



GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Effective Implementation of the Access and Benefit Sharing and Traditional Knowledge Regime in Peru in accordance with the Nagoya Protocol			
Country(ies):	Peru	GEF Project ID: ¹	8025
GEF Agency(ies):	UNEP	GEF Agency Project ID:	01345
Other Executing Partner(s):	Ministry of Environment	Resubmission Date:	May 4, 2017
GEF Focal Area (s):	Biodiversity	Project Duration(Months)	48
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/> Corporate Program: SGP <input type="checkbox"/>		
Name of Parent Program	(if applicable)	Agency Fee (\$):	208,050

A. FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES

Focal Area Objectives/Programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Cofinancing
BD-3 Sustainably use biodiversity, Programme 8 (Implement the Nagoya Protocol of ABS)	Outcome 8.1: Legal and regulatory frameworks, and administrative procedures established that enable access to genetic resources and benefit sharing in accordance with the provisions of the Nagoya Protocol	GEFTF	2,190,000	8,921,778.23
Total project costs			2,190,000	8,921,778.23

B. PROJECT DESCRIPTION SUMMARY

Project Objective: Strengthen national capacities for effective implementation of the access to genetic resources (ABS) and traditional knowledge (TK) regimes in accordance with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization, contributing to the conservation of biodiversity and human wellbeing in the country.

Project Components	Financing Type ²	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
1. Efficient functioning of ABS mechanisms in accordance with the Nagoya Protocol	TA	1.a. The ABS national mechanism operates in a coordinated manner, following unified criteria and taking into account monitoring and supervision	1.a.1. Fully functional and coordinated ABS system using updated or new documentation and procedures adequate to the Nagoya Protocol (including PIC and MAT), including guides for users and providers, and exchanging information	GEFTF	753,100	3,040,074

¹ Project ID number will be assigned by GEFSEC.

² Financing type can be either investment or technical assistance.

			<p>through the national ABS information platform and the ABS-CHM.</p> <p>1.a.2. Checkpoints set up along the different stages of the use of GRs and associated TK , and corresponding manuals prepared for these points</p> <p>1.a.3. Cases of illegal access to wild, cultivated and hydrobiological genetic resources, including associated TK, prioritized and registered by the National Commission against Biopiracy, as part of the measures of monitoring the utilization of genetic resources established by the Nagoya Protocol (Art. 17°)</p> <p>1.b.1. Information on species (wild, cultivated and hydrobiological) containing genetic resources with potential for research and development activities, compiled and systematized in the GENES-Peru platform, including distribution and conservation status.</p> <p>1.b.2. Benefits</p>			
		<p>1.b The national ABS mechanisms have reliable, timely and relevant information for benefit sharing negotiation strategies (monetary and non- monetary) for access to national genetic resources, for the purpose of research and development, safeguarding risks of genetic erosion</p>				

			derived from use of genetic resources and associated TK in on-going research and development projects, identified, classified and assessed, strengthening the expertise of national authorities in this respect, and setting the basis for future negotiations.			
2. Capacity building of relevant actors in relation to access to genetic resources and traditional knowledge	TA	2.a. Relevant actors from public, private, academic, scientific, technical, society, and indigenous people, aware and with training on access to genetic resources and benefit sharing	<p>2.a.1. Awareness raising activities (using existing informative materials, and new ones when needed) on the Nagoya Protocol directed towards government officials, academics, researchers, civil society, communicators and general public.</p> <p>2.a.2. Interactive training modules on management of access to genetic resources and associated TK, based on the national law and the Nagoya protocol, each one designed and directed towards a specific target group: government officials, academic researchers and entrepreneurs.</p> <p>2.a.3. Intercultural</p>	GEFTF	529,766	3,401,035

			<p>training program oriented towards indigenous communities regarding ABS and TK, including gender equity criteria.</p> <p>2.a.4. Assistance for providers to promote and facilitate their negotiation capacity and for users to promote and achieve legal certainty in ABS contracts, in 3 ongoing initiatives under negotiation (Cacao, Quina, Doncella)</p>			
3. Projects and initiatives on ABS, contributing to conservation and sustainable use of biological diversity	TA	3.a. Conservation and sustainable use of local biodiversity is improved through interventions that will lead to a better and more efficient application of ABS measures in the country.	<p>3.a.1. Ongoing research and innovation project (fragrance and cosmetics) based on native genetic resources and associated traditional knowledge, supported by the project to comply with national ABS legislation and the Nagoya Protocol throughout the chain of research and development.</p> <p>3.a.2. At least two on-going research projects (CosmoPeru-Molle fragrance and U of Copenhagen-Mauka) will be analyzed/monitored as a test for the national ABS monitoring system, serving as</p>	GEFTF	677,850	1,485,255.23

			a learning experience for government officials.			
Monitoring & Evaluation			GEFTF	125,000	819,113	
Subtotal				2,085,716	8,745,477.23	
Project Management Cost (PMC) ³			GEFTF	104,284	176,301	
Total Project Cost				2,190,000	8,921,778.23	

C. CONFIRMED SOURCES OF COFINANCING FOR THE PROJECT BY NAME AND BY TYPE (\$)

Letters confirming co-financing for the project are included with this form.

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
National Government	MINAM	In-kind	2,340,000.00
National Government	SERFOR-MINAGRI	In-kind	350,000.00
National Government	INIA	In-kind	350,000.00
National Government	SERNANP	In-kind	3,160,595.76
National Government	CENSI-INS-MINSA	In-kind	300,006.00
National Government	INDECOPI-CNBIO	In-kind	250,000.00
National Government	INDECOPI-DIN	In-kind	350,000.00
National Government	IIAP	In-kind	1,000,000.00
Private Company	COSMO INGREDIENTS	In-kind	471,176.47
GEF Agency	UNEP	In-kind	350,000.00
Total Co-financing			8,921,778.23

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

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) ^b	Total (c)=a+b
UNEP	GEFTF	Peru	Biodiversity		2,190,000	208,050	2,398,050
Total GEF Resources					2,190,000	208,050	2,398,050

E. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁴

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
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³ For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

⁴ Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF and/or SCCF.

6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks	Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries	<i>Number of Countries:</i> 1
	Functional environmental information systems are established to support decision-making in at least 10 countries	<i>Number of Countries:</i> 1

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

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

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF⁵

A.1. Project Description. Elaborate on:

1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed;

The final project design is aligned to the original PIF; it preserves its main objective, strategy and structure. However, small adjustments were made to the project framework based on analyses and discussions with project partners and key stakeholders during the PPG, aiming to improve precision in outputs and indicators so as to best achieve the outcomes and the overall objective.

Peru is one of the world’s 10 most “megadiverse” countries, for its rich diversity in ecosystems, species, genetic resources and culture. Peru hosts about 25,000 plant species (10% of the world total) with 30% endemism. Of these, 4,400 species have known properties and are used by the population. In terms of fauna, Peru is first in number of fish species (close to 2,000 species, 10% of the world total); second in bird fauna (1,736 species); third in amphibians (332 species); third in mammals (460 species); and fifth in reptiles (365 species). There are about 5,528 plant species and 760 animal species endemic to Peru. There are a total of 222 endangered species of which 31 are facing extinction, 89 are classified as vulnerable, 22 are rare and 80 have an indefinite status. Peru is also rich in ecosystem biodiversity with the major biomes being marine, mountain, forest, freshwater and agricultural ecosystems. It has 84 of the 104 life zones identified in the planet, the 4th largest area of tropical forest, the most extensive tropical mountain range, and 70% of tropical glaciers. Peru also has very high cultural diversity with 14 linguistic families and 44 distinct ethnic groups, of which 42 are found in the Amazon. These indigenous peoples hold invaluable traditional knowledge and practices related to the use and management of biodiversity and genetic resources.

In terms of agricultural genetic diversity, Peru is also one of the centers of origin of agriculture and a wide range of agricultural resources, including one of the four most important food crops: potatoes (*Solanum*). There are over 3,000 varieties of potatoes in Peru, largely maintained, conserved and developed by small, indigenous farmers throughout the Andes. The International Potato Center (CIP) is headquartered in Lima and holds the world’s largest *ex situ* collection of potatoes and other Andean roots and tubers. Furthermore, Peru is a center of diversification for maize, tomatoes, quinoa and other important food crops. Additionally, what are often referred to as “underutilized crops” such as arracacha (*Arracacia xanthorrhiza*), olluco (*Ullucus tuberosus*), mashua (*Tropaeolum tuberosum*), tarwi (*Lupinus mutabilis*) and kiwicha (*Amaranthus caudatus*), have the potential of improving food security not only for Peruvian farmers and the wider population but for peoples around the world, given their proven nutritional values. These crops are mostly grown in the higher Andes. Peru is also home to unique Andean camelids such as alpaca (*Vicugna pacos*), vicuñas (*Vicugna vicugna*), llamas (*Lama glama*) and guanacos (*Lama guanicoe*) which have been ancestrally domesticated and used extensively by indigenous farmers in the higher Andes.

Ongoing and future basic and applied research will rely on the availability (both in situ and ex situ) of genetic resources of these crops and animals. In some cases, TK may serve to guide and orient initial phases of research processes. As such, national regulations on ABS and TK will need to be complied with by researchers, companies

⁵ For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter “NA” after the respective question.

and any actor accessing and using these resources. Whether for basic, taxonomic or evolutionary studies or more advanced R&D for commercial or industrial purposes, ABS frameworks will come into play and shape research possibilities. Many international institutions such as the Smithsonian Institute, Missouri Botanical Gardens, Kew Botanical Gardens, Korea Institute of Biotechnology, to name a few, already collaborate with national universities and researchers to undertake genetic and molecular studies with important ABS implications – both nationally and international.

The main threats to this globally-significant biodiversity and associated traditional knowledge in Peru are (1) habitat loss and ecosystem transformation, (2) poaching, (3) biopiracy, (4) monoculture agriculture, and (5) genetically modified crops. These threats act directly on certain species over short and long terms, ultimately threatening the existence and diversity of globally-important genetic resources and their associated Traditional Knowledge.

The long-term solution advanced by this project is to conserve biological and genetic resources of Peru in compliance with the Nagoya Protocol (NP). However, Peru must overcome the following three specific barriers that currently prevent the fulfilment of the proposed solution:

- *Weak legal and institutional framework to manage ABS in accordance with the Nagoya Protocol (to be addressed by Component 1)*
- *Scarce knowledge of relevant stakeholders on access and utilization of GR and Fair Benefit Sharing (to be addressed by Component 2)*
- *Weak experience in applying ABS mechanisms to access and manage GRs and associated Traditional Knowledge (to be addressed by Component 3)*

Peru is prioritizing the safeguarding of this globally-significant BD and its associated Traditional Knowledge and requests GEF support to strengthen and test the legal and institutional framework to ensure effective and efficient Access and Benefit-Sharing mechanisms to fully comply with the Nagoya Protocol.

2) the baseline scenario or any associated baseline projects:

The Project Document contains substantially expanded information and analysis regarding the baseline project and problem issues. This represents a strong and well-reasoned platform for project implementation. In the time between PIF approval and ProDoc submission, MINAM has advanced on a preliminary analysis of the legal and institutional framework for ABS such that the project will be able to focus on closing the gaps identified in the ABS framework. However, the baseline project and core challenges identified during project preparation are not substantially different from those identified in the original PIF.

In general, the baseline scenario with regards to access to genetic resources in Peru suffers from uneven application of the National ABS System; there are some ongoing initiatives being implemented in Peru which are directly or indirectly related to ABS and associated TK. However, these are sporadic and limited interventions in very specific areas concerning ABS. To date, the advances that have been made are related to sui generis protection of traditional knowledge, and the resolution of cases of illegal access. On the other hand, limited progress has been made with regards to the generation of benefits derived from access and just and equitable sharing of these benefits.

Indeed, as indicated in the pilot cases (Appendix 16 of the Project Document), current agreements do not truly provide effective means for the distribution of benefits. INDECOPI and the National Commission on Biopiracy Prevention, in collaboration with SPDA, are looking to consolidate interventions regarding the registry of TK, through workshops and in situ work in communities. Their “defensive role” needs to be further strengthened in light of continued cases of illegal or unlawful rights being granted over indigenous peoples’ biodiversity and TK. SERFOR, through its forestry regulation, has been expediting the granting of access authorizations, especially for non-commercial research in genetic resources. However, recent commercial applications (at least 6 or 7 over the past months) require better and improved coordination with MINAM, particularly in regards to benefit sharing agreements, and INDECOPI, to ensure IP defensive protection conditions set in the law are taken into account. The CENSI has also historically undertaken research in the field of TK and ethnobotany. Although CENSI has internal guidelines and codes of conduct, these need to be regularized – as proposed through this GEF ABS project – in accordance with national ABS frameworks and the Nagoya Protocol in particular. The MINCU has also started to become active in its role of coordinating indigenous peoples’ policies. Its main effort over the past few months and

in the near future involves activating the National Fund for the development of Indigenous Peoples (created through the TK protection law) and establishing the institutional mechanisms which will enable transparent and coherent management of this Fund.

The baseline and opportunities for strengthening the national panorama can be divided into three themes. The first deals with legal and informational issues as they relate to current national regulations (and Andean regional legal framework) vis-à-vis the vision, measures and procedures of the Nagoya Protocol. The second relates to the degree of capacity to support and advance access management. The third relates to the institutional framework that supports access management and monitoring. The baseline investment for this project consists of approximately US \$ 12,970,000 and is fully described in Section 2.6 of the Project Document.

3) the proposed alternative scenario, GEF focal area⁶ strategies, with a brief description of expected outcomes and components of the project,

To address the gaps identified in the Baseline Scenario, the project proposes the following alternative scenario to ensure Peru is better suited for access control, and just and equal benefit sharing from the use of genetic resources and associated traditional knowledge. The project's approach is completely aligned with the GEF-6 BD-3 Objective: Sustainably use biodiversity, through Programme 8 (Implement the Nagoya Protocol of ABS). Specifically, GEF support will result in the establishment and reinforcement of legal and regulatory frameworks, and administrative procedures that enable access to genetic resources and benefit sharing in accordance with the provisions of the Nagoya Protocol, as stipulated in the GEF-6 Biodiversity strategy. The country would be taking an important step towards compliance, not only with the third objective of CBD, but also with Aichi Biodiversity Targets, in particular Target 16 related to effective implementation of the Nagoya Protocol, and Target 18, related to respect for traditional knowledge, innovations and practices, as well as consuetudinary use of biological diversity according to national legislation.

With regards to the legal and institutional framework for ABS, the expected scenario comprises clear, concordant and fluid access norms, measures and procedures. It ensures that management of access and derived benefits will be applied in an integrated manner by the governing party (MINAM), national authorities (INIA, SERFOR and VMP-PRODUCE), and other institutions with direct competence in ABS (SERNANP, INDECOPI, MINCU and National Commission Against Biopiracy). It is expected that governmental officials in charge of granting access contracts for commercial or non-commercial purposes, as well as the users seeking access, will have the capacity to negotiate benefits derived from the use of genetic resources and associated traditional knowledge. Crucial to this is the availability of clearer management procedures and negotiation capacity for users and providers of genetic resources and associated traditional knowledge (especially indigenous peoples).

With respect to access management for research purposes and development, it is expected that national legislation will incorporate the main adjustments required by the Nagoya Protocol, which make references to access permit; notification procedure for ABS-CH; verification points; measures in case of non-compliance; and regularization processes for illegally accessed genetic resources and associated traditional knowledge. In addition to the adjustments required by the Nagoya Protocol, the national legislation is also expected to result in a simpler and automatic procedure in cases of access for non-commercial research purposes, especially in the case of taxonomic determination and species and varieties characterization using DNA methods or genetic expression products (genomic, molecular, biochemical, agronomic, etc.).

Part of this scenario would be the experience gained by government officers, researchers, universities, indigenous organizations and local communities on building strategic alliances for research and bioprospecting of genetic resources, and applying national access regulations. This would help ensure future actions to promote public and private participation, national and foreign, in the further development of biotechnology, prioritizing the use of identified strategic genetic resources.

Component 1. Effective functioning of national ABS system, in agreement with Nagoya Protocol

The first component seeks to achieve an efficient and integrated national access system for ABS that operates in a coordinated manner, based on full compliance and integration of functions of the governing entity, national authorities and institutions with competence in the matter. The project will elaborate tailored guidelines towards

⁶ For biodiversity projects, in addition to explaining the project's consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving.

unified criteria, improvement of administrative procedures, and participatory construction and/or adaptation of already existing tools for management procedures to be aligned with the Nagoya Protocol (forms, models, guides, model contractual clauses, etc.). The purpose is to strengthen legal and institutional capacities to guarantee judicial security in negotiation between users and providers, throughout the access chain for research and development: granting of prior informed consent, mutually agreed terms for product negotiation, granting of permits for access, international certification, establishment of verification points, fair benefit sharing, as well as capacity building on defense strategies in case of unlawful access to genetic resources and associated traditional knowledge.

Component 2. Capacity building of relevant actors in relation to Access to genetic resources and traditional knowledge

The second component seeks to generate and strengthen awareness of society regarding the importance of the Nagoya Protocol and national legislation on access of genetic resources and associated traditional knowledge, as an integral part of the country's natural and cultural heritage, and as a mechanism to combat biopiracy. As mentioned in the barriers section, there is scarce knowledge of relevant stakeholders on access, utilization and fair benefit sharing of GR and associated TK. As such, the project seeks to strengthen capacity of key actors (government officials, academics, researchers, innovators, entrepreneurs and indigenous people) in relation to access to genetic resources and associated traditional knowledge, and to develop skills in the use of procedures and tools from the national ABS system. In the case of public sector and national authorities, capacity building efforts will be focused on increasing their understanding of the Nagoya Protocol as well as their adequate application of national regulations. Capacity building on access negotiation and benefit distribution will target providers and users of 3 ongoing initiatives under negotiation (Cacao: *Theobroma cacao*, Quina: *Cinchona officinalis*, Doncella: *Pseudoplatystoma fasciatum*). In the case of users and providers, capacity building activities will be focused on generating/strengthening their understanding of procedures required for access to genetic resources and associated traditional knowledge, be it for non-commercial research, bioprospecting, industry or marketing. In the case of providers, capacity building will be oriented towards prior informed consent and benefit negotiation (monetary and non-monetary). In case of users, focus will be on legal certainty for access contracts. In addition, the project will offer in-situ support by taking advantage of ongoing experiences to offer technical support to bolster negotiating skills to achieve ABS agreements.

The capacity building activities will take into account the Strategic Framework of building and development of capacities, adopted at the last COP MOP 1 for Nagoya Protocol (Decision NP-1/8, 2014). Thus, the outputs of this component include information materials tailored for different stakeholders. It is however worth mentioning, that whenever possible, the project will make use of existing materials in order to avoid duplication and ensure that resources are used where they are most needed, adjusting or creating de novo those materials necessary to fulfill the local needs and reality.

Under Outcome 2.a, relevant actors from public, private, academic/scientific/ technical, society, and indigenous people will be made aware and trained on access to genetic resources and benefit sharing.

Component 3. Projects and initiatives on ABS contributing to conservation and sustainable use of biological diversity

In Peru, there are several researchers and enterprises that carry out research and development projects based on the use of native genetic resources and associated traditional knowledge, with non-commercial and commercial purposes. A small group counts with the respective access authorization or is in the process of obtaining it; a second group is initiating the process to regularize their projects; and a third (and without doubt the more extensive) group is not interested in initiating any process, either because it is discouraged by the complexity of the procedures or because of the lack of awareness regarding the requirements of the national and international ABS system. Consequently, as of today, benefit-sharing for the utilization of native genetic resources and associated traditional knowledge is limited to a few authorized projects.

Likewise, despite the establishment of a National Integrated Mechanism of Supervision and Monitoring of Genetic Resources in the national legislation of Peru (D.S. N°003-2009-MINAM), none of the authorized projects is actually being monitored to ensure compliance. Consequently, at the moment, there is uncertainty regarding which, if any, projects have made a change of use of the genetic resources accessed, or if any benefit-sharing, monetary or non-monetary, is occurring.

In this context, the third component, through Output 3.a.1, seeks to encourage research and innovation projects and initiatives based on native genetic resources and associated traditional knowledge (the pilot for this is perfumery

and cosmetics), to comply with national ABS legislation and the Nagoya Protocol throughout the chain of research and development. It also completes the cycle via Output 3.a.2, by putting to test the national ABS monitoring system by analyzing/monitoring at least two on-going research projects (CosmoPeru-Molle fragrance and U of Copenhagen-Mauka), serving as a learning experience for government officials.

The following table provides specific changes from the original project framework:

PIF	Project Document (ProDoc)
<p>1.a.2. Control point established (2), both in INDECOPI, with a follow-up and supervision platform and corresponding operation manual</p>	<p>The new text states: 1.a.2. Checkpoints set up along the different stages of the use of GRs and associated TK , and corresponding manuals prepared for these points.</p> <p>Currently, 2 check points exist - DIN-INDECOPI and CNBIO – thus this output was adjusted to allow additional institutions with relevant capacities to be involved in the control of different stages of the access and use of GRs and associated TK. In particular, the project will consider CONCYTEC and possibly others as new check point(s) to be included in the ABS-CH.</p>
<p>1.a.3. Cases of illegal access to wild and hydro biological genetic resources, prioritized and registered by the National Commission against Biopiracy, as part of the measures of monitoring the utilization of genetic resources established by Nagoya Protocol (Art. 17°).</p>	<p>The word “cultivated” was added to include a more complete range of cases.</p>
<p>1.b.1. Information on species (wild, cultivated and hydro biological) containing genetic resources with potential for research and development activities, is compiled and systematized, including distribution and conservation status.</p>	<p>The GENES-Peru platform will host this information and has therefore been added for precision.</p>
<p>Output 2.a.2. Interactive training modules on management of access to genetic resources, based on the national law and the Nagoya protocol, each one designed and directed towards for a specific target group: government officials, academic researchers and entrepreneurs.</p>	<p>Associated TK was added to be more complete within the national ABS context.</p>
<p>2.a.3. Intercultural training module on ABS and TK (3), based on the national law (mainly, referred on <i>sui generis</i> protection regime of traditional knowledge) and the Nagoya Protocol, oriented towards indigenous and peasant communities, especially those with or interested in carry on a TK register.</p>	<p>The adjusted text reads as follows: 2.a.3. Intercultural training program oriented towards indigenous communities regarding ABS and TK, including gender equity criteria.</p> <p>This was adjusted to fit the current setting and ensure the inclusion of gender equity criteria in the ABS context.</p>
<p>2.a.4. Assistance for two ongoing initiatives in negotiation to access genetic resources, for providers (collective of non-wood Amazonian forest concessionaries) to increase their negotiation capacity and users (companies, research institutions, etc.) to promote and facilitate legal certainty in contracts on ABS.</p>	<p>2.a.4. Assistance for providers to promote and facilitate their negotiation capacity and for users to promote and achieve legal certainty in ABS contracts, in 3 ongoing initiatives under negotiation (Cacao, Quina, Doncella).</p> <p>This Output was adjusted to address 3 ongoing negotiations that are a priority for the country, thereby providing adequate hands-on experience to develop ABS capacity within the relevant institutions.</p>

PIF	Project Document (ProDoc)
<p>3.a.2. Utilization of native genetic resources and benefit-sharing of a sample of at least three on-going research authorized projects, will be analysed, serving as a learning experience for governmental officials and as a test for the national ABS monitoring system.</p>	<p>3.a.2. At least two on-going research projects (CosmoPeru-Molle fragrance and U of Copenhagen-Mauka) will be analyzed/ monitored as a test for the national ABS monitoring system, serving as a learning experience for government officials.</p> <p>During the PPG, a preliminary analysis of the on-going research projects identified these 2 initiatives to be the most viable in terms of providing relevant opportunity to test the national ABS monitoring system within the timeframe of the project, as well as garner lessons learned.</p>

4) [incremental/additional cost reasoning](#) and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and [co-financing](#);

The incremental cost reasoning of this project is based on the assumption that the current baseline programs are insufficient to enable Peru to fulfil its obligations and commitments regarding the Nagoya Protocol and relevant national legislation concerning ABS. Incremental financial support from the GEF is necessary to ensure effective changes in the institutional and political framework as well as capacity levels (amongst different project participants) in terms of access and benefit sharing. Current baseline efforts being made by the national Government and institutions require support to reach a wider target audience and to ensure a harmonized application of ABS measures at a national level. GEF support will complement these efforts and will allow the country to increase its capacity to deal with ABS related matters in alignment with the Nagoya Protocol.

Currently, other organizations, such as GIZ, are investing resources in creating capacity towards the implementation of ABS systems in the country; however, these efforts are not enough and should be complemented with additional support from relevant institutions involved in ABS within the national government, as well as other organizations. The GEF project is expected to build upon ongoing efforts, and contribute to a better application of ABS regulations and procedures amongst various stakeholders. Likewise, private companies and research institutions are also taking actions towards the application of basic ABS provisions. Nonetheless, without GEF support, the possibilities of the national authorities to effectively address all the issues related to ensuring proper access to genetic resources and fair and equitable distribution of its derived benefits, are limited.

The current project has been designed in a manner such that GEF resources will complement existing efforts, ensuring a cost-effective approach and a coherent intervention strategy to maximize the accomplishments of the expected outcomes. Indeed, with GEF support, the proposed adjustments to the Baseline scenario will have an effective and positive impact on the implementation of ABS principles in Peru (stemming from the CBD and Nagoya Protocol). The Peruvian experience could eventually benefit other countries, especially other members of CAN, where neighboring countries share similar difficulties and challenges as Peru.

Experience and results from this GEF-supported project will inform of the national performance in forums where ABS is being discussed, such as the discussion within the Andean Community and the ongoing review of Decision 391. Furthermore, this will help current efforts by MINAM to update and adjust the overall legal framework of ABS and coordination with relevant national institutions on the matter.

5) [global environmental benefits](#) (GEFTF) and/or [adaptation benefits](#) (LDCF/SCCF);

The project is expected to generate a number of [Global Environmental Benefits \(GEBs\)](#). To begin with, the project will reinforce Peru's efforts to maintain and preserve genetic resources, of particular importance to this megadiverse country and center of origin and diversification of native breeds and cultivars. As such, it represents a service and support to a long list of historical contributions derived from the use of biodiversity resources and products (i.e. quinine, potato which serves as one of four staple foods important for global consumption, rubber provided the base for the development of the automotive industry during the 20th century, to cite a few). In particular, the project will

help emphasize the value of genetic resources (based on a properly-working ABS regime) and link their access, use and benefit actions to conservation, thereby deriving value-added from R&D processes. This is particularly relevant for megadiverse countries which have the enormous privilege, but also a greater responsibility, of being depositories of the most important gene banks on the planet. In this context, an effective and efficient access regime to genetic resources and just and equal benefit sharing will constitute a major impulse for conservation, research and development of biodiversity and genetic resources.

Second, the project will facilitate the flow of articulated legal processes on genetic resources for research and development, supporting the establishment and implementation of specific support and legal services to a variety of activities and industries, ranging from pharmaceutical to cosmetics. In the case of genetic resources for food and agriculture, as a center of origin and diversification (i.e. potato, quinoa, kiwicha, arracacha, olluco, maize), it is also absolutely critical to maintain a dynamic exchange system to guarantee food security both locally and nationally, but also globally as Peru is net provider of these resources and germplasm for plant breeding programs and research in general. The role of the International Potato Center (CIP), for example, is critical, as well as of global importance. It is necessary that access rules do not impose unnecessary restrictions to the provision of seeds and resources. Therefore, it is necessary for national legislation regarding ABS to be clear and transparent.

Thirdly, the project will bolster efforts related to prevention against biopiracy and illegal appropriation. It is crucial that the international community clearly and specifically understand the challenges and difficulties that this phenomena implies, and how adjustments and modifications in policies and international regulations on intellectual property (i.e. improving search systems for patents, establishing requirements for source and legal origin, protecting traditional knowledge) are essential for the sustainable use, access and benefit sharing of globally-important biodiversity and associated traditional knowledge. In this regard, the project is in a prime position to generate globally-significant contributions, both directly and indirectly.

6) innovation, sustainability and potential for scaling up.

This project offers the possibility for available resources to be used in an integrated manner, and with the direction and coordination of MINAM's GDBD towards actions for capacity building and verification of tangible benefits deriving from access and use of genetic resources in Peru.

The innovative part, which truly responds to principles and policies in practice by actors involved with access to genetic resources for several years now, is the existence of a nucleus of highly involved institutions (from different sectors and levels of competence), coinciding and by consensus, that have defined a number of measures and activities necessary to generate a substantive improvement in the access regime to genetic resources, making it operational. The project openly addresses the issue of biopiracy and seeks to combat it effectively through identification of cases and design of strategies for due penalization. This is a fresh and innovative approach and will allow the project to attain results beyond mere documents and agreements. Moreover, the project is considered innovative due to its holistic approach, which fosters the development of technical and practical experiential-based capacity throughout the different steps of the ABS process. Indeed, the pilot cases identified during the PPG will provide an innovative opportunity to implement ABS provisions and thereby develop important know-how among authorities, providers and users, alike.

In relation to sustainability, through strong co-financing and key alliances with major stakeholders and other relevant institutions, the project guarantees the necessary actions and human resources to initiate and maintain activities through the project's life and beyond. Additionally, MINAM and other local authorities as well as major players in the ABS arena in Peru (such as GIZ) will be undertaking ABS-related activities to support and strengthen the national system. This means that the project outcomes have strong potential to be sustainable over time due to the fact that the local authorities have prioritized ABS matters, are investing simultaneously in ABS and have also forecasted ABS actions.

Moreover, since the project includes activities that are oriented to strengthen the ABS capabilities of the public institutions with legal competence in the matter, and these activities will be carried out with the active participation of these institutions, not only the maintenance but also the improvement of the national ABS system is guaranteed beyond the project. This is reinforced by the fact that one of the Peruvian national environmental policies, regarding the conservation and sustainable use of biodiversity, establishes conditions for controlled access to native genetic resources and the fair and equitable benefit-sharing arising from its value. In this regard, the sectors involved,

mainly national authorities competent in ABS, have the mandate to include resources in their institutional budget to maintain the effective operation of the national access and benefit sharing system.

Furthermore, Peru is one of the countries that is participating in the Global Initiative Funding for Biodiversity – BIOFIN, the objective of which is to develop a tool to guide and assess the needs and resource mobilization to finance biodiversity in pilot countries, before being widely applied. The process of implementation of BIOFIN in Peru consists of a team of members from MINAM, Ministry of Economy and Finance (MEF) and UNDP, and it is expected that the strategy for resource mobilization will be finished in 2016. The tool developed in the project would help to define the costs of the strategies identified in the NBSAP for incorporating biodiversity considerations in the development, protection, restoration and access and benefit-sharing, so that the two processes (NBSAP and BIOFIN) are complementary. It should be noted that one of the strategic objectives of the Peruvian NBSAP to 2021 (legally approved in November 2014) seeks to implement the principles and commitments associated with the Nagoya Protocol to improve access to genetic resources and the fair and equitable benefit-sharing.

Upon project completion, the project's continued success requires follow up of most project activities, which is assured through an implicit agreement that the General Directorate on Biological Diversity (GDBD) will coordinate and share responsibilities and activities in terms of expertise and capabilities of each participating institution. In the case of MINAM, the GDBD is responsible for fostering activities and national projects in matters of ABS. GDBD has been working for quite some time together with other competent authorities on genetic resources, including INIA, SERNANP, SERFOR, INDECOPI, and the Vice Ministry of Fishing. This project reflects a consensus reached through almost two years of coordinated work by MINAM with these authorities. Although the project has been elaborated by MINAM's GDBD, it is supported by the involvement of several institutions (including competent authorities) and actors truly involved in ABS. This is reflected in the participation of the National Commission Against Biopiracy, amongst others, with competencies or interest in genetic resources and associated traditional knowledge. In this regard, the project includes the purchase of a license for a specific software used for searching and detecting illegal access to specific genetic resources and associated traditional knowledge so as to provide an important tool to the local authority. This will help the project partners obtain a deeper knowledge of the conservation of GR and aTK in the international context and ultimately serve as a basis for a strategy towards conservation of the biodiversity associated with these GR and aTK. With this focus, it is envisioned that INDECOPI would acquire additional funds from the government in order to assure financial sustainability to cover the costs of maintaining the software license after the project ends.

The Project will spur the identification and access of complementary resources to help consolidate results, impacts, and define future activities. Indeed, talks have been initiated with GIZ relating to activities on ABS for its national program for years 2014-2019. This program has, as one of its four key axis, work and activities related to technology, biodiversity, and ABS. Some of these activities are expected to be aligned with those of the project – given the case, this could also be translated in co-financing.

Ultimately, this GEF project provides the stepping stones from which to launch mid-to long-term activities that create and sustain an integral national ABS system in Peru.

Regarding scaling-up and replicability, one of the key advantages of the project relates to its national scope, that can provide support and *knowhow* to similar implementing processes in neighboring countries as Ecuador, Colombia and Bolivia, countries facing similar challenges and with similar opportunities relating to the access systems to genetic resources and protection of traditional knowledge. At national level, GEF project will contribute to the decentralization process in matters of ABS which, in a way, is considered as part of national Government policies.

The outcomes of the project will be made available for replication through the systematization and dissemination of project results, lessons learned and experiences in the implementation of ABS activities in Peru. Successful examples of processes employed in the development of ABS agreements such as MAT and PIC inclusive of the participation of ILCs will be extremely useful for countries and regions around the world that are in the process of or are yet to develop their ABS implementation systems. This will be achieved by making project information available through the project's website, the websites of the project's Focal Point Ministries, regional CHMs and Informative Media Programs for researchers and scientists, through participation in international which will be identified during project implementation and with cooperation of the expert's task force group. Geographically, the project's best practices and lessons learned can be easily extrapolated to the wider Andean region, and the wide LAC through alliances and partnerships with other key players active in ABS in the region, through bilateral

agreements between individual governments, or through regional integration mechanisms such as the Andean Community (CAN). Moreover, because of the holistic approach of the project, where various issues related to policy and regulatory frameworks development, strategic planning and coordination, capacity building, amongst other; the project could serve as a model not only for future ABS intervention, but for other projects on different areas that may benefit from a similar approach. For instance, implementation of biosafety frameworks, creation of regional strategies, and compliance with other CBD elements.

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

A.3. *Stakeholders.* Elaborate on how the key stakeholders engagement, particularly with regard to [civil society](#) organizations and [indigenous people](#) is incorporated in the preparation and implementation of the project.

Stakeholders participated in the identification of project priorities and in the definition of planned outputs and outcomes during interviews, consultations and meetings. Local authorities had the opportunity to review and comment on proposed project activities and to provide specific inputs to the project formulation process.

The seven indigenous organizations that represent the indigenous population in the project's implementation form, together with two representatives of the Ministry of Culture, the Technical Group of Indigenous Peoples (GTPI), which was formally created as a working group of permanent nature in November 2014 by Ministerial Resolution No. 403-2014-MC. The inclusion of these indigenous organizations was a result of the agreement reached by the indigenous peoples themselves. The seven indigenous organizations have national representation, grouping various indigenous ethnic groups that settle in coastal, Andean and Amazonian areas of the country, several of them have an important historical trajectory and two of them specifically representing indigenous women. The GTPI meets the objective of allowing dialogue between indigenous peoples and the Executive Branch; indigenous peoples can propose and monitor public policies that involve and require an intercultural approach.

In this context, during the PPG, the Ministry of Culture specialists who work closely with members of the GTPI provided valuable comments and recommendations to the project. The PPG team actively sought to integrate the intercultural vision that indigenous peoples have on the topics covered; the document was presented to members of the GTPI so they could provide their comments and suggestions directly.

During the presentation of the project, members of the GTPI were informed that while the work of some activities would be developed with specific communities and indigenous peoples (per the cases of Component 3), the activities of Component 2 will be directed to indigenous peoples in general. While there is a vast number of villages, the selection of the places where they carry out the activities of Component 2 will be conducted in coordination with the GTPI.

Therefore, during the design phase, the project worked with the GTPI in guidance and validation of an intercultural project approach, seeking to meet the main needs of indigenous peoples in accordance with the guidelines of the project. It is expected that once the project starts, the GTPI will serve as an intermediary between public institutions and indigenous peoples so as to facilitate access to villages that require visits, facilitate dialogue and the introduction of training courses, among others.

As a result of the abovementioned consultations, the project is characterized with a consolidated intercultural orientation.

During project implementation, stakeholder participation will include the provision of co-financing, participation of technical staff in workshops, training, and tools development, the facilitation of project events and processes, the provision of project oversight through participation on the SC, as data sources and technical expertise relevant for bioprospecting and broader ABS policy formulation, in institutionalization of project results and lessons learned to allow for upscaling, replication and sustainability.

Local communities have been identified as major stakeholders, due to their knowledge about the use of local genetic resources and their potential. In this sense, the project has envisaged consultative meetings where these communities or groups will be invited. Their participation will be in particular important for the development of the pilots.

The following groups or communities have been identified as key stakeholders for this project:

Institution	Sector/ actor	Role or Function in Project
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Ministry of Environment, General Directorate of Biological Diversity (MINAM-DGDB)	Public sector. Governing institution on access to genetic resources policy.	Focal point for the CBD and ABS. General coordinating office for the project (through the DGDB) and responsible for the project implementation. Leads and participates actively in all activities. (*will also act as the project Executing Agency)
National Forestry and Wildlife Service (SERFOR)	Public sector. National administrative and managing authority for genetic resources of wild continental species.	SERFOR will participate in the interinstitutional coordination activities; it will also participate in the institutional capacity building process and development of the national ABS monitoring. SERFOR will also be involved in the Academic Committee responsible for developing the capacity building program on ABS. SERFOR will be part of the “testing” of the ABS system through the pilot cases identified (in the case of molle).
National Institute of Agriculture Innovation (INIA)	Public sector. National administrative and managing authority on genetic resources of domesticated continental species.	INIA will participate in the interinstitutional coordination activities; also will participate in the institutional capacity building process and development of the national ABS monitoring. INIA will be part of the “testing” of the ABS system through the pilot cases identified (in the cases of cacao and quina).
Vice Ministry of Fishing from the Ministry of Production (VMP-PRODUCE)	Public sector. National administrative and managing authority on genetic resources of hydrobiological species	PRODUCE will participate in the interinstitutional coordination activities; also will participate in the institutional capacity building process and development of the national ABS monitoring. PRODUCE will be part of the “testing” of the ABS system through the pilot cases identified (in the cases of doncella fish).
National Service for Natural State Protected Areas (SERNANP)	Public sector. Specialized public institution with competence in case the genetic resources are found within natural protected areas (ANP).	SERNANP will participate in the institutional capacity building process, specifically in regards to ABS activities undertaken in national protected areas.
National Institute for the Defense of Competence and Protection of Intellectual Property (INDECOPI) – Directorate of Innovation and New Technologies (INDECOPI-DIN).	Public sector. Competent institution on protection of collective knowledge of indigenous people associated with biological resources.	INDECOPI will participate in capacity building activities related to traditional knowledge and “biopiracy” in particular. INDECOPI is a check point within the national ABS and will have an active role in supporting activities to streamline procedures and facilitate granting of intellectual property rights.
National Commission against Biopiracy, adjunct to Council of Ministers (PCM) and presided by INDECOPI.	Public sector. Inter institution platform for the protection of genetic resources and associated traditional knowledge as they relate to biopiracy.	The Commission will participate in institutional capacity building regarding biopiracy. The Commission will also identify, report and assess cases of illegal access to genetic resources and associated traditional knowledge.

Directorate of Indigenous Policies of the Vice Ministry of Interculturality of the Ministry of Culture (VM Interculturalidad – MINCU)	Public sector. Competent authority on issues relating to indigenous people and the Fund for Development of Indigenous People.	The Directorate is the intermediary between the project and the technical Working Group of Indigenous Peoples and will participate in training and capacity building activities, particularly in the realm of traditional knowledge and indigenous peoples.
National Center for Intercultural Health from Institute of Public Health of the Ministry of Health (CENSI-INS, MINSA).	Public sector. Technical and Legal body proposing policies and regulations on intercultural health and promoting integration of traditional medicine in the medical treatment of rural communities.	CENSI is one of the chosen partners for the pilot cases. CENSI will develop its internal ABS procedures and guidelines according to the technical and legal advice provided by the project. CENSI will adjust its actions to the current ABS and TK related frameworks and ensure it complies with their principles and provisions, including, PIC and benefit sharing.
Research Institute of the Peruvian Amazon (IIAP)	Public Sector. Academic and scientific institution in charge of researching the sustainable use of biodiversity in the amazon region.	IIAP will be one of the institutions which will participate with a pilot case in regards to research in genetic resources in the “doncella” fish species in the Amazon. The project will assist IIAP in complying and fulfilling its ABS obligations in the national ABS regime.
Institute of the Peruvian Sea (IMARPE)	Public Sector. Academic and scientific institution in charge of researching the sustainable use of hydrobiological diversity.	IMARPE will participate as plan "B" with a pilot case in regards to research in genetic resources in the “anchoveta” fish found in the Peruvian Sea. The project will assist IMARPE in complying and fulfilling its ABS obligations in the national ABS regime.
Cooperativa NORANDINO	Private sector. Institution that groups stakeholders from several local communities that trade with biological resources, containing genetic resources.	NORANDINO will be provided with technical assistance to celebrate an “accessory contract” with Cosmo to ensure its products are covered and under the scope of national ABS regulations and the Nagoya Protocol provisions (regarding derivatives).
Cosmo Ingredients	Private sector. Enterprise dedicated to research and development to innovate and commercialize in the perfumery and cosmetics industries	Cosmo Ingredients is a key participant in the project. It will receive technical and legal guidance from the project to ensure that its ABS activities in cosmetics and perfumery comply with national procedures and principles. It will also offer the possibility of testing the national monitoring system, through a specific project it has in regards to bioprospecting in perfumery and cosmetics. Cosmo will provide real case information and situations under which genetic resources are used and flow along different value chains. The project’s Communication Strategy will specifically include activities to document

		and present the Cosmo experience through workshops and short briefs. These will be presented and disseminated among, in particular, private sector associations such as the Peruvian Natural Products Institute and the National Confederation of Private Business Institutions (CONFIEP).
National Council of Science, Technology and Technological Innovation (CONCYTEC)	Public Sector. CONCYTEC is the head of ("institución rectora") the National Science and Technology and Technological Innovation (SINACYT) , composed of state's Academy Research Institutes, business organizations, communities and civil society. Aims to regulate, direct, guide, promote, coordinate, monitor and evaluate the State's actions in the field of Science, Technology and Technological Innovation and promote and support its development through concerted action and complementarity between the programs and projects public institutions, academic, business and social organizations members of SINACYT.	The CONCYTEC will be provided with guidance as to how to fulfill its role as a check point within the ABS regime and Nagoya Protocol obligations. CONCYTEC will also be provided with capacity building to ensure the programs it funds comply with and meet national ABS standards and provisions.
Natural History Museum (MHN) - Universidad Nacional Mayor de San Marcos	Public Sector. Academic institution with taxonomy programs; one of the most important research centers; gathers many well - known researchers and top scientists.	The MHN will participate in different activities as users, providers and INA, especially those regarding the training and capacity building activities, including those related to traditional knowledge and indigenous peoples.
Scientific University of the South (UNIVERSIDAD CIENTIFICA DEL SUR)	Private sector. Academic institution with environmental sciences and biology programs.	The Universidad Científica del Sur will provide with the institutional support for the capacity building program. It will provide with infrastructure, methodologies, official recognition of courses and other support to both the ABS program and the TK program.
Technical Group of Indigenous Peoples (GTPI) of the Ministry of Culture	Public sector. Represents the seven most important indigenous representative organizations in the country.	The Group will possibly be a part of the Academic Committee to support the development of the TK related capacity building program and responsible for articulating activities and selecting participants to courses and workshops.
Promotion Fund of Protected Natural Areas of Peru (PROFONANPE)	Public sector. In charge of managing resources that contribute to the funding of biodiversity conservation in consensus to the economic and social development of Peru.	PROFONANPE will be the institution in charge of managing the funds provided for this project.

United Nations Environment Program (UNEP)	International private sector. Promotes the application of the sustainable use and development within the system frame of the United Nations.	UNEP will act as the project Implementing Agency, providing technical and administrative support for the appropriate completion of the project.
Peruvian Society of Environmental Law (SPDA)	Private sector. Legal organization on proposing policies and regulations on environmental issues.	SPDA will provide with technical and legal assistance to the different actors and coordinating institution of the project (the DGDB of MINAM).
United Nations Conference on Trade and Development (UNCTAD)	International private sector. Supports developing countries to access the benefits of a globalized economy more fairly and effectively.	UNCTAD will probably provide important information about the activities concern under the BioTrade program. This information might be useful for the purposes of the project.

A.4. Gender Equality and Women’s Empowerment. Elaborate on how gender equality and women’s empowerment issues are mainstreamed into the project implementation, taking into account the differences, needs, roles and priorities of women and men.

Gender considerations have been taken into account when developing the project proposal and are planned for its implementation. In small communities, the roles of men and women are differentiated and complementary; both engage in activities related to harvesting, knowledge and application of medicinal plants, sowing techniques, management of the agricultural plot and genetic resources, among others. In the Andes, for instance, men dedicate themselves to cultivation and preparing the land; men and women decide on what seeds to use for future cultivation and which to consume directly; women on the other hand are responsible for selecting the best seeds for commercialization. In the case of the Amazon, men are more inclined to hunting, gathering, fishing and building, whilst women take care of food preparation and nurturing small home gardens. Men also tend to act as “shamans” or healers when it comes to identifying and using medicinal plants. Women are more inclined to using and applying plants for other uses such as facial creams or for taking care of family food needs. As such, the role of women in the conservation and sustainable use of genetic resources and the associated traditional knowledge is acknowledged and will be identified and considered for the development of the ABS system in order to ensure the fair and equitable sharing of benefits for this group.

Women play a critical role in the conservation of biodiversity and genetic resources, especially in small farming communities in the Peruvian Amazon and Andes. For example, with regards to the pilot case for cacao, the NORANDINO association is made up of 7,000 farming families working in 6 different provinces; approximately 1000 families are settled in Piura and work with Cacao, of which 50% of its members are women. In working with communities in the upper highlands of Piura (as part of the NORANDINO association), the project will document the specific role women play in supporting the cacao cultivation and processing chain, to identify where capacities should be strengthened and enhanced. In regards to activities with CENSI in the communities in Cajamarca, the plan is to work with at least two districts from San Ignacio province (with approximately 600 families) and two districts from Jaen province (with approximately 500 families); altogether, around 60% of the members of these families are women. In these areas, women members of the communities are holders of specific knowledge regarding certain uses and applications of the *quina* plant (*Cinchona officinalis*). The project will serve to document these roles and assess how women can participate in decision making processes regarding, for example, the negotiation of the accessory contracts as Providers of genetic resources and/or associated traditional knowledge for R&D by CENSI. The project will also work with CENSI to develop or include in its institutional guidelines for collection and access to biological materials, specific guidelines concerning female community members’ participation and involvement in benefit sharing, in particular.

Among the activities designed for the project, one has been elaborated to ensure a direct impact on the integration of gender issues; this activity has been assigned USD \$57,440. Furthermore, the activities of Output 2.a.3 are

envisioned to have a positive impact on gender equality and participation through the development and inclusion of specific criteria in the capacity building modules and pilot cases (e.g. ensure consideration and participation in the negotiation of PIC and MAT). These activities are assigned a total of USD \$186,440.

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

Project risks on expected results and products are fairly low because project proposal has been prepared through the collaboration and active participation of involved actors, which have demonstrated interest and compromise in the actions to be developed. Also, it is important to note that most activities are under direct responsibility of institutions with competency on the matter, in particular MINAM and administrative and management authorities. This is an assurance and implies a drastic reduction of associated risks.

Project risks				
Description	Type	Impact & Probability [on a scale from 1 (low) to 5 (high)]	Mitigation Measures	Owner [Who has been appointed to keep an eye on this risk]
Some outputs may suffer delays. For example, capacity building proposals in the framework of the National ABS System may depend on internal conditions (re-organization, rotation of public officers, budget cuts, among other) affecting some institutions and actors.	Operational	P = 2 I = 3	This risk will be minimized by constant awareness raising activities by the project to ensure that its importance is perceived at all levels. A series of activities will be promoted by the project in order to engage local authorities, along with concerned citizen groups, to increase awareness and empowerment with the issues surrounding ABS. Likewise, annual work plan and budget revisions will allow the project team to implement adaptive management measures to secure the necessary support and ensure project progress.	Project Management Unit (PMU)
It is possible that some situations considered “risks” may have to do with actual contract contents, in particular with clauses on benefit sharing, change of use, and intellectual property.	Operational	P = 2 I = 2	These risks will be reduced through capacity building on negotiation and legal support considered as part of the proposal.	PMU
Inability to reach consensus to define unified criteria or make the necessary legal adjustments, above all, those beyond the purely technical and more dependent on political will of higher level officials, or states, as in the case of Decision 391.	Political	P=1 I=2	This is not an obstacle to effective implementation of access in accordance to Nagoya Protocol, but a limitation at a given time which, as conditions change, will be overcome.	PMU
Possible changes in timing of case studies and pilots could affect	Operational	P= 2 I=3	During the PPG, a Plan B was identified for initiatives related to Components 2 and 3. Part of the adaptive management	PMU, MINAM, UNEP

project flow, implementation and time frame of key deliverables (see Appendix 6)			approach of the project will include monitoring of the pilots' pace to determine if Plan B should be enacted.	
Lack of sufficient local experts on ABS and TK	Operational	P=3 I=3	The project will consider opening positions to regional and international candidates	PMU, MINAM, UNEP
Lack of support for project activities from indigenous and local communities as well as key stakeholders	Political	P=1 I=3	<ul style="list-style-type: none"> - Communication strategy will be a key instrument for garnering support from key actors - Competent authorities will provide support in socializing the project among the constituents. - Training modules will be elaborated in relevant languages for the needs of identified sectors/ audiences. - During the PPG elaboration, the presence and participation of the Technical Group of Indigenous Peoples representatives was an important achievement; a full explanation of the project's objectives was performed, obtaining their support. 	PMU, MINAM, MINCU
Not obtaining the access permit required for the implementation of the pilots	Operational	P= 2 I= 3	- During the PPG a Plan B was identified which could be applied if deemed necessary.	PMU, MINAM
Low interest in the project by newly-elected government officials	Political	P= 1 I= 3	<p>The project will undertake activities for positioning the project as a strategic initiative for the country.</p> <p>Furthermore, the new vision of the Ministry of the Environment encourages the sustainable use of natural resources, conserving the environment while conciliating the economic development with environmental sustainability for the people's benefit.</p>	PMU, MINAM
Since ABS and Biosafety are currently considered new terms for indigenous people, confusion can occur regarding the meaning and application of each of them. This misunderstanding or lack of knowledge regarding both could lead to the rejection of their implementation.	Operational	P=5 I=3	Constant training on ABS with intercultural focus will be provided to indigenous people. If necessary, a small portion of Biosafety topics could be referenced in order to differentiate them.	PMU, MINAM, MINCU

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

Institutional framework: Project internal and external structure diagrams are presented in detail in Appendix 9. The overall project supervision will be responsibility of UNEP; and project execution at a national level will be responsibility of MINAM as the project's EA. Along the same lines, UNEP's TM will provide support and work closely with EA's personnel, who will carry out all project management related issues.

The Task Manager for this project is stationed in Panama and will remain in constant communication with the PM and the project team during its execution period. Moreover the UNEP TM will also be in contact with other project partners through steering committee meetings. The project management unit will be based in MINAM's office, in Lima, where local personnel possess great experience in ABS interventions, which is an asset for proper project implementation and backstopping.

Implementation arrangement: Project internal and external structure diagrams are presented in Appendix 9. Project Headquarters (PH) will be located in Lima. Staff working from that office includes the National Project Coordinator (NPC), project assistant (PA), and MINAM's local ABS team, who will provide technical support and backstopping to the project staff. Local and international consultants will be hired to support project execution.

The Steering Committee (SC): In practical terms the SC is responsible for ensuring that the project meets goals announced in the Project Result Framework by helping to balance conflicting priorities and resources. Conclusions and recommendations produced by the SC will be taken into consideration by UNEP and the PM to improve implementation strategies, annual work plans and resources allocation budget and, when necessary, to adjust the project's Result Framework. This committee will meet every six months, either physically or virtually.

In addition, the conformation of an expert task force has been considered for this project. This group will be expected to provide technical support on particular topics and to facilitate project interaction with other ABS initiatives that could be taking place in the region or at a national level. The expert task force will provide technical advice to the project team when needed. This group will meet once a year and if possible this meeting will be coordinated back to back with one of the annual SC meetings. The conformation of the group will be defined during the project inception workshop; however it's been envisaged that UNEP's personnel from the regional office for Latin America and the Caribbean (ROLAC) could be invited, as well as other Task managers of similar ABS projects in the region. Likewise, local experts in the area of ABS and coordinators of similar projects are expected to be part of this group.

A decision-making flowchart and organizational scheme is presented in Appendix 9 of the Project Document.

The project will build on and complement a number of GEF-funded projects aimed at strengthening biodiversity conservation in Peru, which include aspects of community development, indigenous management and sustainable use.

At the regional level, the project incorporates lessons learned from the GEF-IUCN-UNEP project "*Strengthening the Implementation of Access to Genetic Resources and Benefit Sharing Regimes in Latin America and the Caribbean*", implemented from 2011 to 2014 in cooperation with UNEP and under coordination of IUCN-South. Peru was one of eight Latin American countries that participated in this project (besides Cuba, Costa Rica, Dominican Republic, Panama, Guyana, Colombia and Ecuador). The experiences from this initiative provide valuable lessons from the exchange of information and contributions to strengthening the national capacities for the development of regulatory frameworks, such as tools for Prior Informed Consent and the fair and equitable sharing of benefits. In the case of Peru, this project facilitated activities such as:

- Coffee and Knowledge Workshop on: "Biopiracy: definitions, techniques and legal issues. Causes and consequences". Lima, May 3, 2012.
- Workshop: "Capacity building on contract negotiation for ABS" by the Cátedra UNESCO de Territorio y Medio Ambiente de la Universidad Rey Juan Carlos Lima, May 23-24 of 2013.
- Consultancy: "Analysis of legal framework for the implementation of Nagoya protocol on ABS". August 2013
- National Workshop: Legal and Institutional Analysis relating to ABS access and benefit sharing. Lima, 28-30 April 2014.

- Consultancy: “Advances in maintenance of Traditional Knowledge Associated with Genetic Resources and Benefit-Sharing in Peru” (2013), with the following outputs:
 - Participation of indigenous organizations in the elaboration of the first national progress report regarding Article 8j.
 - Intercultural Workshop on ABS system and benefit sharing aimed at leaders of local and indigenous communities in the country, with emphasis on traditional knowledge of indigenous communities.
 - Proposal of teaching materials to facilitate the appropriation of the ABS system by indigenous organizations.
 - Publication: “Traditional Knowledge and Rights of Local and Indigenous Communities. Teaching module on Nagoya Protocol for ABS aimed at organizations from native and peasant communities in Peru”.

It is also worth mentioning the recent experience derived from the project “*Regional Capacity Building Plan on Access to Genetic Resources and Protection of Traditional Knowledge*”, sponsored by BioCAN and the Embassy of Finland. This initiative aimed at providing support for regional awareness, incidence and research on genetic resources and traditional knowledge. This project was developed during years 2013-2014, under the coordination of SPDA.

Other UNEP initiatives include:

- “*Access to and Benefit Sharing and Protection of Traditional Knowledge to Promote Biodiversity Conservation and Sustainable Use*” in Guatemala. The project’s objective is to develop policy and legal frameworks and institutional mechanisms for access and benefit sharing (ABS), in order to strengthen biodiversity conservation, promote rural development and support climate change adaptation.
- “*Strengthening Access and Benefit Sharing (ABS) in the Bahamas*” This project’s objective is to create and apply the enabling conditions for fair and equitable access and effective benefit sharing. This project will also have pilot cases with which to share experiences during project implementation.
- “*Advancing the Nagoya protocol in the countries of the Caribbean*” This project seeks to create basic ABS related capacity in various Caribbean countries with the aim of advancing their actions towards the eventual ratification of the Nagoya protocol.

The experiences generated by Ecuador’s GEF/UNDP project “*Conservation of Ecuadorian Amphibian Diversity and Sustainable Use of its Genetic Resources*” can provide important lessons regarding the creation of national and local capacities to apply ABS instruments as well as negotiate PIC and MAT.

Within Peru, the project will build on the achievements of the regional GEF/UNDP project on “*Biodiversity Conservation in Coffee*” (2371), which has succeeded in promoting uptake of BD-friendly shade coffee in the *yungas* ecosystem, through supporting producers’ insertion into global markets that reward sustainability. It will also exchange lessons learned with the GEF/IFAD Full-Sized Project (4773) on “*Conservation and Sustainable Use of High-Andean Ecosystems through Compensation of Environmental Services for Rural Poverty Alleviation and Social Inclusion in Peru*”.

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ is implementing the Program “*Contribution to the environmental objectives of Peru*” (ProAmbiente-GIZ), with an overall term of three years, from 2014 to 2017. As part of its objective to support Peruvian authorities to accomplish selected national and regional objectives referred to the sustainable use of ecosystems, the conservation of biodiversity and the capacity to reduce greenhouse gases and adapt to climate change, ProAmbiente-GIZ is developing several initiatives related with access and benefit-sharing, emphasizing Nagoya Protocol as a transversal component of sustainable use of genetic resources, that will continue until 2017. While this initiative will close within the first few months of the project’s implementation, the project will coordinate with ProAmbiente-GIZ to

ensure lessons learned during the program’s execution contribute to the project’s interventions. The ProAmbiente-GIZ initiatives comprise of:

- development of a database of publications, norms and permissions, to contribute with the ABS-CH.
- design of a training module about ABS and intellectual property, including the elaboration of a guide; that will be presented in 6 Regions.
- design of a course about ABS and biotrade, including the elaboration of a guide, oriented to entrepreneurs and innovators.
- advise selected enterprises to carry out their research and development projects based on the utilization of resources genetic and/or associated traditional knowledge, according to the procedures of access and benefit-sharing established in the national legislation and the Nagoya Protocol. This activity will include two or three cases, and the experience will be systematized during the term of the Program.
- study cases of utilization of cocoa genetic resources that comprise ABS and intellectual property.

The global *Biodiversity Finance Initiative* (BIOFIN), *“Building Transformative Policy and Financing Frameworks to Increase Investment in Biodiversity Management,”* in Peru in collaboration with MINAM, Ministry of Economy and Finance (MEF), UNDP/EU/ Governments of Germany and Switzerland, is developing a tool to guide and assess the needs and resource mobilization to finance biodiversity. BIOFIN has supported the introduction of policy guidelines into the National Public Investment System that facilitates public investment in biodiversity conservation and sustainable use, as well as ecosystem restoration. BIOFIN will design pilot public investment projects to apply the new policy guidelines as well as generate lessons learned. It is expected that this tool would help to define the costs of the strategies identified in the NBSAP for incorporating biodiversity considerations in the development, protection, restoration and access and benefit-sharing.

MINAM will facilitate coordination between this project and the upcoming FAO/GEF initiative in agrobiodiversity, *“Sustainable management of agro-biodiversity and vulnerable ecosystems recuperation in Peruvian Andean regions through Globally Important Agricultural Heritage Systems (GIAHS) approach”* (9092). The objective of the FAO initiative is to conserve *in-situ* and to sustainably use globally-important agro-biodiversity through the preservation of traditional agricultural systems, the integrated management of forests, water, and land resources, and the maintenance of the ecosystem services in selected Andean regions. The project will ensure coordination of activities to maximize synergies and foster the exchange of lessons learned.

Additional information not well elaborated at PIF stage:

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

The project will create mechanisms to support the premise that benefits generated by the access and use of genetic resources and associated traditional knowledge can and should generate a source of income for the associated communities that ensure the conservation of the associated biodiversity, ultimately providing socioeconomic benefits at national and local scales.

Specifically, the project will support the development of ABS tools and strategies that will ensure the proper distribution of monetary and non-monetary benefits with the relevant stakeholders. Due to the unpredictable nature of research and development of derivatives of genetic resources, it is difficult to specify the exact socioeconomic benefits to be acquired from each pilot case, but the implementation of the project and its corresponding monitoring mechanisms will document these as they develop.

A.8 Knowledge Management. Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

The project includes knowledge management initiatives through networking with similar projects in the region (e.g. Ecuador UNDP-GEF, Guatemala UNEP-GEF ABS, Regional Caribbean UNEP-GEF ABS) and also by sharing important lessons generated by the project itself with the participating institutions and associated projects. In this sense, UNEP as implementing agency will play a key role by promoting interaction between the project and similar initiatives in the region. Likewise, as mentioned in the project design, interaction with countries members of the *Comunidad Andina de Naciones* (CAN) will occur at various levels and because there is a common regional regimen of ABS (Decision 391); the project will share important lessons with the CAN community.

The training and awareness activities of Component 2, for example, are envisioned as a 2 tier approach to communication/awareness: (1) direct capacity building of target sectors and then (2) the participants take material and knowledge back to their communities/colleagues, thereby ensuring a second round of awareness. A communication strategy for ABS will be developed during Year 1 to establish the base from which the project will launch all of its awareness and mainstreaming efforts. In particular, the awareness raising activities associated with this strategy will use existing informative materials, and new ones when needed, on the Nagoya Protocol, directed towards government officials, academics, researchers, civil society, communicators and the general public. Some of the materials that will be developed for this purpose are: banners, brochures, posters, info graphics, video, and radio spots in Spanish and native languages (Quechua, Ashaninka, Aymara and Awajun). The project's communication and awareness strategy includes open-festive events for the general public, such as the national day on ABS. In addition, tailor-made materials for target audiences will be produced with the intention to sensitize various ABS actors and create capacity. Key partners in the communication and awareness campaign will be local universities and the Ministry of Culture.

B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

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

The Project is consistent and falls within the framework of policies, strategies and national legislation in matters of biodiversity and genetic resources, in particular.

Since the adoption of the Code on the Environment (Decree Law N° 613 of 1990), and even before the signature of CBD, the importance, value and need to protect genetic resources has been recognized, as part of Peru's heritage. The Biological Diversity Law (law N° 26839 of 1997) and regulations (Supreme Decree N° 068-2001-PCM of 2001) further reiterate the State's commitment to biodiversity and genetic resources. Since 2000, a series of norms have been published on strategies and planning relating to sustainable use of biodiversity and its main components. Of particular relevance are the National Strategy on Biological Diversity (approved by Supreme Decree N° 102-2001-PCM of 2001), and Regional Strategy for Biological Diversity for Countries in the Andean Community (Decision 523 of CAN of 2003). These strategies define, precisely, the type of actions and applicable strategies to implement and develop specific norms relating to biodiversity and genetic resources.

The creation of the Ministry of Environment (Legislative Decree N° 10103 of 2008) assigned MINAM the responsibilities of coordinating and defining environmental policies, including matters on biodiversity and genetic resources. MINAM is also the focal point of the CBD, and directs the National Commission on Biological Diversity. This is an interinstitutional space where proposals are defined, recommendations are proposed, and opinions are expressed regarding general policy and strategy in relation to Biodiversity. Of special relevance is the Policy Axis 1 on Conservation and Sustainable use of Natural Resources and Biological Diversity, of the National Policy for the Environment (Supreme Decree N° 012-2009-MINAM), which includes guidelines regarding genetic resources. It establishes the need to promote participation, public and private, national and international, as well as strategic alliances, research, conservation and use of genetic resources in the framework of extant national regulations.

As indicated earlier, Decision 391– Common Regime for Access to Genetic Resources establishes the base for a legal and institutional framework for access to genetic resources and fair and equal benefit sharing. Peru's application of Decision 391 occurs through regulations on access to genetic resources (Supreme Decree N° 003-2009-MINAM), which define the institutional framework composed of the Ministry of Environment and Administrative & Management Authorities (AAE), charged with the sectorial application of access regulations.

There are also a series of norms and mandates that emphasize the need to revalue and strengthen conservation activities and sustainable use of biodiversity and genetic resources. These include a National Plan on Agrobiodiversity (elaborated by the National Council on Biological Diversity – CONAM - in 2005), and the National Potato Registry of Native Cultivars (Ministerial Decree N° 0533-AG- 2008 of 2008), among other policy instruments.

Furthermore, since 2004, the National Commission Against Biopiracy, created by Law N° 28216 of 2004, monitors activities of possible cases of biopiracy on a subset of native genetic resources and traditional knowledge. The effectiveness of this Commission is amply recognized both nationally and regionally. However, the Commission needs support to work on a positive agenda, providing informational documents, awareness on the experience gained by the Commission, technical assistance, etc., all of which is contemplated in the project.

Within this context, the project is also aligned with Law ° 27811, Law on Protection of Collective Knowledge of Indigenous People Relating to Biodiversity, to ensure the protection of traditional knowledge associated with biodiversity. In this institutional framework, INDECOPI acts as competent authority and is in charge of its application. As such, the project will endeavor to establish clear coordination with INDECOPI to ensure compliance and proper application in the pilot cases.

The project will also coordinate with INDECOPI regarding Decision 486 on the Common regime for Industrial Property. This is the norm under which INDECOPI responds to patent requests at the national level, as well as within the Andean Community, and verifies lawful or unlawful access to genetic resources and associated traditional knowledge. This, too, will be crucial to the pilot cases to be engaged by the project.

The project is aligned with a series of recent national policy tools including the National Biodiversity Strategy (2015-2021), adopted in 2015. This Strategy seeks to provide overall guidance on policies which support sustainable use of genetic resources and genetic heritage in general through sustainable investment and R&D. The Project will support Peru’s efforts to achieve Objective 2 of its NBSAP. In particular, it will contribute to the established target of 30% implementation of the regulatory framework related to the Nagoya Protocol by 2018, as well as the implementation of associated norms. This is in conjunction with the National Program on Science and Technology for the Valorization of Biodiversity (CONCYTEC, 2015), which establishes the national policy for public spending on biodiversity-related R&D.

The project will complement Peru’s efforts to fulfill Aichi Targets 16 and 18. Under Target 16, the project will provide direct inputs to Peru’s commitment to fully implement ABS in accordance with national legislation and the Nagoya Protocol by 2021. The framework established through the project will also contribute to Peru’s efforts to achieve its goal under Target 18 to have improved by 2021 the protection, maintenance and recovery of traditional knowledge and techniques related to biodiversity of indigenous peoples and local communities, within the framework of effective participation and consent.

Finally, the project contributes to Peru’s efforts to catalyze investment to achieve the SDGs. Specifically, it contributes to 2 (2.3, 2.5, 2.a), 14 (14.4, 14.a), 15 (15.6, 15.7), and 17 (17.14).

C. DESCRIBE THE BUDGETED M & E PLAN:

The project will follow UNEP standard monitoring, reporting and evaluation processes and procedures. Substantive and financial project reporting requirements are summarized in Appendix 8 of the Project Document. Reporting requirements and templates are an integral part of the UNEP legal instrument to be signed by the executing agency and UNEP.

The project M&E plan is consistent with the GEF Monitoring and Evaluation policy. The Project Results Framework presented in Annex A of this document includes SMART indicators for each expected outcome as well as mid-term and end-of-project targets. These indicators along with the key deliverables and benchmarks included in Appendix 6 of the Project Document will be the main tools for assessing project implementation progress and whether project results are being achieved. The means of verification and the costs associated with obtaining the information to track the indicators are summarized in Appendix 6. Other M&E related costs are also presented in the Costed M&E Plan and are fully integrated in the overall project budget.

The M&E plan will be reviewed and revised as necessary during the project inception workshop to ensure project stakeholders understand their roles and responsibilities vis-à-vis project monitoring and evaluation. Indicators and

their means of verification may also be fine-tuned at the inception workshop. Day-to-day project monitoring is the responsibility of the project management team but other project partners will have responsibilities to collect specific information to track the indicators. It is the responsibility of the Project Manager to inform UNEP of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely fashion.

The project Steering Committee will receive periodic reports on progress and will make recommendations to UNEP concerning the need to revise any aspects of the Results Framework or the M&E plan. Project oversight to ensure that the project meets UNEP and GEF policies and procedures is the responsibility to the Task Manager in UNEP-GEF. The Task Manager will also review the quality of draft project outputs, provide feedback to the project partners, and establish peer review procedures to ensure adequate quality of scientific and technical outputs and publications.

Project supervision will take an adaptive management approach. The Task Manager will develop a project supervision plan at the inception of the project which will be communicated to the project partners during the inception workshop. The emphasis of the Task Manager supervision will be on outcome monitoring but without neglecting project financial management and implementation monitoring. Progress vis-à-vis delivering the agreed project global environmental benefits will be assessed with the Steering Committee at agreed intervals. Project risks and assumptions will be regularly monitored both by project partners and UNEP. Risk assessment and rating is an integral part of the Project Implementation Review (PIR). The quality of project monitoring and evaluation will also be reviewed and rated as part of the PIR. Key financial parameters will be monitored quarterly to ensure cost-effective use of financial resources.

A mid-term management review or evaluation will take place in the first quarter of Year 3 of the project as indicated in the project milestones. The review will include all parameters recommended by the GEF Evaluation Office for terminal evaluations and will verify information gathered through the GEF tracking tools, as relevant. The review will be carried out using a participatory approach whereby parties that may benefit or be affected by the project will be consulted. Such parties were identified during the stakeholder analysis (see section 5 of the Project Document). The project Steering Committee will participate in the mid-term review and develop a management response to the evaluation recommendations along with an implementation plan. It is the responsibility of the UNEP Task Manager to monitor whether the agreed recommendations are being implemented.

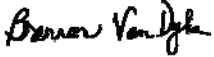
An independent terminal evaluation will take place at the end of project implementation. The Evaluation and Oversight Unit (EOU) of UNEP will manage the terminal evaluation process. A review of the quality of the evaluation report will be done by EOU and submitted along with the report to the GEF Evaluation Office not later than 6 months after the completion of the evaluation.

The GEF tracking tools are attached as Appendix 15 of the Project Document. These will be updated at mid-term and at the end of the project and will be made available to the GEF Secretariat along with the project PIR report. As mentioned above the mid-term and terminal evaluation will verify the information of the tracking tool.

PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)

A. GEF AGENCY(IES) CERTIFICATION

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

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Brennan Van Dyke, Director GEF Coordination Office, UNEP		May 4, 2017	Marianela Araya, Programme Officer UNEP-DEPI, ROLAC Panama	507-3053169	marianela.araya@unep. org

ANNEX A: PROJECT RESULTS FRAMEWORK

Project objective: Strengthen national capacities for effective implementation of the access to genetic resources (ABS) and traditional knowledge (TK) regimes in accordance with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization, contributing to the conservation of biodiversity and human wellbeing in the country.						
Project component 1: Efficient functioning of ABS system in accordance with the Nagoya Protocol						
Outcome	Indicators	Baseline conditions	Mid-term targets	End of Project targets	Means of verification	Assumptions
1.a The ABS national mechanism operates in a coordinated manner, following unified criteria and taking into account monitoring and supervision	# of Technical ABS Interinstitutional Coordination Mechanism established by GoP to articulate and monitors ABS	0 mechanism	1 mechanism	1 mechanism	Acts/documents from coordination mechanism meetings with ABS authorities	All ABS competent authorities are willing to collaborate in an effort to streamline processes and monitor legal and illegal access.
	# of working days to process Collection Permits and Access Contracts	180-720 working days.	180 working days	60 working days for permit	Reports on illegal cases	Negotiations are plausible within the established timeframes
	% approved cases with International Compliance Certificate (ICC) notified in ABS-CHM	0% cases notified	100% approved cases notified	60 working days for contract	Records on timing of processing new requests	Publishing Authority updates ABS-CHM
	# of check points established and registered in ABS-CHM	2 check points	3 check points	100% approved cases notified	Registry of CCRI in CHMABS	
1.b The national ABS system has reliable, timely and relevant information for benefit sharing	# of strategic species that contain GR have systematized information regarding their potential for R&D	2 check points	3 check points	4 check points	National Registry in ABS-CHM	Institutions interested in serving as check point
	# of initiatives analyzed	0	10 Preliminary analyses	10	Species reports included in GENES-PERU	Competent ABS Institutions agree on selected strategic species
		0 analysis	4 Draft analyses	4: Final analysis	Report	Stakeholders are

negotiation strategies	and evaluated regarding the impacts of the distribution of benefits			with lessons learned and recommendations	Field visits Interviews with relevant stakeholders	willing to share information for analysis and possible publication.
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- Outputs for Component 1:

- 1.a.1. Fully functional and coordinated ABS system using updated or new documentation and procedures adequate to the Nagoya Protocol (including PIC and MAT), including guides for users and providers, and exchanging information through the national ABS information platform and the ABS-CHM
- 1.a.2. Check points established along the different stages of the use of genetic resources and associated traditional knowledge, and corresponding Operation Manuals elaborated for these check points
- 1.a.3. Cases of illegal access to wild, cultivated and hydrobiological genetic resources, including associated traditional knowledge, prioritized and registered by the National Commission against Biopiracy in a Database, as part of the measures of monitoring the utilization of genetic resources established by the Nagoya Protocol (Art. 17°).
- 1.b.1. Information on species (wild, cultivated and hydrobiological) containing genetic resources with potential for research and development activities is compiled and systematized in the GENES-Peru Platform, including distribution and conservation status.
- 1.b.2. Benefits derived from use of genetic resources and associated TK in on-going research and development projects (4) are identified, classified and assessed, strengthening the expertise of national authorities in this respect, and setting the basis for future negotiations.

Project component 2: Capacity building of relevant actors in relation to access to genetic resources and associated traditional knowledge

Outcome	Indicators	Baseline conditions	Mid-term targets	End of Project targets	Means of verification	Assumptions
2.a. Relevant actors from public, private, academic/scientific/ technical, society, and indigenous people, aware and with training on access to genetic resources and	% of target groups ⁷ exposed to awareness program on ABS, differentiating gender and youth	TBD in Year 1	At least 50%	100% target groups (mentioned in outcome) informed of ABS	Survey/questionnaire at project start and end Minutes/reports of events Participants list disaggregated by gender and target group	Interest of the target groups identified.
	% of participants in online course and interactive	0	80% Course 1	80% Course 2	List of participants	Interest and demand for training by

⁷ Target groups represented by at least 3 institutions/organizations per type of target group per event.

benefit sharing	modules disaggregated by gender achieving the minimum mark in the capacity survey				Agendas from training events Surveys of capacities	stakeholders. Stability of personnel to retain ABS capacity.
	# national indigenous organizations (as per Law 27811) contributing in ABS via intercultural training program, with emphasis on gender-based traditional knowledge and application	0	3	7	Minutes from events List of participants disaggregated y gender Training material and modules	Interest and demand for training by stakeholders. Equal gender distribution among target groups.
	# of users and providers from ongoing initiatives scoring at least 2 TT Score Section 1 and Section 2	0	At least 3 initiatives have a draft MAT for ABS	At least 3 initiatives have a MAT negotiated for ABS	Draft agreement (MAT) GEF Tracking tool at start and end of project	Interest and willingness of users and providers to negotiate.
		TT Scores Section1 Indicators ⁸ : 11: 1 12: 0 13: 0 and Section 2 Indicator 2: 0	TT Scores Section1 Indicators: 11: 2 12: 1 13: 1 and Section 2 Indicator 2: 1	TT Scores Section1 Indicators: 11: 3 12: 2 13: 2 and Section 2 Indicator 2: 2		
- Outputs for component 2:						

⁸ GEF Tracking Tool Indicators:

Section1: 11) Are there clear procedures or model contractual clauses to obtain Prior Informed Consent (PIC) for the utilization of genetic resources and associated Traditional Knowledge (TK)?

12) Are there minimum requirements for Mutually Agreed Terms (MAT) to secure fair and equitable sharing of benefits arising from the utilization of TK associated with genetic resources?

13) Are there model contractual clauses for benefit-sharing arising from the utilization of TK associated with genetic resources?

Section 2: 2) Are there Mutually Agreed Terms (MAT) between users and providers of genetic resources?

- 2.a.1. Awareness raising activities (using existing informational materials, and new ones when needed) on the Nagoya Protocol directed towards government officials, academics, researchers, civil society, communicators and general public.
- 2.a.2. Interactive training modules on management of access to genetic resources and associated traditional knowledge, based on the national law and the Nagoya protocol, each one designed and directed towards a specific target group: government officials, academic researchers and entrepreneurs.
- 2.a.3. Intercultural training program oriented towards indigenous communities regarding ABS and TK, including gender equity criteria [(4) based on the national law (mainly, referred on sui generis protection regime of traditional knowledge) and the Nagoya Protocol].
- 2.a.4. Assistance for providers to promote and facilitate their negotiation capacity and for users to promote and achieve legal certainty in ABS contracts of 3 ongoing initiatives under negotiation (Cacao, Quina, Catfish-Doncella).

Project component 3: Projects and initiatives on ABS, contributing to conservation and sustainable use of biological diversity

Outcome	Indicators	Baseline conditions	Mid-term targets	End of Project targets	Means of verification	Assumptions
3.a. Conservation and sustainable use of local biodiversity is improved through interventions that will lead to a better and more efficient application of ABS measures in the country.	# of Access Contracts with International Compliance Certificate (ICC)	0	1 Draft ABS access contract	1 ABS Access contract with ICC in compliance with national ABS regime and NP	ABS Access Contract ICC Registry in ABS-CHM	ABS authorities apply the standardized procedure for ABS The company maintains interest in pursuing access contract.
	# of initiatives comply with the conditions stipulated in the contracts/ agreements in accordance with the National ABS Monitoring System	0	1	2	ABS monitoring system criteria Methodology	ABS authorities apply the ABS monitoring system There are on-going initiatives available for monitoring

- Outputs for component 3:

- 3.a.1. Ongoing research and innovation project (cosmetics and fragrance) based on native genetic resources and associated traditional knowledge, supported by the project to comply with ABS national legislation and Nagoya Protocol throughout the chain of research and development.
- 3.a.2. At least two on-going research projects (CosmoPeru-Molle fragrance and U of Copenhagen-Mauka) will be analyzed/monitored as a test for the national ABS monitoring system, serving as a learning experience for government officials.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments	Response
<p>GEF Secretariat: No pending comments to address</p>	
<p>STAP: While the Project Description appears logical, the PIF is difficult to evaluate because it contains a lot of unclear wording, especially in the section on components which needs to be clarified, strengthened, and carefully aligned with the Project Description. For example, what do the following statements actually mean and, more to the point, how will they be implemented?: "The creation of a technical unit as integrating space for access management and information deposited in the Clearinghouse mechanisms of CBD secretariat (ABS-CH), generation of information on strategic genetic resources, associated traditional knowledge, and ongoing research processes, that help design and implement a strategy(s) for benefit sharing (monetary and non-monetary), and the National Mechanism for Integrated Monitoring and Supervision (MNSSI-ABS) established in the regulations, including verification points and measures for regularization of illegal access". "A judicial, institutional and administrative perspective assessment of function of the national ABS system is also part of this component".</p>	<p>Currently, MINAM has a technical unit that oversees ABS issues and coordinates with its technical counterparts in the relevant national authorities from the different sectors. However, a consistent request from the authorities and other institutions that constitute the national ABS system is the need to unify criteria and have common registries and formats to accelerate and streamline procedures. Indeed, during the PPG period, a Diagnostic Study⁹ of managing access authorizations revealed a number of shortcomings, as depicted in the Diagram of Deficiencies in the Barriers Section. Through Component 1, the project will build upon the findings of this Study to make the necessary adjustments to the institutional framework to ensure ABS is managed in a coordinated manner.</p> <p>The project will elaborate tailored guidelines towards unified criteria, improvement of administrative procedures, and participatory construction and/or adaptation of already existing tools for management procedures to be aligned with the Nagoya Protocol (forms, models, guides, model contractual clauses, etc.). The purpose is to strengthen legal and institutional capacities to guarantee judicial security in negotiation between users and providers, throughout the access chain for research and development: granting of prior informed consent, mutually agreed terms for product negotiation, granting of permits for access, international certification, establishment of verification points, fair benefit sharing, as well as capacity building on defense strategies in case of unlawful access to genetic resources and associated traditional knowledge. The project will also strengthen MINAM's GENES-Peru digital platform to collect and make available important information concerning the access and benefit sharing processes, the national mechanism for monitoring, provide updates to the ABS-CH, and other important issues related to ABS in the country.</p>
<p>In addition to complex wording (and possible repetition) that makes it difficult to understand what this project is about, the PIF needs to clarify the scale and the scope of the project, and also to provide clear indicators in the Project Description to enable it to be evaluated effectively.</p>	<p>The Project Document and CEO Endorsement Request have been elaborated so as to clearly state the scale and scope of the project. The planned interventions will impact the national institutional framework and provide on-the-ground pilot cases to implement this framework. Clear indicators are included as part of the project results framework (Annex A of the CEO EndReq).</p>
<p>Germany The Nagoya Protocol as well as Peru's national</p>	<p>The text of Output 2.a.2 has been revised to: Interactive training modules on management of access to genetic</p>

⁹ Diagnosis of Management of Access Permits Granted to Genetic Resources for Research and Commercial Use, Nov 2015; and Draft consultancy report currently under review by MINAM: "Model System for Access to Genetic Resources and Benefit-Sharing - Base document" unpublished, 2016.

<p>legislation cover ABS issues with regard to genetic resources (GR) and associated traditional knowledge (aTK). Germany requests further clarification on the extent to which the outputs as well as the descriptive text actually relate to GR or aTK alone or to both. For example, output 2.a.2. should certainly mention GR and aTK. Germany strongly suggests revising the text in this regard.</p>	<p>resources and associated TK, based on the national law and the Nagoya protocol, each one designed and directed towards a specific target group: government officials, academic researchers and entrepreneurs. Furthermore, the ABS training program established through <u>Output 2.a.2</u> will be complemented by <u>Output 2.a.3</u>'s intercultural training program on GR, TK and ABS oriented towards indigenous communities and including gender equity criteria. A clear indication of which aspects relate to TK, GR or both are included in the project design and coordination with MINCU and the relevant indigenous peoples has been initiated to ensure proper PIC and MAT compliance. For example, the pilot project related to quina will assist in the negotiation between CENSI and indigenous peoples in the Cajamarca Region of a “traditional knowledge know how license” as mandated under the ABS regime of Decision 391 and national regulation, and which requires prior informed consent (PIC) and Mutually Agreed terms (MAT) to determine the conditions of use of their TK and possible benefit sharing alternatives.</p>
<p>It is not clear in how far the activities and outputs relate to the utilisation and commercialisation of GR and TK which was already accessed (with / without ABS agreements under Peruvian law) or which will be accessed during the project phase (potentially under a revised ABS regime). Germany seeks further clarification on this aspect.</p>	<p>The project will take advantage of ongoing experiences (that have been approved under the current legislation) to support the parties (users and providers) in obtaining ABS related agreements under the revised national regime, and in compliance with the Nagoya Protocol. Two on-going research projects have been identified for this purpose through Output 3.a.2 (CosmoPeru-Molle fragrance and U of Copenhagen-Mauka) to be analyzed/monitored as a test for the national ABS monitoring system, serving as a learning experience for government officials. The project will accompany these initiatives through the process and expects to reach utilization of resources, but cannot guarantee that one or both will have advanced to the point of commercialization. However, the project will ensure that comprehensive institutional capacity is in place to be able to address the issue of commercialization when it occurs.</p>
<p>The proposal mentions that the current complex ABS system is not functional due to lack of coordination which should be improved through the project. The proposal does not describe the underlying reasons of this lack of coordination and how the proposed project can overcome the bottlenecks. Germany strongly recommends that this element be added to the problem analysis.</p>	<p>An initial analysis of the drivers of the current lack of coordination in the present system are presented in detail in the project document and included in the problem analysis as suggested by Germany. The major factors include the following:</p> <ul style="list-style-type: none"> – Challenges in institutional operation (implementation of ABS related matters) – Limited capacity for supervision and overall system operation. – Difference in capacities amongst the various national institutions related to ABS – Limited capacity to design and utilize ABS related procedures in a standardized manner, amongst others. <p>In general, the baseline scenario with regards to access to genetic resources in Peru suffers from uneven application of the National ABS System. In particular, the “defensive role” of INDECOPI and the National Commission on Biopiracy</p>

	<p>Prevention (CNBio) needs to be strengthened in light of continued cases of illegal or unlawful rights being granted over indigenous peoples' biodiversity and TK. SERFOR, through its forestry regulation, has been expediting the granting of access authorizations, especially for non-commercial research in genetic resources. However, recent commercial applications (at least 6 or 7 over the past months) require better and improved coordination with MINAM, particularly in regards to benefit sharing agreements, and INDECOPI, to ensure IP defensive protection conditions set in the law are taken into account. The CENSI has also historically undertaken research in the field of TK and ethnobotany. Although CENSI has internal guidelines and codes of conduct, these need to be regularized – as proposed through this GEF ABS project – in accordance with national ABS frameworks and the Nagoya Protocol in particular. The MINCU has also started to become active in its role of coordinating indigenous peoples' policies. Its main effort over the past few months and in the near future involves activating the National Fund for the development of Indigenous Peoples (created through the TK protection law) and establishing the institutional mechanisms which will enable transparent and coherent management of this Fund. The absence of these mechanisms until now has hindered effective PIC and MAT. The diagram in the Baseline section identifies specific weaknesses and gaps in the current ABS framework.</p> <p>Based on this, the project will work to bridge the gaps identified in the Baseline analysis through the following proposed alternatives:</p> <ul style="list-style-type: none"> – design of standardized procedures – update and launch national access platform (Peru-Gen) – develop intercultural guides of access to traditional knowledge, in native languages (Quechua, Aymara, Ashaninka and Awajún) – strengthen/expand checkpoints – design defense strategies against acts of identified and assessed illegal access to genetic resources and traditional knowledge – systematize information on the potential use of genetic resources and associated traditional knowledge, of prioritized species, in research and development activities – design and impart interactive training modules on management of access to genetic resources and associated TK – implement pilot cases that provide an opportunity to put in practice and test adjustments to the framework to ensure a more comprehensive and effective ABS system (Appendix 16 provides individual diagrams of the points of intervention in the framework).
<p>Output 1.a.: Germany considers it necessary to include a baseline of the administrative and operational structure, highlighting the main gaps</p>	<p>A comprehensive analysis of the current administrative structure is included in the project proposal and accompanied by a diagram to indicate in a visual and simple way where the</p>

which will be addressed by the GEF Project. It is not clear if an IT solution, different to ABS-CH, will be required for the functioning of a national ABS mechanism.

The overall goal also seems to be very challenging. For 1.a.3., Germany suggests elaborating on methodologies that would enable the authorities to detect illegal access. The monitoring of patent applications will not suffice because only a small fraction of all access will result in patents.

Output 1.b.1: It is necessary to clarify the scope of the compilation or systematization of the genetic resources with potential for R&D and its expected use. For 1.b.2. the sought for information should be available in those cases where utilisation and commercialisation are based on ABS agreements with monitoring requirements and benefit sharing provisions. For all other cases, the proposal needs to elaborate on methodologies that would enable the authorities to identify the benefits which arose from utilisation (and commercialisation, if it happened).

Output 2.a. and output 3.b.: Because of the time passed since design period, it is necessary to check again/clarify the complementarity between the GEF ABS Project and the ProAmbiente Project of the German-Peruvian Cooperation, given that ProAmbiente has already started addressing ABS activities which were sought to contribute to the GEF ABS project once started. Germany seeks further clarification in the final project proposal to ensure coordination and effectiveness of activities.

Output 2.a.4. and output 3.a.1.: It is not clear why

gaps and challenges are. The project does not foresee the creation of additional IT mechanisms for operation beyond those related to information dissemination, exchange and visibility, such as the CHM. Indeed, as described in the Baseline Analysis, MINAM has committed to launching the first version of the online information platform called GENES-Peru (referring to “genes”) by the end of 2016. GENES-Peru will contain information provided by MINAM, the authorities, and other stakeholders involved in genetic resources and biosafety. The project will support the goal to provide and share information between institutions in order to facilitate the management and access to genetic resources and benefit distribution, ultimately contributing to enhanced decision making and sustainable use of the country’s genetic diversity.

With regards to 1.a.3, the advice will be followed during project implementation. Currently, the national association against bio-piracy is developing strategies to identify cases of illegal access. One of these strategies involves the application of software to analyze the trends on the use of resources and associated traditional knowledge, by the patents that have been granted. Nonetheless, we recognize that the monitoring of patents will not suffice and thus the project will look for complementary measures. The project will complement this by supporting the design of defense strategies against acts of identified and assessed illegal access to genetic resources and traditional knowledge, taking into account the particular characteristics of each case.

Output 1.b.1 indicates that wild, cultivated and hydro biological species will be the target. During the PPG a list of priority species was selected based on their importance for research, bioprospecting, and utilization at a local level by communities or particular groups. The complete list and methodology for this are provided in Appendix 16. To complete this list, information will be gathered from various sources such as research institutions, local authorities, universities, communities, amongst others. This information will ensure that parties on ABS negotiations have access to relevant information that could contribute to fulfillment of ABS provisions.

Given that the GIZ –ProAmbiente will be ending when this project commences, the nature of the relationship between the two initiatives has changed since the time of PIF development. While PROAMBIENTE will conclude in early 2017, it leaves an important set of materials regarding the relationship between BioTrade and ABS and a FAQ publication for a broad set of actors interested in ABS and TK related issues. PROAMBIENTE has also provided initial contact and ongoing working relationship with Cosmo Ingredients Peru, a key partner in this GEF ABS project. Finally, a set of 5 regional workshops were organized with local and regional stakeholders (mainly private and academic sectors) to start raising awareness about new requirements

output 2.a.4. is separated from outputs under 3. Germany seeks further clarification in the final project proposal on whether the non-wood concessionaries in 2.a.4. are the same as those delivering the raw material for output 3.a.1.

Output 3.a.2: Germany strongly recommends elaborating on methodologies that would enable the authorities to monitor R&D activities which, presumably, to a large extent would be ongoing outside of Peru. Furthermore, the project needs to clarify on which mandate it bases the suggested activity to supervise any of the R&D projects.

under the Nagoya Protocol. The Project will build upon the results and lessons learned from these workshops as it develops its awareness /communication strategy and campaign.

Output 2.a.4 is intended to accompany the processes of negotiation between users and providers; one of the difficulties commonly mentioned is the obtaining of prior informed consent and negotiations on the distribution of benefits. Output 3.a.1 relates to on-going initiatives that already have authorization (under current laws) and which are supported to comply with certain terms and conditions. The project will provide support and technical coaching to these initiatives throughout all phases of the research and development chain to ensure full compliance with the local regulations and the Nagoya protocol provisions. This is expected to be seen as a case-study and example for other initiatives, and as a learning process for the national authorities. Furthermore, during the PPG, an extensive and participatory exercise was conducted to identify and confirm the pilot cases with which the project will work. As such, the pilots have been revised to provide the most effective cases to generate benefits and capacity amongst the institutions, users and providers. Appendix 16 provides detailed descriptions of each of these.

With regards to 3.a.2, the project language has been revised as it will not “supervise,” rather “...projects, will be analyzed/monitored as a test for the national ABS monitoring system, serving as a learning experience for government officials”. Furthermore, while Peru shares Germany’s concern regarding R&D activities outside of Peru, there are legal limits regarding the ability to pursue further action beyond the borders of Peru. CNBio’s strategy already includes the review of patents and publications outside of Peru. As such the project will help strengthen the application of this strategy and design defense strategies against acts of identified and assessed illegal access to genetic resources and traditional knowledge.

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS¹⁰

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

PPG Grant Approved at PIF:			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Project Development	83,000	77,657.73	5,342.27
Workshop/Miscellaneous Expenses	16,000	4,000.00	12,000
Translation Services and others	1000	-	1000
Total	100,000	81,657.73	18,342.27

¹⁰ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities. Agencies should also report closing of PPG to Trustee in its Quarterly Report.