



**REQUEST FOR PROJECT PREPARATION GRANT (PPG)**  
**PROJECT TYPE: Full-sized Project**  
**THE GEF TRUST FUND**

**Submission date:** 17/04/09

**GEF PROJECT ID<sup>1</sup>:** 3933

**GEF AGENCY PROJECT ID:**

**COUNTRY(IES):** Peru

**PROJECT TITLE:** Sustainable Management of Protected Areas and Forests of the Northern Highlands of Peru

**GEF AGENCY(IES):** IFAD

**OTHER EXECUTING PARTNER(S):** PROFONANPE

**GEF FOCAL AREA(S):** Biodiversity

**GEF-4 STRATEGIC PROGRAM(S):** BD-SP1, BD-SP5

**NAME OF PARENT/PROGRAM/UMBRELLA PROJECT (if applicable):** SUSTAINABLE FOREST MANAGEMENT (SFM)

**A. PROJECT PREPARATION TIMEFRAME**

Start date of PPG	August 2009
Completion date of PPG	April 2010

**B. PAST PROJECT PREPARATION ACTIVITIES (\$) - Not applicable**

**C. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)**

Describe the PPG activities and justifications: The Project Preparation Grant will generate the specific outputs needed to complete the full project design to be submitted to the GEF. The project preparation phase will comprise a number of steps, including (i) assessment and scoping exercise, followed by (ii) preparation of project strategy; (iii) Stakeholder consultations; (iv) project development, to meet GEF and co-funding project design. Activity (v) – project formulation management, will ensure the coordination, management and supervision of work and consultants. See full details of PPG activities in Annex B.

<b>List of Proposed Project Preparation Activities</b>	<b>Output of the PPG Activities</b>	<b>Preparation Amount (a)</b>	<b>Co-financing (b)</b>	<b>Total c = a + b</b>
1. Assessment and scoping, data collection, revision of relevant studies, institutional analysis	Comprehensive analysis of situation and indicative project options (incl. target PAs assessed; project beneficiaries and participating organizations identified)	26 654	22 500	<b>49 154</b>
2. Development of project strategy (incl. evaluation alternatives, discussion & validation)	Project strategy prepared	36 793	37 500	<b>74 293</b>
3. Consultation and Validation of Proposal with Stakeholders	Project strategy discussed with stakeholders including through regional and national workshops and finally validated	15 000	10 000	<b>25 000</b>
4. Project development	Full project document prepared & ready for submission to GEF	17 414	25 000	<b>42 414</b>
5. Project formulation management	Support staff and operational cost	0	30 000	<b>30 000</b>
Contingencies		4 140	5 000	<b>9 140</b>
<b>Total Project Preparation Financing</b>		<b>100 000</b>	<b>130 000</b>	<b>230 000</b>

<sup>1</sup> Project ID number will be assigned by GEFSEC. If PIF has already been submitted, please use the same ID number as PIF.

**D. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)**

	Project Preparation	Agency Fee
GEF financing	100,000	10,000
Co-financing	130,000	
<b>Total</b>	<b>230,000</b>	<b>10,000</b>

**E. PPG REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)<sup>1</sup> – NOT REQUIRED**

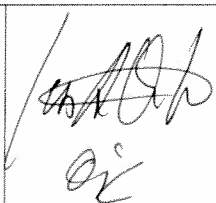
**F. PPG BUDGET REQUEST**

\*the Annex A for Consultant cost details should be prepared first before completing this table. See notes on Annex A for the required detailed information.

Cost Items	Total Estimated Person Weeks for GEF Grant (PW)	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants *	15	21 375	17 500	<b>38 875</b>
International consultants*	12	27 150	37 500	<b>64 650</b>
Travel (incl. DSA)		32 335	30 000	<b>62 335</b>
Consultations and Validation		15 000	10 000	<b>25 000</b>
Project Formulation Managmt.		0	30 000	<b>30 000</b>
Contingencies		4 140	5 000	<b>9 140</b>
<b>Total PPG Budget</b>		<b>100 000</b>	<b>130 000</b>	<b>230 000</b>

**G. GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Dr. Rodney Cooke Acting Coordinator Global Environment and Climate Change Unit (GECC) Program Management Department (PMD) IFAD		April 17, 2009	Mr. Jesús Quintana, Program Manager GECC Unit, PMD, IFAD	(+39) 06.5459. 2210	j.quintana@ifad.org

**Annex A: Consultants Financed by the Project Preparation Grant (PPG)**

<b>Position / Titles</b>	<b>\$/ Persn Week<sup>1</sup></b>	<b>Estimated PWs<sup>2</sup></b>	<b>Tasks to be performed</b>
<b>Local</b>			
1. Team leader	1 500	6	<ol style="list-style-type: none"> <li>1. Provide overall coordination of GEF project formulation, including supervision of consultants</li> <li>2. Oversee project scoping and selection of project sites</li> <li>3. Facilitate the detailed project formulation including the development of the logical framework and detailed interventions</li> <li>4. Ensure compliance with GEF project design requirements</li> <li>5. Assess sustainability of the project</li> <li>6. Ensure integration between design of GEF and co-financed activities</li> <li>7. Ensure appropriate linkages with related GEF agencies and interventions, and facilitate liason with key institutions and agencies</li> <li>8. Development of M&amp;E plan</li> </ol>
2. Eco-enterprise Development Specialist	1 375	4	<ol style="list-style-type: none"> <li>1. Assess options for market-based development of NTFFPs in targeted project sites</li> <li>2. Assess &amp; design further options for (certified &amp; non-certified) market-based development of NTFFPs in targeted project sites</li> <li>3. Assist in forest certification and access of products to markets</li> </ol>
3. Institutional and Capacity Building Specialist	1 375	5	<ol style="list-style-type: none"> <li>1. Identify institutional and stakeholder awareness, capacities and needs at regional/local levels</li> <li>2. Analyze possible conflicts related to access and use of natural resources, including options on dispute resolution</li> <li>3. Prepare and conduct planned consultation and validation workshops</li> </ol>
<b>International</b>			
4. Sustainable Forest Management	2 350	6	<ol style="list-style-type: none"> <li>1. Undertake the review of policies and practices related to SFM and sustainable forest management, identifying key issues and barriers</li> <li>2. Develop the design of non-wood and wood forest certification</li> <li>3. Contribute to scoping of the project, assessment of project sites, and the design and formulation of the concerned section(s), advising on relevant GEF policies, procedures and guidelines.</li> <li>4. When required, facilitate consultations with local communities, technical agencies and specialists</li> </ol>
5. Sustainable PA Financing Specialist (Conservation Fund)	2 350	3	<ol style="list-style-type: none"> <li>1. Undertake review of existing regional PA financing mechanisms and identify gaps in funding required for effective conservation management in selected PAs</li> <li>2. Identify potential funding strategies and mechanisms for the Bi-Regional Endowment Fund</li> <li>3. Facilitate consultations between regional Natural Resource Agencies, PROFANANPE, and other relevant stakeholders &amp; actors</li> </ol>
6. Economist/ Financial Specialist	2 000	3	<ol style="list-style-type: none"> <li>1. Conduct cost-effectiveness analysis</li> <li>2. Draft annex on financial modalities (financing &amp; incremental cost analysis, disbursement, procurement &amp; audit, etc.)</li> <li>3. Assisting in preparation of grant administration modalities</li> <li>4. Facilitate co-financing arrangements</li> </ol>

<sup>1</sup> Or person month, if applicable. Please indicate clearly.

<sup>2</sup> Provide weeks or months as appropriate that corresponds to the rate provided in the previous column.

## **Annex B: PPG Proposed Activities**

### **Activity 1: Rapid assessment and scoping, data collection, revision of relevant studies, institutional analysis**

Under this activity a rapid review and analysis will be made of existing information related to the proposed project interventions, focal area, and institutional capacities, in conjunction with key stakeholders. Sub-steps include:

- A review of relevant policies and practices related to community-based sustainable forest management and biodiversity conservation; timber & non-timber forest eco-certification; and eco-enterprise development schemes. Emphasis will be placed on relevant case studies applicable to the project area, with special attention paid to viability, feasibility, monitoring and sustainability.
- A full review of technical and financial situation/mechanisms of protected areas at the regional level
- Appraisal of institutional capacities, awareness, and needs related to effective PA management; sustainable forest management & promotion of community-based eco-enterprises at the regional (e.g. Natural Resources Agencies of the regional governments), provincial and local level. Special attention will also be placed on evaluating state of political and social procedures for regional integration.
- Confirmation of the scope and nature of the project intervention in conjunction with key stakeholders (incl. national-level stakeholders), including preliminary identification of project sites and interventions

The output will be 1 report with a comprehensive analysis on the topics, and indicative project options

### **Activity 2: Development of Project Strategy**

This activity will comprise the following sub-activities:

- Development of project strategy including identification of indicative interventions and site selection criteria
- Selection of sites through a consultative process with stakeholders including local governments and communities. Also, selection of intervention options for establishment of co-ordination platforms and bi-regional endowment funds.
- Evaluation of alternative sites and intervention options
- Final selection of the most cost-effective and environmentally-sounds options in line with global, national and local stakeholder priorities

The output will be a project strategy (including indicative project logical framework and tentative project implementation plan)

### **Activity 3: Consultation/Validation of Proposal with Stakeholders**

Through this activity national, regional and local stakeholders will consult and validate project design through two workshops: one with regional stakeholders; and one with national level stakeholders (e.g. Ministries of Agriculture & Environment, AGRORURAL, SERNANP, Direccion General Forestal, PROFONANPE, and others).

Outputs will be workshop reports and the project strategy validated.

### **Activity 4: Project Development**

The project development activity will include the following sub-activities:

- Elaboration of a range of technical working documents on different aspects of the project building on activities 1 & 2, including detailed descriptions of interventions and project sites and institutional arrangements
- Refinement of project logical framework and implementation plan
- Development of project institutional arrangements to ensure smooth project implementation and sustainability
- Evaluation of climate change and other risks and integrate into project design
- Development of budget and financing plan including facilitation of co-financing and integration with arrangements for associated IFAD loan
- Development of M&E system to be integrated as far as possible with national/provincial M&E arrangements

The output will be the full project document prepared and ready for submission to the GEF. IFAD will cover the costs associated with writing the proposal.

#### **Activity 5: Project Formulation Management**

Project formulation management will include the coordination, management and supervision of the consultants necessary for the implementation of the PPG and project design process. The costs associated with this activity will be fully met by IFAD.