



Global Environment Facility

February 2, 1999

Mr. Lars Vidaeus
GEF Executive Coordinator
World Bank
Washington DC 20433

Dear Mr. Vidaeus,

I wish to inform you that the CEO has approved the PDF B request for *Peru: Indigenous Management of Protected Areas in the Amazon*, which was discussed in a bilateral review meeting with the World Bank on January 25, 1999.

Please find attached a copy of the project tracking sheet for your records.

Sincerely,

Kenneth King
Assistant Chief Executive Officer

**GEF Project Tracking System
Project Clearance/Approval**

PERU: Indigenous Management of Protected Areas in the Amazon

Authority	GEF Contribution (\$ million)	Total Cost (\$ million)	Requested Action	Signature	Date
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Concept Clearance

Program Manager			Recommendation	<u>Mano Ramos</u>	/ / /
Team Leader			Clearance	<u>Alfred Duda</u>	/ / /

PDF BIC 0.35 0.75

Program Manager			Recommendation	<u>Mano Ramos</u>	12/01/99
Team Leader			Clearance	<u>Alfred Duda</u>	12/1/99
Assistant CEO			Clearance	<u>Kenneth King</u>	11/1/99
CEO			Approval	<u>Mohamed T. El-Ashry</u>	12/2/99

Work Program Inclusion

Program Manager			Recommendation	<u>Mano Ramos</u>	/ / /
Team Leader			Clearance	<u>Alfred Duda</u>	/ / /
Assistant CEO			Clearance	<u>Kenneth King</u>	/ / /
CEO			Approval	<u>Mohamed T. El-Ashry</u>	/ / /

Council Approval

Need to circulate to Council prior to endorsement? yes no

Program Manager			Recommendation	<u>Mano Ramos</u>	/ / /
Team Leader			Clearance	<u>Alfred Duda</u>	/ / /
Assistant CEO			Clearance	<u>Kenneth King</u>	/ / /

Endorsement

Program Manager			Recommendation	<u>Mano Ramos</u>	/ / /
Team Leader			Clearance	<u>Alfred Duda</u>	/ / /
Assistant CEO			Clearance	<u>Kenneth King</u>	/ / /
CEO			Endorsement	<u>Mohamed T. El-Ashry</u>	/ / /

Final Approval

Implementing Agency			Approval		/ / /
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Cumulative GEF Contribution _____

MESSAGE CONFIRMATION

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GEFSEC Project Tracking System

Response Due Date: 01/28/99

Correspondence Description

Addressed to: <u>Mr. Kenneth King</u>	Correspondence Date: 01/12/99
Date Received: 01/12/99	Organization: World Bank
From: Lars Vidaeus	

Assigned To: M. Ramos

Status: Open

Type: Memorandum
Topic: PDF B: Peru - Indigenous Management of Protected Areas in the Amazon

Action Instructions

- For Bilateral meeting
- For information only. No action needed.
- Please handle/respond on behalf of Mr. Kenneth King and provide a copy.
- Please handle/respond on behalf of Mr. Mohamed El-Ashry and provide a copy.
- Please prepare a draft response and return to Program Coordinator
- Please reply directly and provide a copy.
- Please review and/or technical comments

Special Instructions

Information Copies Sent To:

K. Kumari, H. Acquay, W. Lusigi, M. Cruz, J. Taylor

Projects File Room Location:

Note: A copy/original of the document is being sent directly to your attention.

Please return this page with a copy of the incoming correspondence and the reply/action taken to Program File Manager (GEFSEC Project File Room) before or by due date with the original copy of the correspondence and the reply/action.

OFFICE MEMORANDUM

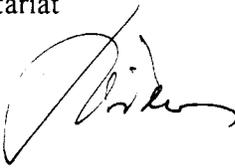
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GEF SECRETARIAT

DATE: January 12, 1999

TO: Mr. Ken King, Assistant CEO, GEF Secretariat
GEF PROGRAM COORDINATION

FROM: Lars Vidaeus, GEF Executive Coordinator 

EXTENSION: 3-4188

SUBJECT: **PDF Block B Request: Peru – Indigenous Management of Protected Areas in the Amazon**

Please find attached the above-mentioned PDF Block B Request for a project to support Indigenous Management of Protected Areas in the Amazon of Peru. We would appreciate receiving any comments by January 26, 1999.

Many thanks.

Distribution:

Messrs.: R. Asenjo, UNDP (Fax: 212-906-6998)
A. Djoghlaif, UNEP (Nairobi) (Fax: 254-2-520-825)
R. Khanna, UNEP (Washington) (Fax: 202-331-4225)
M. Gadgil, STAP (Fax: 91-80-334-1683 or 9180-331-5428)
M. Griffith, STAP (Nairobi) (254-2-623-140)
H. Zedan, CBD Secretariat (Fax: 9-1-514-288-6588)

cc:

Messrs./Mmes. Iwase, Werbrouck (LCC6C); Koch-Weser, Mosely, Lovejoy, Martinez, Abedin (LCSES); Kimes, Castro, Bossard, Towsey (ENV).

IRIS 3, ENVGC ISC

**GLOBAL ENVIRONMENT FACILITY
PROPOSAL FOR PROJECT DEVELOPMENT FUNDS (PDF)
BLOCK B GRANT**

Country:	Peru
GEF Focal Area:	Biodiversity
Project Title:	Indigenous Management of Protected Areas in the Amazon
Requesting Agency:	World Bank
Executing Agencies:	National Institute of Natural Resources (INRENA) and Ministry of Women Issues and Social Affairs (PROMUDEH)
Total Project Cost:	\$24.0 – \$34.0 million
Financing Plan:	US\$10.0 million GEF US\$ 5.0 million (Government of Peru counterpart) US\$ 5.0 million (WB LIL) US\$10.0 million (WB through expected APL) US\$ 1.0 million (WWF) US\$ 3.0 million (bilateral cooperation t.b.i.)
Project Duration¹:	5 years (initial phase)
Preparation Costs:	US\$750,000
PDF Block B Funds Requested:	US\$350,000
PDF Co-Funding:	US\$120,000 (Government of Peru) US\$ 80,000 (WB LIL) US\$ 60,000 (WB ESW) US\$ 40,000 (WB/WWF Alliance) US\$100,000 (WWF)
Block A Grant Awarded:	No

Project Objectives

1. The goal of the project is to achieve biodiversity conservation and its sustainable use in the Peruvian Amazon through communal management of protected areas by indigenous groups.
2. The project emerges from a commitment by the Government of Peru (GoP) to expand effective forest conservation in the Amazon region to cover at least 10% of the biome (75 million ha in Peru). To accomplish this goal, the GOP is committed to establish up to nine new protected areas in the Peruvian Amazon covering ca. 5.1 million hectares. In parallel

¹ The project may follow the World Bank's "Adaptable Program Framework." Additional phases beyond the initial 5 year period are likely to be required to achieve consolidation and replication of successful experiences. The longer-term duration of the overall initiative will be determined during preparation.

to this commitment, the GoP is also promoting a greater involvement of local communities (particularly indigenous peoples) in the direct management of protected areas and to ensure the equitable benefit of the benefits resulting from their establishment as part of an overall strategy for rural poverty alleviation.

3. The combination of these two national priorities is expressed in the interest to implement the initial 5-year project, which would involve the establishment of a first set of 3-5 new conservation areas to be managed by local indigenous groups. This 5-year period is expected to be the first phase of a longer-term involvement if the success of this first phase warrants it.

Background and Overall Strategic Approach

4. The Amazon of Peru is a part of the largest continuous forest on the planet, which includes 40% of all remaining tropical forests of the world. The fact that it is the most important repository of biological diversity on earth is undisputed. Given its strategic location in the upper watershed of the basin, Peru's Amazon contains a very rich biodiversity expressed in terms of unique species richness, high levels of endemism, and habitat diversity. Even though the region needs to be studied in greater detail, many areas in the Peruvian Amazon already hold world records in terms of biodiversity richness.

5. The current System of National Protected Areas (SINANPE) includes protected areas that currently cover only 6.7% of the Peruvian Amazon. An expansion of the protected area coverage is required to maximize the chances for achieving long-term biodiversity conservation from a landscape approach. In 1994, and with the support of GTZ and the NGO community, the Government of Peru produced a "Master Plan for the National System of Protected Areas." The Plan identifies new protected areas that need to be established in order to achieve ecoregional representation and to protect the highest priorities from a biological perspective. This "ideal" representative system would eventually include approximately 65 areas of national importance covering between 12 and 15% of the territory. The national system currently includes 48 protected areas. Adding new areas to the system, however, must be done with caution, carefully weighing the positive incentives of new political opportunities and commitment against the realities of institutional management capacities that need to be strengthened over the long term.

6. As a complement to these efforts, in 1995 the Bank approved a GEF-funded project to support the establishment of a National Trust for Protected Areas (PROFONANPE). The goal of this project was to build Peru's capacity to finance the recurrent costs of protected area management by complementing scarce government funds. A mid-term evaluation of PROFONANPE recently concluded that despite the initial challenges inherent with an effort of this magnitude, PROFONANPE has succeeded in raising additional funds and is becoming an important source of recurrent cost financing. Supporting the expansion of the protected area system in response to Peru's commitment is therefore warranted. The protected areas currently receiving recurrent cost support from PROFONANPE are listed in Annex 1.

7. The overall strategic approach to be followed in this project is based on the need for direct participation by local indigenous communities in the management of conservation areas. This strategic approach will be implemented through either one of two implementation models: (a) management with participation of indigenous communities of new protected areas within the National System of Protected Areas; or (b) establishment of large conservation areas within titled indigenous territories. The exact number of areas to be implemented under either approach will be determined before project appraisal. The preparation process will give close attention to ensure that no duplication of funding occurs between the protected areas receiving support from PROFONANPE and the new proposed areas.

8. Under either option, the lessons learned in Peru and elsewhere demonstrate that the sustainability of protected areas is greatly enhanced when local populations benefit directly from their establishment. The Peruvian Amazon contains numerous indigenous groups who have expressed their desire to ensure the maintenance of forest integrity through conservation and through the promotion of development options that maintain forest cover to the greatest possible extent. Therefore, directly incorporating indigenous groups in the management of these protected areas builds upon the synergistic potential brought about by two complementary objectives: biodiversity conservation and indigenous people's right to self-determination. Peruvian legislation recognizes this approach through several management categories of protected areas, including communal reserves, national reserves, and the clustering of various categories within a "biosphere reserve" model. As mentioned above, the project will also explore the direct establishment of conservation areas within indigenous lands as long as biodiversity conservation objectives are maintained. Some of these options include biodiversity conservation based on legally established communities and traditional areas of cultural use protected through customary law as recognized in the Political Constitution of Peru. This second option would help expand the protected areas network of the country without adding new government-declared protected areas through the establishment of indigenous-driven conservation areas.

9. Under both scenarios (i.e., protected areas under the National System of Protected Areas and conservation within indigenous communities), the pressure on forested land would be greatly reduced by the implementation of participatory management plans. Should this effort prove effective, the long-term objective is to expand the model to other areas within the Peruvian Amazon.

National Priorities

10. Conservation of biological diversity is mandated by the Political Constitution of Peru (art. 68) and is considered a national priority in various legal instruments, including the Environmental Code, the Law on Conservation and Sustainable Use of Biological Diversity, the Forestry and Wildlife Law, the Protected Areas Law, the Native Communities Law and the 169 ILO Agreement concerning indigenous and tribal peoples in independent countries (ratified by Peru through the Legislative Resolution 26253) now

in effect. In accordance with the newly enacted Political Constitution of Peru (1993) and the Protected Area Law (Law 26834, 1997), the Law on Conservation and Sustainable Use of Biological Diversity (Law 26839, 1997) establishes among other things that the state:

- Promotes biodiversity conservation through the establishment of a representative and ecological sustainable National System of Protected Areas.
- Gives priority to actions promoting the conservation of ecosystems, species and genes acquired through indigenous knowledge and practices.
- Promotes the adoption of the integrated management of land, forest and water resources developed by indigenous peoples along the various Amazon river basins.
- Promotes the use of appropriate technologies and sustainable development practices.

11. Art. 13 of Law 26839 dictates that the state promotes the establishment and implementation of mechanisms to preserve biological diversity in situ in order to ensure conservation of ecosystems, species and genes in their original setting and to promote their sustainable use.

12. Peru has ratified the Convention on Biological Diversity (Legislative Resolution 26182), whereby the State (art. 8) should establish the necessary conditions to harmonize present use with biodiversity conservation. In this sense the State respects, preserves and maintains the knowledge, innovations and practices of rural and indigenous communities. The State will also protect and sponsor the customary use of biological resources whenever these are consistent with the requirements of sustainable use and conservation. Drawing on this Convention and on the Rio de Janeiro Declaration the State acknowledges that local populations play a fundamental role in the adequate zonation of environment due to their knowledge and traditional practices. Hence the need to support their interests and distinct identities allowing for their effective participation in the achievement of sustainable development.

13. Legislative Decree 653 (art. 62) establishes that conservation areas may be given in custody and usufruct to natural and juridical persons. Such is the case of several Communal Reserves administrated by more than one community (e.g., the Tamshiyacu and Yanasha Communal Reserves). Similarly, Law 26834 on Natural Protected Areas allows for leasing contracts for the administration and use of these areas and the development of projects for those holding title to such lands. (arts. 4 and 7), including specifically communities, and allows for joint management mechanisms based on the participation of local populations.

14. Finally, the ILO Agreement 169 and article 149 of the national Political Constitution, recognize the value of customary law with respect to internal processes regarding social organization and cultural arrangements pertaining to the use of natural resources and lands, including subsistence requirements, hunting and fishing regulations, sites of spiritual

significance, areas of medicinal value, ethnoclassification of natural resources and their management, respect for the reproduction requirements of diverse species of flora and fauna and kinship practices regarding the use and access to land within and across indigenous territories. The ILO Agreement and article 149 of the Political Constitution of Peru support the fact that many of these regulations are destined to function not just in the present but in a middle and long term time-framework as well.

15. The proposed project directly and explicitly supports these national priorities and regulations.

Baseline Situation and GEF Role

16. The expansion of the system of protected areas in Peru to achieve the long-term targets identified in the Master Plan is limited by the lack of financial resources. Progress towards achieving the sustainability of the present system has been good as described above, with increased budget allocations by the central government and the growing role of PROFONANPE in transferring funds to finance recurrent costs (Table below). The system now has a total of 48 areas, all of which have permanent presence and enjoy some form of management; 39 of these areas have a Park Director on the ground. A few of them, such as the Manu National Park, have reached a level of funding of recurrent costs and substantial progress towards social sustainability through direct community involvement in their management affairs. It is widely recognized, however, that additional efforts are required to achieve a level of adequate management for the entire system. Moreover, from the perspective of biodiversity conservation, the system is incomplete and additional protected areas need to be created in accordance with the Master Plan of the Protected Areas System. in order to achieve representativeness.

Year	Number of Protected Areas	Number of Areas with a Park Director	Total Park Guards	State Budget Allocation (US\$)*	Allocation through INRENA (US\$)	Allocation through PROFONANPE
1991	39	10	60	163,400	Not available	
1992	39	10	35	190,000	Not available	
1993	39	10	70	264,500	Not available	
1994	40	15	100	331,900	Not available	
1995	41	22	120	634,891	Not available	
1996	44	32	190	459,850	Not available	500,000
1997	45	35	220	1,399,627	430,000	1,700,000
1998	48	39	240	4,593,708**	410,000	2,400,000

*Includes resources from agencies other than INRENA that directly support park management activities

** Includes a large one-time buffer-zone project in Manglares de Tumbes

17. The baseline situation, however, does not allow an expansion of the system with a concomitant achievement of long-term sustainability from a financial as well as a social perspective. The creation of new areas in such a context could result in creating new paper parks without sufficient consultation and support from local communities. The GEF is therefore requested to finance the incremental costs of creating new areas and for ensuring a meaningful level of participation in the management by local indigenous communities in order to work towards the achievement of their long-term biological and social sustainability.

Project Activities

18. Expected project activities are the following, and are based on a preliminary logical framework (Annex 2):

A. Creation of New Conservation Areas (*Estimated Component Cost: \$2.5M*)

19. Under this component, the new areas to be designated (which will be identified through a combination of scientific and participatory processes during Block-B implementation) will be created. Once these areas are identified, participatory processes will determine the exact type of protection to be achieved in each area (i.e., management category), as well as exact boundaries. The GoP is ready to use a variety of tools, including establishing indigenous communities reserves or areas under the System of Protected Areas which allow co-management by indigenous communities (primarily Communal Reserves and National Reserves). “Biosphere reserves,” which cluster several categories (titled indigenous communities, communal reserves, parks, etc) under a landscape approach is the preferred model to be followed.

20. The final set of protected areas will be recommended for establishment through Presidential Decree.

B. Development of Management Plans and Management Agreements (*Estimated Component Cost: \$2.5M*)

21. Management plans will be developed and management responsibility transferred to organized indigenous people under a “Comite de Gestion” which is recognized by Peruvian legislation. Plans will need to be approved by INRENA. The areas will then be zoned according to the Plan, including core zones of strict protection and areas of sustainable use of biodiversity resources. These uses will be based on sustainable non-timber options. No large-scale extractive activities (oil, mining, forestry) are allowed under these categories.

C. Institutional Strengthening and Capacity Building (*Estimated Component Cost: \$5.0M*)

22. Communities will be strengthened both in terms of organization as well as technical aspects for sustainable use. This component will be primarily co-financed by the LIL. The

LIL objectives are to combat extreme poverty and improve the quality of life for indigenous communities of the Sierra and Amazon through strengthened organizational, technical and business capacity of communal indigenous organizations. Investment in community development projects, and biodiversity conservation will be implemented by indigenous organizations. Sub-activities include the following:

(i) Capacity Building and Program Management. The objective of this component is to build institutional capacity of the State and of the indigenous communities in order to implement the Indigenous Development Project of the Amazon. It includes the strengthening the multi-sectoral commission and the technical secretariat for indigenous affairs; and the strengthening of the institutional capacity of indigenous peoples communities and organizations including: (i) participatory planning, preparation, implementation and maintenance of community projects; (ii) financial management and administration; (iii) cultural patrimony; and (iv) development of community human resources, that include basic legal training, organizational and technical reinforcement.

(ii) Indigenous Legal Framework. The object of this component is to strengthen the legal and technical capacity of the—Technical Secretariat to carry out participatory consultations on all levels (with indigenous organizations, Government, NGOs, Research Institutions, Private Sector, etc.); and in the case of indigenous communities and organizations use ITO rules to create consensus regarding Peru's indigenous legal framework. A two-year time period of consolidation of the legal code has been allotted to facilitate this process. During this period existing laws such as the *Law of Indigenous Communities* and the *Law of Native Communities* can gradually be modified or abolished.

(iii) Community Development Projects. The objective of this component is to finance small community projects that develop, experiment and document successful participatory methods oriented towards specific community development initiatives, that have been agreed to by the authorities of indigenous communities and municipalities. Existing community development projects in different stages of development and focused on the following issues can be funded by this component: productive projects, health, etc. Technical support exists within this sub-component to allow indigenous communities to design their own initiatives for community development. It will finance activities such as: technical advice, feasibility studies and design (primarily for economic projects and low impact tourism infrastructure), management capacity building and establishing connections with potential associates and financiers.

D. Development of Pilot Projects on Sustainable Use of Biodiversity (Estimated Component Cost: \$10.0M)

23. Projects on sustainable use will be implemented at each site. The decision about specific project interventions will be based on technical considerations and through participatory processes based on community interest. There are previous experiences in Peru regarding sustainable biodiversity uses (i.e., Manu, Noroeste), but these experiences

have not been replicated at larger scales. A few of the promising options include wildlife breeding, orchids, ecotourism, and bioprospecting.

24. It is expected that this component will result in long-term benefits accruing to indigenous people and will be the foundation of social sustainability.

E. Project Monitoring and Evaluation (Estimated Component Cost: \$3.0M)

25. This component will include support for scientifically sound monitoring and evaluation of biodiversity. Collaboration with other, complementary initiatives will be sought. World Wildlife Fund will develop “score cards” under a participatory process which will be used to measure project impact from a biological, social, and institutional perspectives. Baseline biological information will be determined through in-depth biological assessments.

Eligibility

26. Peru ratified the Convention on Biological Diversity on June 7, 1993. The proposed project is consistent with the GEF Operational Strategy, supporting long-term protection of globally important ecosystems. Without doubt, the Amazon of Peru is the repository of one of the highest biological diversity on the planet. This project supports Operational Programs 3 (Forests Ecosystems) and 2 (Freshwater Ecosystems).

27. The project is fully consistent with Peru’s first report to COP IV. The project is also fully consistent with the principles of the CBD by supporting all three levels of biodiversity (ecosystems, species, and genes) and supports COP Decisions I/3, II/8, II/9, III/9, III/10 and III/12, and SBSTTA Recommendation I/3.

Coordination with other Implementing Agencies

28. Contacts have been maintained with UNDP in Lima through a consultative process led by CONAM (GEF focal point). UNDP has expressed support for this project.

29. There are three GEF mid-size projects under preparation which will provide important lessons for this project. The first project (*Conservation and Sustainable Use of the Biodiversity of the Amarakaeri Indigenous Lands*, under preparation by UNDP) is located along the eastern border of the Manu National Park area and will enhance biodiversity conservation through participatory preparation and implementation of management plans for specific sectors of the reserve. There is no geographic overlap between these projects.

30. The second mid-size project under preparation by Conservation International (through the World Bank) “Vilcabamba Communal Reserve” deals with an area where substantial progress has already been achieved towards involving indigenous communities in developing conservation plans for a proposed new Communal Reserve. The project’s objectives are similar to the present project, but the experiences are more advanced since local communities are well organized and have already requested the establishment of the

communal reserves to the government. It is therefore expected that the Vilcabamba project will provide important lessons for the project presented here.

31. The third mid-size project under preparation by Pronaturaleza (also through the Bank) is the “Communal Management of the Noroeste Biosphere Reserve.” Its purpose is to enhance local participation in conservation planning for the Biosphere Reserve and in sustainable economic activities compatible with the resulting conservation strategy/management plans. Full involvement of local communities (including indigenous) is part of project design. The MSP project area (the buffer zones of the biosphere reserve) and the ecosystem type (Dry Forests of Northern Peru) do not overlap with the proposed Indigenous Protected Areas project.

32. The Project proposal is consistent with the Bank’s Country Assistance Strategy (CAS) for Peru and will contribute to the objective to reduce poverty and extreme poverty, promote the development of the indigenous peoples of the Amazon, and support sound environmental management. The associated loan is the first in this new area of World Bank assistance to Peru. In addition, the project will contribute to the other five important strategic areas supported by the CAS: Education, Health, Justice, Rural Development and Human Development Capital. Overall this project will help to attain a responsive and efficient public sector, improve infrastructural services and guarantee sustainable development (excluding the macro-economic dimension).

33. The inclusion and respect for Amazon’s rich socio-cultural heritage and biodiversity through the focus of programs based on community and local organizational development will have an enormous significance resulting in a positive impact on the country. The projects should focus on the following aspects of socio-cultural heritage. Useful lessons from a program that successfully functions in these sites can be used to formulate a national strategy for indigenous development that can then be applied to other governmental sectors.

National Level Support

34. Commitment for the project is very high among all participating agencies and at all levels. The proposed project is consistent with the environmental goals that have been identified in national action plans and state environmental programs in Peru. An endorsement letter was received from CONAM (GEF focal point) on December 28, 1998.

35. In addition, the GoP has agreed to approve the Master Plan for the Protected Area System under Supreme Decree, and will assume the recurrent costs of minimum management for all new areas, including financing the costs of park directors, guards, and some operations. Since management and enforcement will be devolved to communities, however, these costs are expected to be very low. This assumption is based on existing cultural traditions through which community members volunteer work on a regular basis towards achieving community-level priorities. Although the true management costs do not

“go away,” they can nevertheless be absorbed without representing additional burden to the central government.

36. The conservation of new areas in the Amazon enjoys the support at the highest levels of government and is a part of specific commitments made by the Government of Peru as part of the World Bank/WWF Alliance.

Justification for PDF Grant

37. The preparation process of both components (LIL and GEF) is advanced; nevertheless, Block-B funds are required to ensure full participation of local communities and other stakeholders in the identification process from the earliest stages. It is expected that many aspects of the preparation process (such as the social assessments and in depth consultation processes) will continue even after a Project Brief is presented to the GEF Council.

Description of PDF Activities

38. PDF grant funds are requested to support the incremental costs of further preparatory activities. Specific preparation activities to be financed through the PDF are described below:

39. Coordination: The PDF activities and project preparation will be coordinated and administered by a Technical Project Unit to be based within INRENA but accountable to a project committee which includes representatives of INRENA, PROMUDEH, CONAM, WWF, and the World Bank (observer). Costs for this component include consultant salaries, communication expenses, and consultation processes in Lima and in the Amazon region through workshops.

40. Site Identification: A sub-set of areas will be identified through initial consultations. This initial set will be based on the Master Plan, which identifies top biological priorities. The table in Annex 3 lists some options from the Master Plan. This is an indicative list only, since the final list of candidate sites will be developed during project preparation. Local consultations with indigenous people will help narrow down the list to 3-4 based on their interest, organizational capacity, and likelihood of success.

41. Social Assessment: To evaluate the impacts of the project, identification of the main stakeholders in the project area and consultation workshops at the regional level with the indigenous communities to discuss the project's strategies and ensure full ownership and commitment. The costs of this component include travel and workshops.

42. Assessment of Management Options: This will include survey and evaluation of current community development, resource use, conservation practices by customary law, and outreach and education activities in the communities and in the areas selected. These results will be subjected to further refinement during project implementations, but will provide an initial overview of options to be considered and thus allow a better estimation of final costs.

43. Monitoring and Evaluation. A monitoring and evaluation protocol will be developed based on biological, social, and institutional considerations. WWF will be an active participant and will provide technical assistance in this area. This work will set the stage for developing “score cards” for M&E.

44. Identification of co-funding Institutions and Additional Partnerships. Meetings and workshops will be organized to enhance cooperation with other initiatives under way, additional government institutions, international donors, and the private sector. Attention will be given to the identification of co-funders and implementation partners.

45. The following table summarizes the funding sources for the preparation activities:

Activity	GEF	GoP	World Bank	WB/W WF Alliance	WWF	TOTAL
Coordination	60,000	40,000	20,000			120,000
Site Identification	150,000	30,000	10,000			190,000
Social Assessment	100,000	30,000	80,000	20,000		230,000
Management Options	20,000	20,000	20,000			60,000
Monitoring and Evaluation					100,000	100,000
Identification of co-Funding and additional partners	20,000		10,000	20,000		50,000
TOTAL	350,000	120,000	140,000	40,000	100,000	750,000

Expected Outputs

46. The expected outputs from this PDF Block B grant will be:

- A full GEF Proposal for an investment package to achieve the objectives described above. It may include a protocol for phasing of activities within the Bank’s “adaptable program framework” if deemed appropriate.
- Full agreed-upon methodology and complete database for the creation of new areas and protocols.
- Motivated indigenous communities identified and ready to participate in project implementation.

- An agreed-upon protocol for biodiversity M&E and establishment of partnerships.
- Identification of new partners (including-co-funders)
- Increased national awareness of the initiative and enhanced ownership by stakeholders.

Expected Date of Project Preparation Completion

47. Project preparation completion is expected by the end of June 1999. The proposed schedule is closely linked with the preparation of the Bank LIL.

Implementing Agency Task Manager

48. Juan Martinez

Annex 1

List of Protected Areas in Peru Currently Receiving Support from PROFONANPE to Cover Recurrent Costs of Management (From all Funding Sources)

A. National Parks:

Parque Nacional del Manu
Parque Nacional Cerros de Amotape
Parque Nacional de Huascarán
Parque Nacional Río Abiseo

B. National Reserves:

Reserva Nacional de Paracas
Reserva Nacional de Pacaya-Samiria
Reserva Nacional del Titicaca
Reserva Nacional de Salinas y Aguada Blanca
Reserva Nacional de Lachay

C. Historic Sanctuaries:

Santuario Histórico de Machu Picchu

D. Reserved Zones

Zona Reservada del Manu
Zona Reservada de Tumbes

Annex 2

Initial Project Design Summary (Draft to be Developed Further)

Narrative	Performance Indicators	Means of Verification
<p>GEF and CAS Goals (CAS of June 95)</p> <p>1.</p> <p>2. Sustainable natural resource management and poverty alleviation.</p>	<p>1. Rational allocation of natural resources, including land, to balance conservation and economic needs/development.</p>	
<p>Project Development Objectives</p> <p>1. Sustainable use of biological diversity by involved communities, contributing to economic, social and cultural development.</p>	<p>1. X communities with management plans for conservation and sustainable use of natural resources.</p>	<p>1. Study to verify sustainability of management plans.</p> <p>2. Registry of communal reserves.</p>
<p>Outputs</p> <ul style="list-style-type: none"> • Sustainable use of natural resources by indigenous communities. • Active participation of indigenous communities in natural resource management. • Management of protected areas with the active participation of indigenous communities. • Territorial delineation of protected and communal areas. 	<ul style="list-style-type: none"> • Implementation of community initiated management plans. Elaboration of X proposed ecological and economic zones through participatory measures. • Approval of X rules by Natural Protected Areas (NPA) Management Committees. Operational plans developed with the participation of the NPA management committees. • X regional development plans approved through participatory process 	<ul style="list-style-type: none"> • Directorate resolutions • Management Plans • Participatory plans and regional planning

	involving indigenous communities based on territorial delineation over three years.	
<p>Project Components</p> <ul style="list-style-type: none"> • (1.1) Elaboration of models for sustainable natural resource use. • (1.2) Exchange of experience between communities of successful sustainable management of biodiversity. • (2.1) Creation of management committees for protected areas. • (3.1) Participation by communities in territorial, economic ecological zoning of protected areas. • (4.1) Communities develop projects that involve eco and cultural-tourism, as well as well as commercializing ecological products. • (4.2) Systematization of management experiences for flora and fauna. • (4.3) Rehabilitation of degraded areas. 	<ul style="list-style-type: none"> • (1.1) X number of indigenous promoters capacitated in sustainable natural resource use. • (1.2) Increase in the number of indigenous communities that utilize other models for sustainable management of biodiversity. • (2.1) X number of management committees involved in planning nature reserves. • (3.1) Number of communities using territorial, ecological and economic zoning for the design and development in their projects. • (4.1) X number of communities developing eco and cultural-tourism, as well as commercializing ecological projects. • (4.2) Increase in number of animal nurseries, communities managed areas, and germplasm banks. 	<ul style="list-style-type: none"> • (1.1) Register of validated experiences. • (1.2) Register of inter-community meetings for sharing biodiversity management experiences. • (2.1) Resolutions acknowledging protected natural areas. • (3.1) Technical reports. • (4.1) Reports and evaluations of financed projects. • (4.2) Publications, memorandums and reports of indigenous communities. • (4.3) Inventories, census evaluations of protected areas.

	<ul style="list-style-type: none">• (4.3) Decrease in irrational natural resource management.	
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Annex 3

Indicative but Incomplete List of Potential Sites Based on Biodiversity Priorities

Proposed area	Surface (hectares)	Ecoregion (Global 200)	Current situation
Biabo Cordillera Azul	1'200,000	Andean Yungas	Permanent Forest Area
Z.R.del Apurímac	1'200,000	Andean Yungas	Reserved Zone
Z.R. de Gueppi	625,000	Napo Moist Forests	Reserved Zone
Putumayo (Yaguas)	500,000	Río Negro and Japura Moist Forests	Proposed Reserved Zone
Pastaza – Morona	375,000	Napo Moist Forests	National Forest
Tigre – Pucacuro	300,000	Río Negro and Japura Moist Forests	Proposed Reserved Zone
Cordillera del Sira	600,000	Andean Yungas	Proposed Communal Reserve

GEFSEC Project Tracking System

Response Due Date: 01/22/99

Correspondence Description

Addressed to: <i>Mr. Kenneth King</i>	Correspondence Date: 01/12/99
Date Received: 01/13/99	Organization: World Bank
From: Christine Kimes	

Assigned To: M. Ramos

Status: Closed

Type: Memorandum
Topic: PDF B: Peru - Indigenous Management of Protected Areas in the Amazon

Action Instructions

- For Bilateral meeting
- For information only. No action needed.
- Please handle/respond on behalf of Mr. Kenneth King and provide a copy.
- Please handle/respond on behalf of Mr. Mohamed El-Ashry and provide a copy.
- Please prepare a draft response and return to Program Coordinator
- Please reply directly and provide a copy.
- Please review and/or technical comments

Special Instructions

Attached are the endorsement letters for this project

Information Copies Sent To:

K. Kumari, H. Acquay, W. Lusigi, M. Cruz, J. Taylor

Projects File Room Location:

Note: A copy/original of the document is being sent directly to your attention.

Please return this page with a copy of the incoming correspondence and the reply/action taken to Program File Manager (GEFSEC Project File Room) before or by due date with the original copy of the correspondence and the reply/action.

THE WORLD BANK/IFC/M.I.G.A.

OFFICE MEMORANDUM

DATE: January 12, 1999

TO: Mr. Ken King, Assistant CEO, GEF Secretariat
GEF PROGRAM COORDINATIONFROM: Christine Kimes, Global Environment *Kimes* Coordinator
Latin America And The Caribbean Region

EXTENSION: 3-4188

SUBJECT: **PDF Block B Request: Peru – Indigenous Management of Protected Areas in the Amazon**

Please find attached the endorsement letter of the above-mentioned PDF Block B Request, which was inadvertently left out from the package we sent you yesterday.

Many thanks.

Distribution:

Messrs.: R. Asenjo, UNDP (Fax: 212-906-6998)
A. Djoghlaif, UNEP (Nairobi) (Fax: 254-2-624-041)
R. Khanna, UNEP (Washington) (Fax: 202-331-4225)
M. Gadgil, STAP (Fax: 91-80-334-1683 or 9180-331-5428)
M. Griffith, STAP (Nairobi) (254-2-623-140)
H. Zedan, CBD Secretariat (Fax: 9-1-514-288-6588)

cc:

Messrs./Mmes. Iwase, Werbrouck (LCC6C); Koch-Weser, Moser, Lovejoy, Martinez, Abedin (LCSES); Vidaeus, Kimes, Castro, Bossard, Towsey (ENV).

IRIS 3, ENVGC ISC

ID#523, From: 202-473-8787.

28DEC98, 05:05:28, Page 002 of 002

DEC 28 1998 5:08PM X 311 WORLD BANK - ENVGC 202-522-3256
TO: TINA KIMES

NO. 2552 P. 1/1001



Lima, 28 de diciembre de 1998

Carta No. 45398-CONAM/SE

Mrs.
Christine Kimes
Regional Coordinator
GEF
The World Bank
Presente.

Tengo el agrado de dirigirme a usted para expresar el respaldo de CONAM a la propuesta de PDF "B" del Proyecto "Manejo por comunidades indígenas de Areas Naturales Protegidas en la Amazonia Peruana", en su condición de punto focal operacional del GEF en el Perú.

Sin otro particular, quedo de usted.

Atentamente,


Paul Bemy
Secretario Ejecutivo

CONSEJO NACIONAL DEL AMBIENTE

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