



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS*
THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4774		
Country/Region:	Ecuador		
Project Title:	Conservation and Sustainable Use of Biodiversity, Forests, Soil and Water to Achieve the Good Living (Buen Vivir / Sumac Kasay) in the Napo Province		
GEF Agency:	FAO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-2; LD-1; LD-3; LD-3; LD-3; SFM/REDD+-1; SFM/REDD+-1; Project Mana;		
Anticipated Financing PPG:	\$54,545	Project Grant:	\$2,628,283
Co-financing:	\$12,320,504	Total Project Cost:	\$15,003,332
PIF Approval:	April 16, 2012	Council Approval/Expected:	June 07, 2012
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ian Gray	Agency Contact Person:	Jorge Meza

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	December 15, 2011 Yes, CBD: 1993; CCD: 1995.	June 12, 2014 As at PIF stage.
	2. Has the operational focal point endorsed the project?	December 15, 2011 Yes. Letter from A Aguinaga Vallejo dated 25 November 2011 is available. April 03, 2012 The additional funding has meant that the BD sums identified in the letter of endorsement have been exceeded. Please provide a letter of endorsement covering the new amounts. April 13, 2012	

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 11-22-2010

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		Letter of endorsement dated March 15, 2012 indicates revised amounts. Cleared.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	December 15, 2011 FAO's comparative advantage in TA for BD, LD and SFM projects is clear from experience. Please elaborate on FAO's comparative advantage for Inv projects given that over \$900,000 is allocated to this component. March 05, 2012 Additional information provided. Cleared.	June 12, 2014 As at PIF stage.
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	December 15, 2011 There is no non-grant instrument.	June 12, 2014 There is no non-grant instrument.
	5. Does the project fit into the Agency's program and staff capacity in the country?	December 15, 2011 Yes, aligned with the DAF and FAO's CPF. FAO has in country staff for technical and operational support plus provision for technical backstopping regionally and from HQ.	June 12, 2014 As at PIF stage.
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	December 15, 2011 Yes, the overall request is within the STAR allocation.	June 12, 2014 The overall request remains the same as at PIF stage.
	• the focal area allocation?	December 15, 2011 Yes, the FA funds requested are within the FA allocations to be programmed which at 12/15/11 stand at BD: \$14,724,481 and LD \$3,390,000. Please review the amount requested from the SFM/REDD incentive and ensure it is within the 1:3 ratio of FA	June 12, 2014 Individual FA requests remain as at PIF stage.

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		<p>finds invested in forests.</p> <p>March 05, 2012 SFM funds requested now within 1:3 ratio. However there is a minimum required investment of \$2 million from FA in order to access the SFM incentive, please increase the FA allocations.</p> <p>April 03, 2012 BD resources requested increased, total now in excess of \$2 million. Cleared.</p>	
	<ul style="list-style-type: none"> • the LDCF under the principle of equitable access 		
	<ul style="list-style-type: none"> • the SCCF (Adaptation or Technology Transfer)? 		
	<ul style="list-style-type: none"> • Nagoya Protocol Investment Fund 		
	<ul style="list-style-type: none"> • focal area set-aside? 		
Project Consistency	<p>7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?</p>	<p>December 15, 2011 Yes, well aligned. In Table A please ensure that the three LD objectives have their individual GEF finance and co-finance amounts identified.</p> <p>March 05, 2012 Please split SFM/REDD Outcomes 1.2 and 1.3 into separate rows.</p> <p>April 03, 2012 Cleared.</p>	<p>June 12, 2014 The project is aligned with outcomes of BD-2, LD-1, LD-3 and SFM/REDD+-1 strategies, and remains largely unchanged since PIF stage.</p>
	<p>8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?</p>	<p>December 15, 2011 Yes. BD-2: Mainstream Biodiversity Conservation and Sustainable Use into</p>	<p>June 12, 2014 Yes.</p>

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		<p>Production Landscapes, Seascapes and Sectors</p> <p>LD-1: Maintain or improve flow of agro-ecosystem services sustaining the livelihoods of local communities</p> <p>LD-3: Reduce pressures on natural resources from competing land uses in the wider landscape</p> <p>SFM-1: Reduce pressures on forest resources and generate sustainable flows of forest ecosystem services</p>	
	<p>9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?</p>	<p>December 15, 2011</p> <p>Yes, generally in line with CBD 4th National report and the earlier CCD 3rd report.</p>	<p>June 12, 2014</p> <p>The National Plan for Good Living provides the overall framework for the project. The project is consistent with 2010 CBD report which prioritized strengthening PA system, sustainable agriculture and ecotourism and biotrade. The project supports 2010 PRAIS report measures to accelerate benefits for rural poor.</p>
	<p>10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?</p>	<p>December 15, 2011</p> <p>Yes capacity development activities such as courses and workshops are described for both government staff at provincial and municipal level as well as for village councils, CSOs and community leaders. Additionally there is the development of a multi-disciplinary team to deliver TA services through local associations.</p>	<p>June 12, 2014</p> <p>Yes, specific capacity building elements are included in the individual Components and includes provincial, municipal and parochial actors together with ministry staff and rural associations e.g. for livestock, naranjilla and tourism.</p>
	<p>11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>December 15, 2011</p> <p>The problems of forest loss and degrade are well established. Can you please explain whether the funding proposed as co-finance from the NPG is new and additional or Government recurrent budget expenditure on forests.</p>	<p>June 12, 2014</p> <p>Baseline activities are well described including efforts of the Decentralized Autonomous Government of the Province of Napo, Ministry of the Environment including the Socio Bosque incentives, GIZ's work</p>

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Project Design		<p>March 05, 2012 Additional information included - NPG initiated started developing policies and activities for forest management in 2011 and new funds will be available from 2012 onward for SFM/REDD+ activities. Cleared.</p>	<p>including with ProCamBio Program, Rainforest Alliance's ICAA and UNREDD activities.</p>
	<p>12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>		<p>June 12, 2014 Cost-effectiveness is demonstrated largely through the project's use of and support to existing systems and processes rather than attempting to develop new mechanisms. Additionally exiting platforms are utilized as a means to widen uptake of efforts and build stakeholder support.</p>
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>December 15, 2011 Yes. Basically split into two elements, the development of the enabling framework through improved planning and coordination among a wide range of official and local organizations, plus field level implementation of improved management practices.</p>	<p>June 12, 2014 Incremental reasoning is well established over baseline activities.</p>
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>December 15, 2011 Please explain what role the GEF funds will have in the development of the water fund and the sustainable development fund in 1.4.1? How does this incorporate existing guidance on the setting up of trust funds? Please explain the term "analogy forestry" in 2.4.1 and what is planned. In Component 3 the socio-economic benefits are clear but please explain</p>	<p>June 12, 2014 Generally the framework is clear. The information on PES and in particular COCOSINCLAIR Hydroelectric EP's involvement in very welcome in the CEO Endorsement Request Annex B - it would be useful if some of this could be incorporated into the ProDoc as it is germane for the reason the Provincial Sustainable Development Fund is being established as well as the role of COCOSINCLAIR as one environmental service buyer.</p>

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		<p>more clearly the link back to BD/LD/SFM objectives.</p> <p>Certification is rarely successful without market demand for the product involved - what measures are in place in 2.1.6 and 2.3.1 to ensure this element continues after the project.</p> <p>Please provide a little more explanation on what is planned within 2.2.4 in terms of the Carbon Sequestration Monitoring System.</p> <p>March 05, 2012</p> <p>a) Cleared. Please ensure that STAP guidance on PES is incorporated at time of CEO Endorsement.</p> <p>b) Cleared. Please ensure that funding for restoration are derived from LD or SFM rather than BD FA.</p> <p>c) Link to incorporation of BD in management planning and increase in certified landscape which includes BD issues. Cleared.</p> <p>d) Sufficient information added for PIF stage. By CEO Endorsement please include identification of the specific measures to be undertaken which will ensure longevity of the the certification and incentive activities.</p> <p>e) Additional information on the FAO ACT has been provided. However this is an ex-ante planning tool, at CEO Endorsement please information on how this is expected to be used as the basis for a monitoring system, and describe the set of measurements which are</p>	<p>This would further strengthen the sustainability rationale. Additionally please explain if GEF resources are to be used for fund development or initial capitalization.</p> <p>Output 2.1.2 please explain what the function of the 'value chain plans' is. Who is responsible for the implementation of the plans.</p> <p>Output 2.2.4 what is the relationship with the MAE FAS? Is MAE responsible for implementation and addressing non-compliance?</p> <p>July 14, 2014</p> <p>Cleared.</p>

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		expected.	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>December 15, 2011 Element 1.4.1 appears to be a plan for PES - if so please make this more specific and illustrate how current STAP guidance on PES is being incorporated.</p> <p>In order to access the SFM/REDD incentive the project needs to provide some carbon benefits, please include an estimate (and include calculations) on the carbon benefits derived from the project - these can use a Tier 1 type approach.</p> <p>March 05, 2012 The additional detail on the PES is appreciated, at CEO Endorsement details of how the project builds has utilized STAP guidance will be expected. CO2 benefits are estimated in the region of 415,000 tCO2 over the project lifetime, however clearer estimates are expected at time of CEO Endorsement.</p>	<p>June 12, 2014 Methodologies applied are generally clear. CO2 benefits were flagged at PIF stage as requiring further clarity by CEO Endorsement. The ongoing in-country processes described in the responses are recognized however please provide an estimate using a defensible methodology.</p> <p>July 14, 2014 Addressed.</p>
	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?</p>	<p>December 15, 2011 Yes there are specific targets for socio-economic results and the project also has clear targets for the inclusion of women in both process and results.</p>	<p>June 12, 2014 Benefits to local communities, which include gender mainstreaming actions are generally described through the development of capacity for improved management techniques for farming as well as the involvement in the proposed PES schemes. The longevity of the project is to a large extent reliant on benefits accruing to local communities through on the ground actions.</p>

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	17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?	December 15, 2011 Yes both national and international CSO roles have been identified as have village council and municipality level structures together with local communities, CBOs and local associations.	June 12, 2014 Yes stakeholder participation is provided for at a number of levels. This includes local governments of the Provincial Government of Napo, the municipal and parochial Decentralized Autonomous Governments, as well as representation through the associations for cocoa, naranjilla, livestock, forests and eco-tourism development.
	18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	December 15, 2011 Yes the main risks are identified and mitigation measures proposed. Please provide some more justification on the 'low' classification of not receiving sufficient priority for biodiversity conservation and INRM and that a participatory process is sufficient to mitigate the risk. March 05, 2012 Additional information on SBR-Napo Province's existing multi-stakeholder processes and their use in BD and NR management. Cleared.	June 12, 2014 Key risks are identified and proposals for mitigation are sufficient.
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	December 15, 2011 Please explain how the project links to existing work on forest carbon inventory and methodologies currently underway. March 05, 2012 Details of links with MAE, NFA, the National Deforestation Map and the Socio-Bosque Program have been included. Cleared	June 12, 2014 Key GEF-related and other initiatives are identified in the ProDoc. Lessons learned from relevant work have been identified and incorporated.
	20. Is the project implementation/ execution arrangement adequate?	December 15, 2011 There are a number of actors involved - please add in a little detail to clearly	June 12, 2014 Yes implementation arrangements are clear and appear adequate.

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		<p>identify who will be the key executing party or parties.</p> <p>March 05, 2012 The table has been improved and additional detail of the relationship between NPG, MAE, TNC and Ecociencia has been provided. Cleared.</p>	
	<p>21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?</p>		<p>June 12, 2014 Overall the project is in line with that presented at PIF stage. Amendments have been made based on the preparation phase findings. Amendments are generally rationalization of the project framework, are relatively minor and justified.</p>
	<p>22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?</p>		<p>June 12, 2014 There is no non-grant instrument.</p>
Project Financing	<p>23. Is funding level for project management cost appropriate?</p>	<p>December 15, 2011 PMC is slightly over the 5% threshold - please ensure it remains within the limit.</p> <p>March 05, 2012 PMC is now 5%. Cleared.</p>	<p>June 12, 2014 PMC was \$125,156 at PIF stage, this has increased to \$148,771. Please reduce PMC to 5%.</p> <p>July 14, 2014 Supporting information provided cleared.</p>
	<p>24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?</p>	<p>December 15, 2011 Generally yes but Component 2 does have a large number of sub components while some of those elements could be quite costly to implement e.g. the certification process and the carbon sequestration monitoring system. Please give some further explanation of how these elements can all fit into the</p>	<p>June 12, 2014 Funding appears appropriate and adequate for prescribed activities.</p>

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		<p>proposed budget.</p> <p>March 05, 2012 Additional co-finance supporting the activities has been explained. At time of CEO Endorsement please incorporate details of co-finance from those organizations interested in the certification-related activities in Component 2.</p>	
	<p>25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.</p>	<p>December 15, 2011 Co-finance is 1:2.19 which is low, please seek additional sources of co-finance.</p> <p>March 05, 2012 Co-finance now stands at 1:4.1.</p> <p>April 03, 2012 With the additional BD funds the co-finance ratio has fallen, please seek additional co-finance to recover the previous ratio.</p> <p>April 13, 2012 Co-finance now stands at 1:4.0.</p>	<p>June 12, 2014 Co-finance stands at \$12,320,504 giving a ratio of 1:4.69, of which \$7.9 million (65%) is grant-type. Confirmation of co-finance is available for all sources except National Government COCASINCLAIR EP, could this be identified or provided please.</p> <p>July 14, 2014 Confirmation provided. Cleared.</p>
	<p>26. Is the co-financing amount that the Agency is bringing to the project in line with its role?</p>	<p>December 15, 2011 FAO co-finance is \$40k in kind and \$140k grant which is 6% of GEF funding. Additional co-finance would be expected for priority projects.</p> <p>March 05, 2012 FAO co-finance has been increased to \$520,000</p>	<p>June 12, 2014 FAO co-finance is \$420,000, 16% of GEF funding.</p>
<p>Project Monitoring and Evaluation</p>	<p>27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?</p>		<p>June 12, 2014 TTs are available for BD, LD and SFM. Please update SFM TT with CO2</p>

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			estimate (see above). July 14, 2014 Cleared.
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		June 12, 2014 M&E plan with budget is available.
Agency Responses	29. Has the Agency responded adequately to comments from:		
	<ul style="list-style-type: none"> • STAP? 		June 12, 2014 STAP comments addressed.
	<ul style="list-style-type: none"> • Convention Secretariat? • Council comments? 		June 12, 2014 Comments from German Council Member addressed.
	<ul style="list-style-type: none"> • Other GEF Agencies? 		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>December 15, 2011 Not at this stage please address above comments.</p> <p>March 05, 2012 Please address Q 6 and 7.</p> <p>April 03, 2012 Please provide a letter of endorsement covering the new sums and address the fall in co-fiance ratio.</p> <p>April 13, 2012 PIF now recommended for clearance.</p>	
	31. Items to consider at CEO endorsement/approval.	<ol style="list-style-type: none"> 1. Clear description of PES and incorporation of STAP Guidance. 2. Co-finance potential from organizations interested in certification-related activities in Component 2. 	

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		3. Improved estimates of CO2 benefits and clear description of carbon monitoring system.	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		July 14, 2014 Yes information on status provided.
	33. Is CEO endorsement/approval being recommended?		June 12, 2014 Not at this stage. Please address comments above. July 14, 2014 Cleared.
Review Date (s)	First review*	December 15, 2011	June 12, 2014
	Additional review (as necessary)	March 05, 2012	July 14, 2014
	Additional review (as necessary)	April 03, 2012	
	Additional review (as necessary)	April 13, 2012	
	Additional review (as necessary)		

* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	April 12, 2012 Yes activities include 1. Initial multi-stakeholder inception workshops 2. Policy and institutional framework analysis 3. Assessing local capacity needs and proposing capacity building options 4. Identification of the baseline and monitoring approaches 5. PES system design and identification of improved management approaches
	2. Is itemized budget justified?	April 12, 2012 Yes, detailed budget is available and is appropriate for the activities identified.
Secretariat Recommendation	3. Is PPG approval being recommended?	April 12, 2012 Yes PPG is recommended for approval.

	4. Other comments	
Review Date (s)	First review*	April 13, 2012
	Additional review (as necessary)	

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