

Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility
(Version 5)

STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: October 06, 2011

Screener: Guadalupe Duron

Panel member validation by: Michael Anthony Stocking
Consultant(s):

I. PIF Information *(Copied from the PIF)*

FULL SIZE PROJECT **GEF TRUST FUND**

GEF PROJECT ID: 4590

PROJECT DURATION : 4

COUNTRIES : Honduras

PROJECT TITLE: Delivering Multiple Global Environment Benefits through Sustainable Management of Production Landscapes

GEF AGENCIES: UNDP

OTHER EXECUTING PARTNERS: Ministry of Natural Resources and Environment (SERNA);

Tropical Agronomic Centre for Research and Teaching (CATIE);

Ministry of Agriculture and Livestock (SAG).

GEF FOCAL AREA: Multi Focal Area

II. STAP Advisory Response *(see table below for explanation)*

Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies): **Consent**

III. Further guidance from STAP

STAP supports UNDP's proposal on "Delivering multiple global environmental benefits through sustainable management of production landscapes" in Honduras. Not only is the proposal scientifically and technically sound but it also captures some of the more innovative aspects of the GEF strategy in, for example, addressing landscapes and integrating policy, markets and finance. The threats, and their complexities, to biodiversity, sustainable land management, and sustainable forest management are well described in each of the proposed regions. Furthermore, the components correspond with these threats, and the focus on landscapes is entirely appropriate to address the barriers and achieve the expected global environmental benefits defined in the proposal. Nevertheless, the intended project is extremely ambitious and it will require the strong and visible commitment from all sectors of society in the country. To strengthen the proposal further, STAP suggests addressing the recommendations stated below.

1. Some of the outcomes appear to be outputs and vice-versa. For example, in Component 2 Outcomes are specified in terms of increase in ESI values and conversion of pasture to SPS, whereas Outputs are more generalized. Outcomes should be the broad changes to which the project should be able to claim some credit but which may only occur well downstream, whereas Outputs are the project's deliverables within the timeframe of the funding. UNDP may wish to revise the project framework to reflect the difference between Outcomes and Outputs and to guide project managers in what may be directly expected of the project and to what bigger picture the project should contribute.
2. The baseline analysis, particularly of the implications of land degradation processes, is somewhat simplistic and vague. In #13, for example, land degradation processes "may include" soil compaction, sheet and gully erosion, and so on. Apart from the fact that erosion is the manifestation of a degradation process, the analysis seems to be uninformed by the considerable literature and evidence on degradation processes in Honduras and more generally in Central America. The analysis does need a more robust and scientifically credible depiction of why land degradation is so pervasive and what factors drive it. The paper by Kammerbauer and Ardon (1999. Land use dynamics and landscape change in central Honduras. Agriculture, Ecosystems and Environment 75 (1-2), pages 93-100) might be a good starting point. During preparation of the full brief, STAP recommends that the considerable evidence-base for land degradation (and to a lesser extent, biodiversity loss) is critically assessed and then used to target resources to where they are needed.
3. The proposal is unclear as to how the global environmental benefits (biodiversity conservation and carbon sequestration) will be measured and their progress tracked. For carbon measurements, one suggestion is to use the tools

from the UNEP-GEF proposal Carbon Benefits Project (CBP). The CBP will be publicly disseminated soon. It is important to define specifically how these measurements will be done as they will be integral to the project's implementation, monitoring and assessment. Furthermore, the project defines repeatedly the expected results as being multiple global benefits (explicit in the project title and project objective); thus, Honduras' and UNDP's commitment to multiple global benefits is apparent from the on-set.

4. The concept of permanent multi-stakeholder forums seems a good idea in light of the drivers of deforestation and un-sustainable land management in Region 1. STAP wishes for these forums to be more explicitly defined, including the following issues: 1) what actors will it involve or perhaps more importantly what measures will be taken so the varied stakeholders (with diverse and potentially conflicting interests – for example: small-scale cattle ranchers, small-scale farmers, wealthy land owners who are either cattle-ranchers or large agricultural producers) participate at these forums and their input is reflected appropriately in the conflict resolution strategies/policies; 2) who will mediate the forums and conflict resolution strategies; 3) what process will be put in place so the outcomes are sustained; and, 4) how will the participation of women be guaranteed.

5. STAP notes UNDP's expectation to strengthen the capacities of Governmental and Non-Governmental institutions so they are able to provide technical and other support to the targeted regions in the long term. STAP wonders to what extent the project also will work with these institutions to strengthen the enforcement of state-owned forests. Better protecting state-owned forests could perhaps contribute to slowing, or halting, the advancement of the agricultural frontier in Region 1, given that it appears to be one of the principal contributors to deforestation.

6. The proposal implies that burning in Region 2 has increased as a result of labor migration. Did farmers burn substantially less when there was more labor available, or has burning been a traditional practice driven by poverty and other socioeconomic factors influencing Region 2? Further clarification on this issue would be useful. Also, does labor migration entail that more women are involved in the agricultural systems (milpas) in Region 2? If so, the proposal needs to consider substantially women's farming technological needs. At the moment, gender elements are particularly weak in the proposal, especially for Region 2. The single reference to women relates to Region 1.

7. STAP understands the rationale for introducing Payment for Ecosystem Services (PES) as an incentive for sustainable land management/sustainable forest management in Region 1. However, STAP firstly recommends defining more explicitly the PES approach the project will undertake. At the moment, the PES activities are not defined in the proposal. Furthermore, STAP wishes to encourage UNDP to build in STAP's advice on PES, which is articulated in its Advisory Document "Payment for Environmental Services and the Global Environment Facility (The report can be downloaded at STAP's website: www.unep.org/stap_Publications/Advisory_Products). In particular, STAP wishes to draw attention to the barriers to PES effectiveness, discussed in the report. Briefly, these are: 1) non-compliance with contractual conditions; 2) poor administrative selection; 3) spatial demand spillovers; and 4) adverse self-selection. STAP highly recommends for the World Bank to describe at length the design choices to minimize these threats, and specify indicators that will permit an evaluation of the importance of these threats in the project. This advice and the barriers are described at length in STAP's PES advisory document.

Furthermore, UNDP may wish to consider how to explicitly design the proposal to evaluate the impact of PES. The GEF, as an important investor in PES, can contribute to generating the evidence base for PES effectiveness. STAP provides further guidance on how to explicitly design proposals to generate evidence base for PES effectiveness in the aforementioned advisory document.

8. STAP recommends for UNDP to refer to its Advisory Document "Environmental Certification and the Global Environment Facility" for the development of the environmental certification for cattle products. The report assesses the evidence base on environmental and socioeconomic impacts of certification programs, mainly of agricultural commodities, tourism operations, fish and forest products. Even though livestock is not covered in the report, STAP's key messages may well apply to sustainably produced beef, and dairy products. STAP's main messages to the GEF on environmental certification are projects are as follows:

a) "There are four main threats to eco-certification effectiveness: (i) weak certification standards; (ii) noncompliance with certification standards; (iii) limited participation, which can stem from supply-side or demand-side factors; and (iv) adverse self-selection, whereby actors already engaged in, or intending to engage in, innovative or environmentally-friendly practices disproportionately participate in the program. The first three threats are generally recognized in GEF project designs. However, the threat of adverse self-selection, which has been shown to limit impacts in a wide range of voluntary programs, is typically ignored in project designs. Every GEF certification project proposal should describe design choices to minimize these four threats and specify indicators that will permit one to evaluate the importance of threats (ii) - (iv) during the life of the project.

b) Despite the abundance of certification programs operating worldwide, only thirty-seven studies have attempted to measure these programs' environmental or socioeconomic impacts. Of these thirty-seven studies, only fourteen make a serious attempt to elucidate the causal impact of certification by eliminating rival explanations of the observed outcomes (e.g., increased incomes) that have nothing to do with certification (e.g., national trends in economic growth). Twelve of these fourteen studies focus on the banana, cocoa or tourism sectors. Ten focus only on Fair Trade or organic certification. Importantly, only four of the fourteen studies examine environmental impacts and only one of these four detected any impact (five out of ten of the socioeconomic studies detected positive impacts). The evidence base provides, at best, weak evidence for the hypothesis that certification has positive socioeconomic or environmental impacts. GEF agencies proposing a new or expanded eco-certification effort must acknowledge that they are proposing an innovative, but inadequately understood, intervention and carefully explain the pathways through which their project will generate desired environmental (and perhaps socioeconomic) impacts.

c) Financing of certification initiatives is consistent with the GEF's mandate to increase the supply of global environmental benefits. The limited evidence base does not imply that the GEF should avoid investing in certification programs, nor does it imply that past investments in certification have necessarily failed to yield returns. However, it does imply that GEF investments in certification should be made in projects that are deliberately designed to evaluate the environmental impacts of the certification program. Projects must include more than simple monitoring of status and trends of environmental indicators. They must be designed to permit credible inferences to be drawn about whether the program is contributing to changes in the status and trends of the indicators. Examples of such designs are described in Section 6 of this review. The information generated by such designs will also contribute to achieving Learning Objective Three of the GEF-5 Biodiversity Focal Area Strategy: Enhancing Impacts through Improved Understanding of the Causal Relationships between Popular Mainstreaming Approaches and Conservation Outcomes."

STAP's Advisory Document on Certification can be found at www.unep.org/stap

<i>STAP advisory response</i>	<i>Brief explanation of advisory response and action proposed</i>
1. Consent	STAP acknowledges that on scientific/technical grounds the concept has merit. However, STAP may state its views on the concept emphasising any issues that could be improved and the proponent is invited to approach STAP for advice at any time during the development of the project brief prior to submission for CEO endorsement.
2. Minor revision required.	STAP has identified specific scientific/technical suggestions or opportunities that should be discussed with the proponent as early as possible during development of the project brief. One or more options that remain open to STAP include: <ul style="list-style-type: none"> (i) Opening a dialogue between STAP and the proponent to clarify issues (ii) Setting a review point during early stage project development and agreeing terms of reference for an independent expert to be appointed to conduct this review The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.
3. Major revision required	STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical omissions in the concept. If STAP provides this advisory response, a full explanation would also be provided. Normally, a STAP approved review will be mandatory prior to submission of the project brief for CEO endorsement. The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.