-raising activities regarding about gender equality in the context of coastal marine biodiversity conservation and threats reduction. The campaign will also raise awareness among producers and fishermen about the incentives available through the project to support the implementation of biodiversity-friendly production practices.

62. The project will also promote coastal cleanup activities, particularly of sea turtles nesting beaches and mangroves with the active participation of local schools, local NGOs, and community-based organizations. The project will involve the municipal authorities and local tourism businesses so that they can promote and sponsor cleanup activities, including providing awards for cleaning efforts. Activities will be planned to join the International Coastal Cleanup Day and actions will be coordinated with hotels within the ZEMMC so that they inform visitors about the importance of reducing the use of plastics and the proper disposal of solid waste.

e) Training program (formal and non-formal education) implemented at the local level increases the knowledge of 300 people regarding biodiversity conservation and its sustainable use: biodiversity-friendly fishing methods; contamination reduction and garbage and solid waste management; and protection of beaches, mangroves, wetlands, and coral reefs.

63. To facilitate the integrated environmental management of the ZEMMC in the southern part of the Azuero Peninsula, the project will train 300 people at the local level (local community members, small-scale fishermen, owners of MiPyMEs including women, owners of agricultural farms and cattle ranches, municipal authorities, among others) in sustainable and biodiversity-friendly practices, including sustainable fishing, pollution reduction and garbage and solid waste management techniques, and protection of beaches, mangroves, wetlands, riparian and dry forests, and coral reefs, and as a strategy to promote the participation of women. Training objectives will also be in line with the management plan for the ZEMMC and training modules and materials for knowledge transfer will be designed related to the topics mentioned and considering the training needs of each group of stakeholders, including ecological community leaders. Formal training will include the establishment of the “ecological classroom” in the main municipalities, where environmental education activities will be delivered as part of the local school curricula emphasis the environmental values of the ZEMMC. Formal training will also include the creation of a program of ecological community leaders and ecological tourism guides, the latter with the participation of the tourism sector. Informal training at the local level will be delivered through community meetings, workshops, field trips and exchange of experiences between project beneficiaries and related on-going initiatives in the ZEMMC, and informal talks to different groups of stakeholders, among other. The impact of the training program will be assessed through interviews and follow-up activities regarding what was learned; the application of the UNDP Capacity Development Scorecard will also be considered.

Component/Outcome 3: Gender Mainstreaming, Knowledge Management and Learning

64. This component will allow systematizing best practices and lessons learned about coastal marine biodiversity conservation and its sustainable use in production landscapes and seascapes of the ZEMMC of the southern part of the Azuero Peninsula and to ensure that these are made available for use in other production landscapes and seascapes in Panama. It will also support adaptive management so that the project integrates experiences that result during implementation of the activities in the new programmatic cycles of the project. Results from the project will be disseminated within and beyond the project intervention area through a number of existing information sharing networks and forums. In addition, the project will participate, as is relevant and appropriate, in UNDP-GEF sponsored networks that are organized for senior staff working on projects that share common characteristics. The UNDP-GEF Regional Coordination Unit (RCU) has established an electronic platform for sharing lessons learned among the project managers. The project will identify and participate, as is relevant and appropriate, in scientific, policy-based, and/or any other networks that may be of benefit to project implementation. The project will identify, analyze, and share lessons learned that might be beneficial for the design and implementation of similar future projects. Identifying and analyzing lessons learned is an ongoing process, and the need to communicate such lessons, as one of the project's central contributions is a requirement to be delivered no less frequently than once every 12 months. The UNDP-GEF shall provide a format for this exchange and will assist the project team in categorizing, documenting, and reporting the lessons learned. Specifically, the project will ensure coordination in terms of avoiding overlap, sharing best practices, and generating knowledge products of best practices in the area of biodiversity conservation with the current projects of Panama's portfolio. The project results as outlined in the project results framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results. Knowledge-management activities will be included as part of the project's Monitoring & Evaluation Plan (see Section VIII).

Output 3.1. Gender mainstreaming plan implemented and its results monitored and reported.

65. The project Gender Mainstreaming Plan (Annex M), which will take into account the needs of women and outline activities that address gender-differentiated needs and impacts related to coastal marine biodiversity conservation and its sustainable use, will also be monitored through this project output.

Output 3.2. Information management and monitoring system improved through:

a) *Information management platform established on coastal marine biodiversity (including biodiversity health indicators and protocols for data gathering), with guidelines for biodiversity-friendly practices and ecosystem protection made available to the different production sectors: fishing, tourism, urban development, and farming/ranching.*

66. The project will allow the development of an information management and monitoring system on coastal marine biodiversity will be developed about status and knowledge of coastal marine biodiversity in the ZEMMC. The information system will allow storing, managing, and analyzing technical and scientific information and participatory monitoring (Output 2.4) related to coastal marine ecosystems and the mainstreaming of biodiversity by production sectors in the ZEMMC. The information management and monitoring system be cross-institutional and cross-disciplinary; thus, it will be a key tool for decision-making regarding conservation and ecological monitoring and will be developed with the participation of public institutions, the private sector (agriculture, tourism, urban development, and fishing), members of academia, and civil society, who will become the main users. The information management and monitoring system on coastal marine biodiversity will include indicators to assess the health of coastal marine biodiversity and protocols for data gathering, will serve as an information exchange platform for promoting the agreement and participation of the different stakeholders, and will include a well-equipped office (databases, software, hardware, etc.) to be hosted by DICOMAR/MiAmbiente, which will provide the necessary staff for its operation and maintenance.

b) *Web-based coordination platform to facilitate interinstitutional information sharing, joint programming, and mutual understanding to avoid duplication and redundancy*

67. The projects invest in establishing a web-based coordination platform to facilitate interinstitutional information sharing, joint programming, and mutual cooperation between stakeholders interested in the conservation of coastal marine biodiversity. The web-based coordination platform will be hosted by MiAmbiente as part of its official website and linked to the DICOMAR page, which currently is not functional. The web-based

coordination platform will initially operate for sharing information and promoting coordination between the key stakeholders related to the project and gradually will expand as a coordination platform for coastal marine biodiversity conservation around the country. The platform will have a collaborative system that will enable authorized users in geographically different locations to have access and share information. As part of the Web-based coordination platform, a Facebook page and other social media will be established for the project that will serve both for disseminating project information, lessons learned, and best practices as well as for raising public and community awareness; the Facebook page will also gradually expand to include information about coastal marine biodiversity conservation in other ZEMMCs.

Output 3.3. Experiences, best practices, and lessons learned about the integrated environmental management of the ZEMMC of the southern part of the Azuero Peninsula systematized and made available for use in other ZEMMC in the country for replication.

68. The project will identify lessons learned related to the implementation of strategies to promote coastal marine biodiversity conservation and its sustainable use. This effort will bring forth useful lessons and successful experiences that result from actions to strengthening the regulatory and institutional frameworks for coastal marine integrated management and mainstreaming biodiversity conservation in landscapes/seascapes in the ZEMMC in the southern part of the Azuero Peninsula, including biodiversity-friendly fishing practices, regulation of land development, participatory zoning, protection, and management of mangroves, sustainable tourism, reduction in the use of agrochemicals and the sustainable management of agricultural farms and cattle ranches, and public involvement to reduce threats to coastal marine biodiversity coastal areas. Identifying the lessons learned and best management practices related to integrated coastal marine management will help to: a) guide future actions, including the replication of experience and incorporation of lessons learned in other ZEMMCs in the country; b) guide dialogue at the national, subnational, and local levels with regard to policies and strategies for reducing loss in coastal marine biodiversity; and c) improve the impact of the projects and programs financed by GEF.

ii. Partnerships

69. The project proposed herein will coordinate actions with the GEF project *Sustainable Production Systems and Conservation of Biodiversity* (GEF Project ID 5546). This 5-year project (2014-2019), executed by the ANAM with the support of the World Bank, seeks to conserve globally significant biodiversity through improved management effectiveness of the project's protected areas and biodiversity mainstreaming in their buffer zones. Lessons learned and knowledge regarding the implementation of biodiversity-friendly subprojects in landscapes surrounding protected areas, and the training and technical assistance provided to producer organizations and municipal authorities, will be considered in the final project design and during its implementation.

70. Lessons learned from the implementation of the GEF project *Mainstreaming biodiversity conservation through low-impact ecotourism in the SINAP* (GEF Project ID 3889) will also be considered, particularly the participation of the local communities and the local private sector in ecotourism businesses that contribute to the conservation and sustainable use of biodiversity and the implementation of best production practices and the development of incentives through environmental certification. This project is being implemented by ANAM and the IPAT with support from the Inter-American Development Bank.

71. Finally, lessons learned and best practices from implementation of the GEF project *Mainstreaming biodiversity conservation into the operation of the tourism and fisheries sectors in Las Perlas Archipelago* (GEF Project ID 3021) will be considered. This project had a strong component for the development of incentives and improved investment opportunities for biodiversity-friendly tourism and fisheries. This project was implemented by UNDP in coordination with ARAP.

iii. Stakeholder engagement

72. The successful implementation of the project will largely depend on the effective communication and coordination with the multiple project stakeholders and the implementation of mechanisms to ensure these stakeholders' participation. The key national and sub-national stakeholders include the DICOMAR/MiAmbiente, Office of Protected Areas and Wildlife/MiAmbiente, and ARAP, among others. At the local level, the most relevant stakeholders are municipal governments (Districts), the EACs, local communities and community organizations, and NGOs. The private sector (fishing, tourism, urban development, and farming) will play an active role in the project by

complying with environmental regulations for the integrated management of the ZEMMC in the southern area of the Azuero Peninsula, reducing contamination in the coastal marine waters and ecosystem degradation. The project's Stakeholder Engagement and Communication Plan is included in Annex K, which includes information summarizing the main Project Preparation Grant (PPG) workshops convened and stakeholder meetings conducted, among other aspects; a list of people consulted during project development is included in Annex P.

iv. Mainstreaming gender

73. According to the project objective and the proposed actions, it is categorized as *Gender-responsive: results addressed differential needs of men or women and equitable distribution of benefits, resources, status, and rights, but do not address root causes of inequalities in their lives.*

74. During the PPG a gender analysis for the prioritized landscape and a detailed Gender Mainstreaming Plan (included as Annex M) was developed to ensure gender mainstreaming in the project; specific gender-based indicators will be used for monitoring and a gender specialist will be part of the Project Coordination Unit (PCU) to facilitate improvements on gender equality and women's empowerment.

v. South-South and Triangular Cooperation (SSTrC)

75. The project will promote south-south cooperation with the other countries in the region that are implementing similar initiatives (e.g., Costa Rica and Guatemala); this will be achieved through exchanges with the Country Offices and the Regional Office for Latin America and the Caribbean (LAC) of the UNDP. Technically qualified staff and groups of experts in the issues addressed by the project who are from these countries will have many opportunities to exchange experiences and knowledge. Finally, successful experiences will have a prominent place in the lessons learned that will be disseminated to ensure their widespread adoption and replication in other LAC countries.

VI. FEASIBILITY

i. Cost efficiency and effectiveness

76. A strategy to deliver multiple environmental benefits by mainstreaming the conservation and sustainable use of biodiversity into production land/seascapes for integrated environmental management of coastal marine areas and for the benefit of the coastal population will be more cost-effective in the short, medium, and long terms than the alternative strategy. The alternative strategy would result in increased loss of coastal and marine biodiversity in Panama, and more specifically the biodiversity of ZEMMC in the southern part of the Azuero Peninsula.

77. Under the GEF scenario, the different national, subnational, and local stakeholders in the project prioritized landscape/seascape will work together to develop an enabling policy environment for the integrated environmental management of coastal marine production landscapes and facilitate the conservation and sustainable use of coastal marine biodiversity of global importance and the goods and services provided by ecosystems to society. This strategy will remove institutional, technical, capacity, and financial barriers that prevent addressing the causes of coastal and marine biodiversity loss and degradation, principally from the expansion of agriculture, coastal pollution, the overexploitation of marine resources, and climate change. Under the GEF scenario, the adoption of sustainable production systems in production landscapes and seascapes in the ZEMMC in the southern part of the Azuero Peninsula will be promoted by making incentives available (certification of sustainable agricultural and fishing practices, grants, access to credit under favorable conditions, government-sponsored campaigns to promote sustainable tourism, and technical assistance) to small- and medium-size farmers, MiPyMEs, and fishermen organizations, including women and women's organizations, and by strengthening the governance and institutional capacity of national and local institutions to effectively mainstream biodiversity into planning and the integrated environmental management of coastal marine areas.

78. The GEF scenario will implement interinstitutional agreements for cooperation between national and local environmental authorities, the private sector, and local community organizations, including fishermen associations

and cooperatives, to reduce the threats to coastal biodiversity and the protection of areas of high ecological sensitivity (such as mangroves, sea turtle nesting beaches, dunes, coastal wetlands, and coral reefs). This will be complemented by an improved local regulatory framework aligned with the Land Use Development Plans, which will allow for better planning, management, and monitoring and control of these areas. Construction activities in and around mangroves and sea turtle nesting beaches will be regulated and trash and solid waste management by the districts (municipalities), the coastal communities, and the private sector will be improved. Fishery sector practices will be improved through stricter regulations of fishing practices and the establishment of communal fishing concession areas to be co-managed by small-scale fishing cooperatives and environmental and fisheries officials following agreed-upon sustainable management plans. This, together with training activities and technical support to implement biodiversity-friendly production practices, will translate into direct global environment benefits and socioeconomic benefits for the local communities, producers, and fishermen through improved production, food security, and a healthier environment.

79. Under the business-as-usual scenario, there will be greater ecosystem fragmentation and degradation (e.g., mangroves, riparian forests, and sea turtle nesting beaches), reduced populations of fish species of local economic importance (e.g., snapper and grouper), and reduced ecosystem services thus bearing a negative impact on local communities and the environment. This would occur within the context of weak governance and low institutional capacity, limited economic and production opportunities for local producers and businesses (e.g., tourism and agrotourism), and lack of community participation and involvement of women and other vulnerable groups in decision-making to promote coastal marine biodiversity conservation. The business-as-usual scenario would result in increased environmental and social impacts, which would prove to be costlier in both the short and long term than the GEF strategy proposed herein.

ii. Risk Management

80. As per standard UNDP requirements, the Project Manager will monitor risks quarterly and report on the status of risks to the UNDP Country Office. The UNDP Country Office will record progress in the UNDP ATLAS risk log. Risks will be reported as critical when the impact and probability are high (i.e. when impact is rated as 5, and when impact is rated as 4 and probability is rated at 3 or higher). Management responses to critical risks will also be reported to the GEF in the annual Project Implementation Report (PIR). The detailed risk management strategy for the project is included in Annex H.

iii. Social and environmental safeguards:

81. The overall project risk categorization is **low risk**. The project will include activities with minimal or no risk of adverse social or environmental impacts; the Social and Environmental and Social Screening (SESP) results are included in Annex F. Risk mitigation and risk assessment measures will be fully incorporated into the UNDP Risk log and presented to the Local Project Appraisal Committee (LPAC) as an annex to this project document (see Annex F). The Risk log will be updated in the Atlas system for the duration of the project, as necessary. Environmental and social grievances during implementation would be reported to the GEF in the annual PIR.

iv. Sustainability and Scaling Up:

82. The basis for the ecological sustainability of the project resides in the effective incorporation of conservation objectives as part of the production activities in the ZEMMCs and the ability of the government to monitor their status and threats. Strengthened regulations at the national and local levels will also contribute to reducing pressures in the short- and long-term; participatory monitoring systems, data collection protocols, and operational information management platform will include biodiversity health indicators that contribute to the periodically assessment of ecologically sensitive areas and the status of population of species of global and local importance.

83. The socioeconomic sustainability of the project will be achieved through the participation of local communities (with special consideration given to the participation of women), the private sector, and local governments (districts) in the planning and execution of activities to reduce threats to coastal marine biodiversity in the ZEMMC of the southern area of the Azuero Peninsula. The benefits for small-scale fishermen, the owners of the MiPyMEs associated with tourism (with special consideration given to women-led MiPyMEs), and farmers and cattle ranchers, among others, will be obtained through incentives for the conservation of coastal marine biodiversity, as

well as from adopting certified environmentally friendly production practices that will offer them a competitive advantage (market differentiation) over non-sustainable alternatives.

84. Last, the basis for the project's institutional sustainability comes from strengthening the capacity of the national and local officials, the private sector, and civil society in the coordinated planning and integrated sustainable management of the coastal marine landscapes. At the national level, the project will strengthen the DICOMAR/MiAmbiente in regulatory and institutional aspects, and it will establish interinstitutional agreements to promote the cooperation, exchange of information, and clarify the responsibilities relative to conservation and sustainable use of coastal marine biodiversity and aquatic resources. In addition, the project's decision-makers and technical staff will be trained in monitoring and following up on threats to coastal marine biodiversity (with special consideration given to the participation of women), and they will have access to an information system to facilitate decision-making and ecological monitoring. Within the ZEMMC of the southern part of the Azuero Peninsula, the capacities of the local officials, private sector (fishing, tourism, urban development, and farming/cattle-ranching), civil society groups (e.g., fishermen associations and cooperatives, women's groups, and NGOs) will be strengthened in the integrated management of the ZEMMC to access and use incentives for reducing threats to biodiversity, and for the implementation and follow-up of biodiversity-friendly production practices. The provision of training, technical support, and incentives will serve to build more stable, stronger, and empowered institutions and organizations at the national and local levels, thereby contributing to the sustainability of the project's outcomes.

85. The project has the potential of scaling-up in different parts of Panama and in the LAC region. Opportunities for scaling-up nationally will be created in Outcome 3 through at least one new initiative for the integrated environmental management under implementation in the country based on the experience of the Azuero Peninsula ZEMMC. The project will also have the potential for scaling-up regionally through the south-south cooperation program for knowledge exchange between the Country Offices and the Regional Office for LAC of the UNDP.

VII. PROJECT RESULTS FRAMEWORK

This project will contribute to the following Sustainable Development Goal(s): Goal 1: End poverty in all its forms everywhere; Goal 2: Zero hunger; Goal 5: Achieve gender equality and empower all women and girls; Goal 12: Ensure sustainable consumption and production patterns; Goal 14. Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.					
This project will contribute to the following country outcome included in the UNDAF/Country Programme Document: Outcome 3.2: By 2020, the State has strengthened its capacities for the design and implementation of Policies, Plans and Programs that contribute to environmental sustainability and food and nutrition security, adaptation to climate change, reducing disaster risk and building resilience.					
This project will be linked to the following output of the UNDP Strategic Plan: Output 1.3: Solutions developed at national and subnational levels for sustainable management of natural resources, ecosystem services, chemicals, and waste.					
	Objective and Outcome Indicators	Baseline ¹¹	Mid-term Target ¹²	End of Project Target	Assumptions ¹³
Project Objective: To mainstream the conservation and sustainable use of biodiversity into production land/seascapes for integrated environmental management of coastal marine areas and for the benefit of the coastal population	<u>Indicator 1 (Mandatory UNDP):</u> Number of people benefitting from strengthened livelihoods through solutions for management of coastal marine natural resources and ecosystems services	– 0	– 1,560	– 4,467	<ul style="list-style-type: none"> – Willingness by decision makers to incorporate biodiversity conservation and sustainable use in land/marine production landscapes for the integrated environmental management of coastal marine areas and for the benefit of the coastal population – Sampling efforts are optimal
	<u>Indicator 2:</u> Area (hectares [ha]) of land/seascape with improved management	– 0 ha	– 102,540 ha	– 292,970 ha	
Component/Outcome 1: Strengthening the regulatory and institutional frameworks	<u>Indicator 3:</u> National Coastal and Marine Policy	– There is no National Coastal and Marine Policy	– National Policy Proposal being discussed and in development	– National Coastal and Marine Policy approved	<ul style="list-style-type: none"> – There is political will to strengthen the national governance framework and to strengthen integrated environmental management in land/marine production landscapes – Effective coordination and participation by public sector institutions
	<u>Indicator 4:</u> Number of existing Environmental Advisory Committees (EAC), Watershed Committees (WC), and an Institutional Environmental System (SIA) strengthened.	<ul style="list-style-type: none"> – EAC: 0 – WC: 0 – SIA: 0 	<ul style="list-style-type: none"> – EAC: in process – WC: in process – SIA: in process 	<ul style="list-style-type: none"> – EAC: 1 – WC: 1 – SIA: 1 	
	<u>Indicator 5:</u> Increased government financing for the integrated environmental management	– \$X (Baseline and target will be determined during project implementation)	– \$X	– \$X	

¹¹ Baseline, mid-term and end of project target levels must be expressed in the same neutral unit of analysis as the corresponding indicator. Baseline is the current/original status or condition and need to be quantified. The baseline must be established before the project document is submitted to the GEF for final approval. The baseline values will be used to measure the success of the project through implementation monitoring and evaluation.

¹² Target is the change in the baseline value that will be achieved by the mid-term review and then again by the terminal evaluation.

¹³ Risks must be outlined in the Feasibility section of this project document.

	of the coastal marine areas				
	<u>Indicator 6:</u> Change in capacity of decision makers for marine coastal biodiversity conservation, sustainable use, and reduced threats through the UNDP Capacity Development Scorecard	<ul style="list-style-type: none"> – MiAmbiente: 67% (24) – ATP: 67% (24) – MIDA: 67% (24) – ARAP: 64% (25) – Districts: 30% (11) – NGOs: 70% (23) – Producer's Associations: 67% (24) 	<ul style="list-style-type: none"> – MiAmbiente: 72% – ATP: 72% – MIDA: 72% – ARAP: 69% – Districts: 35% – NGOs: 75% – Producer's Associations: 72% 	<ul style="list-style-type: none"> – MiAmbiente: 77% – ATP: 77% – MIDA: 77% – ARAP: 74% – Districts: 40% – NGOs: 80% – Producer's Associations: 77% 	
Outputs: <p>1.1. Policy for coastal and marine spatial land use planning developed and adopted to provide an official framework for establishment and management of Coastal Marine Special Management Areas (ZEMMC) with guidelines for the implementation of coastal and marine spatial land use planning and the characterization and delimitation of special marine conservation or management areas.</p> <p>1.2. Organizational structure and operational guidelines of the DICOMAR defined for effective integrated environmental management of the coastal marine areas, including external disclosure and reporting and appropriate level of staff and financial resources allocated for its operation through Ministerial Decree.</p> <p>1.3. National-level interinstitutional agreements developed and signed in order to clarify mandates and functions of individual agencies to establish effective mechanisms for coordination and information exchange between DICOMAR/MiAmbiente and public sector institutions such as the SIA (Office of Aquatic Resources – ARAP, Panamanian Maritime Authority – AMP, Panamanian Tourism Authority – ATP, Ministry of Agricultural Development – MIDA, Ministry of Housing and Land Development – MIVIOT, etc.).</p> <p>1.4. Public, private, and civil society resources mobilized for the sustainability of the integrated environmental management of the three (3) existing ZEMMC.</p> <p>1.5. Training program established within the DICOMAR on planning, management, and monitoring and control of integrated environmental management of coastal marine areas and at least 200 staff trained by the project's completion.</p> <p>1.6. Information and communication strategy implemented raises awareness among public and private decision-makers of the importance of conservation and sustainable use of coastal marine biodiversity.</p>					
Component/Outcome 2: Integrated environmental management of the target ZEMMC in the southern part of the Azuero Peninsula	<u>Indicator 7:</u> Number of female Olive Ridley sea turtles (<i>Lepidochelys olivacea</i>) nesting in 1.8 kilometers of protected beaches: La Marinera (0.8 km) and Isla de Cañas (1 km, natural nursery site)	<ul style="list-style-type: none"> – Isla de Cañas: 6,486; females – La Marinera: 15,000 females 	<ul style="list-style-type: none"> – Isla de Cañas: 6,486; females – La Marinera: 15,000 females 	<ul style="list-style-type: none"> – Isla de Cañas: 6,486; females – La Marinera: 15,000 females 	<ul style="list-style-type: none"> – There are no substantial changes in land use/cover (coastal areas) – There is willingness by the private sector (small-scale fishing, tourism, urban development, agricultural production, and cattle ranching) to adopt production practices that are marine-coastal biodiversity-friendly – Sampling efforts are optimal – Environmental variability, including climate change, within the normal range
	<u>Indicator 8:</u> Coverage of mangroves in the southern part of the Azuero Peninsula	<ul style="list-style-type: none"> – 6,072.3 ha 	<ul style="list-style-type: none"> – 6,072.3 ha 	<ul style="list-style-type: none"> – 6,072.3 ha 	
	<u>Indicator 9:</u> Sizes of fish species of commercial importance by project end	<ul style="list-style-type: none"> – Grouper (<i>Epinephelus spp.</i>): X (Baseline will be determined during project implementation) – Snapper (<i>Lutjanus spp.</i>): 30.7 cm 	<ul style="list-style-type: none"> – Grouper (<i>Epinephelus spp.</i>): equal to the baseline – Snapper (<i>Lutjanus spp.</i>): equal to the baseline 	<ul style="list-style-type: none"> – Grouper (<i>Epinephelus spp.</i>): equal to the baseline – Snapper (<i>Lutjanus spp.</i>): equal to the baseline 	

		(Baseline will be confirmed during project implementation)			
	<u>Indicator 10</u> : Percentage of small-scale fishing cooperatives that adopt best practices for biodiversity-friendly and sustainable fishing practices based on the FAO code of conduct	– 0% (10 cooperatives are currently operating in the ZEMMC in the southern part of the Azuero Peninsula)	– 10%	– 20%	
	<u>Indicator 11</u> : Average income of the small-scale fishers who adopt biodiversity-friendly and sustainable fishing practices	– \$400/month	– \$400/month	– \$500/month	
	<u>Indicator 12</u> : Number of MiPyME associated with sustainable tourism throughout the marine coastal area with environmental management plans (EMP)	– 0 (65 tourism businesses registered in the Province of Los Santos, without EMP)	– 2 MiPyMEs associated with sustainable tourism with EMP	– 4 MiPyMEs associated with sustainable tourism with EMP	
	<u>Indicator 13</u> : Number of agreements between the districts of Pocrí, Pedasí, and/or Tonosí and the urban sector for the prevention, reduction, and control of land-based contamination and the management of trash and solid waste	– 0	– 3	– 5	
	<u>Indicator 14</u> : Number of farms and cattle ranches with sustainable production certified by MiAmbiente or another competent authority	– 7 agro-tourism farms certified in the Province of Los Santos – 0 agricultural farms and cattle ranches certified	– 1 new agro-tourism farms – 1 agricultural farm or cattle ranch certified	– 2 new agro-tourism farms – 2 agricultural farms or cattle ranches certified	

Outputs:

2.1. Four local (4) interinstitutional agreements developed and signed for cooperation among public (DICOMAR/ MiAmbiente, ARAP, and municipalities) and private environmental agencies and the fishing, tourism, urban development, and agricultural sectors for implementation of an integrated management plan for the target ZEMMC.

2.2. Fishery sector practices improved through:

- a) Stricter regulations (including ARAP Resolution) of size of the small-scale fishing fleet and the type of small-scale fishing methods allowed for the extraction of species of fish of commercial and local importance.

<p>b) Development of communal fishing concession areas and sustainable management plans with participation from small-scale fishing cooperatives and environmental and fisheries officials, informed by economic analysis to determine the catch per unit effort (CPUE) and optimal efforts for the sustainability of the fish species of commercial importance and to determine options for the greatest economic benefit for small-scale fishermen.</p> <p>c) Support provided for strengthening of the small-scale fishing sectors, including cooperatives.</p> <p>2.3. Local regulatory framework improved and aligned with the Land Use Development Plans regulates the following:</p> <p>a) Construction activities in areas of high ecological sensitivity (mangroves, sea turtle nesting beaches, dunes, coastal wetlands, and coral reefs) in the ZEMMC of the southern part of the Azuero Peninsula.</p> <p>b) Trash and solid waste management in the districts (municipalities), the coastal communities, and by the private sectors (tourism, urban development, and agriculture), avoiding contamination of water bodies and degradation of mangroves.</p> <p>c) Tariff systems for collection and disposal of trash and other solid wastes.</p> <p>2.4. Participatory zoning, protection, and management of the ZEMMC implemented, contributing to the preservation (5,547.6 ha), rehabilitation (30 ha), and sustainable use (494.7 ha) of mangroves, and participatory monitoring program establishes changes in populations of fish species of commercial and local importance, the quality of the coastal waters and adjacent waterways, and the health of key ecosystems (sea turtle nesting beaches, mangroves, coral reefs, etc.).</p> <p>2.5. Mechanisms established for incentivizing the use of biodiversity-friendly production practices available including:</p> <p>a) Lines of credit, small grants, and incentives available for MiPyME that participate in sustainable tourism and biodiversity-friendly fishing.</p> <p>b) National and international publicity campaign to promote sustainable tourism in the ZEMMC of the southern part of the Azuero Peninsula.</p> <p>c) Ecological certification accredited by MiAmbiente for the reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches.</p> <p>d) Public information campaign increases awareness and local support for the implementation of best production practices to reduce threats to coastal marine biodiversity, including coastal cleanup activities carried out with participation from the hotel sector, the municipalities, and the local population.</p> <p>e) Training program (formal and informal education) implemented at the local level increases the knowledge of 300 people regarding biodiversity conservation and its sustainable use: biodiversity-friendly fishing methods, contamination reduction and trash and solid waste management, and protection of beaches, mangroves, wetlands, and coral reefs.</p>					
Component/Outcome 3: Gender Mainstreaming, Knowledge Management and Learning	Indicator 15: Progress in the in the implementation of the Project Gender Mainstreaming Plan (see Gender Mainstreaming Plan, Annex M)	– 0%	– 50%	– 100%	– Active participation of the project’s stakeholders in the implementation of the project’s Gender Mainstreaming Plan – Effective documentation of lessons learned, best practices, and experiences around the integrated environmental management of the ZEMMC in the southern part of the Azuero Peninsula
	Indicator 16: Information management and monitoring system on coastal marine biodiversity	– 0	– Information management and monitoring system on coastal marine biodiversity in the planning process	– Information management and monitoring system on coastal marine biodiversity operating	
	Indicator 17: Number of documents on best practices and lessons learned made available to other ZEMMCs in the country and internationally	– 0	– 0	– 1	
Outputs: <p>3.1. Gender Mainstreaming Plan implemented and its results monitored and reported.</p> <p>3.2. Information management and monitoring system improved through:</p> <p>a) Information management platform established on coastal marine biodiversity (including biodiversity health indicators and protocols for data gathering), with guidelines for biodiversity-friendly practices and ecosystem protection made available to the different production sectors: fishing, tourism, urban development, and farming/ranching.</p> <p>b) Web-based coordination platform to facilitate interinstitutional information sharing, joint programming, and mutual understanding to avoid duplication and redundancy</p>					

3.3. Experiences, best practices, and lessons learned about the integrated environmental management of the ZEMMC of the southern part of the Azuero Peninsula systematized and made available for use in other ZEMMC in the country for replication.

VIII. MONITORING AND EVALUATION (M&E) PLAN

86. The project results as outlined in the project results framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results. Supported by Component/Outcome Four: Knowledge Management and M&E, the project monitoring and evaluation plan will also facilitate learning and ensure knowledge is shared and widely disseminated to support the scaling up and replication of project results.

87. Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the [UNDP POPP](#) and [UNDP Evaluation Policy](#). While these UNDP requirements are not outlined in this project document, the UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the [GEF M&E policy](#) and other relevant GEF policies¹⁴.

88. In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including the GEF Operational Focal Point and national/regional institutes assigned to undertake project monitoring. The GEF Operational Focal Point will strive to ensure consistency in the approach taken to the GEF-specific M&E requirements (notably the GEF Tracking Tools) across all GEF-financed projects in the country. This could be achieved for example by using one national institute to complete the GEF Tracking Tools for all GEF-financed projects in the country, including projects supported by other GEF Agencies.¹⁵

M&E Oversight and monitoring responsibilities:

89. **Project Manager:** The Project Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The Project Manager will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The Project Manager will inform the Project Board, the UNDP Country Office and the UNDP-GEF RTA of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.

90. The Project Manager will develop annual work plans based on the multi-year work plan included in Annex A, including annual output targets to support the efficient implementation of the project. The Project Manager will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g., gender strategy, KM strategy, etc.) occur on a regular basis.

91. **Project Board:** The Project Board will take corrective action as needed to ensure the project achieves the desired results. The Project Board will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the Project Board will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.

92. **Project Implementing Partner:** The Implementing Partner is responsible for providing any and all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary and appropriate. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes, and is aligned with national systems so that the data used by and generated by the project supports national systems.

¹⁴ See https://www.thegef.org/gef/policies_guidelines

¹⁵ See https://www.thegef.org/gef/gef_agencies

93. **UNDP Country Office:** The UNDP Country Office will support the Project Manager as needed, including through annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and Project Board within one month of the mission. The UNDP Country Office will initiate and organize key GEF M&E activities including the annual GEF PIR, the independent mid-term review and the independent terminal evaluation. The UNDP Country Office will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality.

94. The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the [UNDP POPP](#). This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed, and monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g., annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Project Manager.

95. The UNDP Country Office will retain all M&E records for this project for up to seven years after project financial closure in order to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF IEO.

96. **UNDP-GEF Unit:** Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.

97. **Audit:** The project will be audited according to UNDP Financial Regulations and Rules and applicable audit policies on NIM implemented projects.¹⁶

Additional GEF monitoring and reporting requirements:

98. **Inception Workshop and Report:** A project inception workshop will be held within two months after the project document has been signed by all relevant parties to, amongst others:

- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
- b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
- c) Review the results framework and finalize the indicators, means of verification and monitoring plan;
- d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;
- e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; Environmental and Social Management Plan and other safeguard requirements; the gender strategy; the knowledge management strategy, and other relevant strategies;
- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
- g) Plan and schedule Project Board meetings and finalize the first year annual work plan.

99. The Project Manager will prepare the inception report no later than one month after the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the Project Board.

¹⁶ See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

100. GEF Project Implementation Report (PIR): The Project Manager, the UNDP Country Office, and the UNDP-GEF Regional Technical Advisor will provide objective input to the annual GEF PIR covering the reporting period July (previous year) to June (current year) for each year of project implementation. The Project Manager will ensure that the indicators included in the project results framework, are monitored annually in advance of the PIR submission deadline so that progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.

101. The PIR submitted to the GEF will be shared with the Project Board. The UNDP Country Office will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.

102. Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to the project. The project will identify, analyse and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.

103. GEF Focal Area Tracking Tools: The following GEF Tracking Tool will be used to monitor global environmental benefit results: BD-4 (Program 9), as agreed with the UNDP-GEF Regional Technical Advisor. The baseline/CEO Endorsement GEF Focal Area Tracking Tool – submitted as Annex D to this project document – will be updated by the Project Manager/Team (not the evaluation consultants hired to undertake the terminal evaluation) and shared with the mid-term review consultants and terminal evaluation consultants before the required review/evaluation missions take place. The updated GEF Tracking Tool will be submitted to the GEF along with the completed Terminal Evaluation report.

104. Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The Project Manager will remain on contract until the TE report and management response have been finalized. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the Project Board. The TE report will be publically available in English on the UNDP ERC.

105. The UNDP Country Office will include the planned project terminal evaluation in the UNDP Country Office evaluation plan, and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report, and rate the quality of the TE report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

106. Final Report: The project's terminal PIR along with the TE report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

Mandatory GEF M&E Requirements and M&E Budget:

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ¹⁷ (US\$)		Time frame
		GEF grant	Co-financing	
Inception Workshop	UNDP Country Office	USD 3,500	USD 3,500	Within two months of project document signature
Inception Report	Project Manager	None	None	Within two weeks of inception workshop
Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP	UNDP Country Office	None	None	Quarterly, annually
Monitoring of indicators in project results framework	M&E Expert	USD 15,000	USD 5,000	Annually
GEF Project Implementation Report (PIR)	Project Manager and UNDP Country Office and UNDP-GEF team	None	None	Annually
NIM Audit as per UNDP audit policies	UNDP Country Office	USD 16,000 (USD 4,000 per year)	None	Annually or other frequency as per UNDP Audit policies
Lessons learned and knowledge generation	Project Communications/Knowledge Management Expert Project Manager	None (time of Project Knowledge Management Expert covered through UNDP cofinancing and travel costs covered through Outcome 3)	USD 5,000	Annually
Monitoring of environmental and social risks, and corresponding management plans as relevant	Project Manager UNDP CO	None	USD 17,500 (Includes time of Gender Expert covered by UNDP)	On-going
Addressing environmental and social grievances	Project Manager UNDP Country Office	None for time of project manager, and UNDP CO	None	Troubleshooting as needed
Project Board meetings	Project Board UNDP Country Office Project Manager	USD 6,000 (USD 1,500 per year)	USD 4,000 (USD 1,000 per year)	At minimum annually
Supervision missions	UNDP Country Office	None ¹⁸	None	Annually
Oversight missions	UNDP-GEF team	None ¹⁸	None	Troubleshooting as needed
Knowledge management as outlined in Outcome 3	Communications/Knowledge Management Expert Project Manager	USD 16,000 (time of Knowledge Management)	USD 20,000 (Includes time of Knowledge Management)	On-going

¹⁷ Excluding project team staff time and UNDP staff time and travel expenses.

¹⁸ The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

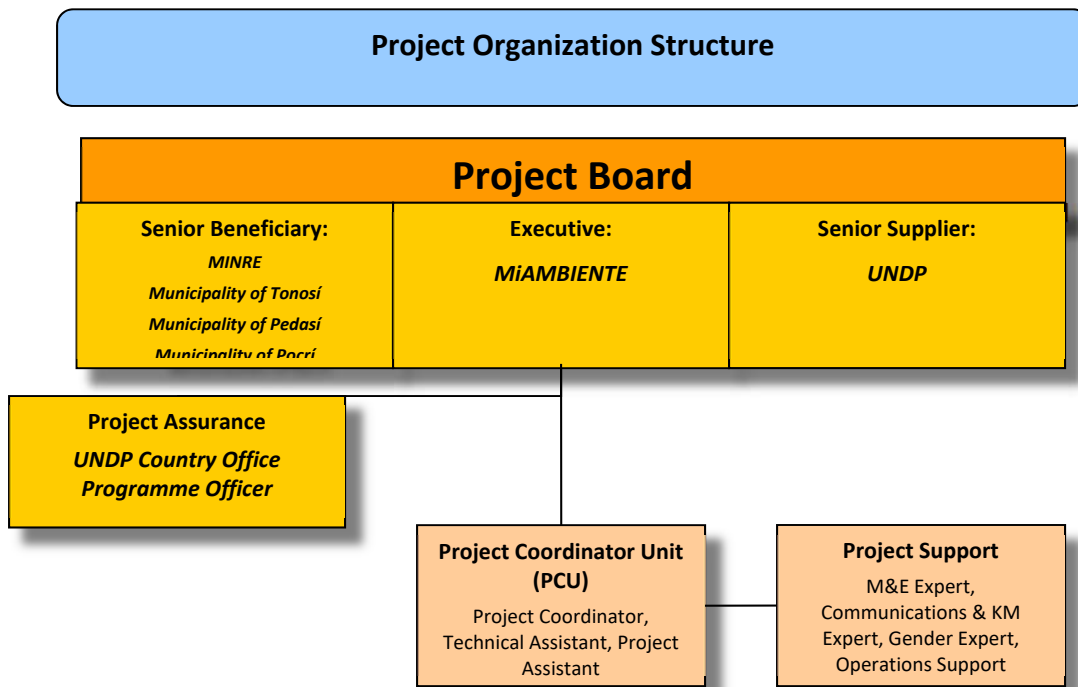
		Expert covered through UNDP cofinancing)	Expert covered by UNDP)	
GEF Secretariat learning missions/site visits	UNDP Country Office and Project Manager and UNDP-GEF team	None	None	To be determined
Update Terminal GEF Tracking Tool	Project Manager	USD 2,500	None	Before terminal evaluation mission takes place
Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response	UNDP Country Office and Project team and UNDP-GEF team	USD 39,000	USD 10,000	At least three months before operational closure
Translation of TE report into English	<i>UNDP Country Office</i>	USD 5,000	None	As required. GEF will only accept reports in English.
TOTAL indicative COST Excluding project team staff time, and UNDP staff and travel expenses		USD 103,000	USD 65,000	

IX. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

107. Roles and responsibilities of the project's governance mechanism: The project will be implemented following UNDP's national implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Panama (celebrated on August 23rd, 1973, ratified by Law 9 of 1973 and amended by UNDP and the Panamanian Government Agreement on August 20th, 2002), and the UNDP Country Programme based on United Nations Development Assistance Framework (UNDAF).

108. The **Implementing Partner** (Project Manager) for this project is the Ministry of Environment (MiAmbiente) under the Office of Coasts and Seas. The Implementing Partner, with support from the Project Coordination Unit, is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources and matching funds. Will also have responsibility for coordinating the management of the project budget, in close consultation with the Project Board that has to approve the annual work plan and resources allocated on a yearly basis, including the components executed by partners and consultants/subcontractors. The Implementing Partner will report to the Project Board and under the guidance of the Project Board will ensure that the project planning, review, monitoring, evaluation, and all other reports are completed in a timely manner, that coordination among the various partners is effective and that the project activities are completed in a timely manner.

109. The project organization structure is as follows:



110. The Project Board (also called Project Steering Committee) is responsible for making by consensus, management decisions when guidance is required by the Project Coordinator, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition when required. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP Programme Manager. The terms of reference for the Project Board are contained in Annex E. The Project Board is comprised of the following institutions: MiAmbiente, UNDP, Ministry of Foreign Affairs (MINRE), and local authorities. For specific decisions ARAP, ATP, and MIDA will be considered. The Board will invite a local community leader in representation of the three Districts to participate in decision making for the environmental management of the ZEMMC. The Board will ensure that all grants will be focused on small- and medium-size farmers, MiPyMEs, and/or fishermen organizations, including women and women's organizations. They will be granted in accordance to UNDP Guidance on Micro-Capital Grants.

111. The **Project Coordinator** will run the project on a day-to-day basis on behalf of the Implementing Partner within the constraints laid down by the Board. The Project Manager function will end when the final project terminal evaluation report and corresponding management response, and other documentation required by the GEF and UNDP, has been completed and submitted to UNDP (including operational and financial closure of the project).

112. The **project assurance** roll will be provided by the UNDP Country Office specifically the Programme Officer. Additional quality assurance will be provided by the UNDP Regional Technical Advisor (RTA) as needed.

113. Governance role for project target groups: Subcommittees or governance structures already in place in the Districts will be conformed or used to ensure local participation in the decision-making process and implementation of activities. These structures will be integrated by several stakeholders representing interest groups in fisheries, tourism, agriculture, and conservation. The multi-stakeholder structure will include the participation of grassroots organizations, non-governmental organizations, private sector, and local authorities, among others. The Unit of Coasts and Seas will appoint a local staff member to ensure follow up with local stakeholders.

114. UNDP Direct Project Services as requested by Government (if any): The UNDP, as International Agency for this project, will provide project management cycle services for the project as defined by the GEF Council. In addition, the Government of Panama may request UNDP direct services for specific projects, according to its policies and convenience. The UNDP and the Government of Panama acknowledge and agree that those services are not mandatory, and will be provided only upon Government request. If requested the services would follow the UNDP policies on the recovery of direct costs. These services (and their costs) are specified in the Agreement (Annex J). As is determined by the GEF Council requirements, these service costs will be assigned as Project Management Cost, identified in the project budget.

115. Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information: In order to accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF will also accord proper acknowledgement to the GEF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy¹⁹ and the GEF policy on public involvement²⁰.

116. Project management: The PCU will be located in Panama and housed in the Office of Coast and Seas of MiAmbiente, with a presence on site of at least 30% of the time, and made up of the Project Coordinator, Technical Assistant, and Project Assistant, who will receive technical support from a Gender Expert, a Communications Expert, and a M&E Expert from UNDP.

¹⁹ See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

²⁰ See https://www.thegef.org/gef/policies_guidelines

X. FINANCIAL PLANNING AND MANAGEMENT

117. The total cost of the project is USD 7,384,030. This is financed through a GEF grant of USD 1,780,822 and USD 5,603,208 in parallel co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources and the cash co-financing transferred to UNDP bank account only.

118. Parallel co-financing: The actual realization of project co-financing will be monitored during the terminal evaluation process and will be reported to the GEF. The planned parallel co-financing will be used as follows:

Co-financing source	Co-financing type	Co-financing amount	Planned Activities/Outputs	Risks	Risk Mitigation Measures
UNDP	Grants and In kind	724,938	Outputs Components 1, 2, and 3	Low	The UNDP Country Office will monitor the co-financing contributions to the project
MiAmbiente	Grants and In kind	4,878,270	Outputs Components 1, 2, and 3	Medium – Dependent on annual budgeting and effective allocation of funds to the institution	The UNDP Country Office will monitor the co-financing contributions to the project

119. Budget Revision and Tolerance: As per UNDP requirements outlined in the UNDP POPP, the project board will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project manager to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the Project Board. Should the following deviations occur, the Project Manager and UNDP Country Office will seek the approval of the UNDP-GEF team as these are considered major amendments by the GEF: a) Budget re-allocations among components in the project with amounts involving 10% of the total project grant or more; b) Introduction of new budget items/or components that exceed 5% of original GEF allocation.

120. Any over expenditure incurred beyond the available GEF grant amount will be absorbed by non-GEF resources (e.g., UNDP TRAC or cash co-financing).

121. Refund to Donor: Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the UNDP-GEF Unit in New York.

122. Project Closure: Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP.²¹ On an exceptional basis only, a no-cost extension beyond the initial duration of the project will be sought from in-country UNDP colleagues and then the UNDP-GEF Executive Coordinator.

123. Operational completion: The project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Terminal Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review Project Board meeting. The Implementing Partner through a Project Board decision will notify the

²¹ See <https://info.undp.org/global/popp/ppm/Pages/Closing-a-Project.aspx>

UNDP Country Office when operational closure has been completed. At this time, the relevant parties will have already agreed and confirmed in writing on the arrangements for the disposal of any equipment that is still the property of UNDP.

124. Financial completion: The project will be financially closed when the following conditions have been met: a) The project is operationally completed or has been cancelled; b) The Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

125. The project will be financially completed within 12 months of operational closure or after the date of cancellation. Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to the UNDP-GEF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

XI. TOTAL BUDGET AND WORK PLAN

Total Budget and Work Plan			
Atlas Proposal or Award ID:	00099240	Atlas Primary Output Project ID:	00102547
Atlas Proposal or Award Title:	Conservation and sustainable use of biodiversity in coastal marine production landscapes		
Atlas Business Unit	PAN10 Panama		
Atlas Primary Output Project Title	Conservation and sustainable use of biodiversity in coastal marine production landscapes		
UNDP-GEF PIMS No.	5750		
Implementing Partner	Ministry of Environment (MiAmbiente)		

GEF Component/Atlas Activity	Responsible Party/ (Atlas Implementing Agent)	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Total (USD)	Note
COMPONENT/ OUTCOME 1: Strengthening the regulatory and institutional frameworks	MiAmbiente	62000	GEF	71300	Local Consultants	91,000	56,000			147,000	1
				71400	Contractual Services – Individuals	24,471	24,471	24,471	24,472	97,885	2
				71600	Travel	3,000	3,000	3,000	3,000	12,000	3
				72100	Contractual Services-Companies	29,000	29,000	13,000		71,000	4
				72300	Materials & Goods	1,250	1,250	1,250	1,250	5,000	5
				74200	Audio Visual & Print Prod Costs		3,500			3,500	6
				74500	Miscellaneous Expenses	583	583	583	583	2,332	7
				75700	Training, Workshops and Confer	18,750	21,250	7,500		47,500	8
					Total Outcome 1	168,054	139,054	49,804	29,305	386,217	
COMPONENT/ OUTCOME 2: Integrated environmental management of the target ZEMMC in the southern part of the Azuero	MiAmbiente	62000	GEF	71300	Local Consultants	126,000	136,500	21,000	21,000	304,500	9
				71400	Contractual Services – Individuals	59,140	59,140	59,141	59,141	236,562	10
				71600	Travel	5,000	5,000	6,750	6,750	23,500	11
				72100	Contractual Services-Companies	10,000	141,000	101,000	69,000	321,000	12
				72300	Materials & Goods	1,000	6,000	6,000	1,000	14,000	13

Peninsula connectivity between PAs and production landscapes				72600	Grants		24,000	24,000	24,000	72,000	14
				72800	Information Technology Equipmt	1,500	10,000			11,500	15
				74500	Miscellaneous Expenses	1,288	1,288	1,287	1,287	5,150	16
				75700	Training, Workshops and Confer	3,750	46,250	15,500		65,500	17
					Total Outcome 2	207,678	429,178	234,678	182,178	1,053,712	
COMPONENT/ OUTCOME 3: Gender Mainstreaming, Knowledge Management and Learning	MiAmbiente	62000	GEF	71200	International Consultants				21,000	21,000	18
				71300	Local Consultants	3,750	48,750	3,750	16,050	72,300	19
				71600	Travel	4,500	4,500	4,500	12,000	25,500	20
				72800	IT Equipment		10,000			10,000	21
				74100	Professional Services	4,000	4,000	4,000	9,000	21,000	22
				74200	Audio Visual&Print Prod Costs		5,000		5,000	10,000	23
				74500	Miscellaneous Expenses	1,000	1,000	1,000	1,000	4,000	24
				75700	Training, Workshops and Confer	5,000	6,500	1,500	2,200	15,200	25
					Total Outcome 4	18,250	79,750	14,750	66,250	179,000	
PROJECT MANAGEMENT	MiAmbiente	62000	GEF	71400	Contractual Services – Individuals	31,876	31,876	31,876	31,877	127,505	26
				71600	Travel	1,750	1,750	1,750	1,750	7,000	27
				72200	Equipment and Furniture	1,000				1,000	28
				72500	Supplies	500	500	500	500	2,000	29
				72800	IT Equipment	3,750				3,750	30
				74500	Miscellaneous Expenses	535	535	535	533	2,138	31
				74598/64398	Direct Project Costs	4,625	4,625	4,625	4,625	18,500	32
					Total Project Management	44,036	39,286	39,286	39,285	161,893	
PROJECT TOTAL						438,018	687,268	338,518	317,018	1,780,822	

Summary of Funds:

	Amount Year 1	Amount Year 2	Amount Year 3	Amount Year 4	Total
GEF	438,018	687,268	338,518	317,018	1,780,822
UNDP	181,234	181,234	181,235	181,235	724,938
MiAmbiente	1,219,567	1,219,567	1,219,568	1,219,568	4,878,270
TOTAL	1,838,819	2,088,069	1,739,321	1,717,821	7,384,030

Budget Notes:

Note	Budget Notes
Outcome 1: Strengthening the regulatory and institutional frameworks.	
1.	<p>a) Legal Expert in coastal marine affairs for legal support for the development of a National Coastal and Marine Policy and drafting policy proposal. Total cost: \$28,000 during years 1 and 2 (Output 1.1).</p> <p>b) Expert in coastal marine planning for drafting guidelines for developing coastal marine management plans (spatial planning, characterization, demarcation, institutional framework, financing mechanisms, etc.). Total cost: \$21,000 during year 1 (Output 1.1).</p> <p>c) Legal Expert to review and update the existing proposal for regulating for the approval of ZEMMCs through Ministerial Resolution and/or Executive Decree. Total cost: \$10,500 during year 1 (Output 1.1).</p> <p>d) Expert in coastal marine planning to update the Coastal Marine Management Plan of the Southern Azuero ZEMMC. Total cost: \$21,000 during year 2 (Output 1.1).</p> <p>e) Institutional Expert to assess the current organizational and operational guidelines of DICOMAR/MiAmbiente, identify gaps and financial needs, and develop a strengthening strategy and operational guidelines. Total cost: \$14,000 during year 1 (Output 1.2).</p> <p>f) Institutional Expert to assess existing structures, legal framework, and functions of public sector institutions that are part of the SIA and draft proposals for enhancing the mechanisms for coordination and information exchange between DICOMAR /MiAmbiente and SIA institutions, and draft agreements and Action Plan for enhanced interinstitutional coordination. Total cost: \$21,000 during year 1 (Output 1.3).</p> <p>g) Economist for the development of a financial strategy and identification of alternatives for the sustainability of the integrated environmental management of the three existing ZEMMCs. Total cost: \$21,000 during year 2 (Output 1.4).</p> <p>h) Capacity Development Expert to develop a training strategy and modules to enhance the capacity of DICOMAR and DAPVS for integrated environmental management of coastal marine areas. Total cost: \$10,500 during year 1 (Output 1.5).</p>
2.	<p>a) Project Coordinator (30%): Management support for strengthening the regulatory and institutional frameworks. Total cost: \$70,035; \$4,669/month during 15 months (all outputs in component).</p> <p>b) Technical Assistant (20%): Technical and field support for strengthening the regulatory and institutional frameworks. Total cost: \$27,850; \$2,785/month during 10 months (all outputs in component).</p>
3.	Travel costs related to strengthening the regulatory and institutional frameworks for integrated environmental management of coastal marine areas. Total cost: \$12,000 during years 1 to 4 (all outputs in component).
4.	<p>a) Assess existing communication and information-sharing mechanisms and procedures for promoting interinstitutional cooperation by DICOMAR/MiAmbiente develop and implement a public communication and/or awareness-raising campaign to promote DICOMAR/MiAmbiente's Communication Action Plan. Total cost: \$32,000 during years 1 and 2 (Output 1.2).</p> <p>b) Develop and implement an information and communication strategy to raise awareness among public and private decision-makers of the importance of conservation and sustainable use of coastal marine biodiversity. Total cost: \$39,000 during years 1 to 3 (Output 1.6).</p>

5.	Materials (including training materials) to support for strengthening the regulatory and institutional frameworks for integrated environmental management of coastal marine areas. Total cost: \$5,000 during years 1 to 4 (all outputs in component).
6.	Printing costs of the National Coastal and Marine Policy. Total cost: \$3,500 during year 2 (Output 1.1).
7.	Incidental expenses related to strengthening the regulatory and institutional frameworks. Total cost: \$2,332 during 4 years.
8.	<p>a) Stakeholder consultation workshops and meetings for the development of a National Coastal and Marine Policy. Total cost: \$7,500 during year 1 and 2 (Output 1.1).</p> <p>b) Validation workshops of National Coastal and Marine Policy proposal. Total cost: \$5,000 during year 2 (Output 1.1).</p> <p>c) Stakeholder consultation workshops and meetings for the review and validation of the updated regulation for the approval of ZEMMCs through Ministerial Resolution and/or Executive Decree. Total cost: \$5,000 during year 1 (Output 1.1).</p> <p>d) Stakeholder consultations for updating the Coastal Marine Management Plan of the Southern Azuero ZEMMC. Total cost: \$5,000 during year 2 (Output 1.1).</p> <p>e) Workshops and meetings for strengthening of existing interinstitutional coordination structures and information exchange between DICOMAR /MiAmbiente and other public sector institutions for integrated environmental management of coastal marine areas. Total cost: \$5,000 during year 1 (Output 1.2).</p> <p>f) Workshops and meetings for the development of a financial strategy and identification of alternatives for the sustainability of the integrated environmental management of the three existing ZEMMCs. Total cost: \$5,000 during year 1 (Output 1.4).</p> <p>g) Training workshops and meetings to enhance the capacity of DICOMAR and DAPVS for integrated environmental management of coastal marine areas. Total cost: \$15,000 during years 2 and 3 (Output 1.5).</p>
Outcome 2: Integrated environmental management of the target ZEMMC in the southern part of the Azuero Peninsula.	
9.	<p>a) Legal Expert to support establishing four (4) local interinstitutional cooperation agreements among environmental agencies (DICOMAR/Ministry of the Environment, ARAP, and municipalities). Total cost: \$42,000 during years 1 and 2 (Output 2.1).</p> <p>b) Fisheries Legal Expert to support the development of stricter regulations to control the activities of fishing vessels in the area of the ZEMMC. Total cost: \$14,000 during year 1 (Output 2.2).</p> <p>c) Fisheries Expert to review the mechanisms in place for collect information for fisheries management and develop additional guidelines and procedures to collect data. Total cost: \$14,000 during year 1 (Output 2.2).</p> <p>d) Fisheries Expert for the development of guidelines to improve the surveillance of foreign, small-scale, and national industrial fleets. Total cost: \$14,000 during year 1 (Output 2.2).</p> <p>e) Fisheries Expert to support the establishment of communal fishing concession areas and sustainable management plans for the ZEMMC in the southern part of the Azuero Peninsula. Total cost: \$42,000 during years 1 and 2 (Output 2.2).</p> <p>f) Fisheries Expert to conduct an economic analysis to determine the CPUE and the optimal effort for the sustainability of fishing of species of commercial interest and the greatest economic benefit for small-scale fishermen, and cost/benefit analysis to assess the feasibility of installing FADs. Total cost: \$21,000 during year 1 (Output 2.2).</p> <p>g) Capacity Development Expert to develop a training plan for fishermen's cooperatives and associations in fisheries administration, communal fishing concession areas management, conservation of fish populations and biodiversity, GPS management, fishery data collection, etc. Total cost: \$10,500 during year 1 (Output 2.2).</p> <p>h) Legal Expert to support the regulation of construction activities in areas of high ecological sensitivity aligned with the Land Use Development Plans. Total cost: \$10,500 during year 1 (Output 2.3).</p> <p>i) Environmental Planning Expert for the development of the action plan to implement the portion of the Coastal Marine Management Plan for the ZEMMC regarding the regulation of construction activities in areas of high ecological sensitivity. Total cost: \$10,500 during year 2 (Output 2.3).</p> <p>j) Environmental Planning Expert to support of the signing of agreements with municipalities, conduct an assessment o determine the sites that are technically and environmentally suitable for the establishment of controlled landfill disposal sites, and draft monitoring protocols assess the presence of contaminants of water bodies and degradation of mangroves. Total cost: \$21,000 during year 2 (Output 2.3).</p> <p>k) Environmental Economics Expert to assess the existing tariff systems for collection and disposal of trash and other solid wastes in each municipality (Pocrí, Pedasí, and Tonosí) and conduct cost benefit analysis, including environmental benefits, of the establishment and/or relocation of landfills and of an the installation of an incineration system for toxic, dangerous, organic wastes, etc. Total cost: \$21,000 during year 2 (Output 2.3).</p> <p>l) Financial Expert to provide support for making available lines of credit, small grants, and incentives for MiPyME that participate in sustainable tourism and biodiversity-friendly fishing, including feasibility analysis to include fishing as an activity that can be favored through FECL. \$63,000 during years 1 to 3 (Output 2.5).</p> <p>m) Environmental Economics Expert to develop the ecological certification standard and guidelines for the reduced use of agrochemicals and the sustainable management of</p>

	agricultural farms and cattle ranches, as well as the verification mechanisms to assess compliance with the define standard. Total cost: \$21,000 during year 2 (Output 2.5)
10.	a) Project Coordinator (60%): Management support for the integrated environmental management of the target ZEMMC. Total cost: \$130,732; \$4,669/month during 28 months (all outputs in component). b) Technical Assistant (80%): Technical and field support for Integrated environmental management of the target ZEMMC. Total cost: \$105,830; \$2,785/month during 38 months (all outputs in component).
11.	a) Travel costs related to management and technical support for the integrated environmental management of the target ZEMMC. Total cost: \$20,000 during 4 years (all outputs in component). b) Travel costs associated with ecological certification by MiAmbiente of reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches. Total cost: \$3,500 during years 3 and 4 (Output 2.3)
12.	a) Development of a fishery statistics system and a prospecting study to identify other potential species for fishing in order to diversify and make the current fishery more sustainable. Total cost: \$40,000 during year 2 (Output 2.2.). b) Certification of biodiversity-friendly fishing practices. Total cost: \$36,000 during years 2 to 4 (Output 2.2). c) Develop and implementation of capacity development plan for families involved in fishery activities, with a focus on women, to improve fish products (e.g., pickled tuna) and provide technical assistance and training to promote entrepreneurship. Total cost: \$25,000 during years 2 and 3 (Output 2.2). d) Complete ZEMMC mangrove inventory, develop strategic guidelines for the zoning of mangroves in the ZEMMC, and participatory rehabilitation of 30 ha of mangroves and 35 ha of riparian forest, and participatory assessment of the level of mangrove and river and coastal pollution in the ZEMMC. Total cost: \$140,000 during years 2 to 4 (Output 2.4). e) Design and conduct a national and international publicity campaign to promote sustainable tourism in the ZEMMC of the southern part of the Azuero Peninsula. Total cost: \$30,000 during year 2 to 4 (Output 2.5). f) Design and implement a public information campaign increases awareness and local support for the implementation of best production practices to reduce threats to coastal marine biodiversity. Total cost: \$20,000 during years 2 and 3 (Output 2.5). g) Design and implement a training program (formal and non-formal education) at the local level regarding biodiversity conservation and its sustainable use (300 people benefited). Total cost: \$30,000 during years 1 to 3 (Output 2.5).
13.	Materials (including training materials and participatory monitoring) to support Integrated environmental management of the target ZEMMC in the southern part of the Azuero Peninsula. Total cost: \$4,000 during years 1 to 4 (all outputs in component). Materials for installing FADs following a cost/benefit analysis. Total cost: \$10,000 (Output 2.2).
14.	Grants to promote sustainable production practices in communal fishing concession areas (including VMS installation) and for compensation mechanism/award for responsible fishing for fishermen associations, and for MiPyME that participate in biodiversity-friendly fishing. Total cost: \$72,000 during years 2 to 3 (Output 2.2 and Output 2.5). These grants will be released following UNDP Guidance on Micro-Capital Grants.
15.	a) Hardware and software to establish a GIS to assess future changes in forest cover in the ZEMMC. Total cost: \$10,000 during year 2 (Output 2.4). b) Computer Technical Assistant: Total cost: \$1,500 during year 1.
16.	Incidental expenses related to integrated environmental management of the target ZEMMC. Total cost: \$5,150 during 4 years.
17.	a) Workshops and meetings for establishing four (4) local interinstitutional cooperation agreements among environmental agencies (DICOMAR/Ministry of the Environment, ARAP, and municipalities). Total cost: \$7,500 during years 1 and 2 (Output 2.1). b) Consultation workshops and meetings with the fishermen's associations for the development of stricter regulations to control the activities of fishing vessels in the area of the ZEMMC. Total cost: \$5,000 during year 2 (Output 2.1). c) Consultation workshops and meetings with the fishermen's associations for the development of communal fishing concession areas to be co-managed and sustainable management plans for the ZEMMC in the southern part of the Azuero Peninsula. Total cost: \$5,000 during year 2 (Output 2.2). d) Training for fishermen's cooperatives and associations in fisheries administration, communal fishing concession areas management, and conservation of fish populations and biodiversity in concession areas, and GPS management, fishery data collection, etc. Total cost: \$26,000 during years 2 and 3 (Output 2.2). e) Consultation workshops and meetings for the regulation of construction activities in areas of high ecological sensitivity aligned with the Land Use Development Plans. Total cost: \$7,000 during year 2 (Output 2.3).

	<p>f) Consultation workshops and meetings to define district, community and private sectors trash and solid waste management practices to avoid the contamination of water bodies and degradation of mangroves. Total cost: \$5,000 during year 2 (Output 2.3).</p> <p>g) Consultation workshops and meetings with local population and the private sector for implementing updated tariff systems for the collection and disposal of trash and other solid wastes. Total cost: \$5,000 during year 2 (Output 2.3).</p> <p>h) Training and technical guidance to MiPyME to fulfill the requirements established by financial institutions (credits). Total cost: \$5,000 during years 2 and 3 (Output 2.3).</p>
Outcome 3. Gender Mainstreaming, Knowledge Management and Learning	
18.	Terminal project evaluation. Total cost: \$21,000 during year 4.
19.	<p>a) Design an information management and monitoring platform on coastal marine biodiversity (including biodiversity health indicators and protocols for data gathering). Total cost: \$30,000 during year 2 (Output 3.2).</p> <p>b) Design a web-based coordination platform to facilitate interinstitutional information sharing, joint programming, and mutual understanding to avoid duplication and redundancy. Total cost: \$15,000 during year 2 (Output 3.2).</p> <p>c) Terminal GEF Tracking Tools update. Total cost: \$2,500 during year 4.</p> <p>d) Terminal evaluation. Total cost: \$9,800 during year 4.</p> <p>e) Monitoring Expert: Monitoring of indicators in project results framework. Total cost: \$15,000 during years 1 to 4.</p>
20.	<p>a) Travel costs for terminal evaluation (including DSA): Total cost: \$7,500 during year 4.</p> <p>b) Travel costs for M&E of project activities: Total cost: \$6,000 during years 1 to 4.</p> <p>c) Travel costs for gender mainstreaming activities: Total cost: \$6,000 during years 1 to 4 (Output 3.1).</p> <p>d) Travel costs for knowledge management: Total cost: \$6,000 during years 1 to 4 (Output 3.3).</p>
21.	Hardware and software related to an information management and monitoring platform on coastal marine biodiversity. Total cost: \$10,000 during year 2 (Output 3.2).
22.	<p>a) External audit (4). Total cost: \$16,000 during years 1 to 4. This project will be audited in accordance with UNDP Financial Regulations and Rules and applicable audit policies.</p> <p>b) Translations of FE Report. Total cost: \$5,000 during year 4.</p>
23.	Publications related to knowledge management and communication. Total cost: \$10,000 during years 2 and 4 (Output 3.3)
24.	Incidental expenses related to gender mainstreaming, knowledge management and learning. Total cost: \$4,000 during 4 years (all outputs in component).
25.	<p>a) Project Inception Workshop. Total cost \$3,500 during year 1.</p> <p>b) Training workshops for the management of the information management platform on coastal marine biodiversity and web-based coordination platform. Total cost: \$5,000 during year 2 (Output 3.2).</p> <p>c) Terminal evaluation related workshops. Total cost: \$700 during year 4.</p> <p>d) Project board meetings. Total cost: \$6,000 during years 1 to 4.</p>
Project Management	
26.	<p>a) Project Coordinator (10%): project planning, day-to-day management of project activities, project reporting, maintaining key relationships among stakeholders. Total cost: \$23,345; \$4,669/month during 5 months.</p> <p>b) Financial/Administrative Assistant: financial management of the project, accounting, purchasing, and reporting. Total cost: \$120,096; \$2,502/month during 48 months.</p>
27.	Travel costs related to project management. Total cost: \$8,000; \$2,000/year during 4 years.
28.	Office furniture. Total cost: \$1,000.
29.	Office and IT supplies. Total cost: \$2,000; \$500/year during 4 years.
30.	<p>a) Computer Project Coordinator. Total cost: \$1,500.</p> <p>b) Computer Financial/Administrative Assistant: Total cost: \$1,500.</p> <p>c) Printer (1). Total cost: \$250</p> <p>d) Digital camera (1). Total cost: \$250.</p> <p>e) Video beam (1). Total cost: \$250.</p>
31.	Incidental expenses related to project management. Total cost: \$3,702 during four years.
32.	Direct Project Costs (DPC). Total cost: \$18,500 during 4 years.

XII. LEGAL CONTEXT

126. This document together with the Country Programme Action Plan (CPAP) signed by the Government of Panama and UNDP, which is incorporated herein by reference, constitute together a Project Document as referred to in the Standard Basic Assistance Agreement (SBAA); as such all provisions of the CPAP apply to this document. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner”, as such term is defined and used in the CPAP and this document.

127. Consistent with the Article III of the SBAA, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

- a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) Assume all risks and liabilities related to the implementing partner’s security, and the full implementation of the security plan.

128. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner’s obligations under this Project Document [and the Project Cooperation Agreement between UNDP and the Implementing Partner].

129. The Implementing Partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document”.

130. Any designations on maps or other references employed in this project document do not imply the expression of any opinion whatsoever on the part of UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

XIII. ANNEXES

- A. Multi year Workplan
- B. Monitoring Plan
- C. Evaluation Plan
- D. GEF Tracking Tool at baseline
- E. Terms of Reference for Project Board, Project Manager, Chief Technical Advisor and other positions as appropriate
- F. UNDP Social and Environmental and Social Screening Template (SESP)
- G. UNDP Project Quality Assurance Report
- H. UNDP Risk Log
- I. Capacity Assessment of the Project Implementing Partner and HACT Micro Assessment
- J. Additional Agreements
- K. Stakeholder Engagement and Communication Plan
- L. Summary of Consultants and Contractual Services Financed by the Project for the First Two Years
- M. Gender Analysis and Project Gender Mainstreaming Plan
- N. Legal/Institutional Assessment
- O. Target Landscape Profile

ANNEX A: MULTI YEAR WORK PLAN

Task	Responsible Party	Year 1				Year 2				Year 3				Year 4			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Outcome 1: Strengthening the regulatory and institutional frameworks																	
Output 1.1. Policy for coastal and marine spatial planning developed and adopted to provide an official framework for establishment and management ZEMMCs with guidelines for the implementation of coastal and marine spatial planning and the characterization and delimitation of special marine conservation or management areas																	
Legal assessment and development of a National Coastal and Marine Policy	MiAmbiente																
Stakeholder consultations for the development and validation of a National Coastal and Marine Policy	MiAmbiente																
Draft guidelines for developing coastal marine management plans	MiAmbiente																
Official demarcation and establishment of ZEMMC in the southern Azuero Peninsula	MiAmbiente																
Stakeholder consultations, updating, and approval of the Coastal Marine Management Plan of the ZEMMC in Southern Azuero Peninsula	MiAmbiente																

<i>Output 1.2. Organizational structure and operational guidelines of the DICOMAR defined for effective integrated environmental management of the coastal marine areas, including external disclosure and reporting, and appropriate level of staff and financial resources allocated for its operation through Ministerial Decree</i>																	
Assess the current organizational and operational guidelines of DICOMAR/MiAmbiente	MiAmbiente																
Assess existing communication and information-sharing mechanisms for promoting interinstitutional cooperation by DICOMAR /MiAmbiente	MiAmbiente																
Develop and implement a Communication Action Plan for DICOMAR/MiAmbiente	MiAmbiente																
<i>Output 1.3. National-level interinstitutional agreements developed and signed in order to clarify mandates and functions of individual agencies to establish effective mechanisms for coordination and information exchange between DICOMAR /MiAmbiente and public sector institutions such as the SIA (ARAP, AMP, ATP, MIDA, MIVIOT, etc.).</i>																	
Assess existing structures, legal framework, and functions of public sector institutions that are part of SIA	MiAmbiente																
Draft proposals for enhancing the mechanisms for coordination and information	MiAmbiente																

exchange between DICOMAR /MiAmbiente and SIA institutions																
Draft agreements and Action Plan for enhanced interinstitutional coordination	MiAmbiente															
<i>Output 1.4. Public, private, and civil society resources mobilized for the sustainability of the integrated environmental management of the three (3) existing ZEMMC</i>																
Develop a financial strategy and identification of alternatives for the sustainability of the three existing ZEMMCs.	MiAmbiente															
<i>Output 1.5. Training program established within the DICOMAR on planning, management, and monitoring and control of integrated environmental management of coastal marine areas and at least 200 staff trained by the project's completion</i>																
Develop a strategy and modules to enhance the capacity of DICOMAR and DAPVS	MiAmbiente															
Conduct training activities to enhance the capacity of DICOMAR and DAPVS	MiAmbiente															
<i>Output 1.6. Information and communication strategy implemented raises awareness among public and private decision-makers of the importance of conservation and sustainable use of coastal marine biodiversity</i>																
Develop and implement an information and communication	MiAmbiente															

strategy to raise awareness about conservation and sustainable use of coastal marine biodiversity																
Outcome 2: Integrated environmental management of the target ZEMMC in the southern part of the Azuero Peninsula																
Output 2.1. Four local (4) interinstitutional agreements developed and signed for cooperation among public (DICOMAR/MiAmbiente, ARAP, and municipalities) and private environmental agencies and the fishing, tourism, urban development, and agricultural sectors for implementation of an integrated management plan for the target ZEMMC.																
Draft and sign interinstitutional agreement to reduce illegal and unregulated fishing practices and improve monitoring and control.	MiAmbiente															
Draft and sign local interinstitutional agreement to establish a land use plan for sustainable land use and production practices, mangrove protection, management and disposal of solid waste, reduction/elimination in the use of agrochemicals	MiAmbiente															
Draft and sign local agreement for the use of trammel nets in the fishing area of the ZEMMC regulating the size of	MiAmbiente															

the mesh eye and the season of use																	
Draft and sign an interinstitutional agreement for the development of a participatory plan to control the extraction and sale of turtle eggs, and a plan to mitigate the impact of beachfront lights during turtle nesting season	MiAmbiente																
<i>Output 2.2(a). Fishery sector practices improved through stricter regulations (including ARAP Resolution) of size of the small-scale fishing fleet and the type of small-scale fishing methods allowed for the extraction of species of fish of commercial and local importance.</i>																	
Develop stricter regulations to control the activities of fishing vessels in the area of the ZEMMC in close coordination with ARAP, DICOMAR, and in consultation with the fishermen's associations	MiAmbiente																
Review the mechanisms in place for collect information for fisheries management and develop additional guidelines and procedures to collect data.	MiAmbiente																

Develop guidelines to improve the surveillance of foreign, small-scale, and national industrial fishing fleets	MiAmbiente																
<i>Output 2.2(b). Fishery sector practices improved through the development of communal fishing concession areas and sustainable management plans with participation of small-scale fishing cooperatives and environmental and fisheries officials, informed by economic analysis to determine the CPUE and optimal efforts for the sustainability of the fish species of commercial importance and to determine options for the greatest economic benefit for small-scale fishermen.</i>																	
Establish communal fishing concession areas and sustainable management plans for the ZEMMC in the southern part of the Azuero Peninsula.	MiAmbiente																
Conduct an economic analysis to determine the CPUE and the optimal effort for the sustainability of fishing of species of commercial interest and the greatest economic benefit for small-scale fishermen	MiAmbiente																
Conduct cost/benefit analysis to assess the feasibility of installing FADs	MiAmbiente																

Implement sustainable production practices in communal fishing concession areas through a grant mechanism.	MiAmbiente																
<i>Output 2.2(c). Fishery sector practices improved through support provided for strengthening of the small-scale fishing sectors, including cooperatives.</i>																	
Certification of biodiversity-friendly fishing practices																	
Implement a training plan for fishermen's cooperatives and associations in fisheries administration, communal fishing concession areas management, conservation of fish populations and biodiversity, etc.	MiAmbiente																
Implement capacity development plan for families involved in fishery activities, with a focus on women, to improve fish products and provide technical assistance and training to promote entrepreneurship.	MiAmbiente																
Promote the decentralization of functions of ARAP by	MiAmbiente																

empowering its regional office in the ZEMMC to issue fishing permits and licenses and for enforcing and monitoring their implementation																	
<i>Output 2.3(a). Local regulatory framework improved and aligned with the Land Use Development Plans regulates construction activities in areas of high ecological sensitivity (mangroves, sea turtle nesting beaches, dunes, coastal wetlands, and coral reefs) in the ZEMMC of the southern part of the Azuero Peninsula.</i>																	
Apply the Best Practices Guide on construction in beach areas and tropical coasts, including the adoption of local agreements for land use planning that includes the regulation of constructions in ecologically sensitive areas	MiAmbiente																
Promote the approval by the MiAmbiente/DICOMAR of the Land Use Plans for each district within the ZEMMC	MiAmbiente																
Define an action plan to implement the portion of the Coastal Marine Management Plan for the southern part	MiAmbiente																

of the Azuero Peninsula																	
<i>Output 2.3(b). Local regulatory framework improved and aligned with the Land Use Development Plans regulates trash and solid waste management in the districts (municipalities), the coastal communities, and by the private sectors (tourism, urban development, and agriculture) avoiding contamination of water bodies and degradation of mangroves</i>																	
Sign municipal agreements to eliminate non-recyclable materials and develop a replacement plan with recyclable materials to meet local demand	MiAmbiente																
Identify specific sites for the disposal of wastes will have been established together with recycling activities to reduce the contamination of water bodies and the degradation of coastal ecosystems, in particular mangroves and beaches	MiAmbiente																
Develop monitoring protocols to periodically assess the presence of contaminants from trash and solid waste in water bodies and degradation of mangroves	MiAmbiente																

Output 2.3(c). Local regulatory framework improved and aligned with the Land Use Development Plans regulates tariff systems for collection and disposal of trash and other solid wastes

Assess the existing tariff systems for collection and disposal of trash and other solid wastes in each municipality and	MiAmbiente																
Conduct cost benefit analysis for the establishment and/or relocation of landfills and the installation of an incineration system for toxic and other wastes	MiAmbiente																
Update the tariff system for each municipality for a more environmentally friendly collection and disposal system	MiAmbiente																
Conduct awareness and communication campaign for the public and private sectors about the adjusted tariff systems and the associated environmental benefits	MiAmbiente																

Output 2.4. Participatory zoning, protection, and management of the ZEMMC implemented, contributing to the preservation (5,547.6 ha), rehabilitation (30 ha), and sustainable use (494.7 ha) of mangroves, and participatory monitoring program establishes changes in populations of fish species of commercial and local importance, the quality of the coastal waters and adjacent waterways, and the health of key ecosystems (sea turtle nesting beaches, mangroves, coral reefs, etc.).

Complete a ZEMMC mangrove inventory, including an assessment of degradation and deforestation in the last 20 years	MiAmbiente																
Develop strategic guidelines for the zoning of mangroves in the ZEMMC	MiAmbiente																
Establish a digital GIS to assess future changes in forest cover in the ZEMMC.	MiAmbiente																
Rehabilitation of 30 ha of mangrove and 35 ha (> 25 km) of riparian forests in the ZEMMC	MiAmbiente																
Assess the level of mangrove and river pollution in the ZEMMC through participatory monitoring	MiAmbiente																

Output 2.5(a) Mechanisms established for incentivizing the use of biodiversity-friendly production practices available including lines of credit, small grants, and incentives for MiPyME that participate in sustainable tourism and biodiversity-friendly fishing.

Make available lines of credit and incentives for MiPyME that participate in	MiAmbiente																
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sustainable tourism and biodiversity-friendly fishing, and feasibility analysis to include fishing as an activity that can be benefit through FECl																	
Provide support to the MiPyME by provide training and technical guidance to help them fulfill the requirements established by the financial institutions	MiAmbiente																
<i>Output 2.5(b) Mechanisms established for incentivizing the use of biodiversity-friendly production practices available including national and international publicity campaign to promote sustainable tourism in the ZEMMC of the southern part of the Azuero Peninsula</i>																	
Design and implement a publicity campaign to promote sustainable tourism in the ZEMMC	MiAmbiente																
<i>Output 2.5(c) Mechanisms established for incentivizing the use of biodiversity-friendly production practices available including ecological certification accredited by MiAmbiente for the reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches.</i>																	
Develop the ecological certification standard and guidelines for the reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches, as well as the	MiAmbiente																

verification mechanisms to assess compliance with the define standard																	
Certification of reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches	MiAmbiente																
<i>Output 2.5(d) Mechanisms established for incentivizing the use of biodiversity-friendly production practices available including public information campaign increases awareness and local support for the implementation of best production practices to reduce threats to coastal marine biodiversity, including coastal cleanup activities carried out with participation from the hotel sector, the municipalities, and the local population</i>																	
Design and implement a public information campaign to increase awareness and local support for the implementation of best production practices to reduce threats to coastal marine biodiversity	MiAmbiente																
Conduct coastal cleanup activities in sea turtles nesting beaches and mangroves with the active local participation	MiAmbiente																
<i>Output 2.5(e) Mechanisms established for incentivizing the use of biodiversity-friendly production practices available including training program (formal and non-formal education) implemented at the local level increases the knowledge of 300 people regarding biodiversity conservation and its sustainable use: biodiversity-friendly fishing methods; contamination reduction and garbage and solid waste management; and protection of beaches, mangroves, wetlands, and coral reefs.</i>																	

Design and implement a training program at the local level increases the knowledge of 300 people regarding biodiversity conservation and its sustainable use.	MiAmbiente																
Assess the impact of the training program through interviews, follow-up activities, among other methods.	MiAmbiente																
Outcome 3: Gender Mainstreaming, Knowledge Management and Learning																	
Output 3.1. Gender mainstreaming plan implemented and its results monitored and reported.																	
Implement the project Gender Mainstreaming Plan (Annex M)	MiAmbiente																
Output 3.2(a). Information management and monitoring system improved through information management platform established on coastal marine biodiversity (including biodiversity health indicators and protocols for data gathering), with guidelines for biodiversity-friendly practices and ecosystem protection made available to the different production sectors: fishing, tourism, urban development, and farming/ranching																	
Design and implement an information system for technical and scientific data management related to coastal marine ecosystems and the mainstreaming of biodiversity	MiAmbiente																

<i>Output 3.2(b). Information management and monitoring system improved through web-based coordination platform to facilitate interinstitutional information sharing, joint programming, and mutual understanding to avoid duplication and redundancy</i>																
Design a put into operation web-based coordination platform to facilitate interinstitutional information sharing and coordination	MiAmbiente															
<i>Output 3.3. Experiences, best practices, and lessons learned about the integrated environmental management of the ZEMMC of the southern part of the Azuero Peninsula systematized and made available for use in other ZEMMC in the country for replication.</i>																
Identify and share lessons learned related to the implementation of strategies to promote costal marine biodiversity conservation and its sustainable use	MiAmbiente															

ANNEX B: MONITORING PLAN

The Project Manager will collect results data according to the following monitoring plan.

Monitoring	Indicators	Description	Data source/Collection Methods	Frequency	Responsible for data collection	Means of verification	Assumptions and Risks
Project Objective: To mainstream the conservation and sustainable use of biodiversity into production land/seascapes for integrated environmental management of coastal marine areas and for the benefit of the coastal population	<u>Indicator 1</u> (Mandatory UNDP): Number of people benefitting from strengthened livelihoods through solutions for management of coastal marine natural resources and ecosystems services	4,467	– Periodic project monitoring and follow-up Project follow-up meetings and surveys	– Annually	– Project Manager – UNDP Gender Specialist	– PIR – Reports of project follow-up meetings	– Willingness by decision makers to incorporate biodiversity conservation and sustainable use in land/marine production landscapes for the integrated environmental management of coastal marine areas and for the benefit of the coastal population Sampling efforts are optimal
	<u>Indicator 2:</u> Area (hectares [ha]) of land/seascape with improved management	292,970 ha	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager – Project technical team	– Field/spatial sampling – Field notes verification reports – PIR	
Project Outcome 1:	<u>Indicator 3:</u> National Coastal and Marine Policy	National Coastal and Marine Policy approved	– Periodic project monitoring and follow-up	– Final point of the project	– Project Manager	– Official gazette – Policy proposal	– There is political will to strengthen the national governance framework and to strengthen integrated

Strengthening the regulatory and institutional frameworks	Indicator 4: Number of existing Environmental Consultation Committees (EACs) Watershed Committees (WC), and an Institutional Environmental System (SIA) strengthened.	<ul style="list-style-type: none"> – EAC: 1 – WC: 1 – SIA: 1 	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager	<ul style="list-style-type: none"> – PIR – Reports of project follow-up meetings 	environmental management in land/marine production landscapes – Effective coordination and participation by public sector institutions
	Indicator 5: Increased government financing for the integrated environmental management of the marine coastal areas	<ul style="list-style-type: none"> – \$X (Baseline and target will be determined during project implementation) 	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager	<ul style="list-style-type: none"> – PIR – Reports of project follow-up meetings 	
	Indicator 6: Change in capacity of decision makers (differentiated by sex) for marine coastal biodiversity conservation, sustainable use, and reduced risk through the UNDP Capacity Development Scorecard	<ul style="list-style-type: none"> – MiAmbiente: 77% – MIDA: 77% – ARAP: 74% – Districts: 40% – NGOs: 80% – Producer's Associations: 77% 	– Completed UNDP Capacity Development Scorecard	– Mid and final point of the project	<ul style="list-style-type: none"> – Project Manager – Project technical team 	– Updated UNDP Capacity Development Scorecard	
Project Outcome 2: Integrated environmental management of the target ZEMMC in the southern	Indicator 7: Number of female olive Ridley sea turtles (<i>Lepidochelys olivacea</i>) nesting in 1.8 kilometers of protected beaches: La Marinera (0.8 km) and Isla de Cañas (1	<ul style="list-style-type: none"> – Isla de Cañas: 6,486; females – La Marinera: 15,000 females 	– To be determined during project implementation	– Mid and final point of the project	<ul style="list-style-type: none"> – Project Manager – Project technical staff and consultants 	<ul style="list-style-type: none"> – Project technical reports – PIR – Related project/meeting reports 	<ul style="list-style-type: none"> – There are no substantial changes in land use/cover (coastal areas) – There is willingness by the private sector (small-scale fishing, tourism, urban development, agricultural production, and cattle ranching) to adopt production

part of the Azuero Peninsula	km, natural nursery site)						practices that are marine-coastal biodiversity-friendly – Sampling efforts are optimal – Environmental variability, including climate change, within the normal range
	<u>Indicator 8:</u> Coverage of mangroves in the southern part of the Azuero Peninsula	6,072.3 ha	– ZEMMC mangrove inventory	– Beginning and final point of the project	– Project Manager – Project team and consultants	– Project technical reports – PIR – Related project/meeting reports	
	<u>Indicator 9:</u> Sizes of the fish species of commercial interest selected upon finalization of the project	– Grouper (<i>Epinephelus spp.</i>): X (Baseline will be determined during project implementation) – Snapper (<i>Lutjanus spp.</i>): 30.7 cm (Baseline will be confirmed during project implementation)	– Fishing logbooks	– Annually (or more often)	– Project Manager – Project team and consultants	– Project technical reports – PIR Related project/meeting reports	
	<u>Indicator 10:</u> Percentage of small-scale fishing cooperatives that adopt best practices for biodiversity-friendly and sustainable fishing practices based on the FAO code of conduct	20%	– Periodic project monitoring and follow-up	– Annually	– Project Manager – Project team and consultants	– PIR Reports of project follow-up meetings	
	<u>Indicator 11:</u> Median income of the small-scale fishermen who adopt biodiversity-friendly and sustainable fishing practices	\$500/month	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager – Project team and consultants	– Household surveys – Project technical reports – PIR	

	<u>Indicator 12:</u> Number of MiPyMEs associated with sustainable tourism throughout the marine coastal area with environmental management plans	4 MiPyMEs associated with sustainable tourism with EMP	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager	– PIR Reports of project follow-up meetings	
	<u>Indicator 13:</u> Number of agreements between the districts of Pocrí, Pedasí, and Tonosí and the urban development sector for the prevention, reduction, and control of land-based contamination and the management of trash and solid waste	5	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager	– PIR – Reports of project follow-up meetings	
	<u>Indicator 14:</u> Number of farms and cattle ranches with sustainable production certified by MiAmbiente or another competent authority	– 2 new agro-tourism farms – 2 farms or cattle ranches certified	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager	– PIR – Reports of project follow-up meetings	
Project Outcome 3: Gender Mainstreaming, Knowledge Management and Learning	<u>Indicator 15:</u> Progress in the in the implementation of the Project Gender Mainstreaming Plan (see Gender Mainstreaming Plan, Annex M)	100%	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager – UNDP Gender Specialist	– PIR – Gender Mainstreaming Plan reports	– Active participation of the project's stakeholders in the implementation of the project's Gender Mainstreaming Plan – Effective documentation of lessons learned, best practices, and experiences

	Indicator 16: Information management and monitoring system on coastal marine biodiversity	Information management and monitoring system on coastal marine biodiversity operating	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager – UNDP Communication /Knowledge Management Specialist	– PIR	around the integrated environmental management of the ZEMMC in the southern part of the Azuero Peninsula
	Indicator 17: Number of documents on best practices and lessons learned made available to other ZEMMCs in the country and internationally	1	– Periodic project monitoring and follow-up	– Mid and final point of the project	– Project Manager – UNDP Communication /Knowledge Management Specialist	– PIR	
Terminal GEF Tracking Tool	N/A	N/A	– Baseline GEF Tracking Tool included in Annex D	– After final PIR submitted to GEF	– Project consultant but not evaluator	– Completed GEF Tracking Tool	<i>List assumptions and risks to collecting the GEF TT data</i>
Environmental and Social risks and management plans, as relevant.	N/A	N/A	– Updated SESP and management plans	– Annually	– Project Manager – UNDP CO	– Updated SESP	

ANNEX C: EVALUATION PLAN

Evaluation Title	Planned start date Month/year	Planned end date Month/year	Included in the Country Office Evaluation Plan	Budget for consultants ²²	Other budget (i.e. travel, workshops)	Budget for translation
Terminal Evaluation	02/2022	03/2022	No	USD 20,800	USD 8,200	USD 4,000
Total evaluation budget				USD 43,000		

²² The budget will vary depending on the number of consultants required (for full size projects should be two consultants); the number of project sites to be visited; and other travel related costs. Average # total working days per consultant not including travel is between 22-25 working days.

ANNEX D: GEF TRACKING TOOL (S) AT BASELINE

The GEF Tracking Tool (BD-4; see separate attachment) will be used to track project-level results. It will be based on results tracked at the level of the prioritized landscape. As noted in the Monitoring Plan (see Annex B above), the Tracking Tool will be updated by a project consultant (but not evaluators) at the end of the project.

ANNEX E: TERMS OF REFERENCE FOR PROJECT BOARD, PROJECT MANAGER, AND OTHER POSITIONS

E.1. Terms of Reference of Project Board

Responsibilities

The Project Board will provide overall strategic policy and management direction for the project and play a critical role in reviewing and approving the project planning and execution conducted by the PCU and the Implementing Partner. In line with the adoption of an adaptive management approach, the Project Board will review project progress, make recommendations and adopt the (biennial) project work plans and budget.

Whenever feasible, approval by the Project Board members of interim revisions (as applicable) of the biennial project work plans and budgets will be sought by electronic means, in order to optimize cost-efficiency of the project management arrangements.

Specific Duties

Specific functions of the Project Board will include:

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC in Panama).
- Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the PCU;
- Delegate any Project Assurance function as appropriate;
- Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);
- Review and appraise detailed Project Plan and Annual Work Plan (AWP), including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.
- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager tolerances in the AWP and quarterly plans when required;
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner.
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions;
- Provide ad-hoc direction and advice for exception situations when Project Manager's tolerances are exceeded;
- Assess and decide on project changes through revisions;
- Assure that all Project deliverables have been produced satisfactorily;
- Review and approve the Final Project Review Report, including lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement);
- Notify operational completion of the project to the Outcome Board.

As the Project Board will provide overall guidance to the Project; it will not be expected to deal with day-to-day management and administration of the Project. This will be handled by the Project Manager, in coordination with the Executing Agencies, and under guidance from the Country Office of the Implementing Agency (to ensure conformity with United Nations' requirements).

The Project Board is especially responsible for evaluation and monitoring of Project outputs and achievements. In its formal meetings, the Project Board will be expected to review the Project work plan and budget expenditure, based on the Project Manager's report. The Project Board should be consulted for supporting any changes to the work plan or budget, and is responsible for ensuring that the Project remains on target with respect to its outputs.

Where necessary, the Project Board will support definition of new targets in coordination with, and approval from, the Implementing/Executing Agencies.

Membership

The Project Board is expected to be composed of:

- Representative of the GEF Implementing Agency: UNDP Country Office in Panama;
- Representative of the Implementing Partner: MiAmbiente;
- Representatives of the MINRE and local authorities..

Other parties can be invited as observers to the Project Board Meetings, as deemed relevant and beneficial for the implementation of the Project.

Frequency and Conduct of Meetings

It is anticipated that there will be at least three full meetings of the Project Board to take place at the following times during the duration of the Project:

- Project Inception
- Project Midterm
- Project End

Other options such as meetings of representative groupings of the Project Board, teleconferencing and e-mail will be explored to allow for discussion and review of project matters during the years when no formal Project Board are planned. Formal meetings will be scheduled and arranged by the PCU in consultation with, and at the request of, the other Project Board members.

E.2. Terms of Reference for Key Project Staff

A Project Manager, an M&E Expert, a Gender Expert, a Communications/Knowledge Management Expert, a Coffee/Cocoa Specialist, and a Biodiversity Specialist will staff the PCU. A Financial and Administrative Assistant will provide administrative input for successful project implementation, and management and monitoring of all financial project aspects; three Field Technicians will provide local support. The ToRs for these positions will be further discussed and will be fine-tuned during the Inception Workshop so that roles and responsibilities and UNDP GEF reporting procedures are clearly defined and understood. Also, during the Inception Workshop the ToRs for specific consultants and sub-contractors will be fully discussed and, for those consultancies to be undertaken during the first year of the project, full ToRs will be drafted and selection and hiring procedures will be defined.

Project Manager

A Project Manager will be hired using project funds to carry out the duties specified below, and to provide further technical assistance as required by the project team to fulfill the objectives of the project. He/she will be responsible for ensuring that the project meets its obligations to the GEF and the UNDP, with particular regard to the management aspects of the project, including supervision of staff, serving as stakeholder liaison, implementation of activities, and reporting. The Project Manager will lead the PCU and will be responsible for the day-to-day management of project activities and the delivery of its outputs. The Project Manager will support and coordinate the activities of all partners, staff, and consultants as they relate to the implementation of the project.

The Project Manager will be responsible for the following tasks:

Specific Duties

- Prepare detailed work plan and budget under the guidance of the Project Board and UNDP;
- Make recommendations for modifications to the project budget and, where relevant, submit proposals for budget revisions to the Project Board, and UNDP;
- Facilitate project planning and decision-making sessions;

- Organize the contracting of consultants and experts for the project, including preparing ToRs for all technical assistance required, preparation of an action plan for each consultant and expert, supervising their work, and reporting to the UNDP Project Officer;
- Provide technical guidance and oversight for all project activities;
- Oversee the progress of the project outcomes conducted by local and international experts, consultants, and cooperating partners;
- Coordinate and oversee the preparation of all outputs of the project;
- Foster, establish, and maintain links with other related national and international programs and national projects, including information dissemination through media such as web page actualization, etc.;
- Organize Project Board meetings at least once every semester as well as annual and final review meetings as required by UNDP, and act as the secretary of the Project Board;
- Coordinate and report the work of all stakeholders under the guidance of UNDP;
- Prepare PIRs/APRs in the language required by the GEF and the UNDP's Country Office and attend annual review meetings;
- Ensure that all relevant information is made available in a timely fashion to UNDP regarding activities carried out nationally, including private and public sector activities, which impact the project;
- Prepare and submit quarterly progress and financial reports to UNDP as required, following all UNDP quality management system and internal administrative process;
- Coordinate and participate in M&E exercises to appraise project success and make recommendations for modifications to the project;
- Prepare and submit technical concepts and requirements about the project requested by UNDP, the Government of Panama, or other external entities;
- Perform other duties related to the project in order to achieve its strategic objectives;
- Ensure the project utilizes best practices and experiences from similar projects;
- Ensure the project utilizes the available financial resources in an efficient and transparent manner;
- Ensure that all project activities are carried out on schedule and within budget to achieve the project outputs;
- Solve all scientific and administrative issues that might arise during the project.

Outputs

- Detailed work plans indicating dates for deliverables and budget;
- Documents required by the control management system of UNDP;
- ToRs and action plan of the staff and monitoring reports;
- List of names of potential advisors and collaborators and potential institutional links with other related national and international programs and national projects;
- Quarterly reports and financial reports on the consultant's activities, all stakeholders' work, and progress of the project to be presented to UNDP (in the format specified by UNDP);
- A final report that summarizes the work carried out by consultants and stakeholders during the period of the project, as well as the status of the project outputs at the end of the project;
- Minutes of meetings and/or consultation processes;
- Yearly PIRs/APRs;
- Adaptive management of project.

All documents are to be submitted to the UNDP Project Officer and in MS Word and in hard copy.

Qualifications (indicative)

- A graduate academic degree in areas relevant to the project (e.g., conservation of biodiversity, SFM or SLM);
- Minimum 10 years of experience in project management with at least 5 years of experience in at least one area relevant to the project (e.g., conservation of biodiversity, SFM or SLM);
- Experience facilitating consultative processes, preferably in the fields of conservation of biodiversity, SFM or SLM;

- Proven ability to promote cooperation between and negotiate with a range of stakeholders, and to organize and coordinate multi-disciplinary teams;
- Strong leadership and team-building skills;
- Self-motivated and ability to work under the pressure;
- Demonstrable ability to organize, facilitate, and mediate technical teams to achieve stated project objectives;
- Familiarity with logical frameworks and strategic planning;
- Strong computer skills;
- Flexible and willing to travel as required;
- Excellent communication and writing skills in Spanish and English;
- Previous experience working with a GEF-supported project is considered an asset.

Financial and Administrative Assistant

The Project Financial and Administrative Assistant is responsible for the financial and administrative management of the project activities and assists in the preparation of quarterly and annual work plans and progress reports for review and monitoring by UNDP. This position will be part of the PCU under the supervision of the Project Manager.

Specific Duties

- Responsible for providing general financial and administrative support to the project;
- Take own initiative and perform daily work in compliance with annual work schedules;
- Assist project management in performing budget cycle: planning, preparation, revisions, and budget execution;
- Provide assistance to partner agencies involved in project activities, performing and monitoring financial aspects to ensure compliance with budgeted costs in line with UNDP policies and procedures;
- Monitor project expenditures, ensuring that no expenditure is incurred before it has been authorized;
- Assist project team in drafting quarterly and yearly project progress reports concerning financial issues.
- Drafting the contracts of national/local consultants and all project staff, in accordance with the instructions of the UNDP Contract Office in Panama;
- Ensure that UNDP procurement rules are followed during procurement activities that are carried out by the project and maintain responsibility for the inventory of the project assets;
- Perform preparatory work for mandatory and general budget revisions, annual physical inventory and auditing, and assist external evaluators in fulfilling their mission;
- Prepare all outputs in accordance with the UNDP administrative and financial office guidance;
- Ensure the project utilizes the available financial resources in an efficient and transparent manner;
- Ensure that all project financial activities are carried out on schedule and within budget to achieve the project outputs;
- Perform all other financial related duties, upon request;
- Make logistical arrangements for the organization of meetings, consultation processes, and media;
- Draft correspondence related to assigned project areas; provide clarification, follow up, and responses to requests for information;
- Assume overall responsibility for administrative matters of a more general nature, such as registry and maintenance of project files;
- Provide support to the Project Manager and project staff in the coordination and organization of planned activities and their timely implementation;
- Assist the Project Manager in liaising with key stakeholders from the Government of Panama counterpart, co-financing agencies, municipalities, civil society, and NGOs, as required;
- Ensure the proper use and care of the instruments and equipment used on the project
- Resolve all administrative and support issues that might arise during the project;
- Provide assistance in all logistical arrangements concerning project implementation.

Qualifications (indicative)

- Undergraduate Degree in finance, business sciences, or related fields;
- At least 3-5 years in project financial management and administration;
- A demonstrated ability in the financial management of development projects and in liaising and cooperating with government officials, donors, and civil society;
- Self-motivated and ability to work under the pressure;
- Team-oriented, possesses a positive attitude, and works well with others;
- Flexible and willing to travel as required;
- Excellent interpersonal skills;
- Excellent verbal and writing communication skills in Spanish and English;
- Good knowledge of Word, Outlook, Excel, and Internet browsers;
- Previous experience working with a GEF and/or UNDP-supported project is considered an asset.

ANNEX F: UNDP SOCIAL AND ENVIRONMENTAL SCREENING TEMPLATE (SESP)

Project Information

Project Information	
1. Project Title	Conservation and sustainable use of biodiversity in coastal marine production landscapes
2. Project Number	5750
3. Location (Global/Region/Country)	Panama

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the Project mainstreams the human-rights based approach

The project will support the government of Panama in facilitating the direct, free, and equal participation of national and local stakeholders (municipalities, local communities, and the private sector) in the planning and implementation of measures for the conservation and sustainable use of biodiversity in coastal marine areas in Panama, including the Coastal Marine Special Management Area (ZEMMC) in the southern part of the Azuero Peninsula. In line with UNDP's human-based approach, the project will empower local communities, small-scale fishermen, owners of small- and medium-sized businesses, owners of agricultural farms and cattle ranches, and municipal authorities so that they become the principal facilitators and decision-makers for mainstreaming biodiversity conservation objectives into the coastal marine production landscapes and seascapes they inhabit and use. In addition, the project will provide monetary and non-monetary benefits equally to community members, small-scale fishermen, owners of small- and medium-sized businesses, owners of agricultural farms and cattle ranches, regardless of their situations, which will result from: a) concessions for communal fishing areas and biodiversity-friendly fishing practices; b) the prevention, reduction, and control of land-based contamination and the management of trash and solid waste; c) lines of credit for micro-, small-, and medium-sized businesses (MiPyME) that participate in sustainable tourism and biodiversity-friendly fishing; d) a national and international advertising campaign to promote sustainable tourism in the ZEMMC of the southern part of the Azuero Peninsula; and e) ecological certification accredited by the Ministry of Environment of Panama (MiAmbiente) or other competent authority for the reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches. Through the conservation and sustainable use of key ecosystems (e.g., mangroves, sea turtle nesting beaches, dunes, and coastal wetlands), ecosystem services will be enhanced (nutrient cycling, shoreline stabilization and coastal erosion control, carbon stocks, climate regulation, and habitat for biodiversity) with a positive impact on the well being of the communities in coastal areas. All national and local stakeholders associated with the project have the right to freely express their opinions, and will participate in decision-making processes regarding the implementation of the project. The final design of the project includes a Stakeholder Engagement and Communication Plan (Annex K of this UNDP Project Document), which among other thing will allow ensuring full knowledge of those involved concerning the progress and obstacles in project development.

Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment

Gender aspects have incorporated into the project design to ensure the equitable distribution of project benefits among men and women. Women were consulted during the final project design and will be an essential part of implementation. Women will actively participate in decision-making processes regarding the conservation and sustainable use of coastal marine biodiversity and the delivery of ecosystem services. During project implementation, equal opportunities will be given to women and men so that natural resources

management, environmental protection, and conservation of coastal marine biodiversity is achieved equally, with consideration given to the role and priorities of both, and granting them the opportunity to express themselves at the various levels of government institutions, the private sector, and social organizations. The project will incorporate gender considerations into all phases of its life cycle, and includes a Project Gender Mainstreaming Plan (Annex M of this UNDP Project Document) designed specifically to ensure that the concerns and experiences of women (as well as men) are an integral part of the development, implementation, and M&E of the project. According to the UNDP Gender Marker the project is classified as Gender Responsive: the results address the different needs of men and women, there is equitable distribution of benefits, resources, status, and rights; however, the project does not address the root causes of inequality in their lives. The safeguards that will be applied to ensure that gender considerations are part of the final project design include the participation of gender specialists from the UNDP country office, consultations with women's organizations, and the implementation of a Stakeholder Engagement and Communication Plan (Annex K of this UNDP Project Document) in which the role of women in the project is clearly defined.

Briefly describe in the space below how the Project mainstreams environmental sustainability

The project will mainstream biodiversity conservation and sustainable land management objectives into coastal marine production landscapes in Panamá and in particular the ZEMMC in the southern part of the Azuero Peninsula, contributing to the welfare of coastal communities and the delivery of global environmental benefits. This will be achieved through the implementation of specific actions to reduce primary threats to coastal marine biodiversity (non-sustainable and unregulated fishing; the unplanned expansion of agriculture, cattle ranching, and urban development; non-sustainable tourism; land-based contamination of coastal and marine water bodies; and climate change). More specifically, the project will mainstream environmental sustainability by means of the following:

- 1) The use of fishing best practices that will lead to stable populations of selected fish species of commercial importance such as snapper (*Lutjanus spp.*) and grouper (*Epinephelus spp.*).
- 2) The implementation of sustainable tourism and regulated urban and agriculture development that will contribute to the protection of sea turtle nesting beaches and stable numbers of olive ridley (*Lepidochelys olivacea*), green (*Chelonia mydas*), and hawksbill (*Eretmochelys imbricata*) sea turtles that nest in two beaches (La Marinera and the Isla de Cañas) of the southern area of the Azuero Peninsula
- 3) The preservation (5,547.6 ha), rehabilitation (30 ha), and sustainable use (494.7 ha) of mangroves.
- 4) Improved habitat for aquatic species in the southern area of the Azuero Peninsula as a result of reduced contamination (trash, solid waste, and agrochemicals) and sedimentation (erosion control). Examples of species of global importance that will benefit are the leatherback sea turtle (*Dermochelys coriacea*), the fin whale (*Balaenoptera physalus*), the sperm whale (*Physeter macrocephalus*), the common bottlenose dolphin (*Tursiops truncatus*), and the spotted dolphin (*Stenella spp.*), among others.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.</i>		QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>		QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.
Risk 1: The project will potentially reproduce discriminations against women	I = 2 P = 1	Low	The project includes a Gender Mainstreaming Plan (Annex M of this UNDP Project Document) to include a gender focus into the project and promote gender equality	
Risk 2. Activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas	I = 1 P = 5	Low	<p>The project will mainstream the conservation and sustainable use of biodiversity into productive landscapes with presence of critical habitat such as mangroves and nesting beaches for sea turtles. The ZEMMC in the southern area of the Azuero Peninsula includes two protected areas: Cañas Island Wildlife Refuge and the Pablo Barrio Wildlife Refuge.</p> <p>The project will include activities with minimal or no</p>	

			risks of adverse impacts to the biodiversity or natural resources within coastal marine areas in Panama, including the ZEMMC in the southern part of the Azuero Peninsula. There is a very limited risk or no risks of measurable adverse impacts on the criteria or biodiversity values for which the critical habitat was designated, or on the ecological processes supporting those biodiversity values (determined on an ecologically-relevant scale). In addition, there is a very limited risk or no risks of reduction of any recognized endangered, vulnerable, or critically endangered species. All project activities will be implemented outside protected areas.	
Risk 3: Changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods	I = 1 P = 5	Low	The project's implementation will lead to a change in the use of land from non-sustainable to sustainable practices. This includes the introduction of biodiversity-friendly production systems for fishing, tourism, and agriculture and cattle ranching. Changes in the use of land and resources will contribute to improving the health of habitats and ecosystems. Sustainable production practices will be promoted by providing incentives to producers. This, together with a healthier	

			environment, will contribute to improve their livelihoods.	
Risk 4: The Project may involve reforestation	I = 1 P = 4	Low	The project will include the rehabilitation of degraded mangroves and riparian forests. If reforestation is part of the rehabilitation activities it will be done using native species.	
Risk 5: Outcomes of the Project may be sensitive or vulnerable to potential impacts of climate change	I = 2 P = 2	Low	The actions of the project directed towards reducing threats to coastal marine biodiversity will result in ecosystems and populations of species that are more resilient to climate change and variability. The zoning, protection, management, rehabilitation, and participatory sustainable use of mangroves in the southern area of the Azuero Peninsula will help to prevent flooding and erosion in the different coastal areas, benefiting the biodiversity present there, as well as the human settlements and production systems in the coastal areas. Despite these efforts, project outputs could continue to be vulnerable to extreme climate variability.	
	QUESTION 4: What is the overall Project risk categorization?			
	Select one (see SESP for guidance)			Comments
	Low Risk	X	The project will include activities with minimal or no risks of adverse social or environmental impacts. The risk assessment and risk mitigation measures have been fully incorporated into UNDP's Risk Log submitted to the Project Appraisal Committee	

			(PAC) as an annex to the final project document. The Risk Log will then be maintained and updated as required in Atlas for the duration of the project.
	Moderate Risk	<input type="checkbox"/>	
	High Risk	<input type="checkbox"/>	
	QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?		
	Check all that apply		Comments
	Principle 1: Human Rights	<input type="checkbox"/>	
	Principle 2: Gender Equality and Women's Empowerment	<input type="checkbox"/>	
	1. Biodiversity Conservation and Natural Resource Management	<input type="checkbox"/>	
	2. Climate Change Mitigation and Adaptation	<input type="checkbox"/>	
	3. Community Health, Safety and Working Conditions	<input type="checkbox"/>	
	4. Cultural Heritage	<input type="checkbox"/>	
	5. Displacement and Resettlement	<input type="checkbox"/>	
	6. Indigenous Peoples	<input type="checkbox"/>	
	7. Pollution Prevention and Resource Efficiency	<input type="checkbox"/>	

Final Sign Off

Signature	Date	Description
QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.

QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have “cleared” the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental <u>Risks</u>		
Principles 1: Human Rights		Answer (Yes/No)
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ²³	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	Yes
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No

²³ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	Yes
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	Yes
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	Yes
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities, which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant ²⁴ greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	Yes
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No

²⁴ In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? ²⁵	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	<p>Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)?</p> <p><i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i></p>	No

²⁵ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL

OVERALL PROJECT

EXEMPLARY (5) ●●●●●	HIGHLY SATISFACTORY (4) ●●●●○	SATISFACTORY (3) ●●●○○	NEEDS IMPROVEMENT (2) ●●○○○	INADEQUATE (1) ●○○○○
At least four criteria are rated Exemplary, and all criteria are rated High or Exemplary.	All criteria are rated Satisfactory or higher, and at least four criteria are rated High or Exemplary.	At least six criteria are rated Satisfactory or higher, and only one may be rated Needs Improvement. The SES criterion must be rated Satisfactory or above.	At least three criteria are rated Satisfactory or higher, and only four criteria may be rated Needs Improvement.	One or more criteria are rated Inadequate, or five or more criteria are rated Needs Improvement.

DECISION

- **APPROVE** – the project is of sufficient quality to continue as planned. Any management actions must be addressed in a timely manner.
- **APPROVE WITH QUALIFICATIONS** – the project has issues that must be addressed before the project document can be approved. Any management actions must be addressed in a timely manner.
- **DISAPPROVE** – the project has significant issues that should prevent the project from being approved as drafted.

RATING CRITERIA

STRATEGIC

1. Does the project's Theory of Change specify how it will contribute to higher level change? (Select the option from 1-3 that best reflects the project): <ul style="list-style-type: none"> • 3: The project has a theory of change with explicit assumptions and clear change pathway describing how the project will contribute to outcome level change as specified in the programme/CPD, backed by credible evidence of what works effectively in this context. The project document clearly describes why the project's strategy is the best approach at this point in time. • 2: The project has a theory of change. It has an explicit change pathway that explains how the project intends to contribute to outcome-level change and why the project strategy is the best approach at this point in time, but is backed by limited evidence. • 1: The project does not have a theory of change, but the project document may describe in generic terms how the project will contribute to development results, without specifying the key assumptions. It does not make an explicit link to the programme/CPD's theory of change. <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	ProDoc, Section IV: Strategy	
2. Is the project aligned with the thematic focus of the UNDP Strategic Plan? (select the option from 1-3 that best reflects the project): <ul style="list-style-type: none"> • 3: The project responds to one of the three areas of development work²⁶ as specified in the Strategic Plan; it addresses at least one of the proposed new and emerging areas²⁷; an issues-based analysis has been incorporated into the project design; and the project's RRF includes all the relevant SP output indicators. <i>(all must be true to select this option)</i> 	3	2
	1	
	Output 1.3: Solutions developed at national and sub-	

²⁶ 1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building

²⁷ Sustainable production technologies, access to modern energy services and energy efficiency, natural resources management, extractive industries, urbanization, citizen security, social protection, and risk management for resilience

<ul style="list-style-type: none">• 2: The project responds to one of the three areas of development work¹ as specified in the Strategic Plan. The project's RRF includes at least one SP output indicator, if relevant. <i>(both must be true to select this option)</i>• 1: While the project may respond to one of the three areas of development work¹ as specified in the Strategic Plan, it is based on a sectoral approach without addressing the complexity of the development issue. None of the relevant SP indicators are included in the RRF. This answer is also selected if the project does not respond to any of the three areas of development work in the Strategic Plan.	national levels for sustainable management of natural resources, ecosystem services, chemicals and waste; Indicator 1: Number of people benefitting from strengthened livelihoods through solutions for management of coastal marine natural resources and ecosystems services	
RELEVANT		
3. Does the project have strategies to effectively identify, engage and ensure the meaningful participation of targeted groups/geographic areas with a priority focus on the excluded and marginalized? (select the option from 1-3 that best reflects this project): <ul style="list-style-type: none">• 3: The target groups/geographic areas are appropriately specified, prioritising the excluded and/or marginalised. Beneficiaries will be identified through a rigorous process based on evidence (if applicable.)The project has an explicit strategy to identify, engage and ensure the meaningful participation of specified target groups/geographic areas throughout the project, including through monitoring and decision-making (such as representation on the project board) <i>(all must be true to select this option)</i>• 2: The target groups/geographic areas are appropriately specified, prioritising the excluded and/or marginalised. The project document states how beneficiaries will be identified, engaged and how meaningful participation will be ensured throughout the project. <i>(both must be true to select this option)</i>• 1: The target groups/geographic areas are not specified, or do not prioritize excluded and/or marginalised populations. The project does not have a written strategy to identify or engage or ensure the meaningful participation of the target groups/geographic areas throughout the project. <p>*Note: Management Action must be taken for a score of 1, or select not applicable.</p>	3	2
	1 ProDoc, Annex K: Stakeholder Engagement and Communication Plan; Annex M: Gender Analysis and Project Gender Mainstreaming Plan	
	3	2
	1	

<div>4. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design? (select the option from 1-3 that best reflects this project):</div> <div><div><div>3:</div> Knowledge and lessons learned (gained e.g. through peer assist sessions) backed by credible evidence from evaluation, corporate policies/strategies, and monitoring have been explicitly used, with appropriate referencing, to develop the project’s theory of change and justify the approach used by the project over alternatives.</div><div><div>2:</div> The project design mentions knowledge and lessons learned backed by evidence/sources, which inform the project’s theory of change but have not been used/are not sufficient to justify the approach selected over alternatives.</div><div><div>1:</div> There is only scant or no mention of knowledge and lessons learned informing the project design. Any references that are made are not backed by evidence.</div></div> <div>*Note: Management Action or strong management justification must be given for a score of 1</div>	ProDoc, Section IV: Strategy, ii. Partnership s	
<div>5. Does the project use gender analysis in the project design and does the project respond to this gender analysis with concrete measures to address gender inequities and empower women? (select the option from 1-3 that best reflects this project):</div> <div><div>3:</div> A <u>participatory</u> gender analysis on the project has been conducted. This analysis reflects on the different needs, roles and access to/control over resources of women and men, and it is fully integrated into the project document. The project establishes concrete priorities to address gender inequalities in its strategy. The results framework includes outputs and activities that specifically respond to this gender analysis, with indicators that measure and monitor results contributing to gender equality. <i>(all must be true to select this option)</i></div> <div><div>2:</div> A gender analysis on the project has been conducted. This analysis reflects on the different needs, roles and access to/control over resources of women and men. Gender concerns are integrated in the development challenge and strategy sections of the project document. The results framework includes outputs and activities that specifically respond to this gender analysis, with indicators that measure and monitor results contributing to gender equality. <i>(all must be true to select this option)</i></div> <div><div>1:</div> The project design may or may not mention information and/or data on the differential impact of the project’s development situation on gender relations, women and men, but the constraints have not been clearly identified and interventions have not been considered.</div> <div>*Note: Management Action or strong management justification must be given for a score of 1</div>	3	2
	1	
	ProDoc, Annex M: Gender Analysis and Project Gender Mainstream ing Plan	
<div>6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national partners, other development partners, and other actors? (select from options 1-3 that best reflects this project):</div> <div><div>3:</div> An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project. It is clear how results achieved by relevant partners will contribute to outcome level change complementing the project’s intended results. If relevant, options for south-south and triangular cooperation have been considered, as appropriate. <i>(all must be true to select this option)</i></div> <div><div>2:</div> Some analysis has been conducted on the role of other partners where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project. Options for south-south and triangular cooperation may not have not been fully developed during project design, even if relevant opportunities have been identified.</div> <div><div>1:</div> No clear analysis has been conducted on the role of other partners in the area that the project intends to work, and relatively limited evidence supports the proposed engagement of UNDP and partners through the project. There is risk that the project overlaps and/or does not coordinate with partners’ interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance.</div> <div>*Note: Management Action or strong management justification must be given for a score of 1</div>	3	2
	1	
	ProDoc, Annex K: Stakeholder Engagemen t and Communica tion Plan;	
SOCIAL & ENVIRONMENTAL STANDARDS		
<div>7. Does the project seek to further the realization of human rights using a human rights based approach? (select from options 1-3 that best reflects this project):</div>	3	2
	1	

<ul style="list-style-type: none"> • 3: Credible evidence that the project aims to further the realization of human rights, upholding the relevant international and national laws and standards in the area of the project. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate mitigation and management measures incorporated into project design and budget. (<i>all must be true to select this option</i>) • 2: Some evidence that the project aims to further the realization of human rights. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget. • 1: No evidence that the project aims to further the realization of human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered. <p>*Note: Management action or strong management justification must be given for a score of 1</p>	ProDoc, Annex F: UNDP Social and Environmen tal and Social Screening Template (SESP)					
<p>8. Did the project consider potential environmental opportunities and adverse impacts, applying a precautionary approach? (select from options 1-3 that best reflects this project):</p> <ul style="list-style-type: none"> • 3: Credible evidence that opportunities to enhance environmental sustainability and integrate poverty-environment linkages were fully considered as relevant, and integrated in project strategy and design. Credible evidence that potential adverse environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. (<i>all must be true to select this option</i>). • 2: No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Credible evidence that potential adverse environmental impacts have been identified and assessed, if relevant, and appropriate management and mitigation measures incorporated into project design and budget. • 1: No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Limited or no evidence that potential adverse environmental impacts were adequately considered. <p>*Note: Management action or strong management justification must be given for a score of 1</p>	<table border="1"> <tr> <td>3</td> <td>2</td> </tr> <tr> <td colspan="2">1</td> </tr> </table>	3	2	1		ProDoc, Annex F: UNDP Social and Environmen tal and Social Screening Template (SESP)
3	2					
1						
<p>9. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks? The SESP is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences and/or communication materials and information dissemination. [if yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.]</p>	<table border="1"> <tr> <td>Yes</td> <td>No</td> </tr> </table>	Yes	No			
Yes	No					
MANAGEMENT & MONITORING						
<p>10. Does the project have a strong results framework? (select from options 1-3 that best reflects this project):</p> <ul style="list-style-type: none"> • 3: The project's selection of outputs and activities are at an appropriate level and relate in a clear way to the project's theory of change. Outputs are accompanied by SMART, results-oriented indicators that measure all of the key expected changes identified in the theory of change, each with credible data sources, and populated baselines and targets, including gender sensitive, sex-disaggregated indicators where appropriate. (<i>all must be true to select this option</i>) • 2: The project's selection of outputs and activities are at an appropriate level, but may not cover all aspects of the project's theory of change. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of gender sensitive, sex-disaggregated indicators, as appropriate. (<i>all must be true to select this option</i>) • 1: The results framework does not meet all of the conditions specified in selection "2" above. This includes: the project's selection of outputs and activities are not at an appropriate level and do not relate in a clear way to the project's theory of change; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change, and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators. <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	<table border="1"> <tr> <td>3</td> <td>2</td> </tr> <tr> <td colspan="2">1</td> </tr> </table>	3	2	1		ProDoc, Section VII. Project Results Framework
3	2					
1						

11. Is there a comprehensive and costed M&E plan in place with specified data collection sources and methods to support evidence-based management, monitoring and evaluation of the project?	Yes (3)	No (1)
12. Is the project's governance mechanism clearly defined in the project document, including planned composition of the project board? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none"> 3: The project's governance mechanism is fully defined in the project composition. Individuals have been specified for each position in the governance mechanism (especially all members of the project board.) Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. <i>(all must be true to select this option)</i>. 2: The project's governance mechanism is defined in the project document; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The prodoc lists the most important responsibilities of the project board, project director/manager and quality assurance roles. <i>(all must be true to select this option)</i> 1: The project's governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided. <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	ProDoc, Section IX. Governance and Management Arrangements	
13. Have the project risks been identified with clear plans stated to manage and mitigate each risks? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none"> 3: Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis. Clear and complete plan in place to manage and mitigate each risk. <i>(both must be true to select this option)</i> 2: Project risks related to the achievement of results identified in the initial project risk log with mitigation measures identified for each risk. 1: Some risks may be identified in the initial project risk log, but no evidence of analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified and no initial risk log is included with the project document. <p><i>*Note: Management Action must be taken for a score of 1</i></p>	3	2
	1	
	ProDoc, Annex H: UNDP Risk Log	
EFFICIENT		
14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include: i) using the theory of change analysis to explore different options of achieving the maximum results with the resources available; ii) using a portfolio management approach to improve cost effectiveness through synergies with other interventions; iii) through joint operations (e.g., monitoring or procurement) with other partners.	Yes (3)	No (1)
15. Are explicit plans in place to ensure the project links up with other relevant on-going projects and initiatives, whether led by UNDP, national or other partners, to achieve more efficient results (including, for example, through sharing resources or coordinating delivery?)	Yes (3)	No (1)
16. Is the budget justified and supported with valid estimates?	3	2
	1	

<ul style="list-style-type: none">• 3: The project's budget is at the activity level with funding sources, and is specified for the duration of the project period in a multi-year budget. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget.• 2: The project's budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget. Costs are supported with valid estimates based on prevailing rates.• 1: The project's budget is not specified at the activity level, and/or may not be captured in a multi-year budget.	ProDoc, Section XI. Total Budget and Work Plan	
17. Is the Country Office fully recovering the costs involved with project implementation? <ul style="list-style-type: none">• 3: The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.)• 2: The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant.• 1: The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross-subsidizing the project. <p><i>*Note: Management Action must be given for a score of 1. The budget must be revised to fully reflect the costs of implementation before the project commences.</i></p>	3	2
	1	
	ProDoc; Section XI. Total Budget and Work Plan Annex J: Additional Agreements	
EFFECTIVE		
18. Is the chosen implementation modality most appropriate? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none">• 3: The required implementing partner assessments (capacity assessment, HACT micro assessment) have been conducted, and there is evidence that options for implementation modalities have been thoroughly considered. There is a strong justification for choosing the selected modality, based on the development context. <i>(both must be true to select this option)</i>• 2: The required implementing partner assessments (capacity assessment, HACT micro assessment) have been conducted and the implementation modality chosen is consistent with the results of the assessments.• 1: The required assessments have not been conducted, but there may be evidence that options for implementation modalities have been considered. <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	ProDoc; Annex I: Capacity Assessment of the Project Implementi ng Partner and HACT Micro Assessment	
19. Have targeted groups, prioritizing marginalized and excluded populations that will be affected by the project, been engaged in the design of the project in a way that addresses any underlying causes of exclusion and discrimination? <ul style="list-style-type: none">• 3: Credible evidence that all targeted groups, prioritising marginalized and excluded populations that will be involved in or affected by the project, have been actively engaged in the design of the project. Their views, rights and any constraints have been analysed and incorporated into the root cause analysis of the theory of change which seeks to address any underlying causes of exclusion and discrimination and the selection of project interventions.• 2: Some evidence that key targeted groups, prioritising marginalized and excluded populations that will be involved in the project, have been engaged in the design of the project. Some evidence that their views, rights and any constraints have been analysed and incorporated into the root cause analysis of the theory of change and the selection of project interventions.• 1: No evidence of engagement with marginalized and excluded populations that will be involved in the project during project design. No evidence that the views, rights and constraints of populations have been incorporated into the project.	3	2
	1	
	ProDoc, Annex K: Stakeholder Engagemen t and Communica tion Plan Annex P: List of People Consulted During Project	

	Development	
20. Does the project conduct regular monitoring activities, have explicit plans for evaluation, and include other lesson learning (e.g. through After Action Reviews or Lessons Learned Workshops), timed to inform course corrections if needed during project implementation?	Yes (3)	No (1)
21. The gender marker for all project outputs are scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum.	Yes (3)	No (1)
*Note: Management Action or strong management justification must be given for a score of “no”	ProDoc, Annex M: Gender Analysis and Project Gender Mainstreaming Plan	
22. Is there a realistic multi-year work plan and budget to ensure outputs are delivered on time and within allotted resources? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none">3: The project has a realistic work plan & budget covering the duration of the project at the activity level to ensure outputs are delivered on time and within the allotted resources.2: The project has a work plan & budget covering the duration of the project at the output level.1: The project does not yet have a work plan & budget covering the duration of the project.	3	2
	1	
	ProDoc, Section XI. Total Budget and Work Plan	
SUSTAINABILITY & NATIONAL OWNERSHIP		
23. Have national partners led, or proactively engaged in, the design of the project? (select from options 1-3 that best reflects this project): <ul style="list-style-type: none">3: National partners have full ownership of the project and led the process of the development of the project jointly with UNDP.2: The project has been developed by UNDP in close consultation with national partners.1: The project has been developed by UNDP with limited or no engagement with national partners.	3	2
	1	
	ProDoc, Annex K: Stakeholder Engagement and Communication Plan Annex P: List of People Consulted During Project Development	
24. Are key institutions and systems identified, and is there a strategy for strengthening specific/ comprehensive capacities based on capacity assessments conducted? (select from options 0-4 that best reflects this project): <ul style="list-style-type: none">3: The project has a comprehensive strategy for strengthening specific capacities of national institutions based on a systematic and detailed capacity assessment that has been completed. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection, and adjust the strategy to strengthen national capacities accordingly.2.5: A capacity assessment has been completed. The project document has identified activities that will be undertaken to strengthen capacity of national institutions, but these activities are not part of a comprehensive strategy to monitor and strengthen national capacities.	3	2.5
	2	1.5
	1	
	ProDoc, Section IV: Strategy; Section VII. Project Results Framework	

<ul style="list-style-type: none"> • 2: A capacity assessment is planned after the start of the project. There are plans to develop a strategy to strengthen specific capacities of national institutions based on the results of the capacity assessment. • 1.5: There is mention in the project document of capacities of national institutions to be strengthened through the project, but no capacity assessments or specific strategy development are planned. • 1: Capacity assessments have not been carried out and are not foreseen. There is no strategy for strengthening specific capacities of national institutions. 		
25. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.) to the extent possible?	Yes (3)	No (1)
26. Is there a clear transition arrangement/ phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilisation strategy)?	Yes (3)	No (1)

ANNEX H: UNDP Risk Log

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
Lack of willingness to cooperate among the different institutions with responsibility for the conservation of coastal marine resources and the private sector	Organizational	The integrated environmental management of coastal marine areas may not be achieved. P = 2 I = 2	The project will involve national and local (districts) government stakeholders, private sector representatives, and representatives of civil society beginning in the design phase to ensure their support and participation in the project. In addition, the project will promote the use of incentives so that the private sector adopts biodiversity-friendly production practices, which is expected to motivate the different production groups present in the ZEMMC of the southern area of the Azuero Peninsula (small-scale fishermen, MiPyME, farmers, etc.) to participate in the project. Representatives from the government, the private sector, and the civil society will be invited to participate in the Project Board to facilitate cooperation and project follow-up.	MiAmbiente	No change
Lack of follow-through on commitments to reduce threats to coastal marine biodiversity	Strategic	The mainstreaming of the conservation and sustainable use of biodiversity into production land/seascapes may be limited. P = 2 I = 3	The project will develop and make available protocols for coastal marine-biodiversity-friendly practices and ecosystem protection, which will help to verify and monitor compliance or follow-through on the commitments made by the production sectors (fishing, tourism, urban development, and agriculture) to reduce threats to coastal marine biodiversity. Through the establishment of interinstitutional agreements of cooperation among environmental officials (DICOMAR/MiAmbiente, ARAP, municipalities) and the fishing, tourism, urban development and farming sectors for	MiAmbiente	No change

			implementing the integrated management plan for the ZEMMC in the southern area of the Azuero Peninsula, follow-up will be performed of the commitments of the different project stakeholders. In addition, the project will train and provide technical support for the local officials and private sector group representatives to facilitate implementation of best practices.		
The incentives schemes to be developed by the project are not sustainable in the long term	Financial	Lack of compliance with incentives at the local level will result in limited delivery of global environmental benefits as well as social and economic benefits at the local level. P = 2 I = 3	During the PPG phase, a feasibility analysis of the incentives was performed, as well as an analysis of the interest of the potential users to adopt coastal marine-biodiversity-friendly production practices. In addition, the project will invest in the development of national, municipal, and local-level training and provide technical support to ensure that there the necessary knowledge and tools exist to facilitate the adoption of the incentives by the stakeholders, contributing the to their long-term sustainability.	MiAmbiente	No change
Climate change affects coastal marine ecosystems and natural resources, which are essential to the sustainability of the production landscapes	Environmental	Although the project will enhance resilience to climate change, coastal marine ecosystems could continue to be vulnerable to extreme climate variability. P = 2 I = 2	The actions of the project directed towards reducing threats to coastal marine biodiversity will result in ecosystems and species populations that are more resilient to climate change and variability. The zoning, protection, management, and participatory sustainable use of the mangroves in the southern area of the Azuero Peninsula will help to prevent flooding and erosion in the different coastal areas, benefiting the biodiversity present there, as well as the human settlements and production systems in the coastal areas.	MiAmbiente	No change
The project will potentially reproduce	Social	Although gender aspects have been incorporated into	The project includes a Gender Mainstreaming Plan (Annex M of this UNDP Project	MiAmbiente and UNDP	No change

discriminations against women		the project design to ensure the equitable distribution of project benefits among men and women, discriminations against women may persist. I = 2 P = 1	Document) to include a gender focus into the project and promote gender equality		
Activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas	Environmental	I = 1 P = 5	<p>The project will mainstream the conservation and sustainable use of biodiversity into productive landscapes with presence of critical habitat such as mangroves and nesting beaches for sea turtles. The ZEMMC in the southern area of the Azuero Peninsula includes two protected areas: Cañas Island Wildlife Refuge and the Pablo Barrio Wildlife Refuge.</p> <p>The project will include activities with minimal or no risks of adverse impacts to the biodiversity or natural resources within coastal marine areas in Panama, including the ZEMMC in the southern part of the Azuero Peninsula. There is a very limited risk or no risks of measurable adverse impacts on the criteria or biodiversity values for which the critical habitat was designated, or on the ecological processes supporting those biodiversity values (determined on an ecologically-relevant scale). In addition, there is a very limited risk or no risks of reduction of any recognized endangered, vulnerable, or critically endangered species. All project activities will be implemented outside protected areas.</p>	MiAmbiente	No change
Changes to the use of lands and resources that may have	Strategic	I = 1 P = 5	The project's implementation will lead to a change in the use of land from non-sustainable to sustainable practices. This	MiAmbiente	No change

adverse impacts on habitats, ecosystems, and/or livelihoods			includes the introduction of biodiversity-friendly production systems for fishing, tourism, and agriculture and cattle ranching. Changes in the use of land and resources will contribute to improving the health of habitats and ecosystems. Sustainable production practices will be promoted by providing incentives to producers. This, together with a healthier environment, will contribute to improve their livelihoods.		
The Project may involve reforestation	Environmental	I = 1 P = 4	The project will include the rehabilitation of degraded mangroves and riparian forests. If reforestation is part of the rehabilitation activities it will be done using native species.	MiAmbiente	No change

ANNEX I: CAPACITY ASSESSMENT OF THE PROJECT IMPLEMENTING PARTNER AND HACT MICRO ASSESSMENT

Pursuant to the UN General Assembly Resolution 56/201 on the triennial policy review of operational activities for development of the United Nations system, UNDP adopted an operational framework for transferring cash to government and non-government Implementing Partners (IP). Its implementation will significantly reduce transaction costs and lessen the burden that the multiplicity of UN procedures and rules creates for its partners.

Financial regulation.27.02 (Definitions) of the UNDP Financial Regulations and Rules (FRR) defines National Implementation Modality (NIM) as: "The overall management of UNDP programme activities in a specific programme country carried out by an eligible national entity of that country." National implementation is used when there is adequate capacity in the national authorities to undertake the functions and activities of the programme or project.

National implementation is considered to be the norm since it is expected to contribute most effectively to:

- Greater national self-reliance by effective use and strengthening of the management capabilities, and technical expertise of national institutions and individuals, through learning by doing;
- Enhanced sustainability of development programmes and projects by increasing national ownership of, and commitment to development activities;
- Reduced workload and integration with national programmes through greater use of appropriate national systems and procedures.

The Agencies will assess the risks associated with transactions to an IP, before initiating cash transfers under the harmonized procedures.

- Micro Assessment: This assesses the risks related to cash transfers to the partner and is done once every programme cycle, or whenever a significant change in the Implementing Partner's organizational management is noticed. Assessments should be done for partners (government or NGO) that receive or are expected to receive cash transfers above an annual amount (usually US\$ 100,000 combined from all Agencies). The micro assessment reviews the Implementing Partner's system of accounting, reporting, auditing, and internal controls.

The Micro Assessments serve two objectives:

- Development objective: The assessments help Agencies and the Government to identify strengths and weaknesses in the PFM system and the financial management practices of individual Implementing Partners, and identify areas for capacity development.
- Financial management objective: The assessments help Agencies identify the most suitable resource *transfer* modality and procedures, and scale of assurance activities to be used with each Implementing Partner.

After assessing the national procurement and financial systems and the capacity of implementing partners, UNDP will adopt a risk management approach and select the most suitable funds transfer modality. In addition, UNDP will define steps to ensure the proper use of the funds provided. This will approach will ensure greater convergence between the assistance provided and the priorities and needs of each country.

Micro Assessment: MiAmbiente, Panama

Based on the operating guidelines provided above, a micro assessment was performed on April 15, 2015 to evaluate MiAmbiente's financial management capacity. It was concluded in the micro-assessment that MiAmbiente has a combined **low** risk level for: Implementing Partner, Flow of Funds, Organizational Structure and Staffing, Accounting Policies and Procedures, Internal Auditing, Financial Auditing, Financial Reporting and Monitoring, Information Systems, and Contracting and Procurement. The complete micro assessment is available through the UNDP Country Office in Panama.

SAMPLE LETTER OF AGREEMENT**BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) THE GOVERNMENT FOR FOR
THE PROVISION OF SERVICES OF SUPPORT****HOW TO USE THIS LETTER OF AGREEMENT**

- This agreement is used to provide appropriate legal coverage when the UNDP country office provides support services under national execution.
- This agreement must be signed by a governmental body or official authorized to confer full legal coverage on UNDP. (This is usually the Minister of Foreign Affairs, the Prime Minister /or Head of State.) The UNDP country office must verify that the government signatory has been properly authorized to confer immunities and privileges.
- A copy of the signed standard letter will be attached to each PSD and project document requiring such support services. When doing this, the UNDP country office completes the attachment to the standard letter on the nature and scope of the services and the responsibilities of the parties involved for that specific PSD/project document.
- The UNDP country office prepares the letter of agreement and consults with the regional bureau in case either of the parties wishes to modify the standard text. After signature by the authority authorized to confer immunities and privileges to UNDP, the government keeps one original and the UNDP country office the other original. A copy of the agreement should be provided to UNDP headquarters (BOM/OLPS) and the regional bureau.

TERMINOLOGY

1. This Agreement utilizes the harmonized terminology in line with the revised [financial regulations and rules \(FRR\)](#) which have introduced new/redefined terms as follows:
 - a. 'Execution' is the overall ownership and responsibility for UNDP programme results at the country level, which is exercised by the government, through the Government Coordinating Agency by approving and signing the Country Programme Action Plan (CPAP) with UNDP. Therefore, all activities falling within the CPAP are nationally executed.
 - b. 'Implementation' is the management and delivery of programme activities to achieve specified results, specifically the mobilization of UNDP programme inputs and their use in producing outputs that will contribute to development outcomes, as set forth in the Annual Work Plans (AWPs).

These two terms are elaborated under the [Legal Framework](#) section of the [Programme and Project Management Section of the POPP](#).

2. It is important to note that at the level of project management, the terms “execution” under the non-harmonized operational modalities, including global and regional projects and “implementation” under the harmonized operational modalities have the same meaning, i.e. management and delivery of project activities to produce specified outputs and efficient use of resources. Therefore, this Agreement uses the term “implementation” in line with the “harmonized operational modalities” to cover also at the project level the term “execution” under the non-harmonized operational modalities. More specifically, all references to “Executing Agency” have been replaced with “Implementing Partner”.
3. When using this Letter of Agreement in non-harmonized or non-CPAP countries, change the following terms as follows:
 - a. Execution instead of Implementation
 - b. Executing Entity instead of Implementing Partner

Dear Minister Sempris:

1. Reference is made to consultations between officials of the Government of Panama (hereinafter referred to as “the Government”) and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its institution designated in the relevant programme support document or project document, as described below.
2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government-designated institution is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the office.
3. The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:
 - a) Identification and/or recruitment of project personnel;
 - b) Identification and facilitation of training activities;
 - c) Procurement of goods and services;
4. The procurement of goods and services and the recruitment of project personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of the project, the annex to the project document is revised with the mutual agreement of the UNDP resident representative and the Implementing Partner.
5. The relevant provisions of the Special Standard Agreement between the Government of Paraguay and the United Nations Development Programme signed in 1973 (the “SSA”), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed programme or project through its designated institution. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the project document.
6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SSA.
7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the project document.
8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.
9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.
10. If you are in agreement with the provisions set forth above, please sign and return to this office three signed copies of this letter. Upon your signature, this letter shall constitute an agreement between your Government and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed programmes and projects.

Yours sincerely,

Signed on behalf of UNDP

Harold Robinson Davis
Resident Representative

On behalf of the Government

Emilio Sempris

Minister of Environment

Date:

Attachment

DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

1. Reference is made to consultations between the Minister of Environment, the institution designated by the Government of Panama and representatives of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed project Conservation and sustainable use of biodiversity in coastal marine production landscapes “the Project”.
2. In accordance with the provisions of the Standard Basic Assistance Agreement signed August 23, 1973 and ratified through Law 9, of November 8, 1973 including Letter of Agreement signed in August 20, 2002 (the “SBAA”)] and the project support document Conservation and sustainable use of biodiversity in coastal marine production landscapes, the UNDP country office shall provide support services for the Project as described below.
3. Support services to be provided:

Support services (description)	Schedule for the provision of the support services	Cost to UNDP of providing such support services (where appropriate)	Amount and method of reimbursement of UNDP (where appropriate)
1 Recruitment of staff for the Project Coordination Unit (Coordinator, Technical Assistant, Administrative Assistant)	At the beginning of project implementation	Based on Universal Price List (UPL)	UNDP will charge directly from the project upon receipt of the request for services from the implementing partner
2. Procurement processes for National and International consultants	At the beginning and during project implementation	Based on Universal Price List (UPL)	Same as above
3. Procurement of firms or private enterprises	At the beginning and during project implementation	Based on Universal Price List (UPL)	Same as above
4. Procurement of Goods (technological equipment and software)	At the beginning and during project implementation	Based on Universal Price List (UPL)	Same as above
		*Total: USD 18,500.00	

* This amount cannot be exceeded by the services provided during the life of the project.

4. Description of duties and responsibilities of the parties involved:

MiAmbiente shall request UNDP through formal letter the services they need and (enclosing Terms of Reference or Technical Specifications) detailed above. UNDP is responsible and accountable for these disbursements, because of this UNDP would keep the original documentation of the procurement, human resources and others processes and disbursements. These disbursements shall not be part of the auditing exercise.

ANNEX K: STAKEHOLDER ENGAGEMENT AND COMMUNICATION PLAN

The formulation of the stakeholder participation plan has the following objectives: a) to clearly identify the basic roles and responsibilities of the main participants in this Project; b) to ensure full knowledge of those involved concerning the progress and obstacles in project development and to take advantage of the experience and skills of the participants to enhance project activities; and c) to identify key instances in the project cycle where stakeholder involvement will occur. The ultimate purpose of the stakeholder participation plan will be the long-term sustainability of the project achievements, based on transparency and the effective participation of the key stakeholders.

During the PPG phase, consultations were conducted by the project formulation team and MiAmbiente and UNDP staff to involve multiple stakeholders in the project design process and to identify potential partnerships with local groups and governments, the private sector, and government agencies, among others, for effective participatory planning and management. The stakeholders consulted included members of local communities, fishermen organizations, women groups, municipal officials, and NGOs. In addition, multiple government officials in Panama were consulted including DICOMAR and ARAP, among others.

Participation mechanisms:

Information dissemination, consultation, and similar activities that took place during the PPG

During the PPG phase of the project, key stakeholders participated in planning and project design workshops and multiple smaller focus group sessions and meetings. These participatory forums include: a) PPG phase inception workshop; b) project Results Framework Workshop; and c) multiple individual meetings and consultations with key national and local stakeholders held by the project team, UNDP Country Office in Panama, and staff from MiAmbiente.

The Inception Workshop was held on May 10, 2017 in the District of Pedasí, Panama. The objectives of this workshop were to: a) help the PPG project team and other stakeholders to understand and take ownership of the project goals and objectives, b) ensure that the project team and other stakeholders have a clear understanding of what the PPG phase seeks to achieve as well as their own roles in successfully carrying out the PPG activities, c) re-build commitment and momentum among key stakeholders (including potential project co-financers) for the PPG phase, and d) validate the PPG Work Plan.

The national-level Results Framework Workshop was held on August 24, 2017 in Panama City/City of Knowledge, Panama; and a local-level Results Framework Workshop was held on October 24, 2017 in the District of Pedasí, Panama. The objectives of these workshops were to: a) define the Results Framework, including the revised project outputs, indicators, baseline information, goals, verification mechanisms, and assumptions; b) preliminary definition of the project's activities for each outcome/output; c) define a preliminary budget for the project, including the co-financing; and d) update the PPG phase Work Plan.

Throughout project development, close contact was maintained with the national and local stakeholders. National institutions and key donor agencies were directly involved in the development of the project. Numerous consultations occurred with multiple stakeholders to discuss the various aspects of project design, and consultations with co-financing institutions were conducted to ensure a complete package of signed cofinancing letters that will contribute to mainstreaming the conservation and sustainable use of biodiversity into production land/seascapes for integrated environmental management of coastal marine areas and for the benefit of the coastal population of Panama. A list of people consulted during project development is included in Annex O.

Approach to stakeholder participation

The project's approach for stakeholder involvement and participation is based on the principles outlined in the following table.

Principle	Stakeholder participation will:
Adding Value	Be an essential means of adding value to the project.
Inclusivity	Include all relevant stakeholders.

Accessibility and Access	Be accessible and promote access to the process.
Transparency	Be based on transparency and fair access to information.
Fairness	Ensure that all stakeholders are treated in a fair and unbiased way.
Accountability	Be based on a commitment to accountability by all stakeholders.
Constructive	Seek to manage conflict and promote the public interest.
Redressing	Seek to redress inequity and injustice.
Capacitating	Seek to develop the capacity of all stakeholders.
Needs-Based	Be based on the needs of all stakeholders.
Flexible	Be designed and implemented in a flexible manner.
Rational and Coordinated	Be rationally planned and coordinated, rather than ad hoc.
Excellence	Be subject to ongoing reflection and improvement.

Stakeholder involvement plan

The project's design incorporates several features to ensure ongoing and effective stakeholder participation in its implementation. The mechanisms to facilitate the involvement and active participation of different stakeholders in project implementation will comprise a number of different elements:

a) Project inception workshop to enable stakeholder awareness of the start of project implementation

The project will be launched by a multi-stakeholder workshop. This workshop will provide an opportunity to provide all stakeholders with the most updated information on the project and the project work plan. It will also establish a basis for further consultation as the project's implementation begins.

b) Formation of Project Steering Committee to ensure representation of stakeholder interests in project

A Project Board will be formed to ensure broad representation of all key interests throughout the project's implementation. The representation and broad terms of reference of the Project Board are further described in Section IX (Governance and Management Arrangements) of this Project Document.

c) Establishment of a Project Coordination Unit (PCU) to oversee stakeholder engagement processes during project

The PCU will take direct operational and administrative responsibility for facilitating stakeholder involvement and ensuring increased local ownership of the project and its results. The PCU will be located in the Headquarters of the MiAmbiente in Panama and housed in the Unit of Coast and Seas of MiAmbiente, with a presence on site of at least 30% of the time, and led by a Project Coordinator who will ensure stakeholder engagement at the local level, including the participation of municipal authorities, local communities, fishermen and women's organizations, and individuals.

d) Project communications to facilitate ongoing awareness of the project

UNDP will provide support through a Communications/Knowledge Management Specialist that will ensure that all stakeholders aware of the project and its management. This will include dialogue and communication at the local and municipal levels for the conservation and sustainable use of biodiversity in coastal marine production landscapes, and building awareness about transparency in project management.

Outcome 3 will allow the gathering and sharing of lessons learned in a systematic and efficient manner, with special emphasis on the development and dissemination of knowledge, facilitating communication for ongoing awareness of the project.

e) Direct involvement of stakeholders in project implementation

The direct involvement of the national, subnational, and local stakeholders in project implementation, including capacity-building is described below.

Stakeholder	Description	Role in the Project	Component	Duration
Ministry of the Environment (MiAmbiente)	Government institution responsible for developing, applying, and executing an effective national policy around the environment; laws, regulations, and projects that effectively promote the value of protecting, conserving, and restoring the environment as well as the sustainable use of natural resources.	<ul style="list-style-type: none"> Will lead the implementation of the project, facilitating communication and coordination with the GEF and UNDP. Will lead the development of the National Coastal Marine Policy around environmental issues at the national level. Through Ministerial Resolution and/or Executive Decree, will approve the official establishment of the ZEMMCs, including the ZEMMC in the southern part of the Azuero Peninsula. Will monitor the project and its articulation with other related programs and projects, including the exchange of lessons learned from other GEF projects implemented in Panamá. Will provide support for monitoring the project's activities. Will oversee that the project is framed within the national policies and norms related to environmental and biodiversity conservation. Will serve as the main co-financer of the project and member of the Project's Steering Committee. 	1, 2, and 3	4 years
Office of Coasts and Seas (DICOMAR/MiAmbiente)	Office within MiAmbiente responsible for managing coastal marine areas and will implement the project.	<ul style="list-style-type: none"> Will coordinate project execution at the central government level and in the field. Will provide guidance for project implementation, monitoring of results, and presenting reports detailing the project's progress. Will be a main beneficiary of the project's institutional strengthening component. Will negotiate and monitor agreements to reduce threats to coastal marine biodiversity in terrestrial and marine production landscapes in the ZEMMC in the southern part of the Azuero Peninsula. 	1, 2, and 3	4 years
Office of Protected Areas and Wildlife (DAPVS/MiAmbiente)	Complies with the country's commitments as a signatory of the Convention on Biological Diversity and facilitates technical assistance to establish a system that integrates, conserves, and makes use of biodiversity within the framework of the	<ul style="list-style-type: none"> Will provide recommendations for interventions in production landscapes and strategies in areas proximate to the protected areas. Will support sustainable production of agricultural lands and cattle ranching in buffer zones of the protected areas. Will be a beneficiary of the project's institutional strengthening through training component. 	1 and 2	4 years

	<p>priorities for national social, economic, and environmental development.</p> <p>Manages the National Protected Areas System so as to ensure the integrity of the protected areas, the provision of environmental services, and the interaction with communities and users.</p> <p>Administrar el Sistema</p>			
Tourism Office of Panamá (ATP)	<p>Will encourage and diversify sources of economic growth and development through tourism management to provide efficient service that ensures the competitiveness and sustainability of tourism activities in the country's different regions, incentivizing the generation of greater aggregate value, promoting sustainable tourism development in Panamá through creating and regulating policies, strategies, and actions that stimulate investment, ensuring the quality of tourism activities, and promoting community participation in tourism activities.</p>	<ul style="list-style-type: none"> • Will support the empowerment of tourism and agrotourism businesses in the ZEMMC in the southern part of the Azuero Peninsula, facilitating increased access to incentives and certification for sustainable tourism • Will strengthen the capacity of stakeholders who work in ecotourism, identifying them as project beneficiaries. • Will contribute to improving the level of organization of stakeholders working in tourism. • Will directly participate in the promotion of the ZEMMC of the southern part of the Azuero Peninsula as a destination for sustainable tourism as part of a publicity campaign. • Will contribute to improving interinstitutional coordination through participation in the SIA. 	1 and 2	4 years
Ministry of Agricultural	<p>Government institution responsible for creating, directing, and putting into practice the development</p>	<ul style="list-style-type: none"> • Will coordinate with MiAmbiente to facilitate access to information about managing agricultural lands in areas of environmental importance. 	1 and 2	4 years

Development of Panamá (MIDA)	strategy and policy for the agricultural sector, especially that policy concerning agricultural services, pricing, commercialization, and incentives for the producer.	<ul style="list-style-type: none"> • Will provide technical support to the project for reducing the use of agrochemicals by cattle farms and agricultural farms present in the ZEMMC in the southern part of the Azuero Peninsula and surrounding areas. • Will participate, together with MiAmbiente, in processes to certify farms that reduce the use of agrochemicals and erosion in the ZEMMC in the southern part of the Azuero Peninsula. • Will contribute to improving interinstitutional coordination through its participation in the SIA. 		
Office of Aquatic Resources of Panamá (ARAP)	National institution responsible for managing and applying policies and strategies related to fishing activities, aquaculture, and marine-coastal management, to ensure sustainable production, conservation, control, research, and sustainable use of aquatic resources, considering related biological, technical, economic, food security, social, cultural, environmental, and business aspects.	<ul style="list-style-type: none"> • Together with DICOMAR, will lead activities to regulate fishing activities in the ZEMMC in the southern part of the Azuero Peninsula, as well as monitoring and control. • Will provide technical assistance and training to implement best practices for sustainable fishing and for co-managing fishing concession areas for fishermen's associations in the ZEMMC in the southern part of the Azuero Peninsula. • Will support coordination of fishermen's associations. • Will support the articulation of actions in the fishing value chains through technical assistance, technology transfer, and articulation into the market. • Will contribute to improving interinstitutional coordination through its participation in the SIA. 	1 and 2	4 years
Ministry of Housing and Land Use Planning (MIVIOT)	Institution responsible for national housing and land use planning policy that integrates efforts from all sectors of society to improve quality of life and housing conditions of the population, mainly for those with fewer resources and who are more vulnerable, promoting and executing a national housing and land use	<ul style="list-style-type: none"> • Cooperará con municipalidades y otras instituciones en el proceso de planificación territorial de los municipios en el área del proyecto. • Will coordinate planning of the construction of infrastructure in sensitive ecological areas with the municipalities. • Will coordinate with municipalities and other state institutions the processes for solid waste control and management generated in urban areas. • Will contribute to improving interinstitutional coordination through its participation in the SIA. 	1 and 2	2 years

	policy that ensures sustainable development.			
Producers' associations	Producers' associations in the agricultural, fishing, and tourism sectors that contribute to ensuring greater and better quality production, generating aggregate value through the diversification of each activity and accessing new markets to increase income for the families of producers/partners.	<ul style="list-style-type: none"> • Will promote sustainable practices of the farming, fishing, and tourism sectors in the project area. • Will contribute to improving the quality of life of the producers, implementing coastal-marine biodiversity-friendly production practices in the project area. • Will promote development processes in the associated families with gender equality and in harmony with the environment. • Will be beneficiaries of the incentives (credits, grants, certifications) to be implemented within the project's framework, as well as training and activities to strengthen their organizational capacity and governance. 	2	4 years
Women's cooperatives	Entities for integration and representation of women producers, formed by cooperatives that seek the socioeconomic development of people, their organizations, and their communities with gender equality and in harmony with the environment.	<ul style="list-style-type: none"> • Will actively participate in decision-making opportunities and activities related to coastal marine biodiversity conservation. • Will promote the incorporation of equal opportunity for women in terms of training and sustainable production within the project's framework. • Will provide support in the participatory processes for consultation and the calls for opportunities to create capacities that will be implemented by the project. • Will actively participate in the implementation of the Project Gender Mainstreaming Plan (Annex M) to encourage gender equality in the project and women's participation. 	2	4 years
Municipalities (Pocrí, Pedasí, and Tonosí Districts) in the project area	Charged with developing and implementing land use plans, specifically regulating land use in the municipal area in accordance with the law; optimizing the use of available land and coordinating sectoral plans in harmony with national policy and province and municipal plans.	<ul style="list-style-type: none"> • Will coordinate and facilitate the activities the project implements in their jurisdictions. • Will promote, through their municipal units, the conservation, protection, and management of coastal marine areas. • Will promote the incorporation of gender into local project activities, including equal distribution of social, economic, and environmental benefits. • Will promote the use of economic, financial, and market mechanisms as incentives for sustainable production and conservation in production landscapes, fishing, and tourism activities. 	2	4 years

		<ul style="list-style-type: none"> • Will actively contribute to the improved management of trash and solid waste and the implementation of improved tariff systems for collection and disposal of trash and other solid wastes. • Will support the coordination of activities for the participatory zoning, protection, management, and rehabilitation of mangroves. • Will be beneficiaries of training in coastal marine biodiversity conservation and the incorporation of these themes into local planning instruments. 		
Nongovernmental organizations (NGOs)	Not-for-profit institutions that do not depend on the government and that work for coastal marine biodiversity and the well-being of the local communities.	<ul style="list-style-type: none"> • Will coordinate coastal marine biodiversity conservation actions with state institutions, particularly DICOMAR and ARAP. • Will support a program to monitor coastal marine biodiversity conservation. • Will promote citizen participation and involvement of communities in the integrated environmental management of the ZEMMC in the southern part of the Azuero Peninsula. • Will contribute with an exchange of experiences, knowledge, and information to improve knowledge regarding the conservation of coastal marine biodiversity. 	2	4 years
Financial organizations	National financial organizations with financial products to support agricultural production, fishing, and ecotourism.	<ul style="list-style-type: none"> • Will facilitate access to financial products and incentives for sustainable agricultural production, best fishing practices, and ecotourism initiatives. 	2	3 years
Universities and training centers	Platforms for training in human resources, research, and development of value chains.	<ul style="list-style-type: none"> • Will provide information to the project about research on coastal marine biodiversity performed in the area. • Will support training activities for the project beneficiaries in the themes of conservation and sustainable production. 	2	3 years
United Nations Development Programme (UNDP)	GEF Implementing Agency that supports projects for development and cooperation.	<ul style="list-style-type: none"> • Will provide technical, programmatic, and administrative assistance for project execution, including managing project resources. • Will establish agreements with project partners for implementation. • Will be responsible for contracting and acquisition processes. • Will monitor the project implementation team. 	1, 2, and 3	4 years

		<ul style="list-style-type: none"> Will establish agreements with local associations to implement and monitor biodiversity-friendly production activities. 		
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ANNEX L: SUMMARY OF CONSULTANTS AND CONTRACTUAL SERVICES FINANCED BY THE PROJECT FOR THE FIRST TWO YEARS

Type of Consultant	Position / Titles	\$/Person Month ¹	Estimated Person Months ²	Tasks, Deliverables and Qualifications
Contractual Services	Project Coordinator	\$4,669/month	24 months	<p>Tasks: Lead the PCU and will be responsible for the day-to-day management of project activities and the delivery of its outputs. Support the Project Board and coordinate the activities of all partners, staff, and consultants as they relate to the implementation of the project.</p> <p>Key Deliverables: Prepare detailed work plan and budget; ToR and action plan of the staff and monitoring reports; quarterly reports and financial reports on the consultant's activities, all stakeholders' work, and progress; Prepare yearly PIRs/APRs; Adaptive management of project.</p> <p>Expertise & Qualifications: A graduate academic degree in areas relevant to the project (e.g., coastal marine biodiversity conservation); Minimum 5 years of experience in environmental project management.</p>
Contractual Services	Administrator/ Finance Assistant	\$2,502/month	24 months	<p>Tasks: financial management of the project, accounting, purchasing, and reporting</p> <p>Key Deliverables: Planning, preparation, revisions, and budget execution documents; Contracts of national / local consultants and all project staff, in accordance with the instructions of the UNDP Contract Office; Quarterly and yearly project progress reports concerning financial issues.</p> <p>Expertise & Qualifications: An academic degree in finance, business sciences, or related fields; at least 3 years of working experience in the financial management of development projects.</p>
Contractual Services	Technical Assistant	\$2,785/month	24 months	<p>Tasks: Support the technical implementation of coastal marine biodiversity conservation in productions landscapes and seascapes.</p> <p>Key Deliverables: Field and monitoring reports.</p> <p>Expertise & Qualifications: An academic degree in biology, ecology or related fields; at least 3 years of experience in coastal marine biodiversity conservation and monitoring.</p>
National Consultant	Legal Expert in coastal marine affairs	\$3,500/month	8 months	<p>Tasks: legal support for the development of a National Coastal and Marine Policy.</p> <p>Key Deliverables: draft of policy proposal and progress reports.</p> <p>Expertise & Qualifications: An academic degree in law or related fields; at least 3 years of experience working in coastal and marine policies</p>
National Consultant	Expert in coastal marine planning	\$3,500/month	6 months	<p>Tasks: drafting guidelines for developing coastal marine management plans (spatial planning, characterization, demarcation, institutional framework, financing mechanisms, etc.).</p> <p>Key Deliverables: draft of guidelines and progress reports.</p> <p>Expertise & Qualifications: An academic degree in coastal marine affairs or related fields; at least 3 years of experience working in coastal and marine planning.</p>
National Consultant	Legal Expert	\$3,500/month	3 months	<p>Tasks: review and update the existing proposal for regulating for the approval of ZEMMCs through Ministerial Resolution and/or Executive Decree.</p> <p>Key Deliverables: draft of proposal and progress reports.</p>

				Expertise & Qualifications: An academic degree in law or related fields; at least 3 years of experience working in coastal and marine policies.
National Consultant	Expert in coastal marine planning	\$3,500/month	6 months	Tasks: update the Coastal Marine Management Plan of the Southern Azuero ZEMMC. Key Deliverables: draft of the Coastal Marine Management Plan of the Southern Azuero ZEMMC. Expertise & Qualifications: An academic degree in coastal marine affairs or related fields; at least 3 years of experience working in coastal and marine planning.
National Consultant	Institutional Expert	\$3,500/month	4 months	Tasks: assess the current organizational and operational guidelines of DICOMAR/MiAmbiente, identify gaps and financial needs, and develop a strengthening strategy and operational guidelines. Key Deliverables: organizational proposal and operational guidelines for DICOMAR/MiAmbiente. Expertise & Qualifications: An academic degree in public policy or related fields; at least 3 years of experience working in institutional management.
National Consultant	Institutional Expert	\$3,500/month	6 months	Tasks: assess existing structures, legal framework, and functions of public sector institutions that are part of the SIA Key Deliverables: draft of proposals for enhancing the mechanisms for coordination and information exchange between DICOMAR /MiAmbiente and SIA institutions, and draft of agreements and Action Plan for enhanced interinstitutional coordination. Expertise & Qualifications: An academic degree in public policy or related fields; at least 3 years of experience working in institutional management.
National Consultant	Economist	\$3,500/month	6 months	Tasks: development of a financial strategy and identification of alternatives for the sustainability of the integrated environmental management of the three existing ZEMMCs. Key Deliverables: draft of financial strategy and progress reports. Expertise & Qualifications: Degree in economics of related field; at least 3 years of experience in financial management and sustainability of environmental/biodiversity programs.
National Consultant	Capacity Development Expert	\$3,500/month	3 months	Tasks: develop a training strategy and modules to enhance the capacity of DICOMAR and DAPVS for integrated environmental management of coastal marine areas Key Deliverables: draft of training strategy and modules, progress reports. Expertise & Qualifications: An academic degree in capacity development or related fields; at least 3 years of experience in training related to integrated environmental management of coastal marine areas.
National Consultant	Legal Expert	\$3,500/month	12 months	Tasks: support establishing four (4) local interinstitutional cooperation agreements among environmental agencies (DICOMAR/Ministry of the Environment, ARAP, and municipalities). Key Deliverables: draft of agreements and progress reports. Expertise & Qualifications: An academic degree in law or related fields; at least 3 years of experience working in interinstitutional cooperation.
National Consultant	Fisheries Legal Expert	\$3,500/month	4 months	Tasks: support the development stricter regulations to control the activities of fishing vessels in the area of the ZEMMC. Key Deliverables: progress reports and draft of regulations.

				Expertise & Qualifications: An academic degree in law or related fields; at least 3 years of experience working in fisheries issues.
National Consultant	Fisheries Expert	\$3,500/month	4 months	Tasks: review the mechanisms in place for collect information for fisheries management and develop additional guidelines and procedures to collect data Key Deliverables: draft of guidelines and procedures to collect data on fish catches and progress reports. Expertise & Qualifications: An academic degree in fisheries or related fields; at least 3 years of experience in data management.
National Consultant	Fisheries Expert	\$3,500/month	12 months	Tasks: support the establishment of communal fishing concession areas and sustainable management plans for the ZEMMC in the southern part of the Azuero Peninsula Key Deliverables: progress reports, draft of agreements related to the establishment of communal fishing concession areas, and drafts of sustainable management plans Expertise & Qualifications: An academic degree in fisheries or related fields; at least 3 years of experience in fishing planning and management.
National Consultant	Fisheries Expert	\$3,500/month	6 months	Tasks: conduct an economic analysis to determine the CPUE and the optimal effort for the sustainability of fishing of species of commercial interest and the greatest economic benefit for small-scale fishermen, and cost/benefit analysis to assess the feasibility of installing FADs. Key Deliverables: progress reports and economic/feasibility analysis documents. Expertise & Qualifications: An academic degree in fisheries or related fields; at least 3 years of experience in fisheries economics.
National Consultant	Capacity Development Expert	\$3,500/month	3 months	Tasks: develop a training plan for fishermen's cooperatives and associations in fisheries administration, communal fishing concession areas management, conservation of fish populations and biodiversity, GPS management, fishery data collection, etc. Key Deliverables: draft of training strategy and modules, progress reports. Expertise & Qualifications: An academic degree in capacity development or related fields; at least 3 years of experience in training related to small-scale fishing.
National Consultant	Legal Expert	\$3,500/month	3 months	Tasks: support the regulation of construction activities in areas of high ecological sensitivity aligned with the Land Use Development Plans. Key Deliverables: draft of regulations and progress reports. Expertise & Qualifications: An academic degree in law or related fields; at least 3 years of experience working in regulation of construction activities.
National Consultant	Environmental Planning Expert	\$3,500/month	3 months	Tasks: development of the action plan to implement the portion of the Coastal Marine Management Plan for the ZEMMC regarding the regulation of construction activities in areas of high ecological sensitivity Key Deliverables: draft of Action Plan and progress reports. Expertise & Qualifications: An academic degree in environmental planning; or related fields; at least 3 years of experience working in coastal marine management.

National Consultant	Environmental Planning Expert	\$3,500/month	6 months	<p>Tasks: support of the signing of agreements with municipalities, conduct an assessment o determine the sites that are technically and environmentally suitable for the establishment of controlled landfill disposal sites, and draft monitoring protocols assess the presence of contaminants of water bodies and degradation of mangroves</p> <p>Key Deliverables: draft of agreements and progress reports, including maps and plans for new landfill disposal sites; monitoring protocols.</p> <p>Expertise & Qualifications: An academic degree in environmental planning or related fields; at least 3 years of experience working in waste management.</p>
National Consultant	Environmental Economics Expert	\$3,500/month	6 months	<p>Tasks: assess the existing tariff systems for collection and disposal of trash and other solid wastes in each municipality (Pocrí, Pedasí, and Tonosí) and conduct cost benefit analysis, including environmental benefits, of the establishment and/or relocation of landfills and of an the installation of an incineration system for toxic, dangerous, organic wastes, etc.</p> <p>Key Deliverables: draft of proposal for new tariff systems; cost benefit analysis reports.</p> <p>Expertise & Qualifications: An academic degree in environmental economics or related fields; at least 3 years of experience working in waste management.</p>
National Consultant	Financial Expert	\$3,500/month	12 months	<p>Tasks: provide support for making available lines of credit and incentives for MiPyME that participate in sustainable tourism and biodiversity-friendly fishing, including feasibility analysis to include fishing as an activity that can be favored through FECl.</p> <p>Key Deliverables: progress reports; financial agreements for local producers and businesses.</p> <p>Expertise & Qualifications:</p>
National Consultant	Environmental Economics Expert	\$3,500/month	6 months	<p>Tasks: develop the ecological certification standard and guidelines for the reduced use of agrochemicals and the sustainable management of agricultural farms and cattle ranches, as well as the verification mechanisms to assess compliance with the define standard.</p> <p>Key Deliverables: draft of certification standards and verification mechanism; draft of guideline to reduce the use of agrochemicals.</p> <p>Expertise & Qualifications: An academic degree in environmental economics or related fields; at least 3 years of experience working in ecological certification of sustainable production practices.</p>

¹ Dollar amount per month;

² Person months needed to carry out the task.

ANNEX M: GENDER ANALYSIS AND PROJECT GENDER MAINSTREAMING PLAN

1. Introduction

The Gender Analysis and Project Gender Mainstreaming Plan respond to GEF and UNDP guidance regarding gender mainstreaming in project development and implies that the needs, priorities, power structures, status, and relationship between men and women are identified and incorporated into the design, implementation, and evaluation of the project; in this way men and women can participate proportionally and benefit equally from the project intervention.

The goal of the gender mainstreaming is, on one hand, to improve the environmental results of the project; on the other hand, the goal is to promote gender equality and women's empowerment. To achieve this goal, a plan to incorporate gender into the project *Conservation and sustainable use of biodiversity in coastal marine production landscapes* has been designed, in which the following actions will be developed:

- Strengthen institutional capacities, improving the situation of equality between men and women and ensuring women's empowerment.
- Analyze the project's activities, as well as the direct and indirect benefits of the project related to gender.
- Support the equal participation of men and women in the project, especially at the decision-making level.
- Establish indicators that effectively help to measure progress towards gender equality.

2. Main international and national commitments related to gender equality

Panamá has achieved important progress in recognizing women's rights and gender equality. A series of legal instruments have been issued to promote gender equality. The following paragraphs provide details about the main international commitments for gender equality and women's empowerment.

Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW): CEDAW was unanimously adopted by the General Assembly of the United Nations on December 18, 1979, and went into effect in 1981. It has been ratified by 188 countries, including Panamá. It is considered to be the international charter for women's rights. CEDAW provides an obligatory compliance framework for the countries that have ratified it to achieve gender equality and women's and girls' rights, and stipulates that the Party Countries incorporate the gender perspective into all their institutions, policies, and actions to guarantee equal treatment (i.e., that no direct or indirect discrimination exists against women), as well as improve women's current situations, promoting substantial equality and equal results.

Interamerican Convention on Preventing, Sanctioning, and Eradicating Violence Against Women (Belém do Pará): The Belém do Pará Convention was adopted on June 9, 1994 during the Organization of American States (OAS) 24th Regular Period of Sessions and is configured as a policy commitment to fight against violence. Belém do Pará Convention establishes for the first time the right of women to live a life that is free of violence. This interamerican human rights treaty of human rights has provided a platform to adopt laws and policies around the prevention, eradication, and sanctioning of violence against women in the countries that are Parties to the Convention, development of national plans, organization of campaigns, and implementation of protocols and services to address the issue, among other initiatives; and has been an important support for strengthening the Interamerican System of Human Rights.

Beijing Platform for Action and Declaration: The Beijing Platform for Action was a product of the Fourth Global Conference on Women held in September 1995, and has as its objective to accelerate the application of the Nairobi Strategies that are geared towards progress for women in the future, and to eliminate all obstacles that make difficult their active participation in all spheres of public and private life, widely and equally sharing conditions with men in terms of economic, social, cultural, and policy decisions to create policies, plans, and budgets with gender equality, as a process for poverty reduction and human development in their respective countries.

In the national sphere, there are various advances in terms of legislative framework to ensure gender equality and women's empowerment. Although these advances are diverse in their implementation and compliance, the majority of them lack articulated sanctions and mechanisms for monitoring the international commitments of Panamá related to gender equality.

Law 4 of 1999, Equal Opportunity for Women in Panamá: This law was approved on January 29, 1999, and captures the international commitments made to-date in Panamá regarding gender equality, establishing no gender-based discrimination, guaranteeing the rights of women, and equal treatment and opportunities for social development, condemning all forms of violence against women, guaranteeing human rights and the fundamental rights of girls and boys, equality, justice, and respect for human life.

Law 71 of 2008, National Institute of Women: This law creates the National Institute of Women, with its main objectives being the coordination of programs and projects to eliminate causes of unequal gender structures; promoting actions for information regarding women's participation and the development and growth of women in the country; promoting equality in access and control of resources for development; increasing the effectiveness of the focus of gender inequality in sectorial policies; developing actions toward gender equality and equity; promoting the social participation of key stakeholders in gender equality; and coordinating the implementation of social analyses and accounting processes in terms of achieving gender equality in the country.

Law 82 of 2013, Classifying Femicide and Violence Against Women: This law adopts measures of prevention of violence against women and reforms the Penal Code to classify Femicide and sanction acts of violence against women. The objective of the law is to ensure the rights of women of any age to a life free from violence, to protect the rights of women who are victims of violence in a context of unequal conditions of power, and to prevent and sanction all forms of violence against women, in accordance with the obligations assumed by the state.

Public Policy on Equal Opportunities for Women (PPIOM): PPIOM addresses all public and private spheres, making visible women, their wealth of human rights and access to benefits of social, political, economic, and cultural development without discrimination and with equality, through the creation of 17 key themes (Environment: Social Communication Methods; Legal Equality; Women's Human Rights; Education; Culture and Sports; Women and Family: Migration, Treatment, Refugees, and Deprived of Freedom; Citizen Participation and Policy; Health; Economy, Poverty, and Labor; Violence Against Women; Housing; Gender-sensitive Budgeting; Statistics and Census; Indigenous, Rural, Afro-descendant, and Disabled Women Populations; and Information Technology and Communication for Gender Equality).

3. Gender in Panamá

Human Development and Gender Equality

According to the data from the 2015 Human Development Report, Panamá has the highest Human Development Index (HDI) in Central America at 0.780, and occupies 60th place in global ranking with a high HDI. The province where the project will be implemented, Los Santos, has an HDI of 0.73.

Panamá, with its middle to high income level, has certain characteristics in common with other countries in the region, in which inequality is one of the greatest challenges for its society; the HDI adjusted for Inequality (HDI-I) gives Panamá a point score of 0.604 and lowers its global ranking to 80th. The Gender Inequality Index (GII) for Panamá scores it even lower at 0.454, giving it the position of 96th globally²⁸. Among the main gaps of equality between men and women that is shown in the GII is participation in the work force (with more than 30 percentage points of inequality). In the case of the Los Santos Province, the Income Distribution Inequality Index (Gini) is 0.47, which is slightly below the national average (0.50).

The UNDP-Panamá 2015 Local Human Development ATLAS establishes that all provinces of the country lose more than half of their potential because of gender inequality. The inequality is possibly the main challenge

²⁸ UNDP. 2015 Human Development Report, *Work for Human Development*.

in Panamanian society; inequality between men and women is present in all sectors of society, including rural, urban, and indigenous populations.

Women and Poverty

Most of the important progress in reducing poverty (14.8% of the population) and extreme poverty (11.3% of the population) in Panamá during recent years has been concentrated mainly in rural areas, where almost half of the population lives in impoverished conditions, and in indigenous areas, where the percentage of people living in poverty rises to 89.8%²⁹. It should be mentioned that in the area prioritized by the project there is no indigenous population present.

According to the data from the multi-purpose survey conducted by INEC in 2015, 39.4% of extremely poor households are headed by women, while 36.1% of poor households are headed by women. When the levels of poverty are analyzed according to sex and area, for extreme poverty as well as poverty in rural and urban areas, women present more discouraging results than the men. Extremely poor women in rural areas constitute 27.1%, while men are 24.9%; in urban areas 4.5% of women are poor while men constitute 3.8%. The differences in rural areas between men and women in terms of poverty is lowest, with men constituting 20.5% and women 20.9%; however, the poverty gap between men and women increases slightly in urban areas with men at 11.1% and women at 12.6%.

Another type of poverty that greatly affects women and that is not typically considered in economic analyses is poverty related to time. An analysis of time dedicated to work within and outside of the household indicates that women work a total of 9.1 hours more than men on a weekly basis. When the time spent by women for recreational purposes is compared to that spent by men, it appears that men spend an average of one hour more than women beginning at 50 years of age, to a difference of 4 hours among the 15-19-year-old age group.

Women's Access to Quality and Comprehensive Education

Data related to illiteracy in Panamá indicates that there are no large differences between men (4.2%) and women (5.2%). Based on an analysis of women's illiteracy by area, it is observed that the gap increases between rural women (14%) and urban women (1.5%); the same happens with data from an analysis of ethnicity, where illiteracy among indigenous women rises to 23.1% and illiteracy among nonindigenous women comprises 2.5%³⁰.

Panamá has been one of the countries that has achieved universal education (94.7% for boys and 95.5% for girls). In terms of average number of years spent in school among children aged 15 years or older³¹, men have 9.8 years, while number of years spent in school by women rises to 10.3. In the situation of three indigenous communities (Guna Yala, Emberá, and Ngäbe Buglé), the gap is reversed in favor of men, although these data are not close to the national average. In the Los Santos Province, the illiteracy rate among men is 7.8%, while it is less for women at 5.6%. In addition, it is observed that while men exceed the average 7.34 years in school, women receive an average of 8.24 years of education.

The differences between men and women grows even greater with level of education achieved; there is a greater rate of survival to the sixth year of secondary school for women (89.1%) than for men (88.2%), with more men leaving in the primary grades and women in the later years (data from the Ministry of Education for the year 2014). In addition, women top the list of graduates of higher education, with women constituting two out of every three university graduates. Their areas of study are largely concentrated on accounting, business management, and education, while a much lesser percentage is concentrated on science and technology.

²⁹ Resumen Ejecutivo "Empresarialidad femenina en Panamá: mujeres apropiándose de las oportunidades", 2015, Canal de Empresarias, Fundación Ciudad del Saber.

³⁰ Encuesta de Propósitos Múltiples 2015, INEC

³¹ Encuesta de Propósitos Múltiples 2015, INEC

Women's Access to Labor

The situation of higher levels of education does not directly translate into access to the labor market and income generation. According to data from the Multi-purpose Survey conducted by INEC in 2015, men occupy 76.2% of jobs while women only occupy 47.9%. In the type of activity declared by women in the survey, 28.5% checked household activities compared with only 1.1% of men.

Preliminary data from the Labor Market Survey conducted by INEC in 2016 shows a gap in unemployment between men and women, in which 7.1% of women are unemployed compared with only 4.6% of men. These differences between men and women are made more sharp in the 15-to-24-year-old age group, which has a generally higher level of unemployment (11%), and among women (14.2%) versus men (7.2%)³².

in terms of informal unemployment, which is somewhat common in Panamá, as well as the employability of the labor force, in 2015 59% of women was distributed among informal businesses, and of these 23.4% were in households, which is to say that they were domestic workers.

This work segregation affects both men and women; in the case of women they are concentrated in just a few branches of economic activity (23.4% in domestic work, 21.3% in business, and 7.1% in the manufacturing industry, for example), and in general they are excluded from work that is considered to be "masculine" and roles that are decision-making, which impacts the level of income stemming from the job.

With regard to the 2015 salary gap, in rural areas women report 37% less income than men, while in the urban areas this difference is reduced to 18%. The difference in salary between men and women is sharper at the levels of directors or managers, which surpasses 13%, and in the category of farmers or agricultural workers in which women are paid 86% less than men. In the area of entrepreneurship, in 2014³³ the index of women working in the field as business owners was around 28 for every 100 men, and was primarily in the hotel and restaurant sector (26%) and business (22%).

Last, in terms of access to social security, in the age groups between 15 and 24 years old, the lack of women's access is much more critical, with higher rates (47.4%) in the domestic worker category, with 47.4% of workers not having social security.

Employment in the Agricultural Sector and Access to Land

Another important indicator is inequality related to access to land. Women producers represent 48% of the total number of producers in the country; however, they represent 95% of those producers with less than 0.5 ha, only 16% of those possessing more than 5 ha and just 11% of those possessing more than 50 ha. With regard to employment in the agricultural sector at both the national and rural levels, men represent the largest percentage of the labor force.

³² Encuesta del Mercado Laboral, agosto 2015, INEC.

³³ Resumen Ejecutivo "Empresarialidad femenina en Panamá: mujeres apropiándose de las oportunidades", 2015, Canal de Empresarias, Fundación Ciudad del Saber.

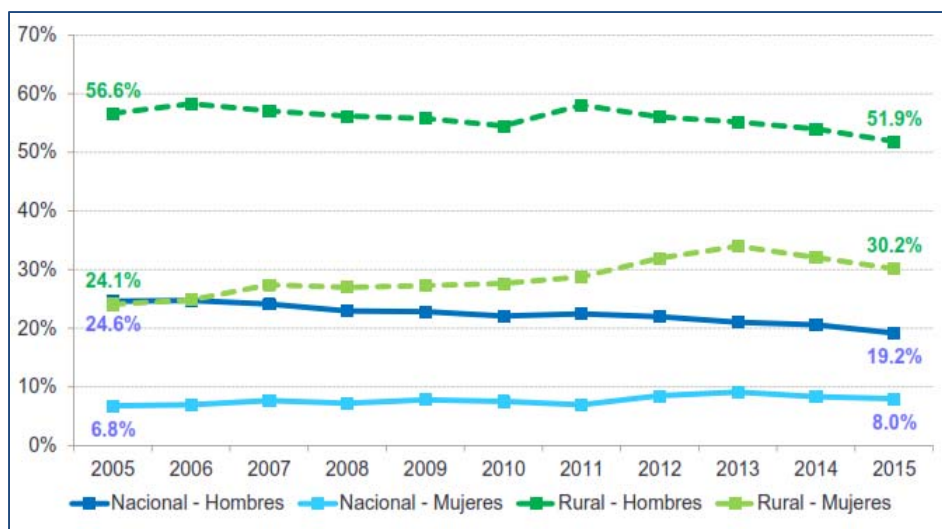


Figure 1: National-level contribution of agricultural employment, by gender (Source: FAO with data from the INEC).

Women's Participation in the Traditional Fishing Sector

In the traditional fishing sector, particularly with regard to capture, only 5% of women participate. The fishermen from the Pocrí, Pedasí, and Tonosí districts in the ZEMMC in the southern part of the Azuero Peninsula are not adequately organized to have their own operation for collection, processing of products, and commercialization (activities in which women could more actively participate). Currently there are various external intermediaries that collect the product and transport it to processing plants outside of the project area for processing and exportation, and keep the earnings from the aggregate value of the fishing product.

Women's Participation in the Tourism Sector

The tourism sector is the only sector with a greater number of women involved in economic activity. In the Los Santos Province, there are 65 tourist businesses; 26 women are registered as owners of hostels, which represents 40% of the total. In the municipality of Pedasí there are 28 tourism businesses, 9 of which are owned by women; this represents 35% of the total number of businesses.

4. Activities and Goals of the Plan to Incorporate Gender into the Project

Within the framework of the project, the actions that will be implemented comply with the following criteria for equality: a) involve women and youth groups; b) ensure equal income among all groups when engaged in the same activity; c) provide equal opportunities for access to training and incentives for sustainable production; and d) equal participation in decision making.

The project will consider the contributions made by women to the conservation of coastal marine biodiversity in production land/seascape in ZEMMC in the southern part of the Azuero Peninsula in Panama. Also, the participation of women in production activities will create opportunities so that women may contribute their knowledge and experience to strengthen conservation efforts and improve their livelihoods and of their families. These opportunities will include the following:

- Strengthening the legal and institutional framework for coastal marine biodiversity conservation creating conditions to promote gender equality.
- Valuing of traditional knowledge and biodiversity conservation practices by women.
- Recognition of women's experience and role in production systems (fisheries, agriculture, and tourism).
- Promoting women's interest in production processes and the sustainable management of biodiversity.

- Knowledge and valuing of the importance of ecosystems, species, and their uses by women.
- Recognizing the interest of women to increase family income and develop sustainable production activities.
- Coordinating and building synergy with multiple institutions, NGOs, and international groups working in the ZEMMC in the southern part of the Azuero Peninsula to promote gender equality.

Project Gender Mainstreaming Plan

Outcome 1: Strengthening the regulatory and institutional frameworks					
Gender-related activity	Indicator	Target	Baseline	Timeline	Responsibility
Include gender aspects in Coastal Marine Policy	Coastal Marine Policy with gender considerations	Coastal Marine Policy incorporates gender aspects	There is no Coastal Marine Policy	Year 1	MiAmbiente
Encourage the participation of women and youth in the planning and integrated management of coastal marine areas	Percentage of women and youth groups participating in coastal marine spatial planning activities	40% over the baseline	0%	Years 1 to 4	MiAmbiente
Ensure women's participation in decision-making to establish interinstitutional coordination agreements for effective integrated environmental management of the coastal marine areas	Percentage of women participating in the signing of interinstitutional coordination agreements	At least 30%	0%	Years 1 and 2	MiAmbiente, ATP, ARAP, AMP, MIDA, MIVIOT
Promote the equal participation of men and women in capacity-building activities	Percentage of men and women participating in capacity-building activities	50% men 50% women	0%	Years 1 to 4	MiAmbiente
Develop an information and communication strategy to raise awareness among public and private decision-makers of the importance of conservation and sustainable use of coastal marine biodiversity including considering women and the youth needs and priorities	Percentage of women decision-makers targeted by the information and communication strategy	At least 40%	0%	Years 1 and 2	MiAmbiente
Outcome 2: Integrated environmental management of the target ZEMMC in the southern part of the Azuero Peninsula					
Ensure that the agreements to reduce threats to coastal marine biodiversity incorporate gender aspects	Number of agreements with gender considerations	4	0	Years 1 and 2	MiAmbiente, ARAP
Promote greater participation by women in the processes related to sustainable fishing	Percentage of women participating in the co-management committees of the communal fishing concession areas and the development of sustainable management plans	At least 20%	0%	Years 1 to 4	MiAmbiente, ARAP
Ensure the participation of women and youth groups in the decision-making processes for managing solid wastes and avoiding the contamination of	Percentage of women and youth participating in activities related to solid waste management	At least 40%	0%	Years 2 to 4	MiAmbiente, Municipalities

water bodies and the degradation of mangroves					
Equal access for women to financial resources for implementing biodiversity-friendly production practices	Percentage of businesses led by women that benefit from the incentives promoted by the project (credit, publicity, environmental certification, grants)	At least 50%	0%	Years 1 to 4	MiAmbiente, ATP, ARAP, MIDA
Promote the equal participation of men and women in the zoning, protection, and management of mangroves and the participatory monitoring program of coastal marine biodiversity.	Percentage of men and women participating in the restoration of mangroves, riparian forests, and participatory monitoring of coastal marine biodiversity	50% men 50% women	0%	Years 1 to 4	MiAmbiente, Municipalidades
Outcome 3: Gender Mainstreaming, Knowledge Management, and Learning					
Ensure that the activities implemented by the project consider aspects related to gender and equality	Progress in implementing the project's Gender Mainstreaming Plan	100%	0%	Years 1 to 4	MiAmbiente
Promote that the systematization of the experiences and lessons learned reflect the participation of women and their contributions in these experiences	Number of systematized experiences reflect the lessons learned in incorporating a gender focus	All the systematized experiences reflect the lessons learned in incorporating the gender focus	0	Years 2 to 4	MiAmbiente
Consolidate the successful experiences in mainstreaming of gender and support the systematization of these experiences	Number of systematized experiences reflect the lessons learned in incorporating a gender focus	All successful experiences documented include a gender focus	0	Years 2 to 4	MiAmbiente

Budget

Item	Cost (USD)
UNDP Gender Expert (part time). Support and monitoring of gender mainstreaming (Gender Mainstreaming Plan).	17,500 (with cofinancing)
Travel costs for gender mainstreaming activities	6,000
Total	23,600

Responsible Entity: MiAmbiente with the support of a UNDP Gender Expert.

ANNEX N: TARGET LANDSCAPE PROFILE

INTRODUCTION

The southern area of the Azuero Peninsula is part of the Los Santos Province, which is located at 80°44'10" western longitude (Figure 1). The Los Santos Province is bordered to the north by the Herrera Province and the Gulf of Parita, to the south and east by the Pacific Ocean (Gulf of Panamá), and to the west by the Veraguas Province. The surface area of the Los Santos Province totals 3,805.5 square kilometers (km²), 20.1 km² of which constitute an urban area, with 3785.4 km² covering the remainder of the total surface area. The province comprises seven districts (Los Santos, Guararé, Las Tablas, Macaracas, Pedasí, Pocrí, and Tonosí) and 76 villages.



Figure 1. Location of the Coastal Marine Special Management Zone (ZEMMC) in the southern part of the Azuero Peninsula, Panama.

The Los Santos Province extends 214 kilometers along the Pacific Coast. The province also includes the Iguana, Villa, Cañas, Fraile del Norte, and Fraile del Sur islands. The climate is characterized as tropical savanna with an annual minimum precipitation of 2,500 millimeters (mm); during the dry season the precipitation is less than 60 mm. The coolest monthly temperature is 18 degrees Celsius (°C), with a 5°C difference between the warmest and coolest temperatures. The coast of the Los Santos Province is divided into four segments or zones:

1. The eastern coast of the peninsula that borders the Panamá Gulf is a low-sandy coast. This is an area comprising long sandy beaches flanked in some places by high dunes (La Concepción/Yeguada de Pocrí and Bajadero de Pedasí/Las Porrocas). The beaches are divided by small estuaries and mangrove forests (Mensabé Estuary, Pocrí River, El Hato Estuary, Purio River, and Mariabé River) and small rocky points. Off the coast of the beaches there

are rocky reefs that only emerge during low tide. This area extends to the north of the Los Santos Province to Pocrí; the base substrate is igneous of the Tertiary Period and the Oligocene Age (26 to 37 million years old).

2. The second area includes the southeastern tip of the Azuero Peninsula beginning in Pocrí-Punta Mala at the eastern border of the Cañas Island (Cerro La Zahina). This area is mountainous of igneous origin, and whose basaltic substrate is the oldest on the peninsula (Cretaceous Period up to the Eocene Age). Its coast is mostly rocky with small high-energy beaches that open to the south (Los Destiladeros, Los Panamaes, Venado). In the center of this area there is a valley into which the Oria River flows, creating space for the most expansive mangrove forest in this area.
3. Cañas Island, which is a 12-km-long barrier island, and the extensive estuary of the Tonosí River make up the third coastal area of the Los Santos Province. This coast is low and of recent quaternary geological origin, with its substrate of sedimentary origin. The interior of the island is composed of valleys and alluvial-colluvial plains. The Tonosí River estuary is home to the largest mangrove forest in the province. Sandy beaches with some low dunes are also found on Cañas Island.
4. To the west of the Tonosí River outfall (beginning at Búcaro), the coast is rocky with some vertical cliffs. The rocks are eruptive igneous (basalt) from the most recent period of the Mesozoic Era (Cretaceous). Small beaches (La Marinera, La Cuchilla, Cambutal, Horcones, and others) are found among the rocky points.

During February and March, in the Gulf of Panamá, there is a surge of cold waters (22°C to 25°C) that are rich in nutrients. This situation begins in December and January, and is observed until April. In the eastern region of the Isthmus of Panamá, the trade winds that blow from the northeast cross the relatively low mountains and push the warm surface waters off the coast, which are then replaced with the deep colder waters. The surge of cold water brings with it nutrients from the bottom of the ocean that increases the primary productivity.

According to the Los Santos Strategic Development Assessment, the climate and topographic characteristics of the Special Coastal Marine Management Zone (ZEMMC, according to its name in Spanish) in southern Azuero, and addressing the presence of potential ecosystems, the tropical dry forest covers 18.5% of the province. This ecosystem is of great biogeographic importance for its scarce representation in the area and characteristic of the lower parts. In 2000 the mangrove forests covered approximately 6,320 hectares (ha), and were mainly located in the district of Tonosí, which covers 48% of the province's mangrove surface area— Las Tablas, Los Santos, Pedasí, and Pocrí cover the other 49%. This mangrove has registered a reduction of 8% of its surface area, mainly in the district of Tonosí, the surrounding areas of the Cañas Island wildlife refuge, and the district of Los Santos. This is a result of changes in land use for agricultural purposes.

The southern area of the Azuero Peninsula, located within the Pocrí, Pedasí, and Tonosí districts, was declared a ZEMMC through Resolution ADM/ARAP N°095 of August 18, 2010. The objective of this ZEMMC is to protect coastal marine resources, increase their productivity, and maintain biodiversity of its ecosystems, with the goal of improving the quality of life for the communities living in the area. The ZEMMC covers an area of 349,799 ha + 0275.28 square meters (m²), or 3,597.79 km², and is located on the southern border of the Azuero Peninsula. The coastal border of the southern area of the Azuero Peninsula has been established 200 meters from the highest tide line to the continent. The continental area of this demarcation includes the coastal margins of the Pocrí, Pedasí, and Tonosí districts. It includes approximately 83,387.79 ha of marine protected areas, Important Bird Areas (IBAs), and Key Biodiversity Areas (KBAs): Frailes del Sur Island, Cañas Island Wildlife Refuge, Playa la Marinera Biological Reserve, and the Iguana Island Wildlife Refuge. In 2011, the Aquatic Resources Office developed, with the help of the IADB, the Integrated Coastal Management Plan for the Southern Area of the Azuero Peninsula.

CORAL REEFS

The Pacific Ocean of Panamá has around 80 coral species, which is 40% more than any other region of the eastern Pacific, from Mexico to Ecuador (Guzmán)³⁴ⁱ. The Pacific corals predominate in the islands close to the coast, with the largest coral formations bordering the coast situated within the Gulf of Chiriquí. Nevertheless, the coral reef formations of Azuero maintain an important composition and are the only continental coral reef³⁵. The greatest representation of coral in the Southern Azuero ZEMMC is found on Iguana Island, Achotines Bay, and the Los Frailes Islands. There are also important dispersed patches of coral in the ZEMMC that do not form reefs or obvious coral communities.

Iguana Island is likely the most studied area of coral within the ZEMMC. The island contains a 16-ha coral reef located in the southeastern area of the island. The reef has a thickness of 6.1 meters; this thickness as well as its dimensions makes it the largest in the Gulf of Panamá. The coverage of living coral is estimated at 36.7% and is one of the healthiest coral reefs in the Pacific Ocean of Panamá. The principal components of the coral reef are the branched species of *Pocillopora damicornis* and *P. elegans*, which comprise 94.6% of the reef. Massive species such as *Porites lobata* (2.4% cover), *Pavona gigantea* (1.7% cover), and *Gardineroseris planulata* (<1% cover) are the most abundant and dominate the reef structure in the deepest areas and coral communities. The largest colonies of *P. lobata* and *Pavona clavus* can reach diameters greater than 4 meters and heights of 3 meters.

The Achotines Bay contains the only continental reef within the ZEMMC of the Southern Area of Azuero. It should be noted that the development of coral reef in the Pacific Ocean of Panamá occurs mainly in islands. This area of continental reef has been known about since the beginning of the 1970s, but has not been studied much until recently, when the initial data about coverage of living coral were published ranging from 10% to 77%, which are considered high for continental reefs. Nevertheless, the values are moderate when compared with all coral reefs of the Panamanian Pacific Ocean. The coverage of coral has still not been quantified. Although there have been no published lists of species, *Pocillopora damicornis* and *P. elegans* are the main species comprising the reefs.

The Frailes Islands comprise an area that has been little studied with regard to coral communities because of the difficulty in accessing them and their exposure to open water. The islands do not have coral reefs but contain important coral communities; the coverage of coral is below 20%. The islands have a richness of species considered to be moderately high (25 to 50% of species known to occur in the Panamanian Pacific). Regarding diversity of rare species of coral, the Frailes Islands have moderate diversity of between 33% to 66% of all species known to occur in the Panamanian Pacific.

Despite these few studies that exist for coral reefs in the Azuero ZEMMC, their importance as an ecosystem is well recognized. Nevertheless, their health and associated diversity is not well recognized and their value for providing environmental and ecological services, as well as their role in defending against conditions of natural adversity, has not been quantified. Human impacts are the main threat to the coral reefs; among those most prevalent are housing development, deforestation, and the flow of nutrients into the water. In addition, the introduction of invasive species, above all those introduced through ballast water from ships, is recognized as a threat.

MANGROVE ECOSYSTEMS

With a significant coastal area that extends north to the Atlantic Ocean and south to the Pacific Ocean, and with a high level of rainfall in the majority of the region, the Republic of Panamá has large areas of mangroves (Spalding et al., 2010).³⁶ The country is also the main biodiversity center for mangrove plants in the Americas, with 11 of the 13 species of mangroves existing on the continent, in addition to an introduced population of the mangrove palm *Nypa fruticans* (Duke 1991)³⁷.

³⁴ ³⁴ <http://m.panamaamerica.com.pa/content/panamá-es-el-pa%C3%ADs-con-más-variedad-de-corales>.

³⁵ Camilli, L. CONSERVACIÓN DE LOS ARRECIFES DEL PACÍFICO EN PANAMÁ. Un análisis ecológico de los hábitats de coral y la química de las aguas oceánicas en el Parque Nacional Isla Coiba y zonas costeras del Golfo de Chiriquí. 2007.

³⁶ Spalding M, Kainuma M, Collins L. 2010. World atlas of mangroves. ITO, ISME, FAO, UNEP-WCMC, UNESCO-MAB and UNU-INWEH. London. 319 p.

³⁷ Duke, N. C. 1991. *Nypa* in the mangroves of Central America: introduced or relict? *Principes* 35(3): 127–132.

According to FAO on its website “Status and trends in mangrove area extent worldwide,” the coverage of mangroves in Panamá decreased from approximately 400,000 ha at the end of the 1960s to approximately 158,000 ha at the end of the 20th century. Based on the estimate by Anguizola and Cedeño of 170,827 ha (188; published in D’Croz [1993]), the Pacific Coast of Panamá has approximately 164,968 ha of mangroves, of which 6,213 ha are found in the Los Santos Province (3.63% of the total mangroves for Panamá and 43.8% of the mangroves of the Panamanian Pacific).

In the report titled *Rapid Analysis of Mangrove Forests in the Special Coastal Marine Management Zone in Southern Azuero*, it was found that the Azuero mangroves are recognized both nationally and internationally for having forests with a high level of structural development comparable to, and in many cases, superior to forests in other areas of the Americas such as Darién, Esmeraldas (Ecuador), and Bocas del Toro. Those forests are dominated by red mangroves (genus *Rhizophora*), but other species of mangroves characteristic of the Panamanian Pacific are also found there, although in less abundance. Of these remainder species, perhaps the most abundant are the black mangroves (genus *Avicennia*) and the pigeon and white mangroves (*Pelliciera rhizophorae* and *Laguncularia racemosa*, respectively). In terms of area, the ZEMMC contains approximately 6,072.3 ha of mangroves, and half of these are found on the Cañas Island and in the stand of Mensabé. Nevertheless, the most developed forests, based on structural indices, are found in those stands that are reduced in size, mainly in Pocrí and Purio. According to ANAM’s report on mangroves, these provide many ecological, productive, and tourism services; in addition, they are the primary defense against tides, which in turn are impacted by pollution, encroachment by agriculture and cattle ranching, deforestation, urbanization, and in some cases by dumping of wastes.

SEA TURTLES

Recently the Ministry of the Environment approved a conservation action plan for sea turtles³⁸, this plan delineates the policies and actions to conserve and protect sea turtles. According to the study, there are sporadic nesting areas along the Panamanian Pacific Coast, such as in the case of the La Barqueta Agrícola RVS, Cambutal, Cañas Island RVS, and Coiba PN; however, it is possible that more nesting sites exist in many other beaches. At the end of the nesting season, individual go from the coasts to deeper waters, where feeding areas and an abundance of soft organisms such as jellyfish are found.

The species of sea turtles³⁹ known to frequent the waters and nest in the beaches of this region include olive ridley sea turtles (*Lepidochelys olivacea*), green sea turtles (*Chelonia mydas*), leatherback sea turtles (*Dermochelys coriacea*), black sea turtles (*Chelonia agassizii*), and possibly the loggerhead sea turtle (*Caretta caretta*). All the sea turtle species that are found in the region are listed by the IUCN as in danger of extinction or in critical danger of extinction. There are two important nesting beaches for sea turtles with arrival events: La Marinera and Cañas Island. Arrivals are a variant of the typical turtle nesting, in which certain species (e.g., lora) display a collective nesting behavior and large numbers of females emerge from the ocean to nest in a synchronized manner during periods from 1 to 3 days⁴⁰. During the arrivals, thousands of nests are built. During a single nesting season there can be numerous arrivals, usually separated by one month. During the nesting seasons of other species, such as the green, blank, and carey turtles, they do not occur in arrivals. Also, the nesting season of the leatherback turtle occurs during December and January. The Cañas Island and the La Marinera beach have some protection for sea turtle nesting through the establishment of wildlife reserves. A reserve was declared for La Marinera in 2009 with government help for protection during the arrival events. In this somewhat short beach, it is estimated that up to 10,000 nests are built during the arrivals and deposited with eggs between August and October.

Four species are known to nest in the Cañas Island wildlife reserve (created in 1994 and under the management of the Ministry of the Environment [MiAmbiente]), including lora, leatherback, black, and carey turtles; it is also

³⁸ Gaceta No. 28237. Plan de Acción de tortugas. Panamá. 2017.

³⁹ Engstrom, T. N., P. A. Meylan and A. B. Meylan. 2002. Origin of juvenile loggerhead turtles (*Caretta caretta*) in a tropical developmental habitat in Caribbean Panamá. *Animal Conservation*. 5, 125-133.

⁴⁰ Convención Interamericana para la Protección y la Conservación de las Tortugas Marinas. Estado de Conservación y uso de hábitats de las tortugas marinas en el océano pacífico oriental. CIT-CC8-2011-Tec.1. 2011.

possible that the loggerhead turtle⁴¹ nests in this beach. The beach extends approximately 14 kilometers. The lora turtles nest during the entire year and there are between one and five arrival events. It is estimated that between 2,000 and 12,000 lora turtles nest during these arrivals. Approximately 1,200 linear feet of this beach are protected by MiAmbiente during the arrivals. It is prohibited to collect turtle eggs within this area.

Adult females of all species that nest in this region migrate annually to and from the waters around the Azuero Peninsula. It is also possible that these waters provide habitat for reproduction and foraging for all species of sea turtles found in the region. There are reports of juvenile carey turtles in the estuarine waters and mangroves behind the Cañas Island and in the waters around Iguana Island. In addition, turtles have been observed mating in the surroundings of this island.

Although the beaches of the Cañas Island and La Marinera are home the greatest nesting activity due to the arrivals, the other beaches of the region are also important for the other species of sea turtles. There is anecdotal testimony and proven evidence that the other beaches outside of the Cañas Island are subject to the systematic looting of eggs. Because of this it is important to understand which species are nesting without arrivals and what the density of the nests is as well as the hatching success of these areas.

Other threats include beach erosion and the subsequent loss of nesting habitat. This is particularly true for the Cañas Island, although beach erosion in this area is due to likely natural processes from coastal dynamics and not anthropomorphic factors. Erosion can represent a negative impact to habitat for turtle nesting in the future. Currently the probability of selling 107 ha on the Cañas Island for tourism development is a source of uncertainty for the conservation of sea turtle nesting areas. Marine pollution, debris, and wastes are also serious concerns for this region. Much of the trash is pulled from the beaches by ocean currents. Discarded fishing nets are known to trap marine turtles and mammals. These animals also ingest plastic, confusing it with food—this causes many problems and internal damage. Cattle ranching, deforestation, burning of forests and agricultural fields, agricultural runoff, and pesticides introduced to coastal habitats threaten the health of marine and coastal ecosystems where sea turtles and mammals feed. Other general threats include the potential incidental capture of sea turtles and mammals by small-scale and commercial fishing fleets, including the longliners. Incidental or accidental capture definitely occurs during sportfishing; nevertheless, there are no data of these captures to conduct an impact analysis.

Climate change and sea level rise are less tangible short-term threats, but they should also be considered. The effects of climate change can result in a drastic change in incubation temperatures in nesting beaches, loss of nesting space in the beaches due to erosion from storms, and there can also be a redistribution of the predator/prey dynamic in these beaches. Climate change impact on the sea turtle populations can occur and be evident on a larger scale in the future.

SOCIOECONOMIC CONTEXT

The study area is within the coastal area of the Los Santos Province, which forms part of the Southern Area of the Azuero Peninsula Special Management Area, such as the villages adjacent to the Southern Pacific Zone, from the outfall of the Mensabé River in the Las Tablas District to the outfall of the Pedregal River in the Tonosí District. The associated districts are the following: Las Tablas (711.2 km²), Pocrí (280.3 km²), Pedasí (378.1 km²), and Tonosí (1,286.5 km²).

The Las Tablas district has 27,146 inhabitants, with a population density of 38.2 inhabitants/km². The Pocrí district has 3,259 inhabitants with a population density of 11.6 inhabitants/km². The district of Pedasí has 4,275 inhabitants with a population density of 11.3 inhabitants/km². The district of Tonosí has 9,787 inhabitants with a population density of 7.6 inhabitants/km² (INEC, 2010).

Table 1: Population composition of the affected districts (Source: INEC, 2010).

Districts	Households	Persons	Men	Women
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⁴¹ Arden and Price. Consultoría para elaborar el Plan de manejo Costero Integrado de la zona Sur de Azuero. Panamá. 2011

Las Tablas	11,978	27,146	13,413	13,733
Pocrí	1,926	3,259	1,727	1,532
Pedasi	2,459	4,275	2,279	1,996
Tonosí	4,196	9,787	5,371	4,416

Agricultural Activity

According to data from the National Institute of Statistics and Census (INEC), Panamá's gross domestic product (GDP) has increased in recent years (2008-2015) to an average annual rate of 6.9%, which has placed the country as the most dynamic economy in all of Latin America and the Caribbean (LAC).

During the same period the agricultural sector suffered an average setback of 0.4% per year, which consequently has led to a progressive decline in the relative importance of the agricultural GDP with respect to the total GDP, from 5.1% in 2007 to 2.9% in 2015.

Despite the fact that the agricultural sector is in a recession, it is one of the most important sources of employment in the country—half of the economically active rural population works in agriculture.

In the Los Santos Province, 80.41% of the land cover is dedicated to traditional pasture, natural pasture, and improved pasture. This shows that the majority of land is dedicated to cattle ranching. Los Santos shows the greatest input to regional production at 37%. According to information from MIDA for 2005, there were 279,500 heads of cattle registered, which were mainly located in the Tonosí (25%), Los Santos (18%), and Las Tablas (18%) districts.

The Las Tablas District is the economic and administrative center of the Los Santos Province; its economy is based on cattle ranching, agriculture, and business. The Las Tablas District has the most modern slaughterhouse for cattle in the country, which is certified for exportation. There is also a lot of home-based milk processing activity, mostly for producing cheese.

The main economic activities in the Pocrí District are cattle and hog ranching for internal and external consumption. The cattle are taken to the slaughterhouse and the auctions in neighboring municipalities, and to a lesser extent cows are raised for milk production. Agricultural activity includes large-scale corn and rice planting, as this district is one of the leading corn-growing districts in the country. Approximately 60% of the economy of the Pocrí District is based on agricultural. Traditional fishing is also an economic activity in the district, and has approximately 25 small boats. Fish that are caught include: red snapper, grouper, and shark. Other less important economic activities include hotel services, stores, crafts, restaurants, and banking services.

The Pedasí District economy has traditionally comprised cattle ranching and agriculture, as well as some small fishing villages. This district is attracting attention for real estate development and a burgeoning tourism industry. The area offers excellent sport fishing, scuba diving, surfing, and bird watching.

The Tonosí District is completely agricultural. It holds first place at the national level in terms of cattle ranching, third place in chicken raising, and fourth place in hog raising. It is the number one rice producer in the country. The district's production of tomatoes and rich represents the majority of these products in the province. Tonosí is the main producer of milk in the Los Santos Province; in addition, the district produces sweet melon and zapallo, products that have become the main economic resource in the district.

Tourism Activity

The tourism sector is one of the most dynamic economic sectors in Panamá and is based on activities with enormous potential for implementation in the project area; this is especially true if they are oriented towards ecotourism and the sustainable use of coastal-marine ecosystems. During the period from 2007 to 2016 income from tourism represented between 8.6% and 11.6% of the national GDP.

"Green" tourism is a concept that circulates between two interrelated axes: tourism and the environment. However, this does not mean that it is a simple enjoyment of nature and all it has to offer; it also centers around respect for

the environment, nature, and local flora and fauna. Although there are some certifications existing, in Panamá there is no registry of “green tourists.” As such, these types of tourists are considered to be those who mostly visit the country’s protected areas, and who represent approximately 9% of the tourists coming for recreational purposes (1,748,790 in 2016), or 7% of the total number of visitors (2,435,641 in 2016).

According to the Sustainable Tourism Master Plan (2007-2020), the principal activities associated with tourism in the project area are beaches, boating, sport fishing, and small cruises. In addition, within the project area there are services related to hotels, restaurants, tour operations. There is also the Community Group of the Cañas Islands, which is comprised of community members who depend wholly on tourism that occurs in the region (Pedasí-Tonosí).

Currently the Tourism Office is carrying out a strategy to strengthen tourism destinations that were established in the Sustainable Tourism Master Plan (2007-2020). This strategy prioritizes sites such as Pedasí, Los Santos Province, to diversify the supply of products and achieve greater earnings, enabling a better quality of life for the local populations.

Fishing Activity

Historically fishing has been an important source of food for the population, in addition to generation of income and economic benefits for those engaging in this activity. The finite quality of this resource requires its managed use to ensure that this economic activity remains sustainable over time. Within this context it is important to analyze the competitiveness of the fishing sector in Panamá, its objectives, and perspectives.

Fishing in Panamá grew during the last 3 years to an annual average of 9%, reaching B/.169 million—measured in 2007 prices—according to the National Statistics and Census Institute (INEC). The largest increase was in 2014 (20%), which also drove an increase in the PIB from 0.4% to 0.6%, which was likely due in large part to the farming of fish and shrimp. Fishing in Panamá not just a source of employment in the country, principally in the coastal areas, but it is also a sector that attracts foreign currency to the country from exports.

The type of fishing practiced in the Southern Azuero Peninsula is mostly small-scale. The number of boats and fishermen has varied with time and there are also differences according to location. According to two small-scale fishing censuses (1986 and 1995), and the information about the number of boats (2017 ARAP river fishing permits) and the average number of fishermen per boat obtained in 2010, there is a significant number of people associated with this activity. Currently, and according to data from the ARAP, there are close to 170 boats and approximately 510 fishermen. The most used fishing techniques in the Southern Azuero ZEMMC are the longline, the trammel, and hand-line, in that order.

The principal species captured in the region, according to data from the ARAP, as well as interviews conducted by the researcher, are shown in Table 1. It can be seen in the table that in 2011 mahi-mahi and shark meat formed an important fraction of the landings followed by red snapper and wreckfish; these two groups of species comprise 33.18% of the total of landings and because of their value are placed highest in importance of the small-scale fish landings of the region. The importance of red snapper can be seen in the table (35.88% of the captures of all snapper species) in the area as well as other deep ocean species such as grouper (16.9%); the other important species captured, such as tuna (5.26%) and mahi-mahi (19.82%) are highly migratory species.

The places where traditional fishermen are most concentrated in the project area are: Playa la Yeguada (Pocrí District), Playa Arenal (Pedasí District), and Búcaro (Tonosí District). In each of these areas there are fishermen’s associations; however, they have not reached the level necessary to develop the different links of the production chain that are dedicated solely to catching fish.

Species	Landings 2011 %	Landings 2017 %

Mahi-mahi	29.21	19.82
Shark meat	13.27	2.58
Red snapper	12.01	8.79
Grouper	11.46	16.89
Pacific red snapper	9.2	14.45
Conger eel	6.62	3.88
Ray	5.25	0.0
Mackerel	4.43	0.97
<i>Cominate</i>	3.0	0.12
<i>Revoltura</i>	2.83	4.63
Shark fin	0.65	0.0
Nurse shark	0.4	1.14
Snapper (<i>Achiotillo</i>)	0.26	0.08
Snapper (<i>Dienton</i>)	0.25	0.24
Grouper	0.21	0.0
Tuna	0.16	5.26
Yellow snapper	0.11	0.59

Table 1. Comparison of species captured in the Southern Azuero Peninsula according to the average number of landings for 2011 and 2017 (Source: MMC Plan, per ARAP).

During recent years a constant increase in fishermen and boats dedicated to fishing has represented a decline in capture per unit of fish, which can be translated to a lower profit from the activity, non-compliance with fishing regulations, fewer inspections of fishing activity, an increase in catches of a mix of species of smaller sizes known locally as *revoltura* and less statistical information to evaluate fishing resources. Because of the scarcity of fishing resources, the cost per trip has increased so that the fishermen have to go each time farther away to catch the minimum amount to sustain their activity (e.g., more than 14 miles away for snapper).

There are intermediaries that collect and carry the product directly to hotels and restaurants or to processing plants in Chitré. The intermediaries generally do not belong to associations—they are external actors who fix the purchase prices of the raw material. There is not any type of processing for the fish caught, nor any type of direct business links between the fishermen and the ultimate clients.

Each trip generates approximately 200 pounds of fish, for which the intermediaries pay an average of B/. 1.75 per pound, which is equivalent to a total of B/. 350 per trip. The operating costs are approximately B/. 70 per trip, which generates earnings of B/. 280 per trip. When considering that a fisherman makes between 4 and 8 trips per month (which also takes into account weather conditions, season, etc.), his income can vary between B/. 240 and B/. 560 per month.

ANNEX O: LIST OF PEOPLE CONSULTED DURING PROJECT DEVELOPMENT

Name	Institution / Organization	e-mail
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Santiago Batista	Asociación de Pescadores	N/A
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José Herrera	Asociación de Productores Pesqueros y Servicios Turísticos de Pedasí	N/A
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