



PROJECT IDENTIFICATION FORM (PIF)¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT IDENTIFICATION

Project Title:	Management and Protection of Key Biodiversity Areas in Belize		
Country(ies):	Belize	GEF Project ID: ²	4605
GEF Agency(ies):	WB (select) (select)	GEF Agency Project ID:	
Other Executing Partner(s):	Government of Belize, Ministry of Natural Resources and the Environment (MNRE) and Ministry of Agriculture and Fisheries (MAF)	Submission Date:	2011-09-19
GEF Focal Area (s):	Multi-focal Areas	Project Duration (Months)	60
Name of parent program (if applicable): ➤ For SFM/REDD+ <input checked="" type="checkbox"/>		Agency Fee (\$):	608,500

A. FOCAL AREA STRATEGY FRAMEWORK³:

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Co-financing (\$)
(select) BD-1	Outcome 1.1 Improved management effectiveness of existing and new protected areas.	Output 1 Existing protected areas (____) and coverage (____ hectares) of unprotected ecosystems and threatened species (____ species).	GEFTF	1,788,000	4,000,000
(select) BD-2	Outcome 2.1 Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation.	Output 1 Certified production landscapes and seascapes (hectares).	GEFTF	1,000,000	2,000,000
(select) BD-2	Outcome 2.2: Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks.	Output 1 Policies and regulatory frameworks (____) for production sectors Output 2 National and sub-national land-use plans (____) that incorporate biodiversity and ecosystem services valuation.	GEFTF	278,900	2,000,000
CCM-5 (select)	Outcome 5.1 Good management practices in LULUCF adopted both within the forest land and in the wider landscape	Output 1 Forests and nonforest lands under good management practices.	GEFTF	500,000	1,000,000

¹ It is very important to consult the PIF preparation guidelines when completing this template.

² Project ID number will be assigned by GEFSEC.

³ Refer to the reference attached on the [Focal Area Results Framework](#) when filling up the table in item A.

CCM-5 (select)	Outcome 5.2 Restoration and enhancement of carbon stocks in forests and non-forest lands, including peatland.	Output 1 Climate change mitigation and resiliency measures are integrated into sustainable forest management activities	GEFTF	200,000	500,000
CCM-5 (select)	Outcome 5.3 GHG emissions avoided and carbon sequestered.	Output 1 Carbon stock monitoring systems established.	GEFTF	491,900	500,000
(select) SFM/REDD-1	Outcome 1.1: Good forest management practices applied.	Output 1 Payment for ecosystem services (PES) systems established (number). Output 2 Forest area (hectares) under sustainable management, separated by forest type.	GEFTF	1,521,000	5,000,000
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)	Others		(select)		
Sub-Total				5,779,800	15,000,000
Project Management Cost ⁴			GEFTF	305,800	1,000,000
Total Project Cost				6,085,600	16,000,000

B. PROJECT FRAMEWORK

Project Objective: To strengthen natural resource management and biodiversity conservation through the mitigation of threats to Key Biodiversity Areas (KBAs) in Belize.						
Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Cofinancing (\$)
1. Supporting forest protection and sustainable forest management activities in KBAs	Inv	1. Reduced deforestation rate and fragmentation pressure in targeted Key Biodiversity Areas 2. Enhanced sustainable forest management practices (based on georeferenced information on forest resources and ecosystem services) 3. Improved protection of forest reserves and reduction of forest fires 4. Improved local livelihoods through community-based sustainable use of	1. Provide support to land tenure legislation amendment to address the requirement to develop/clear the land 2.1 Increase area (ha) under sustainable forest management in targeted area by 50% (to be confirmed during appraisal) 2.2 Increased sightings of target indicator species (TBD during project preparation) 3.1 Reduce anthropogenic forest fire incidence in targeted area by 40% (to be	GEFTF	2,181,900	8,000,000

⁴ GEF will finance management cost that is solely linked to GEF financing of the project.

		<p>ecosystem goods and services</p> <p>5. 1.5 m tonnes C (5.5 mt CO₂eq) saved from avoided deforestation during the life of the project plus additional x tonnes of C from reforestation activities in degraded sites (to be confirmed during appraisal)</p>	<p>confirmed during appraisal)</p> <p>3.2 Train and equip at least 30 officials in enforcement and forest fire reduction techniques</p> <p>3.3 Reduce illegal logging activities by 50% in the targeted area (to be confirmed during appraisal)</p> <p>4. Increase sustainable harvesting and marketing of non-timber forest products (NTFPs) by local communities in targeted areas by 30% (to be confirmed during appraisal)</p> <p>5. Climate change mitigation and resiliency measures are integrated into sustainable forest management activities</p>			
2. Promoting Effective Management of Key Biodiversity Areas (KBAs)	Inv	<p>1. Strengthened legal and administrative framework for Protected Areas (PAs)</p> <p>2. Protected Areas (PAs) in the KBAs managed more effectively (as measured by GEF Tracking Tools)</p>	<p>1. Provide support for the amendment of the law to remove ministerial discretion to de-reserve PAs without public consultation</p> <p>2. Reduce illegal farming, hunting, logging and harvesting of NTFPs each 50% in targeted PAs (to be confirmed during appraisal)</p> <p>3. Clear delineation and enforcement of PAs boundaries</p> <p>4. Rehabilitate critical areas (ha) of high conservation value via community-based activities including afforestation, payment for ecosystem services (PES) and certification</p>	GEFTF	2,597,900	5,000,000
3. Institutional strengthening & capacity building for enhanced enforcement of environmental regulations	TA	<p>1. Enhanced coordination among Government agencies charged with conservation</p> <p>2. Strengthened capacity for compliance</p>	<p>1. Establish a functional Departmental Steering Committee on conservation</p> <p>2. Train and equip staff in key agencies with better assessment and compliance monitoring tools and</p>	GEFTF	1,000,000	2,000,000

		monitoring and enforcement of key agencies responsible for environment	capacities			
		3. Enhanced effectiveness of the Environmental Impact Assessment (EIA) System	3. Establish EIA certification program for enhanced environmental compliance			
		4. Climate Change mitigation and resilience considerations mainstreamed into the National Protected Areas System Plan (NPASP)	4. Review and update the 2005 NPASP to capture relevant climate change issues			
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Sub-Total					5,779,800	15,000,000
Project Management Cost ⁵				GEFTF	305,800	1,000,000
Total Project Costs					6,085,600	16,000,000

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, (\$)

Sources of Cofinancing	Name of Cofinancier	Type of Cofinancing	Amount (\$)
GEF Agency	World Bank	Hard Loan	2,000,000
National Government	Ministry of Natural Resources and the Environment (MNRE)	In-kind	1,000,000
GEF Agency	World Bank managed Trust Funds	Grant	13,000,000
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Cofinancing			16,000,000

D. GEF/LDCF/SCCF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
WB	GEF TF	Biodiversity	Belize	3,372,700	337,210	3,709,910

⁵ Same as footnote #3.

WB	GEF TF	Climate Change	Belize	1,191,900	119,190	1,311,090
WB	GEF TF	Multi-focal Areas	Belize	1,521,000	152,100	1,673,100
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				6,085,600	608,500	6,694,100

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table

² Please indicate fees related to this project.

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1 the [GEF focal area/LDCF/SCCF](#) strategies:

This project proposal is in response to a request from the Government of Belize (letter dated June 15, 2011 to the World Bank to collaborate on the programming and implementation of the Government's GEF-5 STAR resources. This request was initially discussed during the stakeholder/Government consultations for the 2012 Country Partnership Strategy (CPS) in February-May, 2011. Because the CPS has a strong focus on management of natural resources, it made sense to align the GEF project with the emerging IBRD program. Being mindful of limited in-country capacity (as emphasized by the Government during consultations) and in order to maximize economies of scale and limit fragmentation, the proposed approach utilizes the country's GEF-5 STAR allocations and non-STAR resources to design one project with three core components linked to both the ongoing Government/Bank policy dialogue and the lending program.

The proposed project is fully consistent with several GEF focal areas under GEF-5:

- Objective 1 of the Biodiversity Strategy, Improve Sustainability of Protected Areas Systems. The project will directly support the main outcome: Improve management effectiveness of existing and new protected areas.
- Objective 2 of the Biodiversity Strategy, Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes, Seascapes and Sectors. The project will support the two main outcomes: (i) Increase in sustainably managed landscapes and seascapes that integrate biodiversity integration and (ii) Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks.
- Objective 5 of the Climate Change Strategy, Promote Conservation and Enhancement of Carbon Stocks through Sustainable Management of Land Use, Land-Use Change, and Forestry. The project will support the following outcomes: (i) Good management practices in LULUCF adopted both within the forest land and in the wider landscape; and (ii) GHG emissions avoided and carbon sequestered.
- Objective 1 of the SFM/REDD Strategy, Reduce Pressures on Forest Resources and Generate Sustainable Flows of Forest Ecosystem Services. The project will support the following outcomes: (i) Enhanced enabling environment within the forest sector and across sectors; (ii) Good management practices applied in existing forests; and (iii) Good management practices adopted by relevant economic actors.

A.1.2. For projects funded from LDCF/SCCF: the LDCF/SCCF eligibility criteria and priorities:

n/a

A.2. national strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

Belize's National Biodiversity Strategy Action Plan (NBSAP) provides for comprehensive use and management of Belize's biological resources. The project is consistent with the 2005 National Protected Areas System Plan (NPASP), as it would target the enhanced management of protected areas in accordance with recommendations from this plan, and fulfilling Belize's commitments to the Convention on Biological Diversity Program of Work on Protected Areas. The National Protected Areas Policy and NPASP recognize that PAs of Belize are administered and regulated by different laws and enforced by different Government agencies. While the parent legislations are very comprehensive, problems and weaknesses frequently arise from their enforcement. Consequently, the NPASP highlights some of the threats to biodiversity emanating from weak enforcement as follows:

- inefficient reporting mechanism and prosecution with regards to law violations;
- ineffective penalties and too many weak out of court settlements;
- lack of inter-ministerial coordination and communication;
- lack of trained enforcement personnel and low enforcement levels;
- overriding power of the Minister (i.e., ministerial discretion);
- inadequate environmental monitoring;
- lack of finance to patrol protected areas;
- limited exchange of information among agencies mandated to carry out enforcement;
- lack of understanding by the judiciary of the seriousness of environmental offences.

The project will directly support measures aimed at addressing most of these threats and strengthening the management and enforcement regime of the targeted PAs.

The project would also help mainstream climate change considerations into the NPASP especially in areas where critical gaps exist. The First National Communication to the UNFCCC (July 2002) states that Belize has been identified as one of those countries most vulnerable to the adverse impacts of climate change. It is therefore imperative that climate resilience and mitigation measures are identified for the country's most vulnerable sectors and that steps be undertaken for the implementation of the more viable options. Specifically, the proposed project would support many of the measures identified in the First National Communication such as:

- Introduce forest management plans;
- Promote agro-forestry;
- Restore abandoned agricultural lands;
- Establish and maintain protected areas;
- Develop national forest fire management plan

The project is aligned with the strategic thrusts in the National Poverty Elimination Strategy and Action Plan 2009-13 (NPESAP), specifically on i) effective mitigation against effects of climate change and natural disaster, and ii) reduction in citizens' vulnerabilities to catastrophic disasters, and with the Medium Term Development Strategy, "Building Resilience against Social, Economic and Physical Vulnerabilities" (MTDS, 2010-2013), which is closely linked to the NPESAP. In addition, a long-term development plan, Horizon 2030, describes the main Government priorities and challenges and highlights the central role of sustainable environment and natural resource management in the Belizean economy.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

As mentioned above in Section A.1.1, this PIF is in response to the Government of Belize's decision to collaborate with World Bank in the design and implementation of one comprehensive project utilizing Belize's GEF-5 resources linked to the Government/World Bank Country Partnership Strategy. The proposed project consists of three core components. The Global Environment Objective of this project is to strengthen natural resource management and biodiversity conservation through the mitigation of threats to Key Biodiversity Areas (KBAs) in Belize.

Furthermore, the proposed project would be implemented as part of the Bank's overall program for Belize as defined in the new Country Partnership Strategy (CPS FY12-FY15). The Bank's new CPS is focused on supporting the Government to achieve "Inclusive and Sustainable Natural Resource-Based Growth and Enhanced Climate Resilience". The design of the CPS

was based on (a) wide Government and non-government stakeholder consultations in Belize, (b) the need for selectivity in the areas of intervention, (c) an evaluation of other donor programs to ensure the CPS fills key gaps/complements other donor programs in order to most effectively address the country's development challenges, and, (d) the Bank's comparative advantage and the potential impact it could have given the importance of natural resources in Belize's development and growth prospects. Hence a comprehensive World Bank-GEF program to protect the natural capital of Belize would help improve growth prospects and benefit the poor who tend to depend on natural resource-driven sectors in Belize. Furthermore, the CPS would support fiscal sustainability to the extent to which increased resilience to climate change related hazards would reduce associated fiscal costs borne by the Government as a result of climate-related disasters (e.g., forest fires, floods, etc).

Country Context

Belize is a small, open economy endowed with unique natural resources and ecosystems that drive the economy: tourism, fishing, agriculture, forestry and hydroelectric power. Belize has a very high level of terrestrial and aquatic biodiversity. Belize hosts more than 150 species of mammals, 540 species of birds, 151 species of amphibians and reptiles, nearly 600 species of freshwater and marine fishes, high numbers of invertebrates and 3,408 species of vascular plants.

The country is unique, not only in the total number of species present, but also in the vast array of ecotypes and their species richness. While the Jaguar is considered the flagship species of Belizean conservation, it is increasingly coming under pressure due to expansion of human activities. In addition, the Belize Barrier Reef (part of the Meso-American Barrier Reef) has been classified as one of the world's marine hotspots with an abundance of globally and locally significant biodiversity: it consists of six UNESCO World Heritage sites and is home to a variety of endemic species, many of them endangered and under some degree of protection, including sea turtles (green, loggerhead, leatherback, and hawksbill turtles), queen conch, West Indian manatee splendid toadfish, crocodiles (American and Morelet's), Nassau grouper, and black coral. Two of the most important reef-building coral species in the Caribbean—elkhorn (*Acropora palmata*) and staghorn (*Acropora cervicornis*)— are listed as threatened under the Endangered Species Act (WWF, 2011). The reef system is home to more than 66 stony coral species, 350 mollusk species and more than 500 fish species. The Barrier Reef is home to one of the world's largest populations of manatees with an estimated population of 1,000 to 1,500.

Belize has 102 protected areas (PAs) representing 22.6% of its national territory (land and marine). These include 19 Forest Reserves, 17 National Parks, 3 Nature Reserves, 7 Wildlife sanctuaries, 5 Natural Monuments, 9 Archeological Reserves, 8 Private Reserves, 8 Marines Reserves, 13 Spawning Sites, 6 Public Reserves, and 7 Bird sanctuaries. The terrestrial PAs cover 34.9% of the total land surface, while the marine reserves cover 10.6% of the country's marine area.

Belize's sector-specific policies and legislation are generally robust. Various key environmental policies and legislations exist, such as the National Biodiversity Strategy Action Plan, the 2009 Water Resources Management Act, the 1992 National Lands Act and the 1999 Coastal Zone Management Act. However, integration and implementation of legislation have been lacking. For example, due to weak institutional capacities, implementation and enforcement of environmental management actions have been inadequate. On the other hand, environmental civil society organizations are very strong and actively participate in the formulation of policies and management of protected areas (PAs).

The Ministry of Natural Resources and the Environment (MNRE) is currently implementing a number of activities aimed to bolster and strengthen natural resource management in Belize. In

particular, the following ongoing activities will complement the proposed GEF project:

1. National forest program facility by the Food and Agriculture Organization (FAO) to develop a national forest policy to complement the National Land Use Policy and National Protected Areas Policy;
2. FINFOR project aimed at building capacity in forest management;
3. Mesoterra project focused on agricultural sustainable land management.

Although little information is currently easily available for baseline forest carbon/climate mitigation, Belize is in a unique position to contribute to the global objectives of climate change mitigation via reducing emissions from deforestation and forest degradation (project start-up activities will help gather the baseline data). According to the Initial National Communication of Belize to the UNFCCC, over 69% of the country's GHG emissions come from the Land Use Change and Forestry Sector. Therefore, interventions to avoid deforestation and to reforestation of degraded forest lands would significantly enhance the country's potential for climate change mitigation. Since the deforestation rate in Belize's protected areas is significantly lower than outside the protected areas (Cherrington et al, 2010), enhancing protected areas management would bring both climate change mitigation and biodiversity conservation benefits.

Belize is endowed with vast and unique tropical forests that are also habitat to unique biodiversity of global significance. In fact Belize has the highest forest cover in both Central America and the Caribbean; 72% of Belize (as a percentage of land) is covered with forests, of which 37% are classified as primary forests. These forests also provide sustenance for a majority of the population. However these forests are under increasing pressure from factors such as illegal logging and encroachment, forest/bush fires, slash and burn agriculture, and extensive damages from climate related hurricanes and storms. In 2010, hurricane damage led to extensive forest areas being destroyed leaving much debris which accumulated and dried up to form fuel. Consequently, during the 2011 dry season, Belize experienced some of the most extensive forest fires all over the country. These fires and other forest degradation are leading to loss of biodiversity and emissions of Green House Gases (GHGs) into the atmosphere and contributing to further climate change. Unfortunately, Belize lacks the capacity and financial resources to be able to address these challenges.

Another factor driving deforestation in Belize is the existing land tenure legislation, which requires that leased lands that are forested must be "developed" by the owners or their leases would be revoked. This provides enormous incentive for landowners to clear the land in an effort to meet the requirements of 'development'. However, it has been observed that many of these lands lie idle after they have been cleared since the landowners lack the capital to engage in alternative land uses. Hence simple amendments to the existing land tenure law could have a significant impact on biodiversity conservation, the deforestation rate and the subsequent fragmentation of Key Biodiversity Areas and forests.

Loss of forests in deforestation hotspots, particularly in key watersheds, leads to loss of ecosystem services: protection of water quality in adjacent watersheds, and reduction of nutrient flows that are damaging to the reefs. Since the pre-independence period, timber was one of Belize's major export products. Although the industry has now declined, forests are a valuable asset and generate a range of important ecosystem services such as biodiversity habitats, non-timber forest products for local and indigenous communities, fuel for rural communities, and large untapped potential for the use of medicinal plants in the pharmaceutical industry. Forests provide soil stabilization, which prevents excessive sedimentation of estuaries and coral reefs and reduce the runoff of nutrients from agricultural areas to sensitive reef and mangrove ecosystems. In terms of the loss of ecosystem services such as water quality

protection by riparian forests, location is important.

Although Belize has managed to preserve its environmental capital to a greater extent than its neighbors, it still faces some serious environmental problems that adversely affect the poor, and growth prospects. These include unregulated development of urban and coastal areas and the rising pollution from cruise ship tourism leading to the degradation of mangroves and coral reefs and deforestation and unsustainable extraction of non-timber forest products in hotspot areas. The short-term impacts of natural disasters and the long-term effects of climate change are expected to undermine the resilience of the natural ecosystems and human vulnerability, increasing the urgency of tackling these challenges.

The environmental management system is in urgent need of strengthening in the face of rising pressures from the key sectors of Belize's economy. Key challenges remain, despite the progress in strengthening biodiversity conservation and environmental management in several areas. For example, the "ministerial discretion" loophole gives ministers discretionary powers to (a) de-reserve PAs without the need for public consultations, and (b) approve projects rejected by the Department of Environment based on recommendations of the Environmental Impact Assessments (i.e., in essence overrule the EIA). Due to weak institutional capacities, the implementation and enforcement of environmental and natural resources management actions have been inadequate. The institutions that are directly responsible for the management of Belize's environment and natural resources (e.g., Department of Environment, Forest Department, Fisheries Department, Coastal Zone Management Authority and Institute) are under-funded, understaffed and in many cases lack the capacity to perform their basic functions. For example, the Department of Environment (DoE) currently has about 15 staff that can scarcely cover the mandate given to the DoE under the Environmental Protection Act. The Forest Department has just under 40 staff charged with managing protected areas (PAs), licensing, monitoring and enforcement within and outside PAs.

In response to the above challenges, the baseline program is the World Bank Country Partnership Strategy (FY12-FY15) that would support the Government's efforts to adopt a sustainable natural resource based economic model while enhancing the country's resilience to climate change. This is informed by the fact that natural resources are undoubtedly central to Belize's development prospects, and there is a sense of urgency to adopt a sustainable model in the face of increasing pressure and threats, and more frequent and intense climate-related hazards. Belize also has an opportunity, afforded by the uniqueness of its natural resource base, to position itself on the global stage as a responsible steward of its natural resources. By supporting these efforts, the proposed program could substantially leverage IBRD funding with other existing funds that target environment and natural resources management, emerging global climate funds (grants), and other development partner's programs. A program to protect the natural capital of Belize would help improve growth prospects and benefit the poor who tend to depend on natural resource-driven sectors in Belize. The Bank program includes a range of activities aimed at (i) enhancing the institutional capacity of the Government in natural resources management and climate change related activities in a sustainable manner, including policy and strategy formulation, planning, coordination, implementation and monitoring; and (ii) targeted investments to enhance climate resilience.

Based on the principle of site conservation, the Project would support the effective management of key Biodiversity Areas in Belize. Site conservation is among the most effective means to reduce biodiversity loss. Therefore, it is critical to identify those sites where unique biodiversity must be conserved immediately. To this end, the concept of KBAs has been developed by global practitioners, seeking to identify and, ultimately, ensure that networks of globally important sites are safeguarded. This methodology builds up from the identification of species conservation targets (through the IUCN Red List) and nests within larger-scale

conservation approaches. Sites selection is driven by the distribution and population of species that require site-level conservation. In 2007, a collaborative effort by the Government of Belize, Belize Tropical Forest Studies, Conservation International, and the Critical Ecosystem Partnership Fund resulted in the definition of the KBAs in Belize as detailed in the report “Establishing a Baseline to Monitor Species and Key Biodiversity Areas in Belize” (Jan C. Meerman, 2007). The guiding principle for KBA species selection is the IUCN Red List. For this purpose data were gathered for all species in the CR (Critical), EN (Endangered), VU (Vulnerable) and NT (Near Threatened). Ultimately, 39 IUCN listed species counted for the KBAs analysis. The resulting KBAs fall into roughly 2 large blocks (over 250,000 ha) and a number of isolated sites (over 45,000 ha):

- Selva Maya with Rio Bravo Conservation Area (104,897 ha), Aguas Turbias National Park (3,541 ha) and Gallon Jug Private Management Area (54,154 ha);
- Maya Mountains block including Vaca Plateau (14,118 ha), Mountain Pine Ridge (43,372 ha) and Manatee River forest Reserve (36,621 ha); and,
- A number of smaller, discrete areas including Sarton Temash National Park (16,938 ha), Aguacaliente Wildlife Sanctuary (2,213 ha), Golden Stream (6,085 ha) and Rio Grande Private Protected Areas, Peccary Hills (including Runaway Creek Nature Preserve (6,547 ha)) and Crooked Tree Wildlife Sanctuary (15,372 ha).

Project Objective

The Global Environment Objective is to strengthen natural resource management and biodiversity conservation through the mitigation of threats to Key Biodiversity Areas in Belize.

More specifically, the project would help to:

- Reduce deforestation rates and fragmentation pressure in targeted Key Biodiversity Areas and enhance sustainable forest management practices (based on georeferenced information on forest resources and ecosystem services);
- Improve the protection of Forest Reserves and reduce forest fires;
- Improve local livelihoods through community-based sustainable use of ecosystem goods and services;
- Strengthen legal and administrative frameworks for Protected Areas (PAs);
- Manage Protected Areas (PAs) in the KBAs more effectively (as measured by GEF Tracking Tools); ;
- Strengthen capacity for compliance monitoring and enforcement of key agencies responsible for environment and enhance the coordination among Government agencies charged with conservation
- Enhance effectiveness of the Environmental Impact Assessment (EIA) System;
- Mainstream Climate Change considerations into the National Protected Areas System Plan (NPASP).

The main expected project outputs are:

- Land tenure legislation to address the requirement to develop/clear the land drafted and submitted for consideration by the appropriate national authorities;
- Increased area (ha) under sustainable forest management in targeted area by 50% (to be confirmed during appraisal);
- Reduced anthropogenic forest fire incidence in targeted area by 40% (to be confirmed during appraisal);
- At least 30 officials trained and equipped in enforcement and forest fire reduction

techniques;

- Reduced illegal logging activities by 50% in the targeted area, due in part to clearer delineation and enforcement of PAs boundaries (to be confirmed during appraisal);
- Increased sustainable harvesting and marketing of non-timber forest products (NTFPs) by local communities in targeted areas by 30% (to be confirmed during appraisal);
- Legislation to amend the law to remove ministerial discretion to de-reserve PAs without public consultation drafted;
- Reduced illegal farming, hunting, logging and harvesting of NTFPs each 50% in targeted PAs (to be confirmed during appraisal);
- High conservation value areas rehabilitated via community-based activities;
- 1.5 m tonnes C (5.5 mt CO₂eq) saved from avoided deforestation during the life of the project plus additional x tonnes of C protected from reforestation activities in degraded forest sites (to be confirmed during appraisal);
- A functional Departmental Steering Committee on conservation established;
- Staff in key agencies trained and equipped with better assessment and compliance monitoring tools and capacities;
- EIA certification program for enhanced environmental compliance established;
- The 2005 NPASP updated to better capture relevant climate change issues.

Project Design

The project would be financed by a US\$6.085 million GEF grant and US \$16 million in co-financing through a mixture of loan and grants. The proposed project design includes four components:

Component 1: Supporting Forest Protection and Sustainable Forest Management Activities in Key Biodiversity Areas

This component will evaluate current forest assets within the KBAs in order to prioritize areas of high conservation value. Once these areas have been identified, the project will seek to develop a host of activities with and around these areas. These include: training of agency officials and local communities to reduce the incidence of anthropogenic forest fires, reduce illegal logging, and increase monitoring of the protected areas (e.g., Forest Reserves). In addition, this component will establish sustainable development activities with local communities in the targeted areas in order to reduce the encroachment pressure on forest resources. The component would also support simple amendments to the existing land tenure law to remove the requirement that leased forested land needs to be cleared in order to demonstrate 'development' of the same.

Component 2: Promoting Effective Management of Key Biodiversity Areas (KBAs)

This component seeks to enhance effective management of the KBAs through strengthening the legal framework for PAs and taking measures to control encroachment and illegal farming, hunting, logging and harvesting of NTFPs in targeted areas. Specifically, the component would support the review and amendment of the relevant laws with a view to removing the ministerial discretion to de-reserve PAs without public consultations. In addition, specific measures would be undertaken to delineate and mark PA boundaries where this is deemed critical to supporting enforcement efforts. The component will also support rehabilitation/restoration of critical areas (e.g., watersheds) through community-based activities. Where appropriate, it will promote market-based actions, such as sustainable harvesting and marketing of NTFPs and payments for ecosystem services, to foster local benefits that justify continued high level protection of PAs and help to reduce pressure on KBAs.

Component 3: Institutional Strengthening & Capacity Building for Enhanced Enforcement of Environmental Regulations

This component will support the various designated agencies charged with safeguarding Belize's natural resources (e.g., Forest Department, Department of Environment, Geology and Petroleum, Lands and Survey, Fisheries Department, Coastal Zone Management Authority and Institute, Belize Agricultural Health Authority, etc) to enhance their enforcement and coordination capacity for environmental regulations. Training of staff in the key agencies and equipping them with the necessary assessment and compliance monitoring tools and capacities would be supported. While EIA exists as a legal requirement, its implementation has been affected by various issues. For example, while the National Environmental Assessment Committee (NEAC) is charged with reviewing EIAs, the minister can use discretionary powers to review the decisions of the NEAC. Hence the component would support capacity enhancement in this area by: (a) establishing EIA certification process under the Department of Environment (DoE), (b) strengthening the NEAC by establishing clear TORs, (c) increasing NEAC autonomy and transparency of procedures by regular update and publication of the Committee's decisions (on publicly accessible websites), (d) removing the discretionary power of the Minister from the Act and the EIA Regulations. Because of Belize's vulnerability to climate change and the related need for ecosystem-based adaptation measures, the NPASP would be reviewed and updated in order to capture climate change considerations especially in its implementation.

The component will also support enhancing capacity of the key departments in the MNRE through: (a) training of in-house staff, (b) targeted partnerships with the private sector to improve the monitoring of natural resource use, (c) strengthening of civil society collaboration in natural resource management, (d) improving forest licensing mechanisms to foster the use of forests in a sustainable manner, and, (e) enhancing and modernizing the co management agreements for PAs.

Component 4: Project management, monitoring and assessment

This component will provide administrative, financial, and technical support to the Project, and to the design and implementation of a monitoring, assessment, and systematization program. Monitoring will include stakeholder involvement, sustainable economic activities, and overall Project implementation. An impact evaluation based on the social and environmental effects of the sustainable economic activities is envisioned.

- B. 2. [incremental](#) / [Additional cost reasoning](#): describe the incremental (GEF Trust Fund) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF financing and the associated [global environmental benefits](#) (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

Under the baseline scenario, the various important conservation and environmental management activities being undertaken in Belize would continue to be implemented but with weak coordination and low effectiveness. This implies that globally significant species and ecosystems in Belize's KBAs would continue to be eroded. Due to weak institutional capacities, implementation and enforcement of biodiversity management actions has been inadequate. Consequently PAs are being increasingly encroached for slash-and-burn agriculture, cattle ranching, bush meat, xate extraction, timber, looting of archeological sites, and even settlement. An example is the Chiquibul National Park (CNP) being encroached from the Guatemalan border. The park is located in the Chiquibul forest region and like the other areas in the KBAs, it provides protection for globally significant species, which are currently under increasing threats. Some of these species include the: Jaguar (*Panthera onca*), Puma; Black Howler Monkey (IUCN Endangered class); Variagated *Zamia* (Endangered); and Cerulean Warbler, Central American Spider Monkey, Shaggy Bat, Van Gelder's Bat, Ocelot, Margay, Large-leaved Mahogany (all Vulnerable under IUCN classification). These globally

significant species are now being threatened by the aforementioned threats. Because of encroachment pressures, wildfires have dramatically increased, and are considered a major threat to these critical species. Current measures are inadequate and mainly limited to enforcement which is also not comprehensive. Therefore, the proposed GEF project offers incremental activities that would combine enhanced capacities, on-the ground investments, and community participation to ensure that the globally significant species found in these KBAs are preserved. The Environmental Impact Assessment (EIA) system—the main instrument in the environmental management toolbox—needs substantial strengthening. Furthermore, there is an overriding need to develop, adopt and implement a comprehensive natural resources and environmental policy and strategy including planning for climate change and mitigating its effects.

Therefore, the incremental GEF financing and its co-financing offer a platform to (a) reinforce the targeting of scarce resources to the KBAs, (b) ensure strong coordination among the state and non-state agencies charged with environmental management in Belize, (c) enhance effectiveness of financial support, (d) enhance effectiveness of KBAs management, and (e) promote harmonization between local and national conservation activities.

- B.3. Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF). As a background information, read [Mainstreaming Gender at the GEF.](#)":

Belize's natural resources are critical to the health of its economy and wellbeing of its most vulnerable population. Belize's growth prospects and main economic activities, including tourism, agriculture, and fishing, are strongly linked to the country's environment and natural resource base which give the country its key inherent comparative advantages. In particular, these terrestrial and marine ecosystems provide critical economic and environmental goods and services (fisheries, tourism, timber, non-timber forest resources, coastal protection) for the majority of Belizeans. The poorest people and communities in Belize are predominantly rural and their livelihoods depend largely on access to land and natural resources; furthermore, the highest poverty levels tend to occur in areas with the highest (e.g., South and West of Belize) or lowest (e.g., North and East of Belize) levels of biodiversity, thus presenting critical poverty-environment challenges (for example with encroachment and enforcement issues). It is therefore important to support effective and improved management of the environment and natural resources for sustainable livelihoods and economic growth in Belize.

The proposed project will promote environmentally sustainable community development activities for the local population, providing incentives for conservation while strengthening local communities. These activities will be directly implemented by local landholders, fishers, and agriculturalists. The outcomes of these activities are increased incomes, improved land conditions, and sustainable alternative job opportunities. Involvement of women will be prioritized within the project. Based on the positive experiences of the WB/GEF MesoAmerican Barrier Reef project and the WB/GEF MSP Community Managed Sarstoon Temash Conservation Project, it is evident that these types of activities have been successful and effective in Belize.

- B.4 Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

The risks for executing the project and accomplishing its objectives are the following:

- (a) **Project coordination risk.** Because the proposed project will involve various

departments/agencies, NGOs, local communities, and private sector players, weak and inadequate coordination could hamper effective project implementation.

Risk mitigation measure: Project preparation and design would be supported by a Steering Committee involving the agencies and key players. In addition, robust consultation process would be undertaken during project preparation and project implementation will be supported by close and rigorous supervision by the Bank.

- (b) **Implementation risk.** Belize's capacity limitations could constrain effective project implementation, resulting in slower than anticipated implementation.

Risk mitigation measure: The Bank will continue assessing this risk and mitigating it with frequent supervision as needed and training efforts integrated in the operations.

- (c) **Vulnerability to natural hazards and climate change.** As previously noted, Belize is highly vulnerable to natural disasters and climate change.

Risk mitigation measure: The proposed project is focused on mitigating these risks through activities related to policy and capacity building. Should a natural hazard event occur during implementation, the Bank would be prepared to provide support, *inter alia*, through the IBRD program.

- B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

The proposed project will promote environmentally sustainable community development activities for the local population, providing incentives for conservation while strengthening local livelihoods. These activities will be directly implemented by local landholders, fishers, and agriculturalists. The outcomes of these activities are increased incomes, improved land conditions, and sustainable alternative job opportunities. As part of project activities, a social assessment would be undertaken to determine specific activities and target communities to be supported in and around the KBAs. Because a large number of households earn a living from natural resource-based activities, the project would support targeted livelihood options that enhance the socio economic existence between protected areas, natural resource management, and local communities. The results of the social assessment and consultations would be used to inform the design and implementation of project interventions. Some of the critical habitats in the KBAs have current uses and are indeed on private land. Some of the protected areas are indeed Private Reserves. Thus, creating management regimes, in conjunction with private landowners where needed, may in such cases be sufficient. The Belize Association of Private Protected Areas would be fully involved in project preparation and implementation as this greatly complements public efforts.

The Ministry of Natural Resources and the Environment (MNRE) will be the recipient of the GEF Grant. MNRE will be responsible for the overall implementation of the project, including financial management and procurement according to the Project's Operational Manual and Procurement Plan. MNRE has staff specifically trained to administer and monitor GEF projects; specialists experienced in procuring goods, services, and works under the Bank's guidelines; and systems in place to accurately track and manage grant funds. Detailed roles and responsibilities of the various state and non-state stakeholders will be defined and articulated during project preparation activities.

- B.6. Outline the coordination with other related initiatives:

The project will coordinate with and complement the following related activities:

1. *Strengthening National Capacities for the Consolidation, Operationalisation and Sustainability of Belize's Protected Area System, Strengthening Institutional Capacities*

for *Coordinating Multi-Sectoral Environmental Policies and Programmes*, and UNDP's *Mainstreaming and Capacity Building for SLM in Belize*. These projects are being implemented under the Ministry of Natural Resources and the Environment, which is the same entity that will be implementing this proposed GEF project. Therefore the synergies and lessons learned from the other on-going GEF projects will inform the design and implementation of this project.

2. The *Marine Conservation and Climate Adaptation Initiative* that seeks to find innovative and sustainable financing mechanisms for long-term marine conservation and climate adaptation actions that would strengthen the climate resilience of the Belize Barrier Reef System through a comprehensive package of climate adaptation and conservation measures. The initiative embodies a two-track approach which combines ecosystem-based adaptation with national level enabling policy, finance, and legal frameworks as an effective long-term approach to help strengthen the resilience of the reef system to the adverse effect of climate change. The initiative will produce long-term economic, environmental, and social benefits by addressing the challenges posed climate change on marine ecosystems and on the livelihoods of future generations
3. The project would complement climate change adaptation efforts in the water sector being done by UNDP, under the EU funded Global Climate Change Alliance grant (€2.9 million), whose objective is to enhance adaptive capacity and resilience to climate change in the water sector in Belize.
4. The World Bank is currently preparing the Mesoamerican Barrier Reef System II (MBRS II) Project to be funded by the Global Environment Facility (GEF). The scope of this project is complementary to this project as it is directed at trans-boundary watersheds among the Mesoamerican Reef countries (Belize, Guatemala, Honduras, and Mexico).
5. The project complements the Caribbean Pilot Program for Climate Resilience (PPCR) financed under the Climate Investment Fund (CIF) which finances climate resilience in the Caribbean. Belize would benefit from regional technical assistance activities (implemented through regional organizations such as CCCCC) such as strengthening climate change modeling and monitoring capacity of regional organizations and strengthening monitoring capacity by increasing the number of monitoring climate change (e.g., sea level and sea surface temperature) stations in the Caribbean especially in those countries with limited resources.
6. The CARICOM Heads of State, of which Belize is a member, participating in the First Congress for the Environmental Charter and Climatic Change (2007) requested that the Caribbean Community Climate Change Centre (CCCCC) prepare a Regional Framework document that would lay the ground for achievement of the vision of a “Caribbean society and economy that is resilient to a changing climate.” This strategic vision is reflected in the ‘Regional Framework for Achieving Development Resilient to a Changing Climate (2009-2015)’ that was approved by the CARICOM Heads of Government in July 2009. This project is directly responding and contributing to this Regional Framework.

C. DESCRIBE THE GEF AGENCY’S COMPARATIVE ADVANTAGE TO IMPLEMENT THIS PROJECT:

The World Bank's entire portfolio of activities in Belize as articulated in the Country Partnership Strategy (FY 2012-FY2015) for Belize is concentrated on supporting the Government to achieve *Inclusive and Sustainable Natural Resource-Based Growth and Enhanced Climate*

Resilience. This highly enhances the Bank's comparative advantage in terms of (i) policy dialogue on the importance of natural resources in Belize's growth; (ii) the Bank's capacity to leverage additional funds for investments targeting sustainable natural resources management; and, (iii) coordination with other priority sectors and donors.

The Government has requested the World Bank to collaborate on a broad investment program in natural resources management which includes both the full STAR allocation as well as other World Bank financing.

C.1 Indicate the co-financing amount the GEF agency is bringing to the project:

This project is designed as part of the World Bank's Country Partnership Strategy (CPS) (FY12-FY15) for Belize. It will accompany the World Bank CPS program (of grants, loans) that is sharply focused on sustainable natural resource management and climate resilience. The mixture of grants and loan in co-financing is expected to be US\$16 million.

C.2 How does the project fit into the GEF agency's program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

As described earlier, the proposed GEF project is fully aligned with the Bank's Country Partnership Strategy (FY 2012-FY2015) for Belize. The CPS concentrates on support to the Government to achieve ***Inclusive and Sustainable Natural Resource-Based Growth and Enhanced Climate Resilience***. The rationale behind this selectivity is threefold: (i) the Bank's comparative advantage and the potential impact it could have given the importance of natural resources in Belize's growth; (ii) the Bank's capacity to leverage additional funds to complement the limited resources; and (iii) the fact that other priority sectors are supported by other donors. This project will contribute directly to the CPS by investing in sustainable natural resource management in KBAs and selectively strengthening the capacities of the agencies involved in natural resource management in Belize (Please see section A.1.1 for further information).


There is no World Bank country office in Belize. The project will be managed by the Caribbean Country Unit/ Environment group. Regional and global staff from the World Bank team supporting this project includes environmental specialists with several years of experience working in Belize with expertise in PA management, climate change, sustainable forest management, and payment for environmental service schemes; social scientists, procurement and disbursement experts, legal experts, and environmental policy experts.

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

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):** (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Mr. Martin Alegria	Belize GEF Operational Focal Point	MINISTRY OF NATURAL RESOURCES AND THE ENVIRONMENT	09/16/2011

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for project identification and preparation.					
Agency Coordinator, Agency name	Signature	DATE (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Karin Shepardon, GEF Executive Coordinator, World Bank		September 19, 2011	Jo Albert, Sr. Regional Coordinator, Latin American and Caribbean Region, World Bank	(202) 473-3458	Jalbert@worldbank.org