



PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: FULL-SIZED PROJECT
TYPE OF TRUST FUND: GEF TRUST FUND

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PART I: PROJECT INFORMATION

Project Title:	Contributing to the integrated management of biodiversity in the Pacific Region of Colombia to build peace		
Country:	Colombia	GEF Project ID:	9441
GEF Agency:	FAO UNIDO	GEF Agency Project ID:	638260 (FAO) 160054 (UNIDO)
Other Executing Partner:	Ministry of Environment and Sustainable Development (MADS), <i>Parques Nacionales Naturales</i> (PNN), SIRAP Pacific (IIAP, CARs)	Re-Submission Date:	15 July 2016 12 August 2016
GEF Focal Area:	Multi-Focal Area	Project Duration (Months)	60
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/> Corporate Program: SGP <input type="checkbox"/>		
Name of parent program:	N/A (not applicable)	Agency Fee (\$)	718,443

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES:

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
BD-4 Program 9	GEFTF	2,393,186	13,420,000
BD-1 Program 1	GEFTF	2,233,274	7,000,000
LD-3 Program 4	GEFTF	711,782	3,800,000
SFM-1 Program 1	GEFTF	1,067,672	5,200,000
SFM-2 Program 5	GEFTF	1,156,644	5,880,000
Total Project Cost		7,562,558	35,300,000

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: To mainstream the sustainable use and conservation of biodiversity and the provision of ecosystem services in vulnerable landscapes of the Colombia's Pacific region in view of generating global and local environmental benefits and supporting the peace process.

Project Component	Type ¹	Project Outcomes	Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
Component 1: Institutional strengthening to support pro conservation and sustainable use in the Pacific region of Colombia	TA	<p>Outcome 1.1: Regional and departmental planning instruments are harmonized and safeguard biological and cultural diversity, leading to a general reduction on potential threats from development-oriented activities.</p> <p><i>Indicators for 1.1. to be fully developed during the PPG stage and captured in the BD4, LD3 and SFM</i></p> <p>Tracking Tools:</p> <ul style="list-style-type: none"> - Project targeted area for reducing current and potential pressures from competing land uses and forest degrading land-uses: 8.7 million hectares² (indirect target) 	<p>Output 1.1.1: A Diagnosis & Strategic Assessment on the ecosystem services of the Pacific Region</p> <p>Output 1.1.2: Biodiversity, ecosystem services and cultural aspects safeguards mainstreamed in land-use plans through pilot projects in departments and municipalities.</p> <p>Output 1.1.3: A tailor-made and open-access territorial planning system integrated into the Environmental</p>	GEFTF	1,558,954	7,170,263

¹ Financing type can be either investment or technical assistance.

² Corresponding to the total surface area of the Continental Pacific Region.

Project Component	Type ¹	Project Outcomes	Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
		<p>landscape) of which at least 872,000 hectares³ (<i>direct</i> total area)</p> <ul style="list-style-type: none"> - High-value biodiversity areas outside of protected areas either under improved management or heightened conservation status as a result from the project: 872,000 hectares (<i>direct</i> total area) - The extent to which biodiversity and ecosystem services are mainstreamed into relevant planning instruments (independently assessed), in particular the following: <ul style="list-style-type: none"> a) Region-specific Diagnosis & Strategic Assessment; b) Relevant sectoral planning frameworks, in particular forestry, mining, oil & gas, transportation and tourism in the Pacific region; c) Land Use Plans and other planning tools⁴ at the departments level of Chocó, Cauca, Valle del Cauca, Nariño and Risalda. <p>Outcome 1.2: Improved stakeholder capacity and level of participation to support the enforcement of the planning mechanisms</p> <p><i>Adequate outcome indicators on participation and capacity development (Outcome 1.2) will be developed during full project preparation. SFM-1 Program 5 will be applied</i></p>	<p>Information System of Colombia (SIAC) of the National Environmental System (SINA, and strengthened to serve as a “planning umbrella” to harmonize all existing planning mechanisms and frameworks for the Pacific region⁵ leading to a cohesive and environmentally- sound planning process detailing prescribed land-uses.</p> <p>Output 1.1.4: Forest Management Plans are developed for high-value biodiversity areas outside of protected areas, infusing strong socio-environmental safeguards into these plans, and their implementation is kick-started with project support, promoting ecological connectivity at the landscape level (<i>hectares for forest management plans to be fully defined during full project preparation</i>)</p> <p>Output 1.2.1: Capacity development modules for stakeholders and governance systems established for collaborative land use management, with gender approach⁶.</p> <p>Output 1.2.2: Community-based participatory networks established for monitoring and safeguarding compliance with prescribed land-uses, with gender approach.</p>			
Component 2: Integrated management of protected areas, buffer zones and complementary	TA	Outcome 2.1: Reduction in pressures and threats to biodiversity and ecosystem services in 412,000 hectares ⁸ of existing PAs and their buffer zones	Output 2.1.1: Management Plans and governance mechanism for selected forest PAs developed and implemented (410,000 hectares)	GEFTF	2,849,337	13,105,256

³ This is the ‘*direct target landscape*’ for mainstreaming and under improved management because of the project.

⁴ This may include existing planning tools for managing forest reserve areas, forest-use plans, plans for watershed use and management (POMCAs), among others. Both municipal and collective land-use planning tools should also be articulated. Most of the Pacific region are is under collective management. This will be further determined during full project preparation according to the selected project intervention areas.

⁵ E.g., land use, environmental plan, forest land use plan, zoning, and others.

⁶ A full gender analysis will be conducted during full project preparation as part of the stakeholder analysis and consultation.

Project Component	Type	Project Outcomes	Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
conservation strategies ⁷		<p><u>Indicators for 2.1 to be fully developed during full project preparation and, where applicable, captured in the BD1 and BD4 Tracking Tools:</u></p> <ul style="list-style-type: none"> - Increased METT scores for targeted PAs. - Scores on PA financial sustainability for the Pacific Region sub-system of PAs. - PA / buffer zone surface area of degraded forest under restoration. - Selected pressure-state-response indicators for targeted PAs and buffer zones. <p>Outcome 2.2: A total of 450,000 hectares⁹ of new protected areas¹⁰ and 'complementary conservation strategies' (CCS) are registered under SIRAP and receive support for management planning and implementation</p> <p><u>Indicators for 2.2 to be fully developed during full project preparation and, where applicable, captured in the BD and SFM Tracking Tool:</u></p> <ul style="list-style-type: none"> - Number of areas under appropriate 'complementary conservation strategies' (among them ICCAs) that benefit from project and attain, as a result, a heightened conservation status. - METT scores, if applicable. - <i>Hectares under integrated land use planning:</i> 450,000 hectares 	<p>Output 2.1.2: Strategies for the Financial Sustainability of SIRAP Pacific designed and implemented</p> <p>Output 2.1.3: Forest restoration and soil recovery plans for protected areas or buffer zones, connectivity areas and corridors are developed and implementation is kick-started in 2,000 ha (<i>to be fully defined during full project preparation</i>)</p> <p>Output 2.2.1: Natural resource management plans are prepared and implemented in CCS areas and ICCAs by the forest-dependent communities (300,000 hectares)¹¹</p> <p>Output 2.2.2: Legal feasibility study for 'Indigenous and Community Conserved Areas' (ICCAs) leads the way for the incorporation of these areas into an overall conservation strategy for the country (the Pacific Region spearheads this).</p> <p>Output 2.2.3: Potential new regional PAs with high-value forests are assessed and steps towards their declaration as formal PAs taken (150,000 hectares)¹²</p>			
Component 3: Sustainable production practices as	INV	Outcome 3.1: Biodiversity and ecosystem services are sustainably utilized in forest-based productive systems and generate multiple	Output 3.1.1: 'Green Business action plan(s)' harmonized and under implementation: The	GEFTF	2,527,387	11,624,480

⁸ This figure is equivalent to 410,000 hectares under PA management plans plus 2000 hectares of recovered areas.

⁷ Translation of '*estrategias complementarias de conservación*', which include the establishment of areas that are not formal protected areas, but function as such. It may e.g. include stewardship approaches, but also modalities of area protection and management that correspond to what is internationally termed as 'Indigenous and Community Conserved Areas' (ICCAs). These areas are not currently under the jurisdiction of any environmental authority in Colombia.

⁹ SIRAP Pacific has jurisdiction over 492,000 including both terrestrial and coastal-marine areas (292,486 has. in Cabo Manglares). This number can considerably increase if the ICCAs are also included. This will be further analysed site-by-site during full project preparation with a participatory approach.

¹⁰ Potential new PAs will be identified and created in accordance with IUCN Key Biodiversity Area Standards. In addition, the selection process will be conducted in a participatory manner in compliance with FAO and UNIDO policies on Free, Prior and Informed Consent. (See more information in paragraph 63 below).

¹¹ Kindly see more details on ICCAs under subsection 2 of the PIF. This output is intended to promote the stewardship of high-value BD forests and forest resources by the communities that live in those forests.

¹² This is based on SIRAP Pacific's estimates. The terrestrial area of SIRAP Pacific covers 199,514 ha, mostly forest areas.

Project Component	Type	Project Outcomes	Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
alternatives for local development, biodiversity protection and Peace process support		<p>environmental and socio-economic benefits¹³</p> <p><i>Indicators for 3.1 to be fully developed during full project preparation and, where applicable, captured in the BD, LD and SFM Tracking Tool:</i></p> <ul style="list-style-type: none"> -Number of hectares under sustainable production practices: at least 10,000 hectares - # of beneficiary households: 1000¹⁴ (at least 25% led by women). <p>Outcome 3.2: Products and services derived from biodiversity have value added and their value chains duly strengthened.</p> <p><i>Indicators for 3.1 and 3.2 to be fully developed during the PPG stage:</i></p> <ul style="list-style-type: none"> - Beneficiary income and other livelihoods' indicators viz. baseline. - Relative growth and diversification of green businesses supported by the project viz. baseline. - Application and results from the GEF BD4 Tracking Tool with focus on green business and certification. 	<p>location and management frameworks for fostering and developing diversified production systems (among them, agroforestry, industry and services) are agreed upon and modalities adapted to local conditions, for supporting food security, sustainable livelihoods with strong economic linkages, landscape-level connectivity and forest rehabilitation¹⁵</p> <p>Output 3.1.2: Sustainable production systems¹⁶ implemented incorporating good soil and biodiversity-friendly practices (1000 families, 10,000 hectares)¹⁷</p> <p>Output 3.2.1: Processing units for forest products have acquired technical and management training</p> <p>Output 3.2.2: At least 5 biodiversity-derived products with market access and certified by sustainable production standards¹⁸.</p> <p>Output 3.2.3: Two (2) sustainable tourism initiatives conceived, planned at the landscape level, their feasibility assessed and tenders launched to attracting private sector investments that will abide by the strongest social-environmental safeguards, given the region's ecological sensitivity.</p>			
Component 4: Knowledge	TA	Outcome 4.1: Project monitored and evaluated with a results-based	Output 4.1.1: An online monitoring platform.	GEFTF	266,757	1,719,048

¹³ Outcome 3.1 will mainly work with non-wood forest products.

¹⁴ During full project preparation, a contextualized socio-economic analysis will identify household beneficiaries. Stakeholder engagement will envisage stakeholder identification, analysis and consultation. The outcome of this process will be described in the Project Document.

¹⁵ This will be articulated with the Investment Portfolio for the Pacific that is being promoted by MADS.

¹⁶ In this context, "sustainable production systems" are understood as including agro-forestry systems, silvopastoral systems, and agro-silvo-pastoral systems, depending on the features of each farm or rural plot and forest area.

¹⁷ According to BIOINNOVA studies, the average land property in the Pacific region is 10 hectares/family, (i.e. 1000 families * 10 ha = 10,000 hectares). If the indirect effect of sustainable using non-timber forest products is quantified, the benefit would reach 30,000 hectares (over a total of 40,000 ha under sustainable use). This will be further defined during full project preparation.

¹⁸ There are various entities with experience and track record in Colombia providing certification for bio-trade products. In Part II, these are presented.

Project Component	Type	Project Outcomes	Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
management and project monitoring and evaluation		management approach, and systematization of lessons learned	Output 4.1.2: Best practices and lessons learned systematized and disseminated. Output 4.1.3: Mid-term and final evaluation.			
Subtotal				GEFTF	7,202,435	33,619,047
Project Management Cost (PMC)					360,123	1,680,953
Total Project Cost					7,562,558	35,300,000

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE

Sources of Co-financing	Name of Co-financier	Type	Amount (\$)
National Government	Ministry of Environment and Sustainable Development	In-Kind	150,000
National Government	Ministry of Environment and Sustainable Development	Cash	350,000
National Government	Natural National Parks of Colombia	In-Kind	1,000,000
National Government	Ministry of Agriculture and Rural	In kind	1,400,000
National Government	Ministry of Agriculture and Rural	Cash	3,000,000
National Government	Administrative Unit of Land Consolidation	Cash	4,000,000
Research Institute	IIAP	In-Kind	300,000
Research Institute	IIAP	Cash	200,000
Local Government	Governments, municipalities and Autonomous Regional Corporations	In- Kind	4,000,000
Local Government	Governments, municipalities and Autonomous Regional Corporations	Cash	12,000,000
Academia	National University: ICTA / UTCh	In-Kind	800,000
Science and Technology Center	BIOINNOVA	In-Kind	500,000
Science and Technology Center	BIOINNOVA	Cash	1,500,000
NGO	Sustainable Bio-trade Corporation	In-Kind	400,000
NGO	Communal Councils of Indigenous and Afro-descendant Communities	In-Kind	700,000
GEF Agency	UNIDO	In-Kind	800,000
GEF Agency	UNIDO	Cash	2,500,000
GEF Agency	FAO	In-Kind	500,000
GEF Agency	FAO	Cash	1,200,000
Total Co-financing			35,300,000

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

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area*	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) ^{b)}	Total (c)=a+b
FAO	GEFTF	Colombia	Biodiversity	n/a	2,683,791	254,960	2,938,751
UNIDO	GEFTF	Colombia	Biodiversity	n/a	1,942,669	184,554	2,127,223
FAO	GEFTF	Colombia	Land Degradation	n/a	711,782	67,619	779,401
FAO	GEFTF	Colombia	Sustainable Forest Management	SFM	2,224,316	211,310	2,435,625
Total GEF Resources					7,562,558	718,443	8,281,000

a) Refer to the Fee Policy for GEF Partner Agencies.

E. PROJECT PREPARATION GRANT (PPG)

Is Project Preparation Grant requested? Yes [X]

PPG AMOUNT REQUESTED BY AGENCY, TRUST FUND, COUNTRY AND THE PROGRAMMING OF FUNDS

Project Preparation Grant amount requested: \$200,000					PPG Agency Fee: 19,000		
GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area*	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee (b)	Total c = a + b
FAO	GEFTF	Colombia	Biodiversity	n/a	70,547	6,702	77,249
UNIDO	GEFTF	Colombia	Biodiversity	n/a	51,852	4,926	56,778
FAO	GEFTF	Colombia	Land Degradation	n/a	18,812	1,787	20,599
FAO	GEFTF	Colombia	Sustainable Forest Management	SFM	58,789	5,585	64,374
Total PPG Amount					200,000	19,000	219,000

F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	8.7 million hectares as the 'indirect target landscape' for mainstreaming ¹⁹ + 872,000 hectares as the 'direct target landscape' ²⁰
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	Surface to covered by Forest Management Plans to be developed under Output 1.1.4 (total area yet to the estimated) + 10,000 ha of land under sustainable productive systems or under restoration
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO _{2e} mitigated (include both direct and indirect)	2.701.279,46 t CO _{2e} . ²¹

PART II: PROJECT JUSTIFICATION

1) PROJECT DESCRIPTION

1. The global environmental and/or adaptation problems, root causes and barriers that need to be addressed

The global environmental problems

1. **Summary.** The project is designed to mainstream the sustainable use and conservation of biodiversity and the provision of ecosystem services in vulnerable landscapes of Colombia's Pacific region in view of generating global and local environmental benefits and supporting the peace process. More than 50 per cent of the continental Pacific Region is covered by forests, mostly tropical rain forests and high precipitation tropical rain forests. Coastal areas also harbor large expanses of mangrove forests. Both types of forest ecosystems in the region are rich in biodiversity and render essential ecosystem services, including carbon sequestration and retention. While the Pacific Region has been relatively untouched by large scale infrastructural development and the impacts of concentrations of human settlements, this may change in the future, unless protection and strong safeguards are mainstreamed into development plans and land-use practices. The recent steps taken towards the signing of a peace agreement presents an unparalleled opportunity for the region's development, but also a challenge from the point of view of forest conservation. The project proposes to address this challenge early on through a three-pronged approach. First, it will protect biodiversity and safeguard ecosystem services rendered primarily by forests by mainstreaming them at the level of landscapes and in the context of the peace process. Secondly, the project will implement an integrated management of protected areas, buffer zones and other 'complementary conservation strategies' (termed '*estrategias complementarias de conservación*' in Colombia) – all of which, with the aim of reducing the loss of biodiversity and maintain/strengthen the provision of ecosystem services. The proposed project approach includes the establishment of areas that are not

¹⁹ SIRAP's continental surface.

²⁰ 410,000 ha under PA Management Plans, 300,000 ha. under ICCA management plans, 150,000 ha of new regional PAs, 2,000 ha of recovered areas and 10,000 ha of areas under good sustainable production practices.

²¹ This also includes the 2,000 ha of restoration area under Output 2.1.3

formal protected areas, but function as such, among them different stewardship approaches and modalities of area protection and management that correspond to what is internationally known as 'Indigenous and Community Conserved Areas' (ICCAs). The formalization of these approaches is a novelty in Colombia. Thirdly, the project will foster the implementation of sustainable productive practices, as a local development alternative to protect biodiversity and equally support the peace process. Through Green Business action planning, the primary, secondary and tertiary economic sectors will be targeted in a synergetic way to generate development and address some of the drivers of forest loss.

2. Core justification. The Colombian Pacific Region comprises the departments of Chocó, Cauca, Valle del Cauca, Nariño, and Risaralda covering a surface of approximately 135,386 km². It is bordered to the North by the international border with Panama which crosses the coast in the middle sector between the tip of Cocalito in Panama and Punta Ardita in Colombia (N 7th 12'39.3 " W 77 ° 53'20.9 ") and South of the international border with Ecuador, demarcated in the coastal area by the Mataje river (N 1 ° 26 'W 78 ° 49'). The region is comprised of 193 municipalities, of which 64 correspond to Nariño, 42 to Cauca, 42 to Valle del Cauca, 31 to Chocó and 14 to Risaralda. The project has been formulated at a time when the Colombian government is making assertive and fast strides towards ending the country's long entrenched armed conflict and managing risks that may reverse recent development gains, if unaddressed. The Pacific Region has been strongly affected by the armed conflict that has lasted over 50 years in the country and is considered a priority area for peace building. As a crucial form of support to the peace process, and by focusing on the sustainable management of forest ecosystems and associated livelihoods, the project will contribute to protect the biodiversity and the provision of ecosystem services in Colombia's Pacific Region, generating global and local environmental benefits.

3. This is not just timely, but also increasingly urgent. The Pacific Region is rich in biodiversity, but in the post-conflict development context it will likely face accelerating anthropogenic pressures. The peace process in Colombia and its aftermath could, on the one hand create governance conditions for addressing several of the causes of illegal practices, including those linked the extractive industries that may be in irregular situation. On the other hand, the post-conflict core plan, embedded in the *Somos Pazífico* Presidential Strategy, proposes to bring infrastructure and improve access to an otherwise well-preserved region of the country, leading in the long run to an unsustainable development path. Unless the process of opening-up access is done in a planned and duly monitored fashion, the patterns of emerging threats to the target landscape will likely be exacerbated, aggravating the loss of forests, its biodiversity and carbon stocks, followed by the degradation of essential ecosystem services.

4. As it is, the Government lacks an effective management framework for ensuring that such development does not come at an unacceptable price in terms of biodiversity and habitat loss. There is an urgent unmet need to mainstream biodiversity management into development and to influence the trajectory of development, to contain pressures in the most ecologically sensitive areas, including forest protected areas (PAs), their adjacent zones and important ecological corridors.

5. The project will address this need through a three-pronged approach. First, it will strengthen natural resource use governance at the landscape level by developing and implementing a territorial planning system that explicitly incorporates biodiversity and ecosystem services conservation needs and prescribes land uses with a view to mitigating threats. The project will work with a network of community monitors to ensure the sustainable utilization of forest and land resources and prescribed land-uses. Second, the project will strengthen conservation on collective territories²² and protected areas, addressing existing threats to biodiversity linked to artisanal livelihoods and subsistence activities. The project will establish ecological corridors and recover degraded areas to improve the biodiversity value of the protected areas. Third, economic alternatives to improve the livelihood and food security of the local population will be strengthened using biotrade and ecotourism. Bio-products value chains, which obtain their raw materials from forest species, offer an excellent avenue for exploring these benefits—and for contributing to Colombia's promising Green Business economy—through a local and synergetic development anchor that connects forests with sustainable cultivation and soil management, practices forest-based industry and services.

6. Biodiversity and Forest Ecosystems Significance. The Colombian Pacific mountain and coastal region is still considered one of the great wilderness areas of Colombia—because of the predominance of natural ecosystems. The Pacific Region encompasses 17% of Colombia's land mass and harbors 8% of the country's forests. The Pacific region is globally recognized as a repository of a vast wealth of biological and cultural diversity and is part of the Tumbes-Chocó-Magdalena hotspot²³. This territory also holds one of the highest rates of endemic plants on the planet: a quarter of its flora does not exist anywhere else in the world, a particularly notable phenomenon in the families of the anthurium and related plants (*Araceae*), orchids (*Orchidaceae*), palms (*Cyclanthaceae*) and bromeliads or quiches

²² It refers to Indigenous Peoples and Afro-descendant territories.

²³ According to Gentry (1986), the forests of the Colombian Pacific are estimated to contain one of the richest plant communities in the world. In the Catalog of Plants and Lichens of Colombia, of the 24,528 recorded species of vascular plants 6,052 species are located in the Pacific Region (Bernal, R., S.R. Gradstein and M. Celis (eds.), 2015).

(*Bromeliaceae*). Although the region's fauna is the lesser-known aspect of biodiversity in the area, it is also very rich, especially given the large number of terrestrial invertebrates that remain unclassified. Among vertebrates, amphibians are very diverse compared to other neotropical regions.

7. The marine area is characterized by large expanses of mangroves, coral reefs and pelagic areas, which are home to a wealth of fauna and flora that are the foundation of local economies, livelihoods for ethnic communities and source of supply to meet the national and international markets. This project will mainly address terrestrial areas and will include some coastal-marine areas that will be further defined during full project preparation. The Project will target the tropical rainforest ecosystem, characterized by its high precipitation in the Continental Shelf and, where applicable, mangrove areas.

8. Water. The Pacific Region present among the highest mean values for the services of water provision (125.8 L/s km²), regulation of water flow (>0.72) and carbon storage in the above-ground biomass (60.3 t/ha) in the country (Rodríguez, Armenteras and Retana, 2014). The watersheds from the Pacific and Andean regions have large water provision values because with the incidence of hydroclimatic conditions originated by atmospheric circulation patterns from the Pacific Ocean and Caribbean Sea, the dynamic hydroclimatic systems from the Amazonian and Orinoquia regions and topographic gradients (Poveda et al., 2011). The IDEAM (2010) reported that these areas have the highest water yields and to be providers of water for the country (ca. 70%) and that many of the streams are direct tributaries. Furthermore, the Pacific watersheds were important for the services of soil organic carbon and landslide prevention. According to Rodríguez, Armenteras and Retana (2014), the highest values for the service of carbon storage in the soil (>0.66%) were limited to the Andes and some areas of the Pacific region. In addition, between 39% and 43% of the country's area contained hotspots associated with the Regulation of water flow and carbon storage in the above-ground biomass, respectively. These services were concentrated in the Pacific and Amazonian regions and closely linked to the maintenance of forests.

Root Causes and Drivers of Biodiversity Loss and Ecosystem Services Degradation

9. Habitat loss through deforestation and degradation. Deforestation – and loss of associated ecosystem services, among them carbon storage and water provision – is the most prominent threat to forests in the Pacific Region. According to trend analysis and spatial patterns of deforestation in Colombia (IDEAM, 2011) this region has an average deforestation rate of 14,403 ha/year, and in 2014 lost a total of 13,855 ha (IDEAM, 2014)²⁴. Deforestation is among the main causes of biodiversity loss and ecosystem fragmentation in the region. According to the Red Books of endangered species in Colombia, 157 plant species are included in a threat category (21 are Critically Endangered, 55 are Endangered and 81 are Vulnerable), including species of flora such as *Svietenia macrophylla* (Globally Vulnerable), commonly known as Mahogany, the wild population of which has been subjected to indiscriminate cutting because it is considered one of the finest woods in the market; and Choiba (*Dipteryx oleifera*), of which the entire plant is used, from stem to leaf to fruit. The region is the habitat of endemic species, which are also globally threatened, such as the Baudo Guan (*Penelope ortoni*) (Globally Endangered), the Pacific Umbrella bird (*Cephalopterus penduliger*) (globally Vulnerable), the Munchique Paramere (*Eriocnemis mirabilis*) (globally Critically Endangered) and the Oriole chochoana (*Psarocolius cassini*) (Globally Endangered).

10. The main causes of deforestation and forest degradation in the region are linked to the lack of livelihoods. The region has significant levels of inequality and high levels of poverty and unemployment compared to the national average. Choco is the poorest department in the country, with an incidence of poverty of 68.0%, followed by Cauca in the region with 62.1%, with 47.6% Nariño and Valle del Cauca with 26.9%, and a more critical situation exists in rural areas. These areas have high levels of food insecurity and malnutrition caused, among other factors, by inadequate availability and access to diversified foods, especially by the most vulnerable populations. The lack of livelihoods has led local populations to engage in invasive and extractive practices detailed below that degrade the region's biodiversity and its ecosystem functions as follows:

- **Unsustainable and illegal logging to supply the domestic timber market:** In 2008-2012, the National Police seized 1,815,322 m³ of wood, equivalent to 14,523 trucks with a capacity of 25 m³ per year. The logging activities are carried out by local communities – especially youngsters and young adults who sell wood at very low prices to medium-scale mills to supply timber companies – and external actors. The forestry sector remains largely informal due to limited application of instruments for sustainable forest management and lack of control.
- **Expansion of the agricultural frontier:** Deforested areas are used for subsistence production and pastures for ranching. These land uses are not consistent with the land carrying capacity and the loss of ecosystem services is aggravated through the adoption of inappropriate technologies and unsustainable natural resource management practices. The expansion of the agriculture frontier has also been linked to illicit crop cultivation. Although there has been a decrease in cultivated areas in the last years at national level, the Departments of Nariño and Cauca are

²⁴ IDEAM press release. November 2014.

still largely affected, with the municipalities of Tumaco (Nariño) and El Tambo (Cauca) reporting the largest areas of illicit crops in 2014. According to MADDS and the UN System in Colombia²⁵, there have been two types of processes in areas with a tendency to reduce illicit crop cultivation: i) sustainable income-generating activities have developed in some areas, such as projects for cocoa, rubber and honey production, ecotourism, among others; ii) unsustainable activities such as logging (deforestation) and/or mining of precious metals, which have prevailed in other cases, involving vulnerable populations in areas with institutional weakness. Finding alternatives to illegal crop cultivation that are sufficiently profitable but also sustainable is paramount for the Pacific region in the post-peace agreement period.

- **Overexploitation of hydrobiological resources for self-consumption and commercialization:** These phenomena are multiplied in conflict-affected areas, where the incidence of armed actors has promoted the development of these high-impact activities. The phenomenon of population displacement has been particularly important in the region, causing a deep uprooting of the population from its territory, weakening governance of natural resources, and a loss of traditional knowledge and practices.

11. The recent steps taken towards the signature of Colombia's peace agreement presents a great opportunity for the region's development, but also a challenge from the point of view of ecosystem conservation. The Program *Somos Pazcífico*, a government priority for the next five years for the region, will invest in developing infrastructure such as water supply, basic sanitation, electricity and transportation linking the entire Pacific Region. The region will be key to implementing peacebuilding activities, which will most likely lead to processes of changing land uses related to: i) infrastructure development, ii) agricultural development, iii) increase of the migration processes with the return of displaced populations that will expect access to land and productive management, and iv) illicit crop substitution, among others. If these processes of land occupation are not carried out with environmental and sustainability considerations, they may lead to a gradual exacerbation in the dynamics of biodiversity loss and deforestation due to increased rates of logging, mining, over-exploitation of hydrobiological richness and expansion of the agriculture frontier.

Land Use, the relevant Protected Area System and the Regional and Socio-economic Context

12. In the baseline scenario, there have been some efforts in place for counteracting the direct threats to biodiversity and to the provision of forest ecosystem services. These have included land-use planning, and initiatives for the protection and sustainable use of forest resources, as described below:

- Land-use planning:** Land use planning have sought to guide investments and institutional and private actions in favor of local development and well-being of the population. The institutions in charge of land use planning use multiple instruments that have been defined by the national government, regional and ethnic authorities, and other local authorities. Planning exercises have primarily addressed the continental area of the Pacific region.
- The role of local communities and indigenous groups in land use planning:** One of the key features that differentiates the Pacific region from other Colombian regions is the combination of natural resources and cultural riches. Dense forests, a wealth of water resources, globally-important coastal ecosystems (e.g. mangroves), and rich fisheries are managed by indigenous and Afro-descendant communities, mainly by *Embera, Wounaan, Katio, Chami, Tule*, and *Zenú* of Choco indigenous groups in the North, and the *Awa* indigenous group in the South. The Pacific region still depends on traditional appropriation forms (i.e. ancestral domains) and territorial organization. Indigenous Councils and Community Councils administer lands through collective ownership²⁶. About 67 per cent of the continental territory of the region is collectively entitled to Afro-descendant and indigenous communities²⁷. Indigenous and Afro-descendant communities already design their own development policies and priorities for community territories through Life Plans and Etno-development plans, respectively.
- The "*Áreas de Conservación Étnica*" (equivalent to what is internationally known as ICCAs). In addition to the protected areas, the SIRAP Pacific subsystem includes Complementary Conservation Strategies (CCS), which are defined as "*delineated and regulated geographical areas in which an action or group of actions is implemented by a social actor (communal or institutional) to ensure the conservation, management and sustainable use of bio-cultural diversity in a territory which contribute to ensuring the functional and structural connectivity of the protected areas in their*

²⁵ United Nations System in Colombia and Ministry of Environment and Sustainable Development. September 2014. Environmental considerations for building a stable, lasting and sustainable peace in Colombia territorial - inputs for discussion. Bogota, DC, Colombia.

²⁶ This includes indigenous territories and collective territories of Afro-descendant communities.

²⁷ More than 5 million hectares of collective territories belong to Afro-descendant communities distributed in 168 territories. Furthermore, more than 2 million hectares belong to indigenous peoples distributed in 198 communities.

regional environment". There are specific CCS areas that have been designated within community-based territories: i) the Natural Ancestral Areas within the collective territories of Afro-descendant communities; ii) the Indigenous Conservation Areas; and iii) sacred sites within the Indigenous Territories. According to preliminary data from SIRAP Pacific, there are 153 ethnic conservation areas in the Pacific region, covering an area of 1,400,000 hectares. They are distributed as follows:

Indigenous peoples' and community conserved territories and areas			
Department	Number of areas	Extension (in ha)	%
Chocó	72	927,358.09	66
Valle del Cauca	47	61,765.64	4
Cauca	13	357,512.80	26
Nariño	16	9,869.00	0.7
Risaralda	5	43,719.85	3
TOTAL	153	1,400,225.38	100

These areas are recognized by the SIRAP Pacific, but are not yet included as PAs in the National System of Protected Areas (SINAP). The Project will address this gap (see Component 1).

- d. **Sub-system of Protected Areas:** In the Pacific Region there are 47 protected areas under national and regional conservation categories and public and private governance. The Regional Subsystem of Protected Pacific Areas (SIRAP Pacific) has jurisdiction over a total area of 43,684,777 hectares (21.3% in the continental area, 78.61% in the coastal and marine areas, and 0.9% are islands). SIRAP Pacific is a coordinating body for biodiversity management. It operates through conservation strategies of protected areas.
- d. **Biotrade:** UNIDO has identified an important opportunity for natural ingredients market development with the cosmetic and foods industry. In the case of Colombia, the current market is a net importer of products due to a lack of high quality products with stable supply. Thus, there is a potential substitution of imported products such as juices, vegetable extracts, coloring and essential oils. For example, the juice and vegetable extracts exports reached USD 9.5 million in 2014, while the imports reached USD 20.8 million. The exports of vegetable grease and oil generated USD 186,000 in 2014, while imports amounted to USD 3.9 million. Vegetable dyes and essential oils also presented a negative balance in 2014, namely at USD 7.3 million and USD 11.9 million, respectively.
- e. **Peace and possible implications for land-use in the Pacific Region:** On 23 June 2016, the Government of Colombia and the FARC signed a historic peace agreement. The international community will support the local and departmental governments in the field to formulate Territorial Development Plan(s) that are adapted to the post-conflict and peacebuilding context. TDPs will include programs and projects led and channelled through the local governments in the mid-term. The peacebuilding process will seek the overcoming of violence use as a conflict-solving means, will foster social dialogue and development alternatives that are economically and socially sustainable. The challenge for GEF is to supporting the inclusion of environmental management criteria in these updated planning tools.

Barriers

13. Despite the efforts of the national Government, municipalities, research institutes, civil society and international cooperation, the following obstacles remain:
14. **Barrier 1:** Disarticulated planning processes hinder the incorporation of environmental, cultural and productive determinants in the Pacific region.
15. Despite the existence of diverse territorial management tools²⁸ in the Pacific region, these efforts are not well articulated. These tools frequently present several categories of use for the same area, creating conflicts over land use, land governance and access to natural resources. To date, territorial planning and management processes have not

²⁸ This refers to sectoral plans, land use plans, environmental management plans, among others.

been participatory. Production-minded and conservation-minded interests have not been well integrated. In addition, marine-coastal areas have not been included in territorial planning, despite their socio-economic and environmental importance.

16. The Departmental Development Plan(s) and the Municipal Development Plan(s) have not been fully implemented in the Pacific region given the conflict context. Now, with the peace agreement both planning tools should be reinforced to support the post-conflict development process.

17. In general, the participation of the directly affected communities has been limited, except in areas under collective jurisdiction. Local rural people have had a passive role, receiving information and diagnostics and accepting high-impact activities in their territories or around them. There is no effective coordination between the different stakeholders and instruments of planning and management. Institutional capacities for mainstreaming environmental and cultural dimensions in public policy through participatory processes are limited and incipient. This context has prevented the State from properly regulating and providing guidance on the use of the Pacific territory and its renewable natural resources. This low level of harmonization has led to a disruptive development that comprises the unsustainable use of forest resources in the region.

18. **Barrier 2:** Inefficient management and inadequate control and monitoring of protected areas.

19. The SIRAP Pacific was created in 2010 and remains in a consolidation phase. No financial need assessment of this sub-system of protected areas has been fully conducted. While the National Natural Parks (PNN) of Colombia has more than 1.5 million hectares under protection and near 193 staff people to manage them (7,900 ha per person), the regional sub-system of protected areas has less staff to cover more than 154,000 ha. The PNN annual action plans and their related budgets are the sole information source about current financial needs. PNN has calculated that the financial gap to cover the inter-institutional proposed activities for SIRAP Pacific reaches about 85%. The SIRAP Pacific budget to manage Protected Areas (PAs) relies almost exclusively on national budget allocations and inter-institutional cooperation. These funding sources are insufficient to ensure the effective management of PAs in the Pacific. This problem is more serious for regional-level protected areas that rely on fewer resources for their management. This situation is relatively due to the historical low level of commitment from many institutions in allocating resources to protected areas.

20. SIRAP Pacific recognizes Natural Ancestral Areas, Areas of Indigenous Conservation and sacred sites as '*Complementary Conservation Strategies*'. This could form the basis for a PA expansion strategy as added safeguards to emerging threats at the landscape level. The engagement of local and indigenous groups in conservation actions through new conservation approaches show promise, in particular with respect to the management of forests. Indigenous peoples have frequently been regarded as the 'guardians of the forests'. Worldwide historical evidence shows that indigenous groups have often persisted for millennia in their territories by using detailed adaptive knowledge. The cross-generational persistence of indigenous and traditional land uses of indigenous and local communities and their adaptability appear to be an important determinant of sustainability – but probably not enough for managing a complex sub-system of PAs in modern days. Local rural communities lack experience and knowledge of legal, administrative and financial requirements for the development and implementation of forest management plans, which prevents communities to access permissions for sustainable use of forest resources and financial incentives for the implementation of sustainable forest management initiatives. The consequence is that forest management projects remaining isolated and disjointed and with no long-term sustainability.

21. **Barrier 3:** Low diversification of production and limited value-addition to biodiversity products

22. Although the Pacific region has potential for diversification of income sources, timber harvesting and unsustainable agricultural production remain the main income sources for rural population. Despite the significant effort in designing strategies and programs for the development of green business and sustainable production initiatives, the potential of the region's green business is largely underexploited. Producers have a very low technical knowledge of farm management, implementation of good agroforestry practices, sustainable harvesting, post-harvest technologies and processing. Extension programs for technical assistance and rural advisory services so far have prioritized agriculture and livestock production systems, with little investment in forestry, agroforestry and production of biodiversity products. In addition, producers are scattered and poorly organized. While there is a promising national and export market for Bio-trade products in the areas of cosmetics, pharmaceuticals and specialty foods, farmers hardly participate in initiatives to produce such products as they have limited knowledge on products and the quality they must meet to satisfy buyers and consumers. Local companies lack marketing skills, knowledge about the potential of the products in their various forms and have limited access to market information. As subject of a rudimentarily developed value chain, bio-trade products do not provide a sufficiently profitable alternative to the environmentally unsustainable practices in the region. What is required is a simultaneous development of the various segments of the bio-trade products value chain (primary production, processing, marketing) ensuring value addition, quality and compliance with sustainability standards.

2. The baseline scenario or any associated baseline projects.

23. The status quo. Without the project, the Pacific Region will not introduce strong environmental and social safeguards for avoiding forests being excessively impacted by a process of accelerated development, which may follow the signature of peace accords. The SIRAP Pacific may not take measures to further integrate ICCAs and other CCS into the regional sub-system, missing an opportunity to engage local and indigenous communities in conservation action. Also, without the project, a number of promising forest products and tourism services that could generate value and improve local income, will remain sub-explored, without the benefit of a structured approach that the project can engineer.

24. The financial baseline. The baseline investment for this project in the target landscape may be sub-divided into three main groups of programs, namely: (1) land use planning and management; (2) protected areas management; and (3) sustainable livelihoods.

25. Within the first group, it is important to highlight that Colombia has a unique characteristic in terms of land-use planning, that the municipal government is the only authority for enforcement, it does however, have to follow guidelines from land-use plans of the Departments. Municipalities and departmental governments are also responsible to develop a Land-Use Plans (LUPs). Furthermore, ethnic communities are responsible to develop the land-use plans in their own territories. This is particularly relevant for the Pacific region where communities take up 67% of the territory. There are several other plans that need to be harmonized with the land-use plans which are performed by other authorities such as Environmental Management Plans and Forest Land-Use Plans are developed by the Autonomous Corporations (CARs)²⁹, Sectoral Plans developed by each line ministry, Territorial Development Plans, Tourism plans, Secretary of Culture, Green Business plans, among others. Given this myriad of plans, the National System of Protected Areas (SINAP³⁰), coordinated by National Natural Parks (PNN), defines as one of its goals to "effectively inserting PAs in land-use plans and environmental planning." In the entire country, this means that PNN intervenes in 31 Departments and 220 municipalities. This has led to working groups with Ministry of City and Territory (MVCT³¹), National Risk Management Unit (UNGR³²), Rural and Agro-Livestock Planning Unit (UPRA³³), CARs and the Special National Inter-institutional Land-Use Committee (COT³⁴), among other institutions.

26. In the Pacific Region, SIRAP Pacific³⁵ has mapped conservation priorities that can serve as the basis for developing a regional tool for territorial assessment and land-use planning. The Humboldt Institute and Ecopetrol have also developed the project *Environmental Planning for Biodiversity Conservation in Ecopetrol Operating Areas* that has included an inventory of species and ecosystem services in a local and regional scale in 52 municipalities within the Pacific Region encompassed by the SIRAP Pacific.

27. The Program *Somos Pazcífico* aims at channeling significant investments in the region in the aftermath of the peace agreement plans by leveraging USD 4.5 billion for water supply, basic sanitation, electricity infrastructure in the urban municipalities as well as waterway transportation linking the entire Pacific Region. This development effort requires a concentrated effort from all institutions to ensure all plans are aligned and develop safeguards to protect biodiversity and ecosystem services.

28. Given that there is no integral vision for the Pacific region, some bottom-up work has been conducted to date with the Community Councils of Afro-descendant Communities that hold collective territories, as well as with second-level community-based organization, to build a *Pacific Vision*. This *Vision* is supported by MADS and is aimed at achieving sustainable development by articulating experiences, proposals and opportunities in light of the peacebuilding process and the need of generation improved living conditions in a highly biodiverse environment.

29. With respect to the second group, protected areas management, PNN and the Autonomous Regional Corporations (CARs) are in charge of declaring and managing the public protected areas. Private owners manage private protected areas. SIRAP Pacific is the coordinating body that supports the management of public PAs in the Pacific region.

30. In the framework of the BanCO₂ program, the CARs and the BanColombia Bank have recently signed an agreement to restore areas strategic to improve connectivity among the PAs. BanC02 is an scheme of payment for

²⁹ A regional environmental authority responsible for implementing MADS policies and guidelines under the Integrated National Environmental System (SINA)

³⁰ By its name in Spanish, *Sistema Nacional de Áreas Protegidas*

³¹ By its name in Spanish, *Ministerio de Vivienda Ciudad y Territorio*

³² By its name in Spanish, *Unidad Nacional de Gestión de Riesgo*

³³ By its name in Spanish, *Unidad de Planificación Rural y Agropecuaria*

³⁴ By its name in Spanish, *Comité Especial Interinstitucional de la Comisión Nacional de Ordenamiento Territorial*

³⁵ As explained above, SIRAP Pacific is the part of SINAP dedicated to the Pacific Region.

ecosystem services. The payment is voluntary from the BanColombia clients³⁶. PNN will sign a similar agreement in the mid-run as part of the long-term financial sustainability of the national system.

31. The UN REDD Program has prioritized the Pacific and Amazon regions and is supported by a number of organizations (MADS, IDEAM, stakeholder organizations, FAO, UNDP and UNEP) with a budget of USD 4.0 million. Its aim is to establish a national REDD operational network and build capacity of indigenous, Afro-descendant and peasant communities to participate in the climate and forest dialogues.

32. Under the third group of baseline programs, the focus is on the livelihoods of the communities, which are important for the project because, without fulfilling basic needs and providing economic benefits to local communities, it is unlikely that conservation-friendly development can be fostered. Furthermore, a specific recommendation of the *Environmental considerations for the construction of a stable, lasting and sustainable peace*³⁷ report developed by the various UN Agencies (UNDP, FAO, UNODC, IOM and UNEP) with MADS and GIZ, is to create sustainable livelihood opportunities to offer income sources to post-conflict return migration from the displaced families during the war. Sustainable livelihoods will therefore help address the threats to biodiversity that emanate from communities and displaced individuals returning to their home. Various entities contribute to major programs active in the Pacific Region. There are a number of initiatives in the region with this focus:

- The *Support to Productive Partnerships program* led by Ministry of Agriculture and Rural Development (MADR) aims to increase business competitiveness and improve the development of poor rural communities in a sustainable manner through private sector demand-driven partnerships, implementing actions in Chocó, Cauca, Valle del Cauca y Nariño.
- USAID's *Program for Afro-descendants and Indigenous groups* is already on the fourth and last year of implementation seeking to strengthen institutional capacity and provide access to more economic opportunities for ethnic communities in the Pacific Region through value chains of internationally traded products. The Program prioritized products like coffee, cocoa and tropical fruits and has a goal that at least 100 companies will adopt Diversity and Inclusions protocols in its value chains to access benefits Free Trade Agreement with the United States.
- The NGO BIOINNOVA developed several projects in the region aimed to (1) identification of potential, research and product development; (2) Community innovation; (3) development of products derived from biodiversity; and (4) knowledge platform. Is currently formulating the "Regional Bio-trade-Strategy" that identifies new products for the development of green businesses based on the sustainable use of biodiversity, including the extraction of essences or essential oils of native plants, the use of edible and medicinal mushrooms; the upgrading and improvement of timber species; the identification of new dyes with tropical plants; crafts; ornamental plants and species conservation of traditional use. Its main function is to, generating ownership of the territory.
- The *Program Against Illicit Crop Cultivation* is implemented Administrative Unit of Land Consolidation - UACT³⁸ - in the Pacific region in order to restore the rights of communities that have the presence of, are vulnerable to illegal crop cultivation, through eradication efforts, post-eradication and containment providing communities development alternatives through productive projects with cocoa, coconut, palm, fishing and forestry species at an investment of approximately USD 1,695,000, a similar level of investment is expected for the following years in the Pacific Region.
- The development of export consortia in the Cauca Valley in the *Agro-industrial and Cosmetics Sectors* project, with an investment of USD 600,000 for 2016-2017, aims to improve the competitiveness and market access of small and medium-sized enterprises with export potential in these two sectors. The Cosmetics Sector Quality Program, with an investment of USD 2.7 million for 2015-2018, seeks to help Colombian cosmetics products, in particular those made with natural ingredients, overcome technical barriers to international markets and improve their ability to meet international quality standards, private standards and sustainability standards.
- The Food Security, Production for own consumption and Market Access to Farmers in Border Departments: Chocó, Nariño, Putumayo and Amazonas project (2015-2016, USD 1,662,546), aims to improve the food security and market access of farming families in eight municipalities in the departments of Amazonas, Chocó, Nariño and Putumayo.

³⁶ People and companies can measure and pay for the use of ecosystem services. 100% of resources get the inhabitants of the ecosystem (partner) through their cellphone (account "Ahorro a la mano", Bancolombia). This initiative will be further described in the full Project Document. See for more details: <http://www.banco2.com/>

³⁷ <http://www.co.undp.org/content/dam/colombia/docs/MedioAmbiente/undp-co-pazyambiente-2015.pdf>

³⁸ By its name in Spanish, *Unidad Administrativa de Consolidación Territorial*.

- The *Productive lands with food security for a peaceful and resilient people in strategic Cauca ecosystems* project (USD 404,590) aims to contribute to building peaceful and coexisting communities by establishing and strengthening sustainable development initiatives that efficiently contribute to early recovery with an emphasis on inclusive economic development, food and nutritional security in priority areas in the department of Cauca, based on economic, gender and cultural approaches.
- The second phase of the *GEF Small-Grants Program* will target green business in the Pacific Region with a total amount of USD 400,000 to be invested in the Pacific Region.

33. The Current 'Baseline Scenario' points to a strong commitment from various partners to support conservation action in different ways. However, there are visible gaps in the baseline. Planning activities are not coordinated and often result in conflicting land-use. Many of the programs on PAs have a narrow site focus and do not take into account the fact that PAs are part of a wider landscape. Livelihood activities produce socio-economic results, but they do not do enough to stabilize land-use change in an anticipatory and sustained way, especially considering the expected post-conflict development. While SIRAP Pacific is committed to integrating the communities into their governance, the sheer numbers of the communities present in the vast region is a hindrance to their capacity given the scarce resources. In the baseline scenario, physical development in the Pacific landscape will accelerate in the upcoming years without any significant measures to safeguard biodiversity, nor avoid and mitigate threats. Some threat mitigation measures will be carried out by industry, but they will not prevent loss of biodiversity and will likely not tackle secondary impacts. Investment in conservation will continue to be limited, focusing only on PAs. Key ecosystems and relict forest patches will remain unprotected and disconnected from the PA systems. The areas under the territories of ethnic communities will continue to be managed in relative isolation, with limited support from the legal status on protected areas and support from PNN. Given the expected development post-conflict scenario, if not addressed at the landscape level, the various threats will result in a further degradation of the dry and spiny forest ecosystems and lead to the loss of biodiversity.

34. The Long-Term Solution. The long-term solution is to engineer a paradigm shift in the management of biodiversity from site-focused conservation towards effective land and resource use governance at the landscape level. This includes taking into consideration the multiple uses of the landscape, the various interest groups that have stakes in it, but also the role of government at different administrative levels. The paradigm shift implies an anticipatory approach to addressing threats to biodiversity and the active application of the mitigation hierarchy for safeguarding biodiversity where significant impacts can be foreseen (avoid, mitigate, compensate, off-set). This is complemented by actions that strengthen biodiversity protection through the SIRAP Pacific, including by expanding the PA system, and by the development of value chains and livelihoods that are sustainable in their use of forests.

3. The proposed alternative scenario, GEF focal area strategies, with a brief description of expected outcomes and components of the project

35. To remove the aforementioned barriers, the project will develop an integrated strategy based on : i) strengthening the management and planning of the Pacific region territory to ensure a sustainable use of the natural resources, and supporting sustainable development in the context of peace building and high economic growth; ii) improving articulation of different institutional, sectorial and communities interests to promote long-term livelihood strategies and biodiversity conservation, prioritizing post-conflict areas; iii) promoting sustainable local development models based on the sustainable use of biodiversity, incorporating cultural elements and regional local knowledge to improve the food security of communities and reduce pressure on strategic ecosystems through income generation activities; iv) strengthening sustainable forest management in community-based forests.

36. GEF focal area strategies. This is a multi-focal project that taps into funding from BD, LD and SFM. With BD and LD funds, the approach is dual, combining both PAs and the landscape approach. With the former, the work will contribute to **BD-1** (*Improving sustainability of protected area systems*), Program 1 (*Improving financial sustainability and Effective Management of the National Ecological Infrastructure*), with funding going to Component 2. As for the latter (work at the landscape level); the choice of programs include **BD-4** (*Mainstream biodiversity conservation and sustainable use into production landscapes and seascapes and production sectors*) Program 9 (*Managing the Human-Biodiversity Interface*) and **LD-3** (*Integrated landscapes: reduce pressure on natural resources from competing land uses in the wider landscapes*) Program 4 (*Scaling-up sustainable land management through the Landscape Approach*), given the need to have a strategic approach to land-use that includes both biodiversity and ecosystem services. BD-4 funding will go to Components 1 and 3, the latter given the work on sectoral mainstreaming and Green Business. SFM funding and results is totally weaved into the components, with the following programs on focus: **SFM-1** (*Maintained Forest Resources: Reduce the pressures on high conservation value forests by addressing the drivers of deforestation*), Program 1 (*Integrated land use planning*); and **SFM-2**

(Enhanced Forest Management: Maintain flows of forest ecosystem services and improve resilience to climate change through SFM), Program 5 (Capacity development for SFM within local communities).

Project Strategy

37. Mosaics

38. The proposed project is based upon two approaches already tested and promoted by Colombia with GEF support, namely the “mosaic conservation approach” (cf. GEF project #2551) and the “socio-ecosystem connectivity approach” (cf. GEF project #5288, currently being implemented by FAO). The project design takes into account the lessons learned of the mosaic project³⁹.

39. From an ecological perspective, the *conservation mosaics* are defined as “networks of protected areas and complementary landscapes that include combinations of natural parks, marine and terrestrial productive landscapes, and territories of collective ethnic property”⁴⁰. The mosaic approach works in two dimensions: on one side “the definition and implementation of actions in the short run (...) to reduce pressures and (promote) the integrated management of protected areas and buffer zones through conservation and sustainable use measures. On the other hand, (the mosaic intervention proposes) to generate conditions that contribute to social and ecological transformations to consolidating territories where the conservation and development are coherent and inter-related in the long term”⁴¹. This long-term dimension of the mosaic approach is based on social and ecological variables, understanding the “social agreement and construction as the main management axe and as a real contribution to the effective and sustainable management of the protected area as part of a broad territory (landscape)”⁴². The mosaic conservation model is based upon two key concepts: the *territorial approach* and the *ecosystem vision*. The mosaic approach conceives the territory as a social construction in a given ecological landscape, and as such, as a dynamic socio-ecological process.

40. The *socio-ecosystem connectivity* approach follows this idea and introduces the notion of connectivities, defined as the “collective construction of mosaics of conservation and the use of spaces of socio-cultural integration to promote recovery of degraded ecosystems through the Environmental and Land Use Planning and the use of participatory management tools among institutions, communities and the productive sectors”⁴³.

41. According to the mosaic approach, the consolidation of a conservation mosaic requires “consensus about the territory conception, the inter-action between the different use and management strategies, and the ways of addressing the local environmental management”. In the same line, the UN discussion paper⁴⁴ recognizes that “in the peacebuilding process at territorial level, the consensus about the territory/land use among all involved stakeholders is essential. For sustainable development, this consensus should be built around the territorial environmental planning”.

42. The peace process in Colombia has been a dynamic iteration for a given territory. According to the referred UN Paper, the Pacific region of Colombia has been considerably affected by the conflict and therefore is expected to be a priority area for post-agreement intervention. Development and conservation are expected to be integrated as proposed in the mosaic approach. This envisages social participation and decision-making as main elements of the “territorial environmental management”. Therefore, there is no need to “alter” the mosaic approach to address post-conflict actions because the territorial approach intrinsically includes social and political dimension in a dynamic fashion.

43. Green Businesses

44. The Project will support the *National Plan of Green Businesses*⁴⁵ (PNNV) which is being led by MADS and the Green Business Plan for the Pacific Region⁴⁶ which the CARs are responsible for implementing. In this line, the Project will unlock the potential of local economies in the Pacific region - that until now have been restrained by the

³⁹ For space reasons, the lessons learned from the Mosaico project are not detailed here. They have considered by project proponents and will be summarized in the full Project Document.

⁴⁰ This definition is taken from Banco Mundial. 2006. Documento del proyecto relacionado con la propuesta de donación del Fondo Mundial de Medio Ambiente (GEF), Proyecto del Fondo Nacional de Áreas Protegidas en Colombia. Informe No: 35125 – CO. Banco Mundial, and quoted in Santamaría M., Barona A., Rey N., Orjuela M. y Chaves M.E. 2012 Mosaicos de Conservación. Fondo Patrimonio Natural, Bogotá D.C. Colombia.

⁴¹ Santamaría M., Barona A., Rey N., Orjuela M. y Chaves M.E. 2012 Mosaicos de Conservación. Fondo Patrimonio Natural, Bogotá D.C. Colombia. This publication has been an output of the GEF Mosaic Project.

⁴² Ibid.

⁴³ GEF Project #5288, FAO GEF Project Document, page 49.

⁴⁴ Sistema de Las Naciones Unidas en Colombia y Ministerio de Ambiente y Desarrollo Sostenible. Septiembre 2014. Consideraciones ambientales para la construcción de una paz territorial estable, duradera y sostenible en Colombia – insumos para la discusión. Bogota, D.C., Colombia. 119 pg.

⁴⁵ https://www.minambiente.gov.co/imagenes/NegociosVerdesysostenible/pdf/plan_de_negocios_verdes/Plan_Nacional_de_Negocios_Verdes.pdf

⁴⁶ https://www.minambiente.gov.co/imagenes/NegociosVerdesysostenible/pdf/programas_negocios_verdes/ProgramaRegionalNegociosPAC%C3%ACFICO.pdf

conflict. GEF will have a catalytic role in integrating development and conservation in a region now prone to environmentally unsustainable interventions.

45. The PNNV defines the *green and sustainable businesses* as “economic activities which offer goods or services that in turn generate positive environmental impacts and incorporate good environmental, social and economic practices, with a lifecycle approach, and contribute to the conservation of the environment as natural capital and support to the territorial development”.

46. According to the classification of the PNNV, there are three categories of green business: i) sustainable goods and services derived from biodiversity; ii) industrial eco-products; and iii) carbon markets. The proposed project will focus on the category i), which covers three sectors: a) sustainable agroecosystems; b) biotrade; and c) restoration.

47. The project approach proposes a real and direct connection between farmers and buyers for at least 5 biodiversity-derived products that will be defined during full project preparation based on UNIDO’s work in Colombia. This will allow the generation of at least 2 benefits: i) setting formal agreements between farmers and one trade partner, and therefore, minimizing risks linked to the commercial activity; ii) focus the development or adjustment of biodiversity-derived products towards the real compliance with quality requirements of a specific market. This strategy will guarantee the application of a value chain (VC) approach with a real market insertion. This VC approach has been applied by UNIDO in many countries with success results.

48. In Colombia, the Ministry of Agriculture and Rural Development (MADR) with the World Bank support, has consolidated +800 projects with this approach through the Productive Alliances Program. According to MADR, although the VC approach implies a higher implementation cost, it has a direct and positive effect on the (high) level of endurance of the productive projects. This approach effectiveness has been proved in Colombia, where the endurance of the Productive Alliances after two years of projects termination is equivalent to 92% with a total investment of USD 112 million and 51,702 beneficiary families and more than 800 alliances signed.

49. Regarding market prospects, UNIDO has identified an important opportunity for the development of natural ingredients for the food, cosmetics and other natural products industries. In the case of Colombia, UNIDO has analyzed that the country is a net importer of natural ingredients due to the lack of a stable and quality supply of these inputs in the domestic market. In this context, according to UNIDO’s studies, there is a huge potential for imports substitution of products as juices and vegetable extracts, colorant materials and essential oils. The exports of juice and vegetable extracts reached in 2014 a value of USD 9,5 million, while the imports were equivalent to USD 20,8 million. The trade balance has been in deficit in 2014 by USD 19 million. The exports of fat and vegetable oils reached in 2014 a value of USD 186,000, while imports were equivalent to USD 3,9 million. The trade balance has been in deficit in 2014 by USD 3,7 million. The exports of colorants derived from vegetable or animal origin reached in 2014 a value of USD 267,000, while the imports were equivalent to USD 17,6 million. The trade balance has been in deficit in 2014 by USD 7,3 million. The export of essential oils reached in 2014 a value of USD 306,000, while the imports were equivalent to USD 12,2 million. The trade balance has been in deficit in 2014 by USD 11,9 million⁴⁷.

50. Both UNIDO’s and FAO’s experience⁴⁸ have demonstrated that certification and labelling mechanisms highly depend on the type of product, its development level, the client’s requirement, the local socio-economic context and the social capital. Therefore, a full and contextualized market analysis will be conducted during full project preparation for BD-derived local products. As described in the PIF, indigenous peoples and ethnic group sites are many in the Pacific region (see above). According to the *FAO’s Environmental and Social Management Guidelines*⁴⁹, a Free, Prior and Informed Consent (FPIC) process should be carried out before selecting the raw materials and BD-derived products that will be supplied by Project through a VC approach.

51. Based on the described strategy, the proposed Project will be delivered through three Components:

52. **Component 1: Institutional strengthening to support the mainstreaming of BD conservation and sustainable use in the Pacific region of Colombia**

53. In order to address barrier #1, Component 1 seeks to strengthen integrated landscape management in the Pacific region through the articulation of territorial management tools at departmental and municipal levels that converge at the local scale, to include the ethnic territorial visions, sectorial interests and institutional politics. Component 1 will support the mainstreaming of biodiversity and ecosystem safeguards in existing plans and the enforcement and implementation of monitoring mechanisms to apply prescribed land uses. According to *Environmental considerations for the construction of a stable, lasting and sustainable peace* report (see above), landscape planning is the first and fundamental step in safeguarding biodiversity and ecosystems services of a region

⁴⁷ UNIDO (2015). Dinámica comercial y económica del Sector cosméticos e ingredientes naturales en Colombia)

⁴⁸ Kindly refer, for instance, to: FAO. *Linking people, places and products*. See: <http://www.fao.org/docrep/013/i1760e/i1760e.pdf>

⁴⁹ See: <http://www.fao.org/3/a-i4413e.pdf>

that will be prone to migration and infrastructural development. The project will support participatory and coordination processes for a territorial development strategy that will include proposals of land use in areas affected by the conflict. In this way, the environmental management will become a tool for sustainable development. There are two core outcomes:

54. **Outcome 1.1: Regional and departmental planning instruments are harmonized and safeguard biological and cultural diversity, leading to a general reduction on potential threats from development-oriented activities.** It will lead to a general reduction on potential threats from development-oriented activities:

55. The project will strengthen natural resource use governance at the landscape level by developing and implementing a spatial planning system that explicitly incorporates biodiversity conservation needs and prescribes land uses with a view to mitigating threats. It will work with national, regional and local stakeholders to integrate existing plans and develop safeguards for biodiversity and derived ecosystem services conservation. Four outputs are planned: A Diagnosis & Strategic Assessment exercise will be carried out (**Output 1.1.1**) to assess the ecosystem services of the Pacific Region and identify threats and opportunities complementing the conservation priorities mapping carried out by SIRAP Pacific. The purpose of this assessment is to provide information on high value biodiversity and derived ecosystem services to be safeguarded in the departments and municipal land use plans (which will be adjusted in **Output 1.1.2**). The results of the study will also be used as a baseline for the planning tool to be developed in **Output 1.1.3**. This planning tool will be able to place in a single platform the diverse existing plans for the region (such as Land Use Plans, Sectorial Plans, Soil Use Plans, Forest-use and zoning Plans, Environmental Management Plans) reducing conflicts in land use and providing a platform for participative and collaborative governance system. The project will provide technical assistance and IT infrastructure support. During full project preparation, collaboration arrangements with SINA will be set in order to ensure that project activities are complementary to baseline initiatives. A coordination mechanism will also be discussed with Humboldt Institute, WWF and Ecopetrol, and other stakeholders that are taking actions in the same region. One important aspect to ensure participation and collaborative decision-making will be disclosure. The results and planning tool will be made publicly available in various forms, as a means to influence decision-making. A fourth output will focus on conservation results on the ground. **Output 1.1.4** foresees that Forest Management Plans will be developed for high value biodiversity areas outside of protected areas, infusing strong socio-environmental safeguards into these plans, and their implementation is kick-started with project support, promoting ecological connectivity at the landscape level. The project will do this to support the Regional Autonomous Corporations (CARs) in the development and implementation of Forest Management Plans under Component 2.

56. **Outcome 1.2: Improved stakeholder capacity for to support the enforcement of the planning mechanisms:**

57. Outcome 1.2 will be achieved through two outputs and it is designed to create the enabling conditions for the implementation, enforcement and monitoring of the planning mechanisms in **Outcome 1.1**. **Output 1.2.1** will help develop capacities of local institutions and stakeholders to support the recognition, strengthening and protection of traditional knowledge related to conservation and sustainable use of biodiversity and ecosystem services. **Output 1.2.2** encourages direct participation by stakeholders. SIRAP Pacific has a multi-stakeholder governance model with 71 representatives from government, academy, NGOs, private sector and civil society. However, the appropriation of SIRAP Pacific by the institutions and communities, which make up the organization, is fragile, with only four institutions incorporating SIRAP Pacific into its management strategies. The project will propose embedded technical assistance to SIRAP Pacific for strengthening governance of PAs and buffer zones, as well as other subsystems based on local communities' contribution to land management. Since the lack of alternative economic activities is the main driver of deforestation in the region, in **Output 1.2.2** the indigenous and afro-descendent communities are engaged in monitoring PAs and ICCAs as a key element to guarantee prescribed uses. The Colombian ethnic groups have rights over land and wildlife resources, thus forming a network of trained community groups promoting alternative (non-wildlife based) livelihood strategies has been proved to be a successful strategy to halt deforestation. This will be done with the support of the PNN and the SIRAP Pacific - committed to community engagement and to a multi-faceted strategic approach. Furthermore, complementing financial incentives are critical to the success of this strategy, such as the maintenance of an attractive tourism and production of bio products, which will be discussed in **Component 3**.

58. **Component 2: Integrated management of protected areas, buffer zones and 'complementary conservation strategies (CCS)**⁵⁰

59. Component 2 will address barrier #2 by promoting the further integration of protected areas into the overall landscape. It will support critical management measures to ensure PA integrity in the face of multiple threats, either

⁵⁰ Translation of '*estrategias complementarias de conservación*', which include the establishment of areas that are not formal protected areas, but function as such. It may e.g. include stewardship approaches, but also modalities of area protection and management that correspond to what is internationally termed as 'Indigenous and Community Conserved Areas' (ICCAs). These areas are not currently under the jurisdiction of any environmental authority in Colombia.

from impact-heavy sectors or from communities living in PA fringe areas. To achieve this, it is important to strengthen the regional subsystem of protected areas of the Colombian Pacific (SIRAP Pacific). These measures may be pending the completion of PA proclamation processes and boundary demarcation (including buffer zones and protection zones within existing PAs). Two core outcomes summarize the expected results under Component 2: The first is concerned with the conservation outcome of PA strengthening and the second with the operationalization of new PAs, in particular through 'complementary conservation strategies'.

60. **Outcome 2.1: Reduction in pressures and threats to biodiversity and ecosystem services in 412,000 ha of existing PAs their buffer zones and ICCAs**

61. Outcome 2.1 will be achieved through three outputs. In **Output 2.1.1**, Management Plans and governance mechanism for selected forest PAs will be developed and implemented. Core PAs will cover an area of at least 410,000 hectares. **Output 2.1.2** will support the SIRAP Pacific in the development of a strategy for financial sustainability that will initially address budget barriers to implement the inter-institutional annual action plan and will seek to engage institutional financial commitment. In order to improve the connectivity and promote the restoration of degraded forest areas in high value biodiversity zones, **Output 2.1.3** will select proposes some strategic areas for restoration and soil recovery, where a key focus will be in PA buffer zones and will cover approximately 2,000 hectares ((o be fully defined during full project preparation)

62. **Outcome 2.2: 450,000 hectares of new protected areas and 'complementary conservation strategies' are registered under SIRAP and receive support for management planning and implementation**

63. Under **Output 2.2.1**, the focus will be on natural resource management planning in 300,000 hectares of areas proposed either as ICCAs or under 'complementary conservation strategies'. **Output 2.2.2** will cater for their integration into SIRAP Pacifica through legal feasibility analysis. Work under **Output 2.2.3** will further expand SIRAP's network identifying other areas among conservation priorities and threat level and declaring them as PAs, protecting a further 150,000 hectares. Potential new PAs will be identified and created in accordance with IUCN Global Standard for the Identification of Key Biodiversity Areas (https://portals.iucn.org/union/sites/union/files/doc/a_global_standard_for_the_identification_of_key_biodiversity_areas_final_web.pdf), the World Database of Key Biodiversity Areas (<http://birdlba2.memset.net/kba/site/mapsearch>), and the GEF-6 Biodiversity Strategy, Annex III (<http://www.thegef.org/sites/default/files/documents/GEF-6%20Programming%20Directions.pdf>). KBA standard will be applied when identifying the new protected areas to be created under this project. In addition, the PA identification process will be conducted in a participatory manner in compliance with FAO and UNIDO policies on Indigenous Peoples and the right to a Free, Prior and Informed Consent. During full project preparation, a biologist consultant and FAO technical officers will support PNN in the selection of set of criteria from the KBA Standard that is applicable to the project intervention areas located in the Pacific region of Colombia. The outcome of this analysis will be detailed in the Full Project Document.

64. **Component 3: Sustainable production practices as alternatives for local development, biodiversity protection and peace process support**

65. The report "*Environmental considerations for the construction of a stable, lasting and sustainable peace*", recommends, as one of four pillars for a stable and sustainable peace process, replicating and scaling up the initiative for the collection, production, processing and commercialization of goods and services derived from the native biodiversity, applying best social and environmental management practices. Providing alternative economic activities for the misplaced population coming back to the territory is key for the success of peacebuilding.

66. Nonetheless, the potential and actual income from these alternative economic activities must be able to out-compete with existing illegal extractive activities. The challenge is to produce sustainable goods and services derived from biodiversity, process them into high-value marketable products and position them at the right markets in compliance with quality and sustainability standards. The project will facilitate this through building local technical capacities, introducing of new production technologies and through the application of standards compliance schemes on the various levels of the value chain. Challenges also exist in the development of entrepreneurial skills, access to finance, matchmaking with potential clients and reaching significant scale of production (Arcos, et al. 2009).

67. For this reason, the project proposes an integrated approach to value chain development in the context of the bio-economy's goods and services. Component 3 will address barrier #3 by providing incentives to sustainable land and ecosystem management through the development of viable businesses in the production and processing of products derived from sustainable use of biodiversity and ecotourism. Under this component, the project will achieve two outcomes (see below). Component 3 will generate global environmental benefits and local socio-economic co-benefits in line with Sustainable Development Goals (SDGs). This will include improving food security, generating sustainable livelihoods, enhancing landscape connectivity and restoration forest rehabilitation, and building strong

socioeconomic-environment linkages. Activities will be concatenated and target same households as those under benefiting communities.

68. **Outcome 3.1: Biodiversity and ecosystem services are sustainably utilized in forest-based productive systems and generate multiple environmental and socio-economic benefits**, which focuses Green businesses, including agroforestry production systems and ecotourism, and **Outcome 3.2: Products and services derived from biodiversity have value added and their value chains are duly strengthened**.

69. **Outputs 3.1.1 and 3.1.2** will invest resources in fostering Green Business development in the Pacific region, through action plans and the implementation of agro-forestry productive systems that incorporate sustainable soil and biodiversity-friendly practices. Component 3 will also promote the design and implementation of suitable value chain strategies that will enhance the access of small-scale and medium-scale farmers to markets. GEF financing will have a strong catalytic role in unlocking economic opportunities for stakeholders who currently suffer from poverty and put pressure on forests that are habitats for globally important biodiversity. Outcome 3.1 will work with non-timber forest products. The Component plan, to be further developed during the PPG stage, is to engage at least 1000 producer households (25% female-led). A full socio-economic analysis, including gender analysis, will be conducted during full project preparation. In addition, protocols will be developed and demonstrative plots will be established through the Farmers Field Schools (FFS) methodology. During project implementation, FFS will provide training on plant breeding, local seed production, soil conservation, agroforestry practices, Good Agricultural Practice (GAP), Integrated Pest Management (IPM), agro-ecological management, bio-compostability and sustainable harvesting. (Direct effect: 10,000 hectares; Indirect effect of sustainable use of non-timber forest products: 30,000 hectares)

70. **Output 3.1.3** is concerned with a sustainable (eco)tourism program for the region. The Pacific Region harbors some of the most exotic sites in the planet for ecotourism, combining long extension of virgin beaches, jungle and trekking in close proximity. The *Somos Pazcifico* project will bring infrastructure, which will facilitate access to many of these sites, and thus an integrated and structured ecotourism project is essential to safeguard biodiversity and ecosystem services. The work will include a baseline assessment of the current situation, inventory and selection of attractive sites. This will be followed by the land use plans, which will use the tool developed in addition to calculating carrying capacity, experience design, monitoring and good practices manual. The aim is to formulate tender documentation aimed at attracting private sector investment that will abide by the strongest social-environmental safeguards, given the region's ecological sensitivity.

71. There are many instruments and initiatives taking place in the Pacific region, from national, regional, local and private institutions. Outcome 3.2.1 will map these initiatives and tools and develop a Green Economy action plan, in an integrated⁵¹ and collaborative manner for the region, safeguarding high value biodiversity and ecosystem services. This includes liaison with: i) the GEF Small Grants Program, which already has 16 projects dedicated to sustainable goods and services derived from biodiversity and ecotourism in the Pacific Region and is opening a call for more projects; ii) the Departmental Secretariats of Culture (5); iii) BIORED++; iv) the *Emprende Pacifico* Initiative, which is promoted by the Ministry of Labor and ACDI/VOCA, and supports entrepreneurial initiatives led by victims of the armed conflict; and v) actions with the private sector. In addition, the Project will support competitiveness agreements with the Commerce Chambers. Component 3 is complementary to the *National Green Business Plan* and the *Regional Green Business Plan(s)*. The Pacific CARs will design the action plans of the latter during full project preparation. This section will be further described in the full Project Document.

72. **Output 3.2.1** will focus on capacity development of communities and processing units to produce sustainable and quality products and services in compliance with quality criteria, strengthening quality insurance institutions' capacities to provide services to local processors in conformity assessment, certification, inspection and calibration. Equipment installation will be facilitated in two (2) pilot processing plants that will serve for demonstration and training of other units. All together eight (8) processing units will receive support in administrative, technical and quality management matters. The project will support producers in meeting requirements to obtain eco-labels and other mechanisms that will permit differentiation of products in the market in **Output 3.2.2**. The transformation of primary materials into higher-value products and services according to proven and locally adapted processing protocols for communal and private processing units is key to improve income and local livelihoods. The most recommended standards insurance schemes would include the Colombian Environmental Label, Ecological Food Label of the Ministry of Agriculture and Rural Development, the regulatory framework of the Union for Ethical BioTrade (UEBT) and Participatory Guarantee Systems that can operate locally, to certify or label local goods based on active participation of stakeholders. Colombia has worked in the implementation of the "Sustainable Tourism Label", which will be extended to the Pacific region with UNIDO technical assistance. During the preparation of the project, a socio-economic feasibility study will be conducted to select the most appropriate mechanisms according to the capacities of local organizations and their market orientation. Further, based on an accurate marketing strategy,

⁵¹ This is linked with the tool in Output 1.1.3

biotrade products will be tested in local and/or regional markets. Activities under Output 3.2.2 will support local producers' capacity to meet quality and sustainable production standards for bio-trade products. This will include processing units. In addition, activities under Component 3 more generally will also support capacity development of institutions mandated to provide technical assistance services. Agreements with buyers will be signed for at least five (5) biodiversity-derived products, and ecotourism hotspots will be established in areas to be more precisely defined through PPG studies. Finally, the last project **Output 3.2.3** is concerned with supporting eco-tourism as a job-generation activity that potentially contribute to forest conservation through planning at the landscape level, implying zoning of areas, and general feasibility studies. Through these activities ecotourism hotspots can be established in areas to be defined through PPG studies where key parameters for the studies will also be defined. Based upon these studies, tenders will be launched with the aim of attracting private sector investment that will abide by the strongest social-environmental safeguards, given the region's ecological sensitivity.

4. Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDC, SCCF, and co-financing. 5. Global environment benefits (GEFTF) and/or adaptation benefits (LDCE/SCCF).

<i>Current Baseline</i>	<i>Alternative</i>	<i>Global benefits</i>
<p>The Pacific Region of Colombia is rich in forest biodiversity but bound to experience strong transformation of its forest landscapes with following the signature of a Peace Agreement. While lasting peace represents a great opportunity for country and for the region's development, it is also a challenge from the point of view of forest conservation.</p> <p>With the consolidation of peace, the government will likely implement plans slated to attract billions of dollars in investment and large scale infrastructural and transport development to the Pacific Region, which has otherwise remained more or less pristine, in spite of threats from mining and irregular timber exploration. These plans are enshrined in the <i>Somos Pazcífico</i> Programme, which is not sufficiently strong in terms of environmental safeguards.</p> <p>Based on experience from other parts of the world (e.g. the Brazilian Amazon), if 'unchecked'⁵², the cumulative effects of opening up access to the Pacific Region and creating thereafter favorable conditions for human migration are very likely to result in large scale and accelerated deforestation. This would in turn lead to the loss of both globally important biodiversity and associated ecosystem services, and to the release of several tons of CO₂ into the atmosphere.</p> <p>The baseline scenario favors an 'unchecked' development for the Pacific Region: land use management in the Region is governed by several, and at times contradictory, planning instruments (land use, environmental plan, forest land use plan, zoning, and others). None of them provide an adequate overview of development impacts or include strong socio-</p>	<p>Avoiding massive deforestation in the next few years requires, in the next few years, actions beyond the business-as-usual scenario in terms of land-use planning, protection and sustainable use of forest resources.</p> <p>The project seeks to mainstream the sustainable management of forests, associated biodiversity and provision of ecosystem services in the territorial rural development strategy of the Pacific, in view of generating global and local environmental benefits and supporting the peace process. It will do so through a three-pronged approach.</p> <p>First, it will protect biodiversity and safeguard ecosystem services rendered primarily by forests by mainstreaming at the level of landscapes and in the context of the peace process. The project is based upon two approaches already tested and promoted by Colombia with GEF support, namely the "<i>mosaic conservation approach</i>" and the "<i>socio-ecosystem connectivity approach</i>". In the same line, the UN discussion paper recognizes that "in the peacebuilding process at territorial level, the consensus about the territory/land use among all involved stakeholders is essential. For sustainable development, this consensus should be built around the</p>	<p>The project will provide protection and introduce much needed development safeguards for the management of biodiversity rich landscapes in the Colombian Pacific mountain and coastal region, considered one of the great wilderness areas of Colombia, because of the predominance of natural ecosystems.</p> <p>Part of the Tumbes-Chocó-Magdalena hotspot, more than 50 per cent of the continental Pacific Region is covered by forests, mostly mangroves, tropical rain forests and high precipitation tropical rain forests. These forests harbor not just unique biodiversity, including one of highest rates of endemic plants on the planet, but also high levels of biomass per unit area, making the Pacific Region a major carbon sink.</p> <p>The project will strengthen protection and sustainable use of these forest ecosystems, safeguarding, enhancing and generating multiple social and environmental benefits derived from them. These include the maintenance of globally significant biodiversity in at least 412,000 hectares. In addition, new PAs under appropriate 'complementary conservation strategies' will be created, among them ICCAs, in</p>

⁵² The term 'unchecked' here means unmitigated, poorly regulated and with the absence of protective measures and safeguards.

<i>Current Baseline</i>	<i>Alternative</i>	<i>Global benefits</i>
<p>environmental safeguards.</p> <p>In addition, the region harbors a large number of PAs, but management effectiveness is generally low. At the same time, about 67 per cent of the continental territory is collectively entitled to Afro-Colombian and indigenous communities. However, there are no legal or operational instruments that could make the management of these areas more effective or contributing to forest conservation and social development.</p> <p>Finally, there is general agreement on the need for supporting local livelihoods in the framework of the peace process and for creating adequate local incentives for forest conservation and sustainable use. Still, there are very few initiatives that can achieve this dual goal.</p>	<p>territorial environmental planning”.</p> <p>Secondly, the project will implement an integrated management of protected areas, buffer zones and other ‘complementary conservation strategies’(CCS)– all of which, with the aim of reducing the loss of biodiversity and ecosystem services. The proposed project approach includes the establishment of areas that are not formal protected areas, but function as such, among them different stewardship approaches and modalities of area protection and management that correspond to what is internationally known as ICCAs. The formalization of these approaches is a novelty in Colombia.</p> <p>Thirdly, the project will foster the implementation of sustainable productive practices, as a local development alternative to protect biodiversity and equally support the peace process, based on the <i>National Plan of Green Businesses</i> (PNNV). Therefore, the primary, secondary and tertiary economic sectors will be targeted in a synergetic way to generate development and address some of the drivers of forest loss.</p> <p>See more under <i>Project Strategy</i></p>	<p>at least 450,000 hectares. Local and indigenous communities managing these areas will in turn enjoy improved tenure security preserving their associated traditional heritage.</p> <p>Due to the focus on the sustainable management of carbon-rich forests, the implementation of the project is also likely to avoid the emission of 2.701.279,46 t CO₂e into the atmosphere as avoided deforestation. In addition, through forest restoration actions initiated by the project, but likely to reach maturity after the project’s duration, carbon will also be sequestered, though at a less significant scale.</p>

6. Innovation, sustainability and potential for scaling up.

73. The **innovation** of the project is in getting the momentum and applying BD conservation approaches - already tested through GEF projects - in the new post-agreement and peacebuilding context of Colombia.

74. GEF will have a catalytic role in integrating development and conservation in a region now prone to environmentally unsustainable interventions. The long-term sustainability strategy is rooted in the *National Green Business Plan* - a government priority – and in the mainstreaming of biodiversity conservation in the *Somos Pazífico* Program.

75. The project is strongly aligned with the peace process that has been underway in the country and seeks to generate activities that will lead to the restoration and reconciliation of communities living in the region. This is the first proposal that address post-conflict challenges to forest and biodiversity conservation with a holistic approach. The landscape management tool that harmonizes existing planning in the region can be replicated in all regions in Colombia, and will reduce land-use conflicts and provide better safeguards for high value biodiversity. The project will generate in priority sub-regions, a territorial planning that will guide investments for local development based on a shared vision of natural resource management and sustainable use. This articulation of political, sectoral, institutional and community interests will allow for the harmonized development of productive activities taking into consideration biodiversity conservation to ensure the provision of ecosystem services and maintaining and improving the livelihoods of local communities. An improved territorial planning will empower regional entities for more accurate and informed decision making and make investments to improve local economies and protect the biodiversity of the region.

76. In addition, the project will introduce innovative aspects in PA management such as the introduction of community conservation areas as a legal PA category under the national PA system and the attention to financial sustainability aspects which have not been a priority in the region so far. The project will apply different strategies to ensure long-term sustainability of the intervention. From an economic and financial perspective, the project will develop a financial sustainability strategy for the SIRAP Pacific, which will strengthen its capacity for an effective management in the long run. This can also be replicated to other SIRAPs in Colombia. The project will also train producers to add value and access markets for biotrade products. The participative approach, based on the retrieval of ancestral knowledge will ensure social sustainability. The project will support capacity development at institutional and community level for participatory planning and integrated landscape management, and will build replication strategies. Therefore, local stakeholders can become replicators of these concepts in communities, educational institutions, and base organizations, widening the scope of the project.

2) STAKEHOLDERS

Will project design include the participation of relevant stakeholders from civil society and indigenous people?
(yes)

Ministry of Environment and Sustainable Development (MADS)	MADS is the National Operational Focal Point to GEF. MADS has the primary responsibility for developing national policy related to the environment and renewable natural resources. It must establish guidelines that lead to proper planning and land use. During project implementation, MADS will provide its expertise in the field of conservation and sustainable use of biodiversity, land use and economic instruments and incentives. MADS leads the preparation and implementation of the agreements for the post-conflict and peacebuilding for the environment and sustainable development in Colombia.
National Natural Parks (PNN)	Main project partner. PNN manages the system of national natural parks of Colombia and coordinates the National System of Protected Areas (SINAP). PNN hosts the technical secretariat of the SIRAP Pacific and has extensive experience in working with communities, consultation and dialogue through a permanent presence in the area, in addition to exercising leadership in conservation processes.
SIRAP PACIFIC	Project beneficiary and partner. It will be strengthened to link the activities of joint environmental authorities (CARs and PNN); MADS; Research Institutes (INVEMAR and IAP); regional institutional actors; ethnic communities in the region (Afro-descendant and Indigenous Communities); and rural communities.
Regional Autonomous Corporations (CARs)	These regional environmental authorities are responsible for administering laws regarding environmental and renewable resources within their jurisdiction for sustainable use to be in accordance with MADS guidelines. For this project, CARs are the target of capacity building actions to improve their technical and operational capacity to make production systems compatible with biodiversity and sustainable over time. The CARs involved are: CVC, Codechoco, Corponarifo, CRC, Carder.
Pacific Institute of Environment Research (IAP), and Institute of Coastal and Marine Research (INVEMAR)	Both institutes will support project preparation and implementation in the activities regarding the coastal areas of the Pacific region. IAP and INVEMAR will contribute with baseline studies and technical support.
BIOINNOVA	Project partner. Its main function is to link science and traditional knowledge, generating ownership of the territory. BIONNOVA works (1) to identify potentialities, research and product development; (2) community innovation and training; (3) practical implementation of initiatives; (4) development of products derived from biodiversity; and (5) knowledge platform. It has strong experience in the implementation of bio-productive initiatives, entrepreneurship and successful experiences in joint partnership, modeling for local development, value proposal and knowledge transfer.

Sustainable Bio-trade Corporation ⁵³ (NGO)	Project partner. Its main role in the project will be to promote the sustainable use of biodiversity, through the identification and prioritization of products; the identification of key areas for development; strengthening producer networks and support for inclusive market participation. The Corporation has extensive experience in identifying promising products, supporting communities for the development of business plans, market research, and territorial marketing, among others. It also develops activities related to business management, environmental services, network strengthening, value chains and consolidation of local innovation at the regional or national levels.
FAO	FAO will be the GEF lead implementing agency of the project, based on an agreement with the Government of Colombia and UNIDO. FAO will support the local counterparts in the field implementation of sustainable rural production practices, rural income generation activities, building partnerships, capacity development and market linkages, and in strengthening the governance of public institutions and local rural organizations.
UNIDO	Based on agreement with the Government the United Nations Industrial Development Organization (UNIDO) will be the co-implementing agency of the project. UNIDO will support local counterparts in implementing activities related to its mandate and technical expertise, such as: product formulation, implementation of processing protocols in processing units, industrial plant design, improving competitiveness and creating trade capacity, increasing capacity for compliance with quality standards and market requirements, development of technical specifications, transfer of industry and productive knowledge, and mobilization of technical capacity, among others.
Ministry of Agriculture and Rural Development (MADR)	MADR is the national entity responsible for formulating, coordinating and assessing policies that promote competitive, equitable and sustainable development of agriculture, forestry, fisheries and rural development, with decentralization, consultation and participation criteria. MADR is in charge of the following Programs: Rural Development with Equity, Formalization of Rural Property, Building Rural Business Skills, Confidence and Opportunity.
Municipalities	The municipalities are responsible for promoting clean production and biodiversity conservation at the local level as well as land use and planning in the municipalities in coordination with technical teams (UMATAs). These will be the beneficiaries of the project in terms of training in biodiversity conservation.
Departmental Governments	The departmental governments lead and coordinate land use plans and schemes, guide the work of the agricultural sector and define departmental development plans through environmental management and economic development. These will be the beneficiaries of the project in terms of training in biodiversity conservation.
Indigenous and Afro-descendant Communities	The indigenous and Afro-descendant communities (<i>Embera, Wounaan, Katío, Chamí, Tule, Zenú</i> of Chocó) live mostly in collective territories and have their own authorities. These communities are important stakeholders in the implementation of the project and will be direct beneficiaries. During the project preparation phase the communities will be involved through information workshops, consultations, and validation to ensure the participatory design of the initiative. Free Prior and Informed Consent (FPIC) will be applied during project life. This is an explicit requirement of the Declaration of the United Nations on Indigenous Peoples Rights, which has been fully incorporated in the <i>FAO Policy on Indigenous Peoples</i> , and <i>Environmental and Social Management Guidelines</i> , and in <i>UNIDO Environmental and Social Safeguards Policies and Processes</i> . FAO Office for Partnerships, Advocacy and Capacity Development (OPCA) will

⁵³ Its name in Spanish is *Corporación Biocomercio Sostenible*

	<p>provide technical backstopping for the implementation of the FPIC.</p> <p>The Project will engage Community Councils, community-based organizations and second level community-based associations that are participating in environmental and sustainable development related processes in the Pacific region.</p>
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During full project preparation, project institutional arrangements will be discussed and defined with above-mentioned stakeholders' participation and others that may be latter identified. The project structure will likely be based upon a Steering Committee and some Technical Committees. The Steering Committee will build upon the existing mechanisms of the SIRAP Pacific and others coordination bodies in Colombia.

The project will support local governance strengthening with the participation of Community Council(s), Indigenous Conservation Areas, second-level community-based associations, among others, and therefore will contribute to building Pacific Vision promoted by GoC in the post-conflict context.

3) GENDER CONSIDERATIONS

Are gender considerations taken into account? (yes)

77. Women in the project region face different challenges due to imbalances in social norms and power relations, lack of equal access to natural resources and exclusion from the entities responsible for decision-making and public policy. In addition, women have generally less access to and control over natural resources on which they depend for their livelihoods. Because of the deep knowledge they have about communal customs and the many productive activities that are carried out, women are key players in programs dealing with the sustainable use of natural resources so that their integration in the initiative is a basic premise in order to maximize the project's impact. Finally, institutional strengthening can increase the participation of women in management committees or local associations increasing the chances of ensuring their inclusion in decision-making. During the design and implementation of the project, specific activities will ensure the involvement and active participation of women, elderly people, youth and minorities. The project will ensure that such groups have room to express their interests and issues and equal opportunities to participate in project planning. Gender equity considerations will be taken into account throughout the process of program development, implementation and evaluation in order to bring about changes for both environmental and gender issues. During the preparation of the entire project gender indicators will be identified.

4) RISK

Risk		Risk Mitigation Strategy
Unwillingness to cooperate of institutions and agencies responsible for managing conservation areas and production systems	L	The project involves relevant institutional stakeholders including the CARs, municipalities, municipal agricultural technical assistance units (UMATA), Afro-descendant community councils, indigenous councils, farmers' cooperatives and associations of the various productive sectors. In this sense the project has the advantage of having as SIRAP Pacific and BIOINNOVA as implementing entities, which are recognized in the area and manage methodologies to involve the various stakeholders.
Unwillingness of local institutions to participate in project activities	L	The project will work with local authorities in the region to ensure the valuation of the role of planning and regional planning as a basis for building more realistic development plans that respond to the particular characteristics of the departmental context and / or municipal. The process will be participatory at all stages. Economic incentives and productive alternatives derived from the project components will encourage the participation of municipalities in implementation activities.
Resistance from local communities to participate in the development of productive alternatives proposed in the project because of disagreement from access to genetic resources.	M/H	Local communities will be effectively involved in the formulation of the project. During project preparation extensive discussions will be held, in order to reach agreements to enable the implementation of the proposed activities in the project. In addition, Environment and Social Management Risk Analysis will be conducted in the PPG phase. Wherever applicable, FPIC will be used in consultation

Risk		Risk Mitigation Strategy
		contexts.
High turnover in municipalities	M/L	The project will seek to build capacity in municipal technical teams as well as seek to empower local communities so that they are the ones that empower the process regardless of the political context of the regions.
Climate change affects areas that are vital to the stability of ecosystems and productive landscapes	L	Climate change is likely to alter ecosystems that are vital for the production of species from which natural ingredients are derived. However, the project can minimize this risk by connecting landscapes through the implementation of various management tools as well as becoming soil stabilizers and stable carbon sinks.
Issues related to security	M/L	In the definition of mosaics and corridors, security criteria will be taken into account, and areas in which major efforts of the peacebuilding process are concentrated will be selected. The safety aspect will be also taken into account in the selection of areas for the implementation of pilot activities. Also, security measures required by the United Nations system will be implemented for such cases. The UN Department on Safety and Security (UNDSS) regularly assesses country risks and specific UN Department on Safety and Security risks, for those that operate on the ground, sharing this information to all Agencies of UN System. The project will strictly follow the advice of the UN Department on Safety and Security for all matters relating to the security of UN personnel and project staff working in on activities that involve office location, movement and engagement of populations in remote areas.

5) COORDINATION

78. The proposal will be coordinated and will seek synergies with the GEF Consolidation of the National System of Protected Areas project at the national and regional levels, implemented by the Ministry of Environment and Sustainable Development and the IDB, in order to align and harmonize activities to strengthen SIRAP Pacífico in terms of strategy planning and coordination with SINAP. The tools for formulation of PAs management plans, assessment of management effectiveness, the monitoring strategy, monitoring and information system and the communication strategy for SINAP will complement the activities proposed in this project.

79. This proposal ties in with the "Conservation of biodiversity in landscapes affected by mining in the Chocó Bioregion" project, which is being implemented by the Ministry of Environment and Sustainable Development, the Ministry of Mines and Energy, National Natural Parks, Autonomous Regional Corporations, Municipalities, WWF and IAP. It seeks to preserve the biodiversity of the Chocó region from the direct and indirect impacts of gold, silver and platinum mining and indirect impacts of mining (population growth, increased production processes, fisheries and other sectors). This project seeks to incorporate into planning instruments environmental and social criteria and generate connectivity processes that conserve globally significant biodiversity in priority mining-affected areas in Chocó. During full project preparation, coordination mechanisms will be established to ensure articulation and harmonization of interventions. Special attention will be paid to the selection of project sites, in order to avoid duplication of efforts.

80. It is also worth noting the consistency of this project with the GEF project implemented by Ecoflora "Development and production of natural dyes in the Chocó region for the food, cosmetics and personal care product industries under the provisions of the Nagoya Protocol." This project, which is in its mid-term review, seeks to develop vegetable dyes, value chains and markets as well as the strengthening of the ABS implementation at the national and regional levels and the monitoring of the agreements to distribute benefits. Thus, this project will provide lessons that will enrich the implementation of the project. Given the subject matter this project is consistent with the "Implementation Approach of Socio-ecosystem connectivity for the Conservation and Sustainable Use of Biodiversity in the Caribbean Region of Colombia" project funded by GEF and implemented by the Ministry of Environment and Sustainable Development and FAO. This project seeks to include the socio-ecosystem approach within land use plans, an issue that has also been included in this project. The second point shared among the initiatives is the creation of

alternative models of sustainable production as a tool to conserve biodiversity and the goods and services provided by ecosystems.

81. This proposal will also coordinate with the GEF Small Grants Program, which began operation in 2015 in rural areas of the municipalities of Buenaventura, Southern Coast of San Juan and Dagua. The first call focused on community environmental management projects that strengthen the commitment and capacity of people to improve environment conservation and sustainable livelihoods. The first call focused on community environmental management projects that strengthen the commitment and capacity of people to improve environment conservation and sustainable livelihoods. The second call, which opened for proposals in June 2016, will also be in the Pacific Region and will focus on promoting green business in the region.

82. Finally, the project will coordinate with the USAID BIOREDD+ program for the Pacific Region, which involves 8 REDD+ projects benefitting 21 ethnic communities that live in 6 municipalities along four departments. Planned actions include diversified income alternatives for the communities and improved land management strategies to address different deforestation drivers.

6) CONSISTENCY WITH NATIONAL PRIORITIES.

Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes [X])

83. This project is consistent with the Peace Process in the framework of agreement Number 1 of La Habana that addresses the environmental zoning of the territory with the aim of identifying strategic areas for conservation and provision of ecosystem services.

84. This project is consistent with the V National Biodiversity Report of Colombia to the Convention on Biological Diversity. Among the items highlighted in the report and addressed in the project are: i) Recognition of the importance of indigenous peoples and Afro-Colombian communities in the management of biodiversity and ii) Recognition of the importance of the relationship between biodiversity conservation and quality of life of the communities. The project will contribute to Colombia's achievement of the **Aichi Targets** as follows: Target 5, to the extent that the project will contribute to stabilizing land-use in the fringes of core protected areas thereby reducing threats to PA's biodiversity; Target 11, to the extent that (i) the project will contribute to making the protected areas system more effective in conserving biodiversity within the surrounding landscapes; and (ii) it includes other area-based conservation measures that are not just than formal PAs, in particular through the incorporation of ICCAs into the system; Targets 14 and 15, as it relates to the enhancement of ecosystems' functions, their structure and resilience, including in the face of climate change, through a landscape mainstreaming approach.

85. This project is country-driven and consistent with, and supportive of, national development strategies and plans that relate to green growth and sustainable development, with focus on MDGs and the Post-2015 development goals. It is supportive of the National Development Plan (2014-2018): All for a new country, which identifies as one of the country's challenges for peace-building in the territories, the need to spur the economy while protecting the environment in remote rural areas where state presence is limited.

86. Biodiversity Action Plan (BAP) (June, 2016), an instrument to implement the National Biodiversity and Ecosystem Services Management Policy (PAB) (MADS *et al.*, 2012), is the basis for biodiversity governance in Colombia. This project supports several targets in BAP, such as I.1) All action plans within SINAP, I.2) Biodiversity and ecosystem services safeguards incorporated in the diverse planning instruments, I.4) The country will have 210.000 hectares under restoration, and I.5) reduce deforestation. It is also in line with the National Policy for Integral and Environmental Soil Management (MADS and IDEAM, 2013) and the National Action Plan to Combat Desertification and Drought in Colombia (MAVDT, 2005), by foresting land recovery and promoting the implementation of diversified and sustainable production models and thus relieve pressure on the soil. By promoting alternative livelihoods through the sustainable exploration of bio products and services, the project supports the National Plan for Green Business (MADS, 2014) and Pacific Region Green Business Plans (MADS, 2014) which provide guidelines for certification and identifies the potential for green business in the region. Likewise, the project is coordinated with the National Plan for Food and Nutrition Security.

87. The defines the guidelines and provides tools for developing, encouraging and promoting the supply and demand of green and sustainable business in the country, by developing an appropriate platform of tools, incentives and institutional coordination aimed at economic growth, job creation and preservation of Colombia's natural capital. Among these tools are different types of certifications, such as the Colombian Environmental Label (*Sello Ambiental Colombiano*, SAC), which is obtained on a voluntary basis and provides consumers with verifiable and accurate environmental aspects of products, or the Ecologic Food Label, the granting of which is regulated by the Ministry of

Agriculture and Rural Development, and aims to promote, differentiate and position products with these characteristics within the entire food chain. The National Program of Sustainable Bio-trade (2014-2024) aims to position native biodiversity as an engine of sustainable development for the country, facilitating the creation of Sustainable Bio-business as an alternative to generate income to fulfill the country's development goals. As part of this Plan, the Regional Green Business Programs have been developed to define the guidelines and provide tools for planning and decision-making to enable the development and promotion of green and sustainable business, according to regional strengths and competitive advantages, generating economic and social growth and conservation of natural resources. Specifically, the Green Business Plan for the Pacific Region⁵⁴ which the CARs are responsible for implementing, identifies as a comparative advantage the region's diversity and natural wealth that favor the provision of ecotourism services, the production and marketing of fruit and native flowers, sustainable farming systems and wildlife utilization for the development of sustainable economic activities that would improve the population's economic conditions and quality of life.

88. Project will support the National Plan of Green Businesses (PNNV) which is being led by MADS and the Green Business Plan for the Pacific Region which the CARs are responsible for implementing. The PNNV defines the green and sustainable businesses as "economic activities which offer goods or services that in turn generate positive environmental impacts and incorporate good environmental, social and economic practices, with a lifecycle approach, and contribute to the conservation of the environment as natural capital and support to the territorial development". According to the classification of the PNNV, there are three categories of green business: i) sustainable goods and services derived from biodiversity; ii) industrial eco-products; and iii) carbon markets. The proposed project will focus on the category i), which covers three sectors: a) sustainable agroecosystems; b) bio goods and services; and c) restoration.

7) KNOWLEDGE MANAGEMENT

89. A platform with online tracking will be designed to monitor and evaluate the project. This platform will be based on the output indicators, targets and outcomes defined in the logical framework, using qualitative and quantitative measurement tools. Knowledge, experiences and lessons learned from the project will be shared at different levels:

- National: will use experiences from other projects, such as lessons to strengthen processes at the national, regional and local levels.
- Local: local activities will be promoted, disseminating the concepts of livelihoods, production, local consumption, family farming, sustainable intensification of agricultural production, good agricultural practices, environmental sustainability and ecosystem services, among others. The activities will take place in a recreational and cultural context and based on the community's traditions.

90. Project visibility will be based on a communication strategy to be developed during the initial months of project implementation. Activities and the necessary means to guarantee proper visibility and dissemination of project results will be ensured, as well as a guarantee of the flow of information between project partners.

⁵⁴

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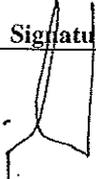
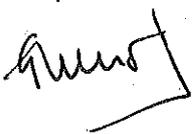
PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT AND GEF AGENCY

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 **SGP OFP endorsement letter**).

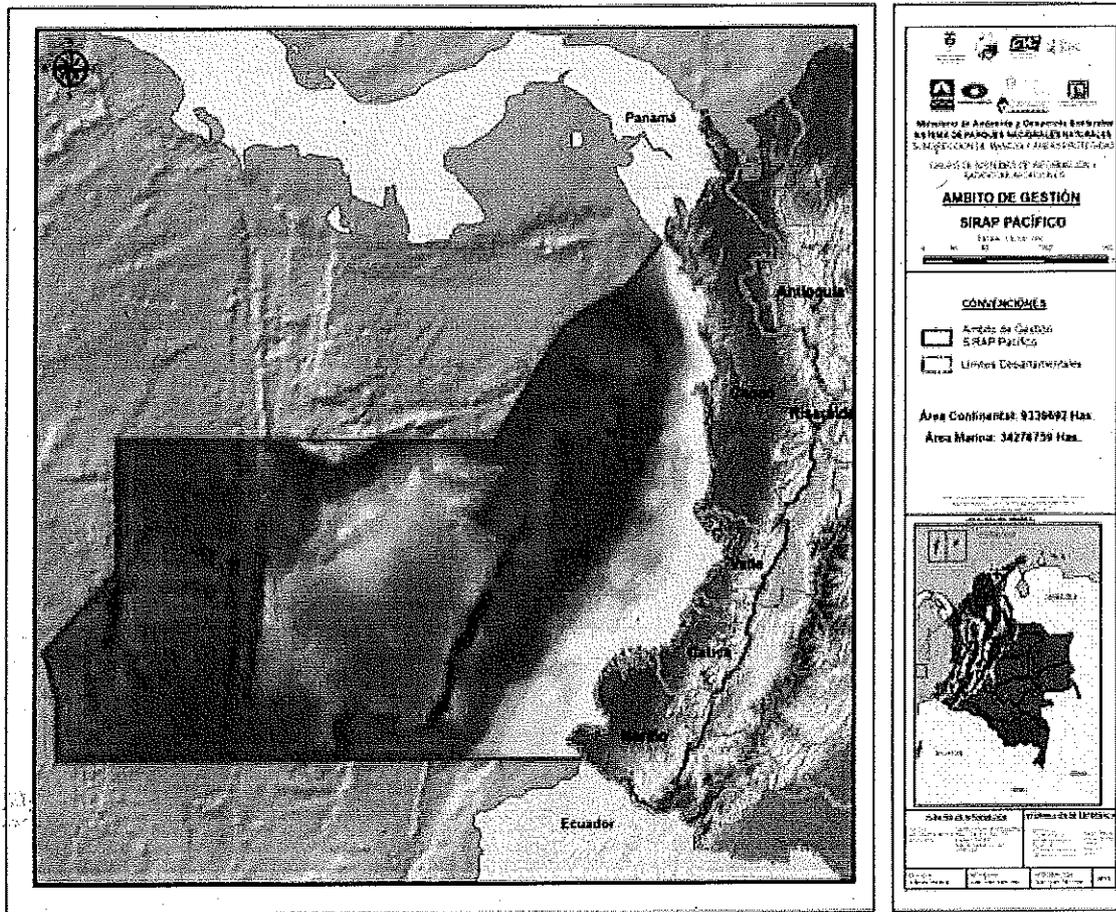
NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Claudia Vasquez Marazzani	GEF Operational Focal Point - Head of International Affairs Office	MINISTRY OF ENVIRONMENT AND SUSTAINABLE DEVELOPMENT	4 MARCH 2016

B. GEF AGENCY CERTIFICATION

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

Agency Coordinator, Agency name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email
Philippe R. Scholtès, Managing Director, Programme Development and Technical Cooperation (PTC), UNIDO GEF Focal Point		09/22/2016	Frank Hartwich, Industrial Development Officer	+43 1 260 26 4861	F.Hartwich@unido.org
Gustavo Merino Director, Investment Centre Division Technical Cooperation and Programme Management FAO Viale delle Terme di Caracalla 00153, Rome, Italy		14 July 2016 12 August 2016 22 September 2016	Gabriel Chavez	+57 3415101	Gabriel.chavez@fao.org Faogef@fao.org

Annex I. Area of influence of the SIRAP Pacific



Source: SIRAP Pacific, 2016

Annex II. List of potential biodiversity products

Note: biodiversity-derived products for output 3.2.2 will be selected on a participatory basis during full project preparation with FAO and UNIDO technical support, in respect of the Environmental and Social Management Guidelines of both agencies and national legislation. Selection criteria will be built during full project preparation in coordination with SIRAP, MADS, PNN, and the research institutes.

Species	Food	Cosmetics	History
<i>Gynerium sagittatum</i> (Sour cane)		x	The group known as The mesmas, a community spin off that consists of 10 women displaced by the armed conflict, supported by the Union of Lay Missionaries (Unión de Seglares Misioneros, USEMI) and an innovation process with BIOINNOVA formed this business in 2015 to produce bar soap from this species.
Medicinal plants	x	x	Treasure of the Jungle. A productive unit that arose from the communal work of the Corporación Siempre Viva with different groups in the Quibdó neighborhood. Treasure of the Jungle is derived from the Etnosalud group, initially providing massage services, first aid and producing coconut soaps. In 2006, Corporación Siempre Viva, with the support of other entities, gave them their own space located in the neighborhood of el Jardín sector Heliconias, to consolidate their activity and group. They make toiletries and food products from medicinal plants.
<i>Vanilla sp.</i>	x	x	This is used in foods and cosmetics. The Colombian Pacific has registered to date 11 species, which grow from the Dagua and Cisneros subxerófitico forest to rainy humid forest ecosystems.
<i>Annona glabra</i> (Guanábana cimarrona) <i>Annona squamosa</i> (Anón)	x		This species has yellow flesh and is softer than the soursop (guanábana). It can be used to make fruit juice or as a table fruit.
<i>Oenocarpus bataua</i> (Milpesos, Seje)	x	x	The consumer product is a drink similar to chocolate, rich in polyunsaturated oils and antioxidants. Seje oil is also used in cosmetics. Neyber SAS sells this ingredient in the country in partnership with communities. The oil obtained is nearly as fine as olive oil.
<i>Genipa americana</i> (jagua)	x	x	This natural dye can potentially be used in cosmetic products, including shampoos, soaps, makeup, mascara, perfumes, toothpaste, mouthwash, cleaners, etc. Green fruits have a protein dye called genipin. This dye, which has patented biotechnological and industrial applications, is priced at US\$20 per milligram. La Jagua can be consumed in juice form like its relative the borojó. Such products are pasteurized in Brazil. In Chocó, different associative groups have worked with this species with the Ecoflora Cares firm, which through innovative processes have developed a natural dye that is in the process of being patented. This company has a contract to access genetic resources for the use of this species.

<i>Euterpe oleracea</i> (<i>asai, naidí</i>)	x	x	The fruit of the naidí palm is internationally known as acai. This fruit is listed by the USDA as having the most antioxidant properties of any fruit thus far. This feature, that is linked to health, has attracted considerable consumption not only in Brazil but all over the world, so that demand has grown and been unmet for several years. The fruit pulp is used in juices, ice cream, beverages, and cosmetics oil as well as for many industrial uses. The frozen juice is exported from Brazil as a dietary supplement for high-performance athletes. The palm is also used as food. In 2004 the company CORPOCAMPO, in order to revisit the issue of the use of the naidí palm and the production of palm preserves, was created before the shortage of the product in the domestic market. In 10 years the industry has grown, it has two factories, one in Guapi and one in Tumaco, with an annual production of over 100,000 cases, of which more than 90% go to the international market, mainly France, the world's largest consumer. The market for naidí palm tends to be managed by a wild and organic niche with reduced demand but with a price that covers the high costs of this product. This company has 3 production sites for acai pulp in Tumaco, Guapi and Buenaventura with a production capacity of 3,000 to 6,000 kilos of pulp per day between the 3 sites.
<i>Bactris gasipaes</i> (<i>Chontaduro</i>)	x	x	Chontaduro oil, which is extracted from the fruit, is a strong antioxidant ingredient that can be used in cosmetics for its anti-aging and regenerating nutrients which can penetrate the deeper layers of the skin. Can also be used as a food through its fruit and palm preserves.
<i>Theobroma sp</i>	x	x	It is used as a food and as a natural ingredient in the cosmetics industry because of its antioxidant benefits that combat the signs of aging.
<i>Bixa Orellana</i> (<i>bija</i>)	x		Used as a natural dye for the food industry and as a seasoning. This species has made progress in the establishment of technology packages in the region and there are crops in the municipalities of Rio Quito and Cantón de San Pablo supported by the Ministry of Agriculture.

Annex III. Carbon calculations

METHODS

Estimate of potential carbon stocks in the Pacific forests

To estimate potential carbon reserves in the natural forests of the Pacific, the average biomass estimated by IDEAM (2014) for each type of forest according to the Holdridge life zones classification system was used. Based on this information, the average biomass of the Pacific forest was calculated. Subsequently, the confidence interval for the biomass was estimated, and the lower limit for estimates of potential emissions reduction was used, in order to be conservative. To convert the values of biomass to carbon, a factor of 0.47 was used following national protocols (IDEAM, 2014). Finally, the underground or root biomass was estimated using the pantropical equation developed by Cairns et al. (1997) ($BR = \exp(-1.085 + 0.9256 \ln BA)$, where BR is the root biomass, BA is the biomass).

Estimate of potential carbon stocks in other land uses

According to IPCC (2006) recommendations, the change in biomass is only estimated for perennial woody crops and pastures. For annual crops, the increase in biomass stocks in a single year is assumed to be equal to biomass losses from harvest and mortality in that year, therefore, there is no net accumulation of carbon stocks in biomass. In this regard, this year, the content of carbon in post-deforestation land use was obtained using a combination of factors from the guide of good practices by the IPCC (2003), and the literature review, using values reported for sites with similar characteristics. In addition, and bearing in mind the lack of information in many cases, the average value was increased by 30 per cent. This is in order not to overestimate emissions from deforestation (Pedroni, 2012).

Estimate of carbon sequestration by restoration activities

To determine the accumulation of carbon, conventionally the average annual increases of carbon (IMA) or growth curves by species/ecosystem are used. Such procedures are considered to be good practices according to the IPCC (IPCC, 2003). For estimates of potential capture from restoration activities in the life zone of very humid tropical forests (bmh-T), a curve was constructed using data from secondary sources regarding storage potential and Mean Annual Increment (Tosi, 1981). The von Bertalanffy model that is found in Equation 1 (von Bertalanffy, 1976) was parametrized, using the method of mathematical approximation.

$$C = A[1 - \exp(-bt)]^{1/(1-m)} \quad (1)$$

Where C is carbon ($t \text{ ha}^{-1}$), t is time (years) and A, b and m are parameters of the equation. The term \exp denotes the exponential operator and A is the asymptote or maximum amount that can reach the body with the progress of time, which controls the maximum rate of growth of the species. This model suggests that the body anabolism rates are proportional to its raised mass elevated to the power 2/3, while catabolism is only proportional to mass. Therefore, the parameter m in the Bertalanffy model is 2/3 (Zeide, 1993). In cases where this model is used, this constant was assumed since it has been observed empirically that this value can estimate conservative asymptotic values, so the iteration process of the other parameters is facilitated and makes the term $1/(1-m)$, and it becomes a constant term $c = 3$.

Estimate of the emissions derived from the avoidance of deforestation

Estimates of emission reductions are based on lower rates of deforestation in the project area, according to the estimated rate, which in the case of this project proposal is based on historical analyses of deforestation in the Pacific region. As well, the project should consider in its accounts emissions resulting from the implementation of project activities. For these calculations, some equations proposed by the IPCC, which are recommended in the VM0015 methodology of the VCS, were taken as a base given that the draft sustainable forest management would be implemented in areas where deforestation is unplanned.

OUTCOMES

Estimate of potential carbon stocks in the Pacific forests

The average biomass for the Pacific forests is $280.36 \pm 14.11 \text{ t ha}^{-1}$. For these estimates, the value of the lower limit, that is, 266.25 t ha^{-1} was used; this value is enclosed to that reported in other studies (Quinto & Moreno, 2011), and even in two of the BioREDD projects (Cajambre and Mutatá). Regarding ground biomass, the value obtained was 59.38 t ha^{-1} , for a total biomass of 325.63 t ha^{-1} , corresponding to $561.17 \text{ t CO}_2\text{e ha}^{-1}$, the value used for estimating the potential for emissions reduction.

Estimate of potential carbon stocks in other land uses

- According to the review and applying the 30 per cent adjustments, carbon content related to other forest cover/land use changes were as follows:
- Forests to Agricultural Areas: $12,88 \text{ t CO}_2\text{e ha}^{-1}$.
- Forests to Pastures: $7,11 \text{ t CO}_2\text{e ha}^{-1}$.
- Forests to Shrub Vegetation Areas: $20,12 \text{ t CO}_2\text{e ha}^{-1}$.

Estimate of carbon sequestration by restoration activities

According to the review, the restoration of one hectare of tropical wet forest (bmh-T), can reach an average annual increase of 4.5 t C ha^{-1} . Thus, one restored hectare could eventually hold around 61.92 t C . That is, if the project restores 2,000 hectares a total of **21,292,54 t CO₂e** could eventually be captured in the 4 years of project implementation, minus the 30 per cent buffer related to risks (natural, financial, etc.).

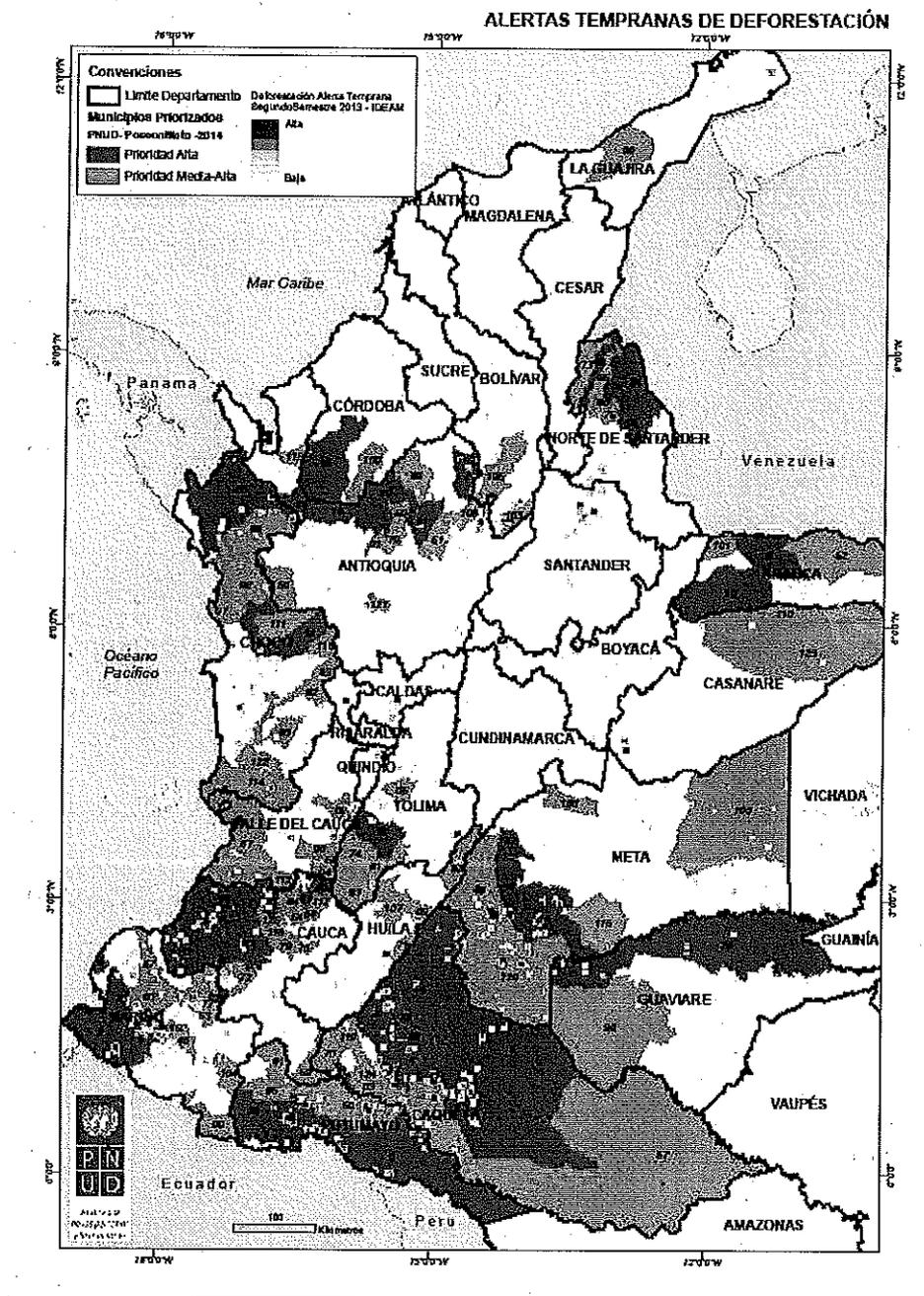
Estimate of emissions from deforestation avoidance

To estimate the avoided emissions the following assumptions are considered: i) the rate of historical deforestation in the region is about 1 per cent according to IDEAM studies and reports (2011); ii) sustainable forest management activities will result in a 40 per cent reduction during the first 5 years and then 30 per cent for years 5-10 and 30 per cent for years 10-15; iii) taking into account the complexities of the implementation of these activities, a buffer of 30 per cent will be considered, that is, a discount to the reduction potential, based on the potential risks that may arise; iv) the project area was estimated at 150,000 ha; v) only CO₂e emission reductions were considered; vi) a 4-year project was considered; and vii) the application of significant amounts of chemical fertilizers was not considered, so no input values of this type are considered. Thus, it was found that the project would have a potential to reduce emissions by avoiding deforestation of **2,679,986,92⁵⁵ t CO₂e**. It is recommended that once implementation begins, the calculations should be reviewed and updated, considering a prudent time lapse between the submission of this proposal and its approval.

Total Emission Reduction: **2,701,279,46 t CO₂e**. That value included conservation area plus restoration area.

⁵⁵ By conservation of 450,000 ha

Annex IV. Early warning deforestation in post-conflict priority municipalities



Source: United Nations System in Colombia and Ministry of Environment and Sustainable Development. September 2014. Environmental considerations for building a stable, lasting and sustainable peace in Colombia territorial - inputs for discussion. Bogota, DC, Colombia, p. 48.