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**United Nations Development Programme**

<b>Project title:</b> Agroforestry landscapes and sustainable forest management that generate environmental and economic benefits globally and locally		
<b>Country:</b> Honduras	<b>Implementing Partner:</b> Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente)	<b>Management Arrangements:</b> National Implementation Modality (NIM)
<b>UNDAF/Country Programme Outcome:</b> The population in conditions of poverty and vulnerability to food insecurity in the prioritized regions has increased their production and productivity, access to decent work, income and responsible consumption, taking into account climate change and the conservation and sustainable management of eco-systems.		
<b>UNDP Strategic Plan Output:</b> 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.		
<b>UNDP Social and Environmental Screening Category:</b> Moderate	<b>UNDP Gender Marker:</b> GEN2	
<b>Atlas Project ID/Award ID number:</b> 00088099	<b>Atlas Output ID/Project ID number:</b> 00094908	
<b>UNDP-GEF PIMS ID number:</b> 5704	<b>GEF ID number:</b> 9262	
<b>Planned start date:</b> 06/2018	<b>Planned end date:</b> 06/2025	
<b>LPAC date:</b> November 21 <sup>st</sup> , 2017		

**Brief project description:**

The objective of the project is to strengthen the connectivity between protected areas (PAs) and production landscapes to generate environmental, social, and economic benefits in the dry-humid biological corridors of southwestern Honduras. This will be achieved through a multifocal strategy that includes four interrelated outcomes that will strengthen local and national governance for the dry-humid biological corridors with an emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use; generation of environmental, social, and economic benefits to communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes; establishing supply chain initiatives to increase farmers' income derived from coffee, cocoa, sustainable agroforestry and ecosystem services; and knowledge management of the scaling-up of project results. This Global Environment Facility (GEF) investment will reverse fragmentation of forest ecosystems (cloud forest, subtropical wet forest, mixed and lower montane forests, and pine-oak forest), biodiversity loss, and land degradation within the corridors. The project will deliver global environmental benefits using a participatory approach and ensuring the equal distribution of benefits among men and women, with 16,103 people directly benefiting from the project. This will result in the consolidation of 971,752 hectares (ha) of biological corridors providing connectivity between PAs to forest remnants in production landscapes; the enhanced conservation of one Key Biodiversity Area and 14 PAs; the sequestration of 470,601 tCO<sub>2</sub>-eq through the rehabilitation and reforestation and agroforestry systems using landscape management tools (6,000 ha); and 20% reduction in forest fires and 70% reduction in firewood consumption and greenhouse gas emissions in the prioritized landscapes, among others. The project will span 7 years with a total investment of USD \$13,286,697, which will be provided by the GEF.

**FINANCING PLAN**

GEF Trust Fund	USD 13,286,697
UNDP TRAC resources	USD 0
Cash co-financing to be administered by UNDP	USD 0
<b>(1) Total Budget administered by UNDP</b>	<b>USD 13,286,697</b>
<b>PARALLEL CO-FINANCING</b> ( <i>all other co-financing that is not cash co-financing administered by UNDP</i> )	
Honduran Coffee Institute (IHCAFE)	USD 12,000,000
Foundation for Rural Business Development (FUNDER)	USD 2,000,000
Rural Development Bank (BANRURAL)	USD 14,000,000
Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente)	USD 4,000,000
Agriculture and Cattle-ranching Secretariat (SAG)	USD 2,000,000
National Forest Conservation and Development Institute (ICF)	USD 3,592,104
Global Coffee Platform	USD 500,000

HEIFER Project	USD 3,000,000
International Union for Conservation of Nature (IUCN)	USD 4,000,000
Sectoral Cabinet for Economic Development (GSDE)	USD 5,000,000
<b>(2) Total co-financing</b>	<b>USD 50,092,104</b>
<b>(3) Grand-Total Project Financing (1)+(2)</b>	<b>USD 63,378,801</b>

<b>SIGNATURES</b>		
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<b>Signature:</b> print name below	<b>Agreed by Government</b>	<b>Date/Month/Year:</b>
<b>Signature:</b> print name below	<b>Agreed by Implementing Partner</b>	<b>Date/Month/Year:</b>
<b>Signature:</b> print name below	<b>Agreed by UNDP</b>	<b>Date/Month/Year:</b>

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## II. ACRONYMS

AECID	Spanish Agency for International Development Cooperation (acronym in Spanish)
AHROCAFE	Honduran Association of Coffee Producers (acronym in Spanish)
ANACAFE	National Association of Coffee Producers (acronym in Spanish)
APROCACHO	Honduran Association of Cocoa Producers (acronym in Spanish)
AWP	Annual Work Plan
BANADESA	National Bank for Agricultural Development (acronym in Spanish)
BANHPROVI	Honduran Bank for Production and Housing (acronym in Spanish)
BANRURAL	Rural Development Bank (acronym in Spanish)
BCIE	Central American Bank for Economic Integration (acronym in Spanish)
BD	GEF Biodiversity
BPA	Building Performance Analysis
CDM	Clean Development Mechanism
CDR	Combined delivery report
CLIFOR	Adaptation to Climate Change in the Forestry Sector
COHEP	Honduran Council of Private Enterprise (acronym in Spanish)
COMRURAL	Rural Competitiveness Project (acronym in Spanish)
CONADIMCHH	Honduran Ancestral National Coordinator for Maya-Chortí Indigenous Rights (acronym in Spanish)
CONIMCHH	Maya-Chortí organizations (acronym in Spanish)
COPINH	Honduran Civic Council and Indigenous Organizations
COSUDE	Swiss Agency for Development and Cooperation
CREDISOL	Fund for Local Development of Honduras
DPC	Direct Project Cost
ERC	UNDP Evaluation Resource Center
FAO	Food and Agriculture Organization
FCPF	Forest Carbon Partnership Facility
FHIA	Honduran Agricultural Research Foundation (acronym in Spanish)
FIRSA	Trust Fund for the Reactivation of the Agri-Food Sector and the Economy of Honduras (acronym in Spanish)
FLO	Fairtrade International
FPIC	Free, Prior and Informed Consent
FSP	Full Sized Project
FUNDER	Foundation for Rural Business Development (acronym in Spanish)
GCP	Global Coffee Platform
GEB	Global environmental benefit
GEF	Global Environment Facility
GEFSEC	Global Environment Facility Secretariat
GEMA	Governance in Ecosystems, Livelihoods, and Water project
GHG	Greenhouse gas
GIZ	Gesellschaft für Internationale Zusammenarbeit
GSDE	Sectoral Cabinet for Economic Development (acronym in Spanish)

GWP	Global Water Partnership
ha	Hectare
ICF	National Forest Conservation and Development Institute (acronym in Spanish)
IDB	Inter-American Development Bank
IEO	Independent Evaluation Office
IHCAFE	Honduran Coffee Institute
ILO	International Labour Organization
INA	National Agrarian Institute (acronym in Spanish)
INAM	National Women's Institute (acronym in Spanish)
INE	National Statistics Institute (acronym in Spanish)
INGEI	National inventory of greenhouse gases
IPP	Indigenous Peoples Plan
IUCN	International Union for Conservation of Nature
km <sup>2</sup>	Square kilometers
KBA	Key Biodiversity Area
LAC	Latin America and the Caribbean
LBC	Local biological corridors
LD	GEF Land Degradation
LMT	Landscape management tool
LPAC	Local Project Appraisal Committee
LSR	Lenca Sectoral Roundtable
m <sup>3</sup>	Cubic meters
METT	Management Effectiveness Tracking Tool
MiAmbiente	Secretary of Energy, Natural Resources, Environment and Mining
MTR	Mid-term review
M&E	Monitoring and evaluation
NCG	Program our Goascorán basin (acronym in Spanish)
NGO	Non-governmental organization
OMM	Municipal Women's Office (acronym in Spanish)
PA	Protected area
PAN-LCD	National Action Plan to Combat Desertification and Drought (acronym in Spanish)
PAWTF	Protected Areas and Wildlife Trust Fund
PCU	Project Coordination Unit
PES	Payment for environmental services
PIF	Project Identification Form
PIR	Project Implementation Report
POPP	UNDP Programme and Operations Policies and Procedures
PPG	Project Preparation Grant
PRF	Project results framework
PROCAGICA	Central American Program for the Integral Management of Coffee Rust (acronym in Spanish)
PRONAFOR	National Forestry Program
RCU	Regional Coordination Unit

REDD+	Reducing Emissions from Deforestation and Forest Degradation
REHNAP	Network of Private Natural Reserves of Honduras (acronym in Spanish)
R-PP	Readiness Preparation Proposal
RTA	UNDP-GEF Regional Technical Advisor
SBAA	Standard Basic Assistance Agreement
SDG	Sustainable Development Goals
SESP	UNDP Social and Environmental and Social Screening Template
SFM	Sustainable forest management
SINAPH	National System for Protected Areas of Honduras (acronym in Spanish)
SINATEC	Technical Assistance to the Cocoa Producing Sector (acronym in Spanish)
SLM	Sustainable land management
TE	Terminal evaluation
ToR	Terms of reference
UNCCD	United Nations Convention on the fight Against Desertification and Drought
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNDP-GEF	UNDP Global Environmental Finance Unit
UNIO COP	Union of Coffee Cooperatives
UPL	Universal Price List
USAID	United States Agency for International Development
USDA	U.S. Department of Agriculture

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### III. DEVELOPMENT CHALLENGE

1. Honduras is located in the central-northern part of the Central American region with a total area of 112,492 square kilometers (km<sup>2</sup>) and a population of over 8.3 million inhabitants, 6% of which are indigenous. The northern and eastern coasts of Honduras are bordered by the Caribbean Sea. Honduras is bordered by Nicaragua to the southwest, El Salvador to the south, and to the west by Guatemala. The country has direct access to the Pacific Ocean through the Gulf of Fonseca, which lies to the east of El Salvador. Honduras hosts an exceptionally high volume of biodiversity in relation to its size. The tropical location of the country between two oceans and its topographical conditions create a variety of habitats, from cloud forests to coral reefs, which are all favorable for a high diversity of flora and fauna. According to the Study on Biological Diversity of the Republic of Honduras, the biological wealth of the country currently represents 12% of the biological wealth of the entire planet. Approximately 8,000 plant species, 250 reptile and amphibian species, and more than 700 species of birds and 110 species of mammals, are reported to be distributed across the different ecological regions of Honduras.
2. The project's area of impact is located in the dry and wet areas in the south of the country and covers areas across in the departments of Copán, Ocotepeque, Lempira, Intibucá, Santa Bárbara, Cortés, Comayagua, and La Paz. The dry area is part of a region known as the Dry Corridor, which is named after the weather phenomenon where cyclical droughts of six or more months in the year happen. Adverse climatic effects that occur in this area have pronounced effects on the living organisms and the human populations of the ecoregion; this situation generates crises and disasters at both the environmental and social levels and affects economic productivity at the national and regional levels. The forest in this area is currently very fragmented and formed by small second-generation patches that are usually no larger than 10 hectares (ha) on average.
3. The project's area of influence has higher poverty rates than the rest of the country. According to the National Statistics Institute (INE), in 2012 the departments with the highest numbers of impoverished villages were Intibucá, Lempira, Ocotepeque, and Copán, all of which are within the area of influence of the project. More than 30% of the populations of these departments are living in poverty. The communities in this area are usually formed by small farmers living by the mountainsides, characterized by high levels of population growth, unequal distribution of land, and low agricultural profitability. These families rely mainly on subsistence farming, harvesting tree products and agriculture on steep and stony land that once belonged to the dry forest. Many small farmers tend to keep some of the dry forest species within their crops (mostly trees) as alternative sources of fuel, electricity poles, and firewood.
4. According to the Food and Agriculture Organization (FAO)'s estimates, Honduras has a deforestation rate of 80,000 ha per year (ha/yr.). This is mainly due to illegal logging and the expansion of the agricultural frontier, which employs inappropriate farming techniques such as grazing for large livestock, cultivation on mountainsides and/or hillsides, and slash and burn practices. The problem of deforestation and degradation, when analyzed from a social perspective, deserves careful consideration. Traditional customs in Honduras such as subsistence agriculture or migration and inappropriate use of the forest for firewood persist. For example, in Honduras firewood is a very important source of energy, and is the only source for a large percentage of the rural population. The annual consumption of firewood reaches 6 million cubic meters (m<sup>3</sup>), 70% of which (4.2 million m<sup>3</sup>) is derived mostly from broad leaf forests, which are present in the area covered by the project.
5. Other social issues such as migration and poverty, which are linked to inadequate land distribution and rural marginalization, have prompted the colonization of forested areas in recent decades. Forest fires have also become an important threat to the forests in the project area. On average, 1,668 occur per year in Honduras, impacting more than 50,000 ha/yr. Although most of these occur in the dry area and are more severe in the areas with the highest levels of degradation, it has been determined that the fires are mostly caused by humans and are started on purpose. Finally, pests are also a cause of deforestation. It is estimated that pests and diseases have affected approximately 715,480 m<sup>3</sup> of forest.
6. The development of economic and social alternatives is proposed herein as a long-term solution, mainly in the areas of interconnectivity between biological corridors, by strengthening the connectivity between protected areas (PAs) and productive landscapes. This includes actions that contribute to biodiversity conservation, sustainable management of forests, enhancement of carbon stocks, protection of water sources, and protection of agro-

ecosystems, among others. However, there are currently three main barriers that stand in the way of achieving these objectives.

<b>Barrier</b>	<b>Description</b>
<p>1. There is a lack of governance structures and the environmental authorities have limited management and planning capacities and lack training and access to information. These conditions affect their actions around biodiversity conservation, sustainable management of forests, climate change mitigation, and sustainable production at the landscape level.</p>	<p>Environmental authorities in Honduras lack the necessary tools for the planning and implementation of joint initiatives related to biodiversity loss, deforestation, forest and soil degradation, and others; this is the result of non-sustainable practices at both the forest and agricultural landscape levels. This includes missing or outdated management plans for PAs and watersheds, lack of plans to promote connectivity between areas of biological importance with the productive landscapes, and others. At the local level, officials cannot perform monitoring and evaluation (M&amp;E) in an appropriate manner, as the M&amp;E system lacks a mechanism to define the specific guidelines or the roles for M&amp;E. There are no early warning systems in place that would detect the occurrence of catastrophic events such as fires or storms in a timely manner. Furthermore, the National System for Protected Areas of Honduras (SINAPH) does not have sufficient financial resources to be able to manage the PAs according to their management plans. SINAPH currently faces a financial gap of 38% and does not have a strategy to ensure its financial sustainability.</p>
<p>2. Small-scale producers lack incentives to be involved in landscape management and they also lack access to information and training on sustainable production systems.</p>	<p>There are limitations for small-scale producers to develop and benefit from mechanisms such as payment for ecosystem services as there are only limited policy frameworks in place to ensure their economic potential. Moreover, Honduras has little to no experience in these types of schemes, and the farmers have very little information regarding the technical aspects of ecosystem services such as carbon sequestration and its markets. Local authorities lack the tools to involve farmers in long-term agreements tailored towards the conservation and strengthening of biological connectivity through the use of tools such as landscape management or more sustainable agricultural and forestry production models. They are also unaware of the processes for collecting, processing, monitoring, and evaluating long-term data and information using a results-based framework to measure impact indicators and provide periodic assessments of the state of the biodiversity and the ecosystem services that are generated due to more sustainable practices.</p>
<p>3. There is limited access to markets, credit, and incentives for sustainable production.</p>	<p>3. There is limited access to or forestry products to achieve increased revenue. Although this is due in part to the use of unproven technology in farms, low yields, and low quality of the products, it is also because there is no coordination between links and activities along the value chain. Organizations and individuals must develop the proper management capabilities to reach higher sustainable levels of production. This requires more detailed market research studies to help identify different niches, best practices, and certification schemes that are suitable for the products. Training programs should also be implemented with producers so that they gain knowledge and understanding about the markets and incentives for sustainable production and to expand their participation in the programs and projects.</p>

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## IV. STRATEGY

7. The project's objective is to strengthen the connectivity between PAs and production landscapes to generate environmental, social, and economic benefits in the dry-humid biological corridor of southwestern Honduras. The Global Environment Facility (GEF) investment will counteract the fragmentation of forest ecosystems (cloud forest, subtropical wet forest, mixed montane forest, lower montane forest, and pine-oak forest), the loss of biodiversity of global and local importance, and the degradation of land within the dry-humid biological corridor of Honduras. This will be achieved through three interrelated outcomes as follows:

- Outcome 1 – Strengthened local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use.
- Outcome 2 – Generation of environmental, social, and economic benefits to communities through sustainable land management (SLM) and rehabilitation of corridors to increase connectivity between PAs and production landscapes.
- Outcome 3 – Establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa sustainable agroforestry and ecosystem services.
- Outcome 4 – Knowledge management and M&E.

8. **Project Outcome 1** will develop an enabling environment to strengthen local and national governance required for the consolidation of the dry-humid biological corridor in southwestern Honduras. First, methodological and governance instruments that facilitate the connectivity between 582,529 ha of productive landscapes and 389,223 ha of PAs will be formulated. In addition, management plans for 15 PAs and 62 subwatersheds will be developed or updated in order to gain a new understanding of the local deforestation threats, extraction and control limits, and surveillance procedures, among others. Such plans will include the management approach, while assigning monitoring procedures, roles and responsibilities to officials and designing control and surveillance measures, among others, in order to achieve a better management capacity. It is expected that the 15 PAs will achieve an improvement of 10% of the managerial capacity as per the Management Effectiveness Tracking Tool (METT) methodology. This will allow for the prioritization of public participation of all stakeholders, including local and indigenous communities (Lenca and Chorti), during the consolidation of the corridor. Therefore, the first step will encompass the development of a consultation protocol as a standard approach for the empowerment of local and indigenous communities in any decision-making processes. Second, the co-management committees for the 15 PAs and water boards for 62 subwatersheds will be established and/or strengthened. Aligned to this, 13 pilot municipalities will be selected to implement tax exemption/deduction schemes for producers and families to adopt sustainable practices, linked to Outcome 2 agreements.

9. In addition, Outcome 1 will unite efforts to raise awareness about the importance of the biological corridors, as well as about the governance structures and procedures entailed within, including training programs designed for government officials and for community members in general. This Outcome will also help identify private PAs and subwatersheds that contribute to the protection of high conservation value forest, providing connectivity in the corridor and/or the protection of water resources. This will be accomplished through the coordination between government agencies, co-management committees for PAs, community and watershed advisory councils and private owners to promote biodiversity conservation and the sustainable management of forests and corridor management.

10. In order to close the financial gap of the PAs by 10%, Outcome 1 will be make efforts to secure funding from the state. On a first instance, the project will design a Financial Sustainability Strategy for the 15 PAs that articulate the biological corridor. This will include measures to ensure economic gain, such as benefit-sharing mechanisms and laws that reduce tax payments by producers that use landscape management tools - LMT (i.e., biological micro-corridors, enrichment of the forests, hedges, live fences, wind barriers, etc.) in a certain percentage of participating farms. In addition, the Project will help develop and instrument to fund within the Protected Areas and Wildlife Trust Fund (PAWTF). The project will provide technical support for analyzing the current conditions and financing mechanisms for the PAWTF and will determine a range of options and mechanisms for its capitalization. The project will develop a training program for accessing markets to provide tourism services in the PAs and biological corridors

prioritized by the project; part of the income generated from bird watching and agrotourism will be invested in the PAs contributing their financial sustainability.

11. Outcome 1 will also create a monitoring and conservation program for felines (puma, ocelot, jaguarondi), quetzals, and warblers in the 15 selected PAs. In addition to providing information on the status of the population of prioritized species, the program will also allow monitoring the quality of habitat (broadleaf cloud forest, the broadleaf deciduous forest, dense and sparse conifer forest and mixed forests) for these and other species in the prioritized biological corridors. Finally, the project will create national and regional platforms for coffee and cocoa under agroforestry that are aimed at incorporating indicators related to productivity, environmental sustainability, and social conflict resolution throughout the value chain of the productive systems.

12. **Project Outcome 2** will allow the delivery of multiple global environmental benefits (biodiversity conservation, reduced deforestation, land degradation, carbon emissions, increased carbon storage) through the implementation of landscape initiatives that address loss in forest cover and degradation of soils. This Outcome will facilitate the consolidation of 582,529 million ha of biological corridors, including the implementation of LMTs (biological micro-corridors, hedges live fences, wind barriers, firewood management, agroforestry systems, etc.) to connect production systems with PAs. This Outcome will serve as a catalyst for up to 4,000 producers to commit them to employing more sustainable practices of coffee and cocoa under agroforestry and the conservation of subwatersheds in order to increase connectivity between their farms and PAs. First, payment mechanisms for carbon sequestration services that are based on the application of LMTs will be designed and implemented. Such tools will be used across 6,000 ha facilitating connectivity between production landscapes, remnants of nearby forests, and PAs, thereby enabling the capture of 470,601 tCO<sub>2</sub>-eq. This will involve planting more than 100,000 seedlings of native species along river basins and areas of interconnection within the biological corridors.

13. The schemes described above involve the voluntary participation of the producers and is subject to the signing of 3,000 conservation and good social practices agreements for the implementation of LMTs and to facilitate the access to plant material from 10 community, family, and public nurseries that will be made available throughout the project area. The structure of the incentives for carbon sequestration also includes the design of a certification program and the monitoring and verification of carbon using the methodology the Ex-Ante Carbon-balance Tool (EX-ACT) appraisal system developed by FAO, which provides estimates of the impact of agriculture and forestry development projects, programmes and policies on the carbon-balance. Services from an experienced regional firm (ICONTEC) and/or other firms that provide such services in the region will be procured for the validation and certification of the carbon that has been captured by the project and to ensure a transparent tCO<sub>2</sub> count.

14. Outcome 2 will deliver social, environmental, and economic benefits through the strengthening and implementation of eco-stoves programs in the project area. At least 2,500 ecological stoves will be distributed among participating members of the population during the life of the project, resulting in a reduction in the demand for firewood and therefore in a direct reduction of CO<sub>2</sub> emissions. In addition, the population will experience less acute respiratory diseases since the direct exposure to scattered smoke generated by the rudimentary way of cooking will be diminished. Similarly, through programs with community participation involving incentives for control of fires, the number of fires will decrease by 20%. Finally, Outcome 2 will establish 30 subwatersheds approved as water supply zones, including the development of action plans that will contribute to ensure a stable water supply for local communities to the conservation of forests, soils, and water resources.

15. **Project Outcome 3** will focus on generating an increase in the annual net income for approximately 4,000 producers and therefore contributing to the reduction of poverty of the communities living in the project area. This Outcome will account for and implement programs designed in Outcome 1 and 2 that are related to income-generation for the population. These include revenue derived from a) tax exemption for producers adopting LMTs in an area equivalent to 30% of their land (Outcome 1), b) incentives for service generated by carbon sequestration (Outcome 2), and c) strengthening the production chains of biodiversity friendly coffee and cocoa under agroforestry systems agroforestry.

16. Strengthening productive chains for cocoa and coffee will take place in 6,000 ha of farms and will provide technical assistance for the following processes: a) adoption of more sustainable practices; b) adoption of certification schemes; and c) the development of business plans and other marketing strategies. As such, the entry of products such as cocoa or coffee into niche markets will be facilitated. This Outcome also includes a program that

will increase producers' access to formal/regulated banking services (bankable) or who have no access to formal/regulated banking services (non-bankable) for biodiversity-friendly practices and sustainable forest management (SFM). Two financial products and incentives will be made to available to small- and medium-scale producers of coffee and cocoa and are intended for value-adding improvements in the production/harvest and post-harvest handling of the products.

17. Through this Outcome, coffee and cocoa under agroforestry producers will be trained in different aspects such as improved practices for generating better quality and biodiversity-friendly products. Training will be complemented by technical assistance to strengthen the capacities of producer families in both production chains emphasizing the implementation agroforestry systems. Partnerships with government agencies, buyers, providers, certifiers, and the private and banking sectors will also contribute to providing technical assistance to producers facilitating access to markets and promoting investments.

18. **Project Outcome 4** provides the necessary means for M&E of project results to inform adaptive management and improve the implementation of the project. A mid-term review (MTR) will be conducted between the third GEF Project Implementation Report (PIR) and fourth PIR, and the terminal evaluation (TE) will be conducted by independent evaluation teams and compiled into reports. Outcome 4 will consolidate best practices and lessons learned resulting from project implementation and will support the dissemination of lessons learned and experiences at the sub-national (other areas of importance for ecosystem connectivity, PAs, and production landscapes in Honduras) and national levels, as well as to other countries in Latin America and the Caribbean.

19. The project design considers the assumption that strengthening governance at the national and local levels so that PAs and biological corridors can be better managed; generating environmental, social, and economic benefits for communities by increasing connectivity between production landscapes and PAs; and increase in income for farmers through incentives (e.g., certification of social and environmental agroforestry systems), payments for ecosystem services schemes (e.g., carbon sequestration), access to new financial mechanisms (e.g., credit for conservation), and sustainable production systems, will overcome the identified barriers that limit the development of strategic planning and implement solutions to counter the loss of biodiversity, land degradation, and deforestation ("Theory of Change"). The project strategy builds on the active participation of public, private, and civil society partners in Honduras, including the Lenca and Chortí indigenous peoples, and will result in the mainstreaming of biodiversity conservation, SLM, and SFM objectives into the production landscapes of in the dry-humid biological corridor of southwestern Honduras, generating global environmental benefits as well as social and economic benefits at the local level. The interrelated outcomes described above will be the means through which this is achieved (see Figure 2).

#### *Global environmental benefits*

20. The project will deliver global environmental benefits related to biodiversity conservation, reduced land degradation, and SFM. This will be achieved with equal participation by men and women, ensuring that both men and women benefit equally from the project and that the concerns and experiences of the women involved are an integral part of the development, implementation, and M&E of the project. The global environmental benefits to be delivered are:

#### **Biodiversity:**

- Enhanced conservation of one Key Biodiversity Area (KBA) and/or Zero Extinction Site, and 14 PAs.
- Improved management effectiveness in 15 PAs (389,223 ha).
- Stable populations of indicator/keystone species of global importance: Quetzal (*Pharomachrus mocinno*), Golden-cheeked warbler (*Setophaga chrysoparia*), Cougar (*Puma concolor*), Ocelot (*Leopardus pardalis*), Margay (*Leopardus wiedii*), and Jaguarundi (*Puma yagouaroundi*)
- 971,752 ha of biological corridors provide connectivity to forest remnants and contribute to the conservation of biological important areas.
- Key forest ecosystems (broadleaf cloud forest, the broadleaf deciduous forest, dense and sparse conifer forest and mixed forests) that provide ecosystem services are conserved and used in a sustainable manner.
- 8,000 ha of farms under sustainable production practices.

**Land Degradation:**

- 6,000 ha managed in production farms according to LMTs (i.e., micro-corridors, live fences, wind barriers, agroforestry systems, etc.).
- 30 subwatersheds approved as water supply zones ensure stable water supplies and contribute to the conservation of forests, soils, and water resources.

**SFM:**

- Sequestration of 470,601 tCO<sub>2</sub>-eq through the rehabilitation and reforestation and agroforestry systems using LMTs.
- 20% reduction in forest fires.
- 70% reduction in firewood consumption and greenhouse gas (GHG) emissions.
- 800 ha of forest in private reserves under sustainable management

21. The project's strategy includes actions to address objectives of the GEF Biodiversity (BD) Focal Area, the Land Degradation (LD) Focal Area, and the SFM Focal Area. More specifically, the project is framed within BD Objective 1 (BD-1: Improve Sustainability of Protected Area Systems, Program 1: Improving Financial Sustainability and Effective Management of the National Ecological Infrastructure); BD Objective 4 (BD-4: Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes/ Seascapes and Sectors, Program 9: Managing the Human-Biodiversity Interface); LD Objective 2 (LD-2: Generate sustainable flows of ecosystem services from forests, including in drylands, Program 3: Landscape Management and Restoration); and SFM Objective 1 (SFM-1: Maintained Forest Resources: Reduce the pressures on high conservation value forests by addressing the drivers of deforestation).

22. The project will contribute to the achievement of the following Aichi Targets: Target 2 (Integrate biodiversity and development), Target 4 (Sustainable production and consumption), Target 5 (Halve rate of habitat loss), Target 7 (Sustainable agriculture, aquaculture, forestry), Target 14 (Restore and safeguard essential ecosystem services); and Target 15 (Enhance ecosystem resilience and carbon stocks).

23. The project is aligned with the National Biodiversity Strategy and Action Plan and particularly with Objectives relevant to Protected Areas and In Situ Conservation, Sustainable use of Biodiversity and Incentives. The project is consistent with the Strategic Plan for the National System of Protected Areas and its objectives, namely, O.1. "Ensure coordination between different actors involved with the SINAPH", O.3 "Develop and update management Plans for Protected Areas according to Management Categories", O.4. "Establish conditions for the marketing of environmental services in Protected Areas" and "Developing and implementing business plans for the sustainable use of environmental goods and services in PA", O.6 "Ensure that the state guarantees the allocation of budget resources to feed and strengthen the SINAPH". The project is aligned with the National Forestry Program - PRONAFOR (2004-2021), which is part of the National Policy for Agrifood sector and Rural Affairs and is the operating arm of the Forestry Policy. It will contribute to achieving the objectives contained in the following programs: Program for Forests and Community Development, Program for Forest, Water and Environmental Services and the Program for Forests and Biodiversity. The project will also take action to reduce GHG emissions as established in the National Strategy for Climate Change, and the Framework Law for Climate Change (2014).

24. The project is also aligned with the United Nations Development Assistance Framework (UNDAF) 2017-2021 for Honduras, which supports the achievement of a Honduras that is productive, creates opportunities and dignified work, and that makes use of its resources in a sustainable manner and reduces environmental vulnerability (Strategic Area 3). In addition, the project is part of United Nations Development Program's (UNDP) effort to support the progress of Honduras towards achieving the Sustainable Development Goals (SDGs). In particular, the project will contribute to achieving the following SDGs: Goal 1: End poverty in all its forms everywhere; Goal 2: Zero hunger; Goal 5: Achieve gender equality and empower all women and girls; and Goal 12: Responsible consumption and production; and Goal 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.

25. Finally, the project will contribute to the fulfillment of some rights contained in International Labour Organization (ILO) Convention 169 on the rights of indigenous and tribal peoples, especially those related to

participation in decision-making and others related to their institutional structure, livelihoods, culture and a healthy environment.

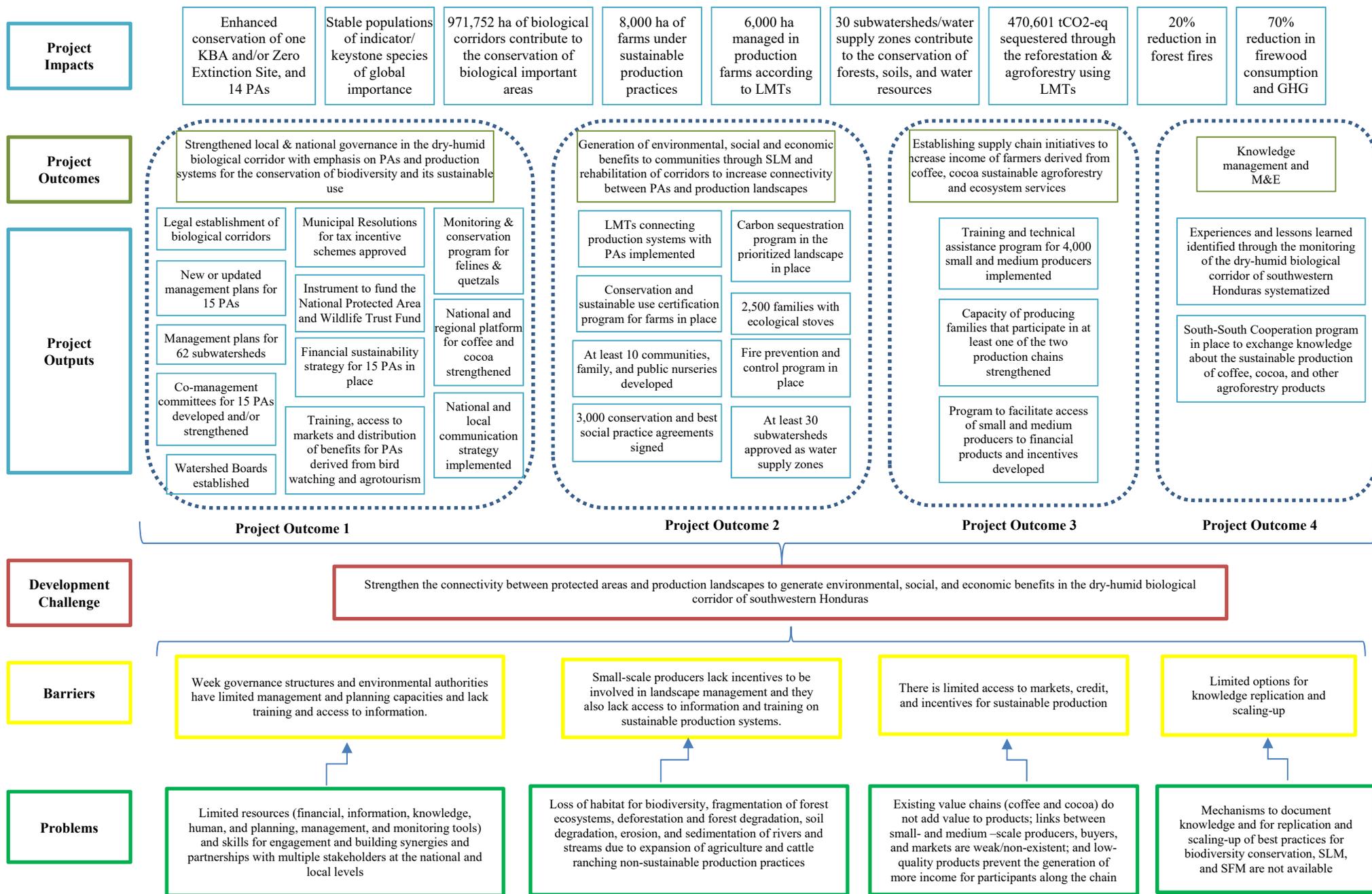


Figure 2. Theory of Change

### *The baseline scenario*

26. **Biodiversity:** The SINAPH is an essential component for the in situ conservation of the Honduran Strategy for Biodiversity Conservation. The system comprises 91 PAs, 15 of which are in the project's area of influence. These 15 PAs cover 389,223 ha. SINAPH continues to suffer from insufficient funding from the government; in 2012, the system had a financial gap of 38%. SINAPH has been receiving assistance from United States Agency for International Development's (USAID) Proparque Project, which has an anticipated 5-year timeframe (ending in 2015) for revamping the SINAPH. This was to be achieved through efforts in biodiversity, mitigation and adaptation to climate change and economic growth. Honduras also has a network of Private Natural Reserves (REHNAP), which is aimed at promoting a comprehensive management plan for transforming selected areas into Natural Private Reserves through the explicit will of the private owners and through partnerships among its members. These areas are comparable to PAs and can be certified as such by the National Forest Conservation and Development Institute (ICF). In Honduras, there are approximately 40 Private Natural Reserves, three of which are within the project's area of influence. In addition, the ICF, through the implementation of the National Strategy for the Consolidation of Biological Corridors, has promoted the establishment of biological corridors as an independent formal unit of political territorial organization comprising both natural areas protected by law and the areas of connection between them. The project's area of influence hosts 75 of these corridors, which are equivalent to 2,000,000 ha, 1,279,000 ha of which are merely interconnection areas. While these biological corridors have been physically identified, their borders drawn, and characterized, at this time they have not been formally implemented as they lack the methodological tools and governance capacity for such purpose. The planned investments in technical assistance that will take place over the next 84 months in the target area sum up to USD\$1,450,000 million and include the following: 1) Proparque USAID project with a total of USD 400,000 focusing on 2 PA (Celaque Mountain National Park and Cerro Azul Meámbar National Park); 2) Project to improve efficiency in the processing of coffee and to reduce the environmental impact of SNV / Inter-American Development Bank (IDB) in the amount of USD 550,000; 3) Project on food security, management of water and forest resources, improved agricultural productivity and marketing for 8 municipalities of the departments of Lempira and Ocotepeque with an investment of USD 500,000 from the Spanish Agency for International Development Cooperation (AECID). In addition, USD\$15 million have been made available from Honduran Bank for Production and Housing/Central American Bank for Economic Integration (BANHPROVI/BCIA) for intermediary financial institutions to offer credits related to agroforestry production, which is biodiversity-friendly.

27. **Land Degradation:** As a requirement of all signatories of the United Nations Convention on the fight Against Desertification and Drought (UNCCD), Honduras conducted the National Action Plan to Combat Desertification and Drought (PAN-LCD) (2014-2022), containing five main strategic axes, oriented towards more SLM in the country. As per this document, the amount corresponding to the projects under implementation for the periods 2012-2017, which are being funded by the different international cooperation agencies in relation to SLM sums up to \$165 USD million. From this amount, \$20 million will be invested over the next 84 months in the target area on projects addressing primarily food security issues. Actions will help small farmers manage natural resources more productively, including adaptation practices to climate change through improved water management, crop selection, land practices and soil preparation.

28. **Forests:** Since 1993, the incentives embedded in the national legislation (Forestry Protected Areas and Wildlife Act) have promoted reforestation; forest, watershed, and micro-watershed protection; and sustainable management of forests. The Act provides more than 20 different incentives ranging from a full-income tax exemption to be reinvested in reforestation activities to the payment of technical assistance to implement reforestation projects, supply of plants, and other inputs. However, there are key limitations that hinder its proper application; for example, the limited budgets of the involved organizations make it difficult to hire a sufficient number of qualified staff to provide technical assistance, and also make it difficult to subsidize the operating costs associated with the incentives established in the law.

29. In Honduras the PRONAFOR serves as a strategic planning tool for the government and works in consultation with the different stakeholders in the forestry sector. It is part of the State Policy for the Agrifood Sector and Rural Issues, and provides guidance for forest management for the period 2004-2021. This program seeks to strengthen

the marketability of forest resources as a contribution to the alleviation of poverty, promote economic stability, and reduce the environmental vulnerability of the country. The financial resources required for the implementation of PRONAFOR during the 16-year period are \$1,611 million USD, which will be covered by different national budget allocations, as well as by bilateral and multilateral cooperation and by international non-governmental organizations (NGOs), among others. Of the \$ 1.6 billion from PRONAFOR, \$122 million were assigned to SFM practices nationwide for the entire protected area system and biological corridors. From this amount, \$16 m will be invested in the area of influence of the project for the next 84 months. The emphasis of PRONAFOR is on promoting forest management that strengthens the marketability of forest resources as a contribution to the alleviation of poverty and promotion of economic stability. The SFM increment from the GEF-6 project relates to the identification and monitoring of high conservation value forests protected by private owners. This process will strengthen connectivity at a landscape level within the context of the national policy for biological corridors and the Forestry Policy.

30. In addition, the government has been working on a project titled “Eco-Stoves Building,” which directly affects the forest management project as it is aimed at reducing the consumption of firewood for cooking up to 70%, thus fighting deforestation and the corresponding GHGs. Through this project the government plans to install more than 9,500 stoves, particularly in some of the departments in which the project is located, such as Cortés, Olancho, Lempira, Comayagua, Ocotepeque, Copán, and Intibucá. The government of Honduras will invest \$13 million USD in the Eco-Stoves Building project, of which \$7 million correspond to the area targeted by this project.

31. According to the second national inventory of greenhouse gases (INGEI) conducted in 2000, the national balance between emissions and absorptions shows a negative emission of 13,828 Gg of CO<sub>2</sub>, with an increase between the years 1995 and 2000 of 1,977 Gg, which provides evidence of an increase in deforestation throughout the country. While there was a reduction in the emissions in the agricultural sector between 1995 and 2000, it was attributed to a reduction in production in the sector, rather than the result of a sustainable production strategy. Honduras also has a National Strategy to Reduce Deforestation in the context of the Reducing Emissions from Deforestation and Forest Degradation (REDD+) program, which has been agreed upon with key stakeholders. In relation to this, the government of Honduras prepared the document R-PP (Readiness Preparation Proposal) for the Forest Carbon Partnership Facility (FCPF) in the amount of USD \$8,659,600.

*Project area*

32. The project area of influence covers 971,752 ha along the humid-dry corridor of southwestern Honduras. It includes 582,529 ha of biological corridors and 389,223 ha of PAs. The project covers territories of the departments of Copán, Ocotepeque, Lempira, Intibucá, Santa Bárbara, Cortés, Comayagua, and La Paz, and will include 62 municipalities. The project will be implemented throughout three biological corridors (Trifinio Biological Corridor, Lempira Biological Corridor, and the Central Biological Corridor) within the larger dry-humid biological corridor of Honduras; these corridors connect 15 PAs with neighboring productive areas. The three biological corridors consist of a network of 13 local biological corridors (LBC), which will be strengthened across the landscapes (Table 1 and Figure 1). The LBCs are grouped into two categories: a) Mosaic LBCs, all those in which productive systems such as coffee are in greater proportion than natural ecosystems (Trifinio-Copán Ruinas, Puca-Copán Ruinas, Guajiquiro-Montecillos, Guisayote- Pacayita, Opalaca-Lago de Yojoa, Mixcure-Jilguero); and b) Natural LBCs, all those in which the presence of cloud forest, mixed and pine ecosystems are in a greater proportion than the productive systems (Celaque-Pacayita, Celaque-Opalaca, Montaña Verde-Puca, Montaña Verde-Lago de Yojoa, Opalaca-Mixcure, Lago de Yojoa-El Cajón). In addition, the great majority of the project area includes Lenca and Chortí indigenous peoples lands.

Table 1 – Protected areas and local biological corridors in the project area.

No.	Protected Areas	Local Biological Corridors
1	El Jilguero Water Production Zone	1 Guajiquiro-Montecillos
2	Guajiquiro Biological Reserve	2 Mixcure-El Jilguero
3	Montecillos Biological Reserve	3 Opalaca-Mixcure
4	Mixcure Wildlife Refuge	4 Opalaca-Lago de Yojoa
5	Opalaca Biological Reserve	5 Montaña Verde-Lago de Yojoa
6	Montaña Verde Wildlife Refuge	6 Lago de Yojoa-El Cajón

<b>7</b>	Cerro Azul Meámbar National Park	<b>7</b>	Montaña Verde-Puca
<b>8</b>	Lago de Yojoa Multiple Use Area	<b>8</b>	Celaque-Opalaca
<b>9</b>	Montaña de Santa Bárbara National Park	<b>9</b>	Celaque-Pacayita
<b>10</b>	Montaña de Puca Wildlife Refuge	<b>10</b>	Guisayote-Pacayita
<b>11</b>	Montaña de Celaque National Park (KBA)	<b>11</b>	Trifinio-Guisayote
<b>12</b>	Guisayote Biological Reserve	<b>12</b>	Trifinio-Copán Ruinas
<b>13</b>	Montecristo Trifinio National Park	<b>13</b>	Erapuca-Copán Ruinas
<b>14</b>	Erapuca Wildlife Refuge		
<b>15</b>	Volcán Pacayitas Biological Reserve		

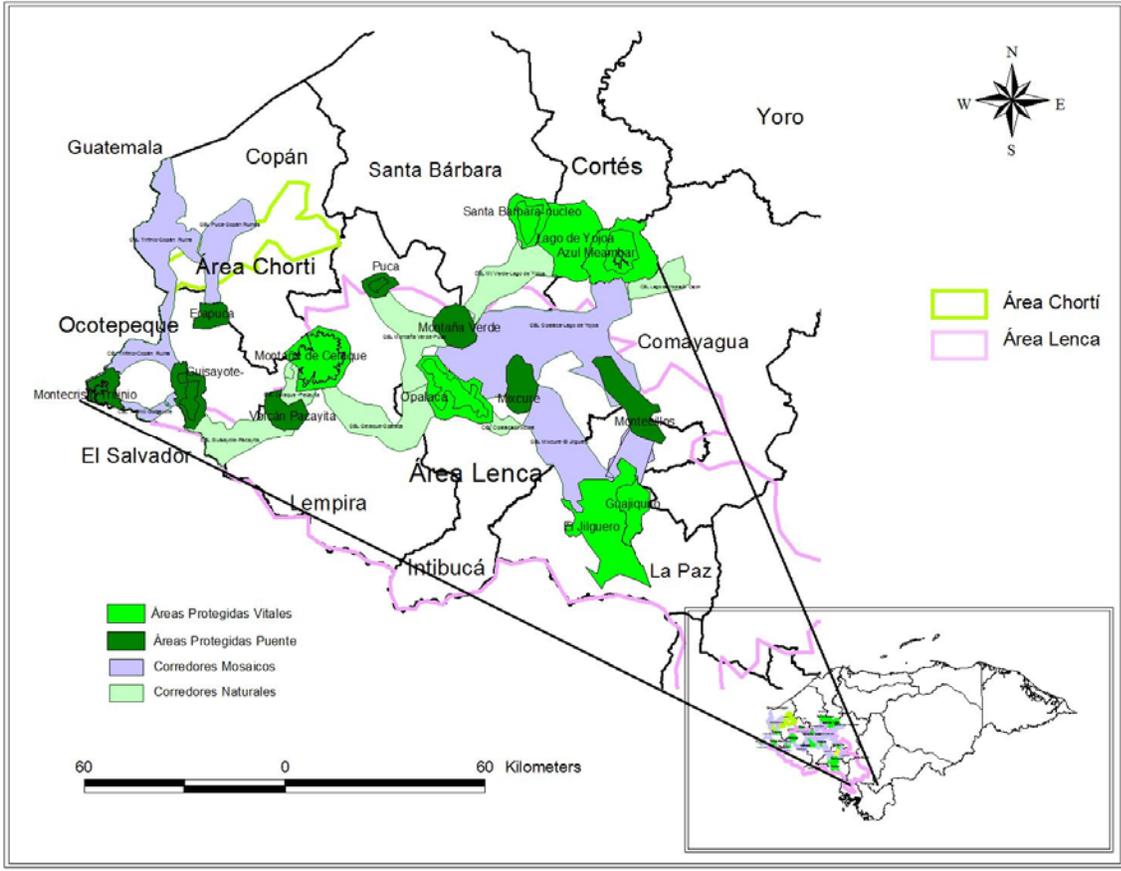


Figure 1 - Location of the project’s prioritized landscapes.

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## V. RESULTS AND PARTNERSHIPS

### i. Expected Results

33. The project's objective is to strengthen the connectivity between PAs and production landscapes to generate environmental, social, and economic benefits in the dry-humid biological corridor of southwestern Honduras. This will be achieved through three interrelated outcomes, which are described in the following paragraphs.

#### **Outcome 1 – Strengthened local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use.**

*Output 1.1 – Documentation completed and submitted to MiAmbiente containing the requirements established in Regulation 632-2015 to support the legal establishment of biological corridors.*

34. The objective of Regulation 632-2015 is to establish biological corridors in Honduras as part of a strategy to conserve biodiversity, reduce habitat fragmentation, improve connectivity between ecosystems, and promote sustainable production processes that improve the quality of life for local populations who use, manage, and conserve biodiversity. Support for legalizing the biological corridors that are prioritized by the project (i.e., Trifinio Biological Corridor, Lempira Biological Corridor, and Central Biological Corridor), which serve as areas of connectivity among 15 PAs will be provided based on the guidelines for the national and local communication strategy designed for the application of practices to sustainably manage production landscapes, biological corridors, and PAs. In addition, this support will include a policy agreement with representative indigenous organizations from the Lenca and Chortí communities to consolidate the corridors; this will also serve to define their participation in the monitoring and execution of the project proposed herein. To achieve this, the indigenous organizational structures of the Lencas (Lenca Sectoral Roundtable [LSR], among others), Maya-Chortí organizations (CONIMCHH), and the Honduran Ancestral National Coordinator for Maya-Chortí Indigenous Rights (CONADIMCHH) will be strengthened in order to consolidate five local biological corridors (LBC)<sup>1</sup> between the three main biological corridors of the project. This will also include the participation of the Honduran Civic Council and Indigenous Organizations (COPINH) in the governance structures, organizations, and platforms of the PAs, LBCs, and watersheds and subwatersheds that will benefit under the project.

35. The activities for this output are the following: a) mapping of the stakeholders who will participate in the conformation of the local committees of the consolidation of prioritized biological corridors; b) free, prior, and informed consent about Regulation 632-2015 for the declaration of the prioritized biological corridors, socialization, and achievement of agreements with rights holders and stakeholders for the conformation of the Biological Corridor Committee and the mechanisms and forms of participation in the field activities to improve information about the socioeconomic and ecological conditions in the corridors; and c) development and presentation of documentation for the legal approval by MiAmbiente of the biological corridors. In addition, due diligence<sup>2</sup> will be performed to effectively achieve the participation of coffee and cocoa producers as well as civil society organizations that co-manage PAs or that have an interest in conservation efforts in these sites and the subwatersheds in the prioritized corridors.

*Output 1.2 – New or updated management plans for 15 PAs include implementation arrangements and financial sustainability strategy.*

36. The project will support the development and/or updating of the management plans of 15 prioritized PAs; of these, 12 PAs currently have management plans or are in different stages of implementation (Celaque National Park, Opalaca Biological Reserve, Cerro Azul Meambar National Park, Lago de Yojoa Multiple Use Area, El Jilguero Water

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<sup>1</sup> The Biological Corridor concept (BC) recurs throughout the project, which establishes connectivity between two PAs through a local biological corridor (LBC). National Commission for Knowledge and Use of Biodiversity. <https://www.gob.mx/conabio>.

<sup>2</sup> Term adapted from the Honduran Government's Policies and Procedures for Risk-Based Due Diligence and refers to the following: "The Obligated Subjects shall develop policies and procedures for risk-based due diligence, focused on identification or analysis; measurement and control; and monitoring and mitigation, with consideration given for simplified, normal, and incremental measures."

Production Zone, Montecillos Biological Reserve, Mixcure Wildlife Refuge, Montaña Verde Wildlife Refuge, Puca Wildlife Refuge, Montecristo National Park, Erapuca Wildlife Refuge, and Güisayote Biological Reserve) and three PAs do not have management plans (Guajiquiro Biological Reserve, Pacayitas Volcano Biological Reserve, and the Santa Bárbara Mountain National Park). The general objective of the management plans is to define guidelines for implementing sustainable actions that are oriented towards conservation and sustainable use of the habitats and species found in the PAs through the design and implementation of a management tools that considering land use types, climate change, environmental goods and services, and the population's livelihoods. The development and/or updating of the 15 PAs will make use the ICF guideline for PA management plan development. The project will also contribute to strengthening and implementing selected programs in those PAs that already have a management plan, including a gender strategy that will ensure the equal participation of men and women and achieving Free, Prior and Informed Consent (FPIC) of indigenous communities<sup>3</sup> regarding the planning and decision-making for management of the PAs. Bearing in mind that the corridors and 15 PAs are in areas where indigenous families live and use resources, measures will be taken so that the design of the management plans has a focus of conservation rights such as that conceptualized by the International Union for Conservation of Nature (IUCN) through its World Conservation Congresses. In addition, as part of the development an/or updating of PA management plans, the project will collect information about land ownership in the project's prioritized PAs as and will define strategies for titling indigenous lands.

*Output 1.3 – Management plans for 62 subwatersheds in the selected corridors.*

37. The project will support the development of 62 subwatershed management plans<sup>4</sup>, selecting at least one per each municipality that overlaps with the biological corridors prioritized by the project and in accordance with ICF regulations and procedures. This process will be accompanied by actions that allow the promotion, conformation, and functioning of the subwatershed boards as mandated by the General Water Law and Special Regulation for the structuring and function of these boards. This will involve expanding knowledge and improving internal governance capacities of the subwatershed boards as well as water governance, including the development of educational, training, and awareness-raising actions; the 62 water management or subwatershed management plans will be adapted and adopted by the subwatershed boards (Output 1.5). The development of the subwatershed management plans will done in a participatory manner and will include producers, municipal governments, public entities, private sector, and civil society organizations, including indigenous community organizations, and will ensure the equal participation of men and women.

38. During the process of developing the water management plans (MiAmbiente) or subwatershed management plans (ICF), the full and effective participation of indigenous communities will be ensured through consultations and tools for applying the principle of FPIC. In addition, agreements will be promoted with landowners who own land and forests in the subwatersheds to reach an understanding about the stewardship, management, and protection of these sites. Technical and socioeconomic information about the subwatershed will be gathered per the ICF standards, as well as under the general direction of MiAmbiente regarding water resources.

*Output 1.4 – Co-management committees for 15 PAs developed and/or strengthened (coordination, equipment, training, gender approach, participation of indigenous organizations).*

39. The project will strengthen the structure and intern operational procedures and the integration and decision-making mechanism of management or co-management committees<sup>5</sup> of the 15 PAs prioritized by the project. Of these, 12 PAs already have committees formed, although they are not necessarily operational, and three PAs have yet to organize their committees (Guajiquiro Biological Reserve, Pacayitas Volcano Biological Reserve, and the Santa Bárbara Mountain National Park). The management or co-management committees will be formed in accordance with Article 26 of the Protected Areas and Wildlife Law. The creation and/or updating and support for the

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<sup>3</sup> The population in the area of influence is composed of mestizos and indigenous groups (Lencas and Maya Chortí); there are no other indigenous groups or afro-descendants.

<sup>4</sup> This is the area of land demarcated by the dividing line of the waters, formed by a water system that directs its waters to a main river, a very large river, a lake, and an ocean. This is a tridimensional scope that integrates the interactions among the land coverage, the soil depths, and the environment of the water dividing line.

<sup>5</sup> The formation of management or co-management committees or boards is defined in Articles 26, 27, and 28 of the Forestry and Protected Areas Law; there is no manual or standard for internal operation and the committees adapt to the conditions where they are organizing.

implementation of the committees' Work Plan will also be supported. This will include providing training related to the roles of committee members and support for efforts to fund good practices and protection of the PAs, including a gender strategy that ensures equal participation of men, women, and indigenous community organizations.

40. The specific situation for each committee will be evaluated and mechanisms for forming and/or reactivating the committees will be determined with the co-managers. In addition, the internal regulations of each committee will be designed jointly and in accordance with the regulations of the Forestry Law; existing regulations will be reviewed and improved if necessary, with consideration given to the legal instruments that ensure the rights of indigenous peoples. Training programs will be developed (e.g., organizational strengthening, legislation related to the PA and its resources, conflict resolution, and PAs management), financing strategies will be outlined that are adapted to the specific needs of each committee, and work plans will be developed with activities that can be measured against the goals of each committee.

*Output 1.5 – Watershed Boards (including Water Associations) established and/or strengthened for the management of the 62 subwatersheds (one in each municipality of the project area) with full participation of indigenous organizations for decision-making.*

41. The project will strengthen the internal structures of the Goascorán Watershed Board and the 62 subwatershed boards to establish an operational structure that facilitates the implementation of the subwatershed management plans defined in Output 1.3 and in line with the current norms in the country for watershed management<sup>6</sup>. This includes implementing the Watershed Boards Work Plans and training board members in their roles, as established by the General Water Law and Special Regulation for the structure and function of the watershed boards, which is currently the responsibility of MiAmbiente. The project will support the watershed boards so that they comply with their functions and are recognized as the water resource governance organizations and platforms in the subwatershed. The project will also support actions to lobby municipal governments to include financial resources in their municipal investment plans to support the watershed boards' work plans and implement the water resources management plans. In all these activities, a gender strategy will be defined to ensure the equal participation of men and women and consultation with indigenous communities.

42. Training, technical assistance, and legal support will be provided so that the watershed boards achieve legal recognition by the competent government authorities (e.g., MiAmbiente and the Secretariat of Human Rights, Justice, Governance, and Decentralization). An evaluation to determine the needs of each subwatershed board and a training plan will be developed. Finally, technical assistance will be provided to the subwatershed boards to develop economic and financial instruments to achieve long-term sustainability of their operation and the management and protection of the subwatersheds

*Output 1.6 – Municipal resolutions for tax incentive schemes (tax exemption/deduction) for private owners and indigenous territories implementing sustainable practices (linked to Outcome 2 Agreements).*

43. Honduras does not have documented experience implementing financial incentives for private landowners and indigenous territories to implement sustainable production practices. As such, successful experiences of using financial incentives for sustainable practices for production activities will be identified in the Central American region so that they may serve as the basis to design a strategy adapted to the conditions of the project area, and considering the cultural aspects of the indigenous and rural communities. The project will select 13 pilot municipalities (one per LBC) to implement financial incentive strategies for producers and families to adopt sustainable practices. A monitoring system will be developed to determine the effectiveness of the strategies that are implemented, for adaptive management, and replicate the successes. As part of this process, the project will support the PA committees, watershed boards, and subwatershed boards, and will support the governance platforms of the coffee

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<sup>6</sup> The General Water Law 181-2009, in its Articles 19, 20, 21, and 22, establishes the structure and operation of the Watershed and Subwatershed Boards, whose purpose is to identify the potential and weaknesses of the subwatershed in order to propose and develop actions in which the health of the subwatershed can be preserved, prioritizing its benefits for the population. The boards are the fundamental organizations for protection and care of the watersheds. The effectiveness of a watershed board is dependent upon the assemblage of the prioritized subwatershed boards in the area of the watershed. Those who comprise the subwatershed boards are local organizations such as civil society organizations, water boards, water board associations, forestry councils, environmental committees, NGOs, producers, mayors' offices, municipal health and education offices, or other offices existing in the subwatershed. (Source: Watershed Board Manual, by the Global Water Partnership (GWP) Global Association for Water, Tegucigalpa 2014)

and cocoa production chains (Output 1.11), to promote advocacy actions with the municipal governments so that the financial incentive strategies for promoting sustainable practices are institutionalized.

*Output 1.7 – Instrument to fund the National Protected Area and Wildlife Trust Fund (with emphasis on the 15 PAs prioritized by the project) with resources derived from the private production sector.*

44. The PAWTF is part of the ICF and was created to contribute to the management of the PAs through financing based on a participatory management model. The PAWTF obtains funding by means of the following: a) administration of the original trust of approximately USD \$2.5 million (L. 60.0 million) for the conservation of the 91 PAs declared under the SINAPH; b) allocation of resources of the National General Budget of Revenue and Expenditures, which is equivalent to 40% of the income generated by the ecological tax (ECOTASA), under Legislative Decree 133-2013 approved on January 31, 2014; c) administration of the Patrimonial Fund in the amount of approximately USD \$850,000 (L 20.0 million: Honduras provides L. 10.0 million and the World Bank provides L. 10.0 million), to be used exclusively for conservation of the Plátano River Biosphere and the Tawahka Asagni Reserve; d) Social and Environmental Corporate Responsibility; e) Owner Business Funds of the Colibrí Esmeralda Santa Bárbara Network; and f) remaining funds from the PROBOSQUE project. Despite multiple financing sources, the funds provided by the PAWTF to the PAs do not cover the financial needs for their management.

45. The project will provide technical support for analyzing the current conditions and financing mechanisms for the PAs' fund. The project will help to determine a range of options and mechanisms to capitalize the PAs' fund, and will assist in the implementation of the mechanisms that are identified. Government funds allocated to the PAs are mainly limited to paying the salaries of park rangers without additional funds assigned to pay for daily operational costs; also, the PAs do not benefit from tourism activities and there are no payments for ecosystem services mechanisms. The project will also provide support to the 15 PAs' committees in their effort to increase budgetary resources for the management and protection of the PAs.

*Output 1.8 – Financial sustainability strategy for 15 PAs that articulate the biological conservation corridor (including business plans, tax exemption benefits for producers, and resources from the PA Fund).*

46. The project will develop strategic and necessary financial mechanisms to generate income for the 15 PAs prioritized by the project. This will entail a gap assessment of financial needs and identification of financing opportunities for each PA, and an analysis of legal and technical-administrative feasibility, levels of collection, and social-political feasibility of the financial mechanisms identified. These mechanisms should be aligned with the PAs' management plans (Output 1.2) and be focused on seeking financial sustainability for the PAs and, by the end of the project, contributing to the reduction of the financial gap by at least 10%. During the Project Preparation Grant (PPG) phase, it was determined that the financial gap of the 15 PAs prioritized by the project is USD 3,628,867/year; the majority of the PAs depend solely on budgetary allocations from the central government and only two of the 15 PAs prioritized by the project (Celaque National Park and Cerro Azul Meámbar National Park) generate their own income, which derive from visitors' fees. Although these funds are reinvested in the PAs, the income provided by visitors' fees is minimal and not enough to cover the PAs' basic management costs. In addition, there is a lack of information about the available financial resources for PAs' management; thus the will also strengthen the ICF-DAP capacity to determine the financial needs of the PAs and systematize the information about available resources and revenue of the PAs. To ensure the reduction of the PAs' financial gap, modifications should be made to the PAs' management policies to decentralize the funds, facilitate reinvestment of income back into the PAs, and strengthen the capacity of the co-managers to make business decisions to improve the finances of the PAs, including payments for ecosystem services.

47. The strategy for financial sustainability will entail that the mechanisms consider cultural aspects of the indigenous peoples and local communities associated with the PAs and the biological corridors prioritized by the project. To this end, agreements will be established with indigenous and local community organizations for their participation in the development of financial sustainability strategy for each PA.

*Output 1.9 – Program for training, access to markets (tour operators, managers, and guides), and distribution of benefits for PAs derived from bird watching and agrotourism, articulated with the Lenca Route.*

48. The project will develop a training program for accessing markets to provide tourism services at the PAs and agrotourism in biological corridors prioritized by the project. The program will include cultural aspects of indigenous

peoples<sup>7</sup> and will be articulated with the Lenca Route to promote indigenous culture, ecotourism, and rural tourism in the departments of Copán, Intibucá, Comayagua, La Paz, and Lempira. The program will be promoted through “The Lenca Route Festival” in La Esperanza, Intibucá. The end of the Lenca Route is where it connects with the Mayan Route in Copán.

49. Pilot PAs and biological corridors will be identified for implementation of the program with consideration given to the experience of local communities in the project area and in other areas of the country, with emphasis on bird watching and agrotourism. Mechanisms will be identified so that part of the income generated will be invested in the PAs, which will include the necessary modifications to the legal and policy framework that regulates the finances of the PAs, and so that the PAs will have resources available to invest in their management, thereby contributed to reducing the financial gap (Output 1.8). The program will include training local guides and will have a system for evaluating, in participatory manner, the results achieved in the program, making improvements where necessary. In addition, a training activities will be implemented for tourism operators and guides that is adapted to the tourism potential of the project’s PAs and is culturally relevant. Successful lessons learned will be document to adapt and replicate in other areas with similar potential.

*Output 1.10 – Monitoring and conservation program for felines (puma, ocelot, jaguarondi) and quetzals in the 15 selected PAs.*

50. A monitoring and conservation system for felines (puma [*Puma concolor*], ocelot [*Leopardus pardalis*], margay [*Leopardus wiedii*], and jaguarundi [*Puma yagouarundi*]), quetzals (*Pharomachrus mocinno*), and warblers (*Setophaga chrysoparia*) will be designed and implemented in the 15 prioritized PAs and surrounding production landscapes. Existing ICF protocols in the country for large- and medium-sized mammals will be used to monitor the felines, including the protocol for biological monitoring of felines and game species that was developed for the Celaque Mountain National Park, and will include the use of camera traps and other equipment. For the quetzals, protocols for point count surveys will be used to establish relative abundance through a sampling effort by ICF. In addition, this output will include the participation of key stakeholders in the project area, including local communities that are actively engaged in the monitoring and conservation activities. Community members will be trained to operate the equipment and employ the methodology for monitoring both the felines and birds, and will receive technical support from the organizations serving as co-managers of the PAs, the ICF, and the project implementation team.

51. This system will not only measure the presence or absence of selected feline and bird species, it will also monitor the recuperation or restoration of habitat for these and other species in the prioritized biological corridors, including the broadleaf cloud forest, the broadleaf deciduous forest, dense and sparse conifer forest and mixed forests. The program will be designed to include an action plan, budget, and resource management. The program will contain a participatory evaluation system to measure achievement of monitoring results. In addition, it will provide information to evaluate the impact of the project on biodiversity conservation in the PAs, biological corridors, and prioritized production landscapes.

*Output 1.11 – National and regional platforms for coffee and cocoa strengthened for the governance and management throughout the value chain, that consider indicators of productivity, environmental sustainability, and social conflict resolution.*

52. The project will strengthen a platform for coffee and cocoa, which will articulate to the platform of existing organizations (Honduran Association of Coffee Producers [AHPROCAFE], IHCAFE, National Association of Coffee Producers [ANACAFE], Union of Coffee Cooperatives [UNIOCOP], CENTRAL CAFETALERA, the National Cocoa Committee, and Honduran Association of Cocoa Producers [APROCACAHO]) and will contribute to strengthening the strategy to improve coffee and cocoa production, including the denomination of origin processes. The platform will

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<sup>7</sup> The project is framed within the National Strategy for Sustainable Development of the Tourism Sector in Honduras, in its Chapter II, Section 4.2, Objectives of Social and Cultural Nature (Linked to Tourism with the Strategy to Reduce Poverty). The strategy is fundamental in that production and tourism should be based on sustainable patterns; as such, tourism in Honduras should not be viewed as a formula for surplus labor, but to the contrary should be used for its potential to create dignified employment for men, women, ethnic groups, and minorities. The objective is to promote tourism that reconciles, balances, and promotes social equality, natural sustainability, and profits from public, private, and social investment, with the purpose of meeting the objectives laid out under the Strategy to Reduce Poverty as well as the needs of the receiving communities.

provide technical support, and through participatory processes, identify opportunities for alliance with the producers' organizations associated with coffee and cocoa production. These activities will be coordinated with the Global Coffee Platform (GCP) who is currently working in the establishment of a national coffee platform.

53. Families and organizations in the project area will be able to articulate to the platform for coffee by actively participating in the different spaces or chapters related to the second-tier organizations or national associations, federations, etc. Families and cocoa production organizations would be able to articulate to the platform for cocoa through the existing regional committees (Northwest, Atlantic Coast, and East). Actions will be focused on the Central Biological Corridor (Comayagua, Cortés, and Santa Bárbara), where delegate representatives to the National Committee are selected. In terms of trade union membership, the families associated with local organizations for the cocoa production chain in those corridors are mostly affiliated with APROCACAHO; if new organizations arise, there will be an opportunity to become affiliated with them and participate as an active member of the organized production sector.

54. The principal activities to be developed are: a) analysis of the need for strengthening related to the environmental sustainability of the coffee-cocoa producers' organizations; b) design of a plan to strengthen the coffee and cocoa producers' organizations; and c) establishing cooperation and strengthening agreements with the coffee and cocoa producers' organizations that are associated with the project area. In addition, cultural aspects of indigenous communities will be accounted for, as well as the equal participation of men and women.

55. The national and regional coffee-cocoa platform will be developed under the project with consideration provided for indicators of productivity, environmental sustainability, and social conflict resolution. In the case of coffee, development will be guided by the guidelines established in the operation plans and programs of the Honduran Coffee Institute (IHCAFE). In addition, through the activities comprising Outcome3, these indicators will be incorporated into the business plans and internal policies of each of the participating businesses. In the case of cocoa, sector planning related to productivity, environmental themes, and conflict resolutions will be framed within the Competitiveness Agreement Framework, guidelines that are articulated to the regional committees, and business plans of local organizations, and which will eventually reach the families participating and benefiting from project activities to be implemented locally.

*Output 1.12 – National and local communication strategy (awareness-building, participation, and feedback) for the implementation of sustainable management practices of productive landscapes, biological corridors, and PAs.*

56. A national and local communication strategy will be designed and implemented that targets the promotion of the biological corridors, PAs, subwatersheds, and the adoption of sustainable management practices in the project's prioritized production landscapes. The strategy will include specific or differentiated actions for each targeted stakeholder: producers associated with the coffee and cocoa production chains, private forest landowners, producers of basic crops, cattle ranchers, tourism operators, and indigenous and non-indigenous organizations and families. The communication strategy will be attuned to gender equality and will have an intercultural perspective, with communication, educational, and awareness-raising products that promote indigenous rights and gender equality, as well as inclusion of youth in conservation and sustainable development efforts in the project area. The strategy will be designed through a participatory and consultation process and will inform about issues related to the PAs (public use and sustainable production, management and co-management, threats reduction, financial sustainability, ecosystem services and governance, etc.), the consolidation of biological corridors, subwatersheds management, climate risks, and participation and human rights related to conservation.

57. The communication strategy will include a participatory evaluation system to measure the impacts and effects generated by the strategy and the communicational campaign, and will facilitate updating in the project area georeferenced demographic data and characterizing the livelihoods of the indigenous peoples disaggregated by gender, ethnicity, and age<sup>8</sup>. Another aspect to be included in this strategy is increasing the awareness among men, women, youth, adolescents, boys, and girls about gender equality, human rights, indigenous rights, and the

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<sup>8</sup> Local knowledge that refers to the knowledge, skills, and worldviews that have been developed by these communities to sustainably manage the environment; for these groups their local knowledge establishes the basis for decision-making regarding the management of production landscapes. This knowledge combines nature, culture, and classification systems, as well as the practice of resource use, social interactions, rituals, and spirituality. These knowledge systems form the basis of sustainable development adapted to the local ways of life.

protection and restoration of rights. In addition, the project will provide support for legal aspects related to the delimiting and legal recognition of indigenous communities' land that is in dispute, particularly regarding sustainable development in production landscapes that are in indigenous territories and where indigenous peoples' participation should be included in the management, use, and conservation of natural resources; this requires the right to own traditional lands that ensure environmental, economic, and social sustainability. Local participation will consider the value of the knowledge of the indigenous peoples and rural communities residing in the project's area of influence.

**Outcome 2 – Generation of environmental, social, and economic benefits to communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes.**

*Output 2.1 – LMTs, connecting production systems with PAs (biological micro-corridors, forest enrichment, hedges, live fences, and windbreaks, and firewood management).*

58. The area of project intervention includes diverse land cover, such as broadleaf forests, shrub vegetation, secondary vegetation, and agricultural lands. However, in the areas selected to strengthen connectivity between production landscapes and PAs, coffee cultivation, and to a lesser degree, cocoa cultivation, dominates the landscape. In these areas 6,000 ha of LMTs will be implemented (biological micro-corridors, forest enrichment, hedges, live fences, and windbreaks, and firewood management) that will contribute to creating ecosystem connectivity with the PAs, improve habitat availability for biodiversity, protect the soils, and sequester carbon; LMT will contribute to strengthening the ecosystem structure and functionality of forests and to maintain stable populations of biodiversity. The LMTs will include implementation of agroforestry systems (shade coffee and cocoa), biological micro-corridors, live fences that mitigate wind force, forest enrichment, and areas for firewood extraction, among others. Establishing LMTs at the farm level will constitute the building blocks for establishing connectivity between the PAs and forest patches located outside the PAs. In addition, the creation of private natural reserves will be incentivized for the protection of existing forest patches in the coffee and cocoa plots in the prioritized production landscapes and biological corridors.

*Output 2.2 – Conservation and sustainable use certification program for farms (ICF, Rainforest Alliance, IHCAFE, etc.) in the prioritized areas, using certification schemes in effect in Honduras.*

59. Honduras has experience using different certification systems related to the conservation of natural resources and the harvesting of forest subproducts (wood certification by ICF and Rainforest Alliance certification). ICF provides a certification for the appropriate management of forests and private natural reserves and the declaration of protection of water sources; the IHCAFE recognizes coffee producers who incorporate best agricultural practices in soil erosion control, appropriate management of toxic chemicals, and soil management into their farms. In addition, GEF guidelines regarding certification<sup>9</sup> will be considered and recommendations will be adapted to the ICF and IHCAFE schemes.

*Output 2.3 – 3,000 conservation and best social practice agreements signed with the producers of coffee, cocoa, and agroforestry products to adopt LMTs for the conservation and sustainable management of forests.*

60. The project area contains a key population of small producers, or people who practice agricultural production over an area of no more than 2.1 ha (equivalent to approximately 3 manzanas as per Honduras unit of area). To facilitate the implementation of LMT, at least 3,000 voluntary agreements with land owners will be signed, which contain reference to the implementation best agricultural practices, the incorporation of agroforestry systems, especially in the cultivation of cocoa and shade coffee, and the sustainable management of forests through management plans that will be reviewed and endorsed by the ICF. In addition, these agreements will facilitate access to native germplasm through 10 nurseries that will be created under Output 2.4.

61. The activities to be developed under this output will include the following: a) identification of potential producers, including women, and a characterization of potential farms or production units considering environmental, social, cultural, economic, and production elements, the participation of women, land ownership,

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<sup>9</sup> "Environmental Certification and the Global Environment Facility" (2010): <http://www.stapgef.org/stap/wp-content/uploads/2013/05/Environmental-Certification-and-the-GEF.pdf>

etc.; b) building awareness of producers by providing information about the importance of LMT in strengthening ecosystem connectivity in the project's prioritized biological corridors; c) facilitation of the participatory processes of negotiation and signing of the voluntary agreements, including mutually agreed-upon collaborative actions, which will be written in the agreement framework that contains, at a minimum, the objectives, goals, commitments, and support of the parties, the monitoring and evaluation of the agreement, resolution of conflicts, and other issues to be defined during the negotiation between parties (this activity will be facilitated by the project in coordination with the ICF); and d) creation of a work plan to implement the LMT in each participating farm, which will define the actions to be developed in the agreement framework, the schedule of activities, the parties responsible, the costs, financing, and mechanisms for technical support.

*Output 2.4 – At least 10 community, family, and public (e.g., ICF) nurseries providing over 100,000 seedlings to be used with the LMTs and for rehabilitation practices, including firewood management and for the restoration of ecosystems for water recharge.*

62. As part of the strategy to consolidate and strengthen biodiversity conservation in the strategic areas of biological connectivity, and to contribute to the sustainable management of forests and soils in the project's prioritized area, 10 community, family, and/or public nurseries will be used to provide native germplasm (100,000 annual seedlings) for implementation of LMTs and soil stabilization. The project, jointly with the ICF, will perform a situation analysis of the nurseries in the project's prioritized landscape to determine the number, location, production capacity, and experience in the management and production of native forest plant species. The nurseries will be strategically located either within or near farms or production units where LMTs are implemented, and in locations that are prioritized for reforestation, restoration of degraded land, and forests.

63. To strengthen existing nurseries and establish new ones, agreements will be established with community and/or public organizations, and 10 implementation/improvement plans will be developed for the forest nurseries on farms/production units where LMTs will be implemented (Output 2.1) to strengthen connectivity and for rehabilitation practices, including coffee and cocoa agroforestry systems, firewood management, and the restoration of ecosystems for water recharge (e.g., riparian forests and water sources) as part of this project output and in connection with Output 2.8 (water supply zones).

*Output 2.5 – Carbon sequestration program for the sale of carbon credits in national markets.*

64. Seven of the 13 LBC prioritized by the project (Trifinio-Copán Ruinas, Puca-Copán Ruinas, Güisayote-Pacayita, Guajiquiro-Montecillos, Puca, Mixcure-El Jilguero, and Opalaca-Yojoa) have been selected as mosaic corridors, given that their current agricultural use is extremely important for the livelihood of the families in the area as well as the biodiversity in the production landscapes and within the PAs. These seven biological corridors cover a total area of 8,000 ha. The project will begin a pilot project for certification and verification of carbon sequestration in 6,000 ha of the 8,000-ha area, 5,400 ha of which correspond to coffee cultivation and the remaining 600 ha to cocoa. To achieve this the project will use the Ex-Ante Carbon-balance Tool (EX-ACT) appraisal system developed by FAO, which provides estimates of the impact of agriculture and forestry development projects, programmes and policies on the carbon-balance.<sup>10</sup> The participation of producers in the pilot program for certification and verification of carbon sequestration will be voluntary.

65. The activities for implementation of the pilot program for certification and verification of carbon sequestration will include definition of the project's conservation and connectivity strategy and identification of specific areas of intervention in the areas prioritized for connectivity among the seven biological corridors selected, and the development and verification of the program for compensation of GHG emissions—the ICONTEC GHG emissions compensation program, which includes the following activities: (i) development of awareness-raising activities for beneficiaries around the payment for environmental services [PES] scheme for carbon that will be certified; (ii) characterization of land use/cover of the areas specified for intervention; (iii) final definition of the LMTs to be established [spatial dimensions and distribution] and subsequent implementation [e.g., implementation of shade

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<sup>10</sup> The carbon-balance is defined as the net balance from all GHGs expressed in CO<sub>2</sub> equivalent that were emitted or sequestered due to project implementation as compared to a business-as-usual scenario. Additional information can be found at <http://www.fao.org/tc/exact/ex-act-home/en/>.

coffee and cocoa agroforestry systems, biological micro-corridors, live fences and windbreaks, natural forest enrichment, and establishment of firewood extraction plots]. This program will take into consideration that the carbon sequestration initiatives are to be small-to-medium scale, as well as consideration of the species to be used and the documentation required to establish voluntary conservation agreements for implementing LMTs with each beneficiary [Output 2.3]. These agreements will allow producers to adopt the carbon sequestration process and receive benefits, as well as comply with the technical requirements for carbon measurement, calculation, and monitoring. A database and monitoring system will also be developed that will include at a minimum information about the farm/land tenancy where the LMTs will be implemented [including ownership status and other legal aspects], the production unit geographical coordinates, the types of LMTs implemented, the year implemented, and the dimensions and number of trees planted; (iv) the quantification of removals/compensations attributable to the LMTs for the GHG emissions compensation program; (v) certification by ICONTEC or other firm, which includes visits to the beneficiary production units, and auditing and adjusting of the program in accordance with the recommendations of the auditors; and (vi) follow-up of activities for program development such as supplies for program recertification and audits. In addition, the pilot program for certification and verification of carbon sequestration will include the development of a sustainability strategy that includes promotion and sale of carbon credits, resources for monitoring, audits, and technical support for the beneficiaries for LMTs management; as well as the documentation of procedures and generation of reports on carbon credits sold.

66. The carbon sequestration program is a way to incentivize small landholders and producers to establish LMTs, including agroforestry systems and sustainable production systems. These practices will support the country's carbon stock as well as relevant international agreements signed by the Government of Honduras. The project will coordinate with MiAmbiente to create carbon markets as an activity of interest to the entire country as part of Clean Development Mechanism (CDM) and GHG emissions compensation programs, in which participants in the carbon sequestration program may sell the captured carbon in national and international markets.

67. At the end of the project, 470,601 tCO<sub>2</sub>-eq<sup>11</sup> will have been sequestered in 5,400 ha of shade coffee and 600 ha of cocoa, and managerial capacities within MiAmbiente will have been developed to identify the national carbon markets, as well as establish the legal framework for its commercialization. The project will contribute to develop and consolidate a national voluntary carbon market mechanism. In addition, the project will contact national companies (e.g., electricity sector, coffee and cocoa sectors, among other) that will potential buyers of the emissions reduction certificates generated by the project. With the development of these activities, the governance of the carbon sequestration initiatives and the promotion and marketing of carbon credits that will be generated will be ensured. Finally, a monitoring and inspection program will be designed and developed to verify that the farms comply with the requirements for the capture and sale of carbon in accordance with the established protocols. This process will be done jointly with the ICF and MiAmbiente and following the Honduran legal framework.

*Output 2.6 – 2,500 families with ecological stoves to reduce the demand for firewood and the risk of acute respiratory diseases.*

68. Studies performed in Honduras report that 42% of the energy used in the country is from firewood<sup>12</sup> and it is estimated that more than 1.1 million households cook using biomass; 26% of those households buy firewood, especially in the country's urban areas<sup>13</sup>. To reduce the amount of wood used as firewood and to improve people's way of life by reducing the risk of respiratory illnesses in the project's prioritized area, the project will pilot an ecological stoves program which will provide 2,500 families with ecological stoves (replacing traditional stoves or used of firewood for cooking and heating). Installment of the stoves will be done through agreements with the beneficiary families, which will be primarily indigenous Chortí and Lenca families, using consultation and prior consent.

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<sup>11</sup> Estimated using the Ex-Ante Carbon-balance Tool (EX-ACT) appraisal system developed by FAO, which provides estimates of the impact of agriculture and forestry development projects, programmes and policies on the carbon-balance. The carbon-balance is defined as the net balance from all GHGs expressed in CO<sub>2</sub> equivalent that were emitted or sequestered due to project implementation as compared to a business-as-usual scenario. Additional information can be found at <http://www.fao.org/tc/exact/ex-act-home/en/>.

<sup>12</sup> Análisis del consumo de leña en doce comunidades. Rescatado de <https://bdigital.zamorano.edu/bitstream/11036/4525/1/IAD-2015-033.pdf>

<sup>13</sup> Honduras, rescatado de [http://www2.paho.org/hq/index.php?option=com\\_docman&task=doc\\_view&Itemid=270&gid=33595&lang=es](http://www2.paho.org/hq/index.php?option=com_docman&task=doc_view&Itemid=270&gid=33595&lang=es)

69. To establish the current demand for firewood and the positive impact installation of energy-efficient stoves will have, the project will prioritize the number of families and sites where the ecological stoves will be installed and characterize the structure of the beneficiary families. This will be done through a local population census to collect the following information: the family's income, the number of family members, amount of firewood used per week, whether the family collects or purchases the firewood, the number of hours the family dedicates to collecting firewood, the number of hours the family uses the stove on a daily basis, the ethnicity of the family, and the incidence of respiratory diseases among family members as a result of using firewood as an energy source. The baseline of firewood used as well as the firewood that families consume following the adoption of energy-efficient stoves will be established allowing to determine carbon emissions reductions.

70. Particular attention will be paid to information about the places where the firewood is collected, if it is within the PAs or the biological corridors; this will help to prioritize the places where LMTs will be implemented to promote the sustainable extraction of firewood as well as the appropriate management of community forests for this purpose. In addition, the installation of the ecological stoves will take into consideration the cultural norms and views of the indigenous communities, as well as their FPIC.

71. The installation of the ecological stoves will include training in their use, management, and repair. It should be mentioned that through the program "Better Life with High-Performance Ecological Stoves," the Government of Honduras is promoting the replacement of wood-burning stoves with ecological stoves that save up to 70% in firewood consumption, and at the same time reduces smoke, which lessens health risks among families, especially women and children, who are generally responsible for cooking. The project will coordinate with this and other government programs in order to avoid duplication of efforts and to create synergies.

72. A strategy to build, install, and provide training as to the best use and management of the ecological stoves will be developed that in addition to the sites where the ecological stoves will be installed and the families characterized, also considers the following: a) the types of community organizations present in the area; b) feasibility of installation of firewood plots under community management; c) views and knowledge of the Chortí and Lenca communities living in the project area with respect to use of forests and firewood; d) FPIC by the indigenous communities regarding the installation of ecological stoves in their homes; e) methods of ecological stove construction and installation in the area (providers and construction and installation timelines); f) establishment of counterpart mechanisms (ways for the families to collaborate in the construction and installation of the ecological stoves); g) mechanisms for training beneficiary families in the construction, appropriate use, and maintenance of the ecological stoves; h) monitoring and technical support plan for the beneficiary families; and i) coordination with current government programs to install ecological stoves.

*Output 2.7 – Fire prevention and control program in the project areas (national, community, and municipal forests) with community participation.*

73. The project will implement a fire prevention and control program in the project areas that will include developing a forest fire risk mapping and monitoring system in the prioritized PAs and biological corridors. This information will be instrumental for prioritizing the areas for prevention and control of fires that are a threat to biodiversity, forests, and the local population. The program will also include training activities targeting small agricultural producers for carrying out controlled burns. In addition, the program will incorporate education modules that explain the importance of the ecosystem services provided by forests that contribute the communities' livelihoods, thereby increasing their sense of belonging and reducing forest fires. Community firefighter brigades and committees will be established and will receive training from the national firefighting agency and the ICF. This program will involve the local governments and will include the creation of community-based control centers for fire prevention and control. Monitoring of forest fires will be done through the use of cameras, satellite imagery, and local media and communication (radio, text messages, social media, etc.), and will include improvements to the existing protocols for forest fire monitoring.

*Output 2.8 – At least 30 subwatersheds approved as water supply zones by the ICF and according to the Forest Law.*

74. The project will support the declaration of at least 30 subwatersheds as water supply zones in line with the National Strategy for Management of Watersheds<sup>14</sup> and to promote the development of hydrological-forest management plans, coordinated by the ICF and as established by the Forest Law and Protected Areas and Wildlife Law through Decree 98-2007. In addition, this output responds to the high demand by local communities for ensuring access to water, given that the water resources availability is closely linked to SFM. The project will work alongside the communities in the project area to perform activities such as identifying the principal subwatersheds that supply water to the population and raising awareness about watershed/ecosystems services. This will be done not just to determine environmental health and perform an environmental analysis, but also to give water sources a protected status to ensure the population's water supply in the medium and long term, and to contribute to the conservation of forests, soils, and water resources.

75. The declaration of water supply zones will be done according to the requirements of the ICF (Watershed Department), which include: a) request for declaration of the subwatershed as a protected forest area; b) biophysical and socioeconomic analysis of the subwatershed, including its current use; c) signing of an agreement for the protection of the subwatershed between the ICF, the mayor of the municipality where the subwatershed is located, the representative of the community water board, the representative of the legally established community organization (*patronato*), and the representative of the municipal and/or community forestry consultation board; d) proof of land ownership issued by the National Agrarian Institute (INA); and e) definition and implementation of action plans, including restoration and conservation to reduce forest and soil degradation. Finally, a monitoring system will allow periodically assessing the condition the water sources, performing water analyses, and to monitor land use changes that may affect the quality and supply of water.

**Outcome 3 – Establishing supply chain initiatives to increase income of farmers derived from coffee and cocoa sustainable agroforestry and ecosystem services.**

*Output 3.1 – Training and technical assistance program for 4,000 small- and medium-scale producers linked to field schools implementing best sustainable practices, access to certified genetic material, sustainable agroforestry plans for farms, environmental certifications impacting productivity, and good environmental practices that favor biodiversity conservation and connectivity of PAs.*

76. The project will implement a training and technical assistance program for 4,000 small- and medium-scale producers located in the prioritized biological corridors, more specifically those located in the mosaic corridor category and at a smaller scale in the natural corridors. The program will begin with the selection and identification of families and communities with whom the project will work and will focus on the production stage of the supply chain. These include families interested in sustainable production and conservation, and who are interested in receive training to improve their production capacities and contribute to biodiversity conservation in their forms with a focus on agroforestry. To achieve this extension methods will be used such as technical field visits, field schools, field days, workshops and training sessions, implementation of demonstration plots or showcase plots, implementation of socioeconomic certification (e.g., Rainforest Alliance, UTZ Certified, Orgánico, Building Performance Analysis [BPA], Café Practices, and Fairtrade International [FLO]), and investigation and innovation in technologies and best practices.

77. The technical services structure is articulated in the coffee chain of the IHCAFE; a total of 245 leaders will be trained in field schools, along with 18 support staff. Additionally, 286 showcase plots will be established and funding will be available for implementing agroforestry practices in 5,400 ha. In the case of cocoa, an alliance with PROCACAO project, which articulates to APROCACAO, Honduran Agricultural Research Foundation (FHIA), and Foundation for Rural Business Development (FUNDER), among other potential partners, will be established as part of the strategy to technical services. A total of 25 leaders will be trained in the field school along with three support staff, and they will have access to funds for at least 600 ha of cocoa under the agroforestry system.

78. The training and technical assistance program will focus on strengthening the capacities of producer families in both production chains emphasizing the implementation agroforestry system, will be a key factor for achieving sustainable production landscapes. This in turn will contribute to conserve biodiversity, forests, and land, and will

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<sup>14</sup> Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre. 2010. Estrategia Nacional de Manejo de Cuencas en Honduras. Tegucigalpa, Honduras.

include the use of organic fertilizers, incentives for ensuring adaptive measures such as shade-based production, use of genetic material that is resistant to factors such as drought or excessive rain, and will result in diversification of income to the farmers and the development of adequate nutrition plans tailored to each producer.

79. The sustainability of the technical services will be achieved by driving complementarity of capacities among the specialized entities and by training community leaders (field schools). These training schools, together with the project's and partner's technical staff (experts and technicians who will provide technical assistance services), will facilitate technology transfer and will ensure the development of sustainable production practices that will strengthen the biological corridors and enhance connectivity between PAs and production landscapes. In addition, the coordination of actions will be ensured with the departments and projects of MiAmbiente, with project partners and co-financiers, and with governance platforms articulated to the biological corridors. The project will also coordinate with the Cocoa Production Chain National Committee and IHCAFE to identify and select the beneficiary families (promoting the inclusion of female-headed households) and internalize the project's intervention strategy.

80. The program will have partnerships, such as with the ICF, buyers, providers, certifiers, IHCAFE, PROCACAO, Rural Development Bank (BANRURAL), etc., that will provide technical services and facilitate access to markets and investments. The technical assistance package will have a gender focus for each value chain, and will include investment plans and management plans for farms implementing agroforestry. Letters of understanding or agreement of environmental performance (biodiversity, forest, and soil conservation) will be signed for farm management and for the installation and development of coffee and cocoa agroforestry nurseries that will facilitate access to vegetation material for the agroforestry systems. In addition, these partnerships will facilitate the delivery of technical services during the different phases of cultivation of the production chain (such as soil analyses, control of pests and diseases, genetic management, nutrition, and technological innovation associated to markets, etc.), support to producer families in each chain to access financial services, develop capacities for managing and developing green seals articulated to the market, develop studies for best agroforestry system practices, and create field records and reports on the impact of the technical support.

81. In the case of the coffee production chain, technical support services will be developed with IHCAFE, which will provide human and economic resources for field activities and which has a national-level network of offices, experimentation centers, an agroforestry school focused on ecosystems, already developed training material, and a diversification program for coffee cultivation. In addition, this partnership will facilitate articulation with national institutions associated with the production chain as regards research, investment, financing (Trust Fund for the Reactivation of the Agri-Food Sector and the Economy of Honduras [FIRSA], BANRURAL, National Bank for Agricultural Development [BANADESA], BCIE, etc.), and regulatory framework. Through IHCAFE synergies will be established with strategic partners such as Adaptation to Climate Change in the Forestry Sector - Gesellschaft für Internationale Zusammenarbeit (CLIFOR-GIZ), PROCAMBIO-GIZ, HEIFER PROMESA CAFÉ, INVESTH Rural Competitiveness Project (COMRURAL), FUNDER - CAJAS RURALES, TNS MAS U.S. Department of Agriculture (USDA), Program our Goascorán basin-Swiss Agency for Development and Cooperation (NCG-COSUDE-ICNN), CAHOBA CANADA, Central American Program for the Integral Management of Coffee Rust (PROCAGICA), and SAG/PRONAGRO, among others.

82. With regard to the cocoa production chain, the project will establish alliances with the National System for Technical Assistance to the Cocoa Producing Sector (SINATEC), a structure that will facilitate the standardization of technical support processes and complement capacities through the different service providers at the national level. SINATEC operates as part of the Cocoa Production Chain National Committee, which articulates more than 90 stakeholders, including FHIA with experience in research and technology transfer; APROCACAO, which has the largest platform for field schools for cocoa production in the country; and FUNDER, which has experience in issues related to business and financial services for the sector. In addition, synergies will be established and actions articulated with other potential partnerships, such as PROCACAO COSUDE, FIRSA, Governance in Ecosystems, Livelihoods, and Water project (GEMA) - USAID, CAHOBA, and COMRURAL

*Output 3.2 – Capacity of producing families participating in at least one of the two production chains strengthened in organizational and business development themes foster associativity and union under an approach for environmental sustainability and articulated to the market.*

83. Through this output, the project will strengthen the capacity of small- and medium-scale producer families living in the prioritized biological corridors in aspects related to the post-harvest and product quality in the coffee and cocoa production chains. Specifically, the project will implement actions to strengthen organizational and business development issues of the production chains, agro-businesses, and value chains associated with the prioritized production landscapes. This capacity will facilitate access to markets by the coffee and cocoa producer families from the biological corridors and with whom the project will work to promote connectivity between the PAs and production landscapes. In addition, this will serve to promote organizations of producers and facilitate access to environmental incentives associated with the value chains (environmentally friendly technologies, energy efficiency, business development, post-harvest investments for best environmental, social, and business performance, among others).

84. During the PPG phase, 22 coffee producer organizations and eight cocoa producer organizations were identified in the areas associated with the biological corridors; the project will work with these organizations to facilitate their access to the market through sales purchase agreements and commercial partnerships (e.g., Chocolats Halba for cocoa or COHONDUCAFE for coffee) that will ensure prices, volumes, awards for environmental stamps, etc., giving priority to those associated with mosaic corridors, and to a lesser degree, the natural corridors. This action is fundamental because of its role in the post-harvest and processing methods used by producer organizations, as these are the pathway to environmental certification and a means to access investment and promote technological changes that may improve environmental performance in both value chains, in particular regarding water usage during coffee processing (per a UNDP study<sup>15</sup>, 71% of coffee marketed is wet-processed coffee or dry-processed coffee, 94% use traditional processing methods with high water use and only 6% use ecological-friendly processing methods).

85. This output will include developing a strategy with a focus on the value chain that include establishing business partnerships, ensuring a fair market, and facilitating investments for the environmental sustainability of the prioritized biological corridors with social benefits. Businesses such as COHONDUCAFE for the coffee chain and Chocolats Halba for the cocoa chain are among the potential business partners. Both companies maintain leadership in purchases at the national level for their respective chains; however, other potential buyers would be considered.

86. The project will implement and promote the use of socioeconomic certifications (Rainforest Alliance, UTZ, Orgánico, BPA, Café Practices, FLO) that respond to improving biodiversity in the biological corridors, and will facilitate coordination of services provided by the projects and programs associated with the value chains. Unlike Output 2.2 that focuses on the certification of wood through the ICF, socio-environmental seals are complementary and more focused on market requirements under a broader approach, assessing issues such as quality, environmental improvement, social improvement, corporate responsibility, and labor rights, among other factors.

87. With regard to the service providers, the project will coordinate actions with Business Development Centers (CDE-MIPYMES) of the Economic Development Secretariat; these centers have support from the UNDP Providers Program in partnership with the Honduran Council of Private Enterprise (COHEP; a specialized platform to maximize good business practices), in addition to establishing partnerships with providers with experience in implementing activities at the local level. These providers will provide support to producers' organizations regarding establishing pre-contracts or alliances with buyers or private partners, developing business analyses (capacity of the organization, production, marketing, product quality, financial statements, etc.), developing improvement plans or business plans, and by providing business training for staff, including boards and managers of the organizations. In addition, the providers will facilitate support to the business organizations in legal issues, taxation, licensing, brandings, and patents. Support will also be provided for: a) the development of administrative capacities, accounting systems, the creation of balance sheets and income reporting; b) facilitating and coordinating the timely access to supplies and of the quality the producers require; c) facilitating articulation to the market; and d) compliance with contracts, participation in trade fairs, product showcases, marketing, communication, etc. Finally, service providers will support the processes of improving the post-harvest, infrastructure, and quality of the coffee and cocoa; as well as for developing gender- and age-group-focused actions linked to the value chains and organizations, and developing businesses exchanges around successful experience with the production chains. Partnerships may also be establishes

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<sup>15</sup> PNUD, 2017. Barreras y productos para la sostenibilidad. Miguel Álvarez Welchez. Insumos y aportes para el PRODOC GEF 6. Septiembre 2017.

for the development business topics with entities such as INVESTH COMRURAL, PROCACAO COSUDE, NCG COSUDE IUCN, FHIA, FUNDER, CAHOBA CANADA, GEMA USAID, and HEIFER PROMESA CAFÉ.

88. Finally, business performance agreements will be established for the producer organizations that will benefit from technical services or incentives through the project to develop actions for post-harvest improvement, the implementation of best environmental practices, or from the certification of best practices (Output 3.3).

*Output 3.3 – Program to facilitate access by small- and medium-scale producers to at least two financial products and incentives to promote sustainable practices includes indicators, environmental and social safeguards, and mechanisms to establish partnerships with the public, private, and banking sectors.*

89. Currently the supply of financial products and incentives associated with coffee and cocoa production chains with a focus on conservation of biodiversity, forests, and soils or the maximization of the role of biological corridors is limited in Honduras. As such, financial products and incentives must be designed that will comply with the objectives related to environmental protection, including the aforementioned themes. In addition, the reality of the socioeconomic conditions of the coffee and cocoa-producer families that are associated with the prioritized biological corridors and their limited access to formal means of financing (50% of the producers have access to financing but of this percentage, just 15% direct those investments to the coffee farm<sup>16</sup>) demonstrates the need to facilitate and develop capacities of the producer families (who have access to formal/regulated banking services [bankable] or who have no access to formal/regulated banking services [non-bankable]) so they may have greater access to financial products that promote environmentally friendly production.

90. Existing experience with financial products related to conservation objectives, with a focus on agroforestry by the IHCAFE and its partners for the coffee chain and the PROCACAO Project for the cocoa chain, shows the relevance of operating with inclusive financial products; in other words, products that are accessible to all segments of the targeted population that lives in the prioritized biological corridors. To achieve this, financial products will be designed during the initial phase of the project in partnership with regulated and non-regulated financial entities to provide an integrated and inclusive response to the targeted population, either those who have access to credit or who have no access to credit. The project will work with those financial entities to ensure that the financial services they offer respond to the needs of the producer families as well as promote production practices that are sustainable and environmentally friendly.

91. The project will support for accessing and monitoring investments, as well as incentives to promote production practices leading to the consolidation of biological corridors, actions that taken together facilitate the sustainability of the investments. This will help to reduce the risks to the financial entities and open doors to access new market segments.

92. Among the activities to launch the financial products and incentives, the first step will be to establish negotiations and signing of agreements with entities such as BANHPROVI, FIRSA, BANRURAL, IHCAFE, FUNDER, and Fund for Local Development of Honduras (CREDISOL) to ensure the design, validation, and startup of the mechanisms that will ensure improved connectivity and the condition of biodiversity of the biological corridors through implementing best environmental practices at the farm level or post-harvest activities (certification, soil improvements, forest regeneration, improved densities of timber trees, protection of water sources, renewable energy use, reduced water use in coffee production, etc.). Once the products are validated the portfolio of funds for financing will be put in place with the support of cofinancing partners (IHCAFE, BANRURAL, FIRSA, and CREDISOL), including procedures for evaluating credit and provision of technical advice and support during the implementation of the investments.

93. At the same time, access to incentives will be facilitated; these mechanisms may be combined with private sector resources as capital from business partners such as JDE/COHONDUCAFE and Chocolats Halba, which will contribute to sustainability of the mechanisms. The compensation or incentives mechanisms associated with the project's coffee and cocoa value chains are as follows:

- Investment incentives (low-interest financing rates [7.25% to 10%] to promote agroforestry or agribusiness systems for coffee and cocoa with financial products that are aligned with production cycles). Awards to

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<sup>16</sup> PNUD, 2017. Barreras y productos para la sostenibilidad. Miguel Álvarez Welchez. Insumos y aportes para el PRODOC GEF 6. Septiembre 2017.

producer families with good environmental production practices so that they will have access to technology that will improve the conservation of biodiversity, forest, soils and water such as irrigation technology, renewable energy (biogas, solar, etc.), water catchment, post-harvest equipment, farm diversification, improved densities of timber trees or species that enhance habitat for biodiversity, etc.

- Environmental services incentives: a) certification of timber products from the agroforestry system (support to the timber certification process within the agroforestry system in coordination with the ICF); b) incentives for socioenvironmental certifications: promotion of investment mechanisms applicable to the first environmental certifications (Organic, Rainforest, UTZ, FLO) as long as there is support from the market and from the project's business partners.
- Incentives for capacity building: a) training leaders and field schools: training local leaders in environmental themes applicable to the coffee and cocoa chains, creating agents of change for prioritized issues in the biological corridors; b) beneficiaries of the implementation of showcase farms or demonstration plots: rewarding producers who develop a training initiative in their community regarding environmental issues and agroforestry systems through the installation of demonstration plots for training activities; c) administrative training for agroforestry businesses: building capacities to develop profitable and sustainable businesses, providing opportunities for youth and local leaders (including women) with the potential to improve performance in areas such quality of the product and/or production process, post-harvest, market access, financial management, and business management.

94. The project will implement activities for promoting and socializing these financial incentives and products with the organizations and families who may benefit from the project. In addition, the project will develop criteria or protocols for accessing credit and incentives and will facilitate the coordination of financial services through technical assistance for the producer families to ensure changes in the current production systems and promote sustainable environmental practices for consolidating the biological corridors.

95. It should be mentioned that during the PPG, UNDP in partnership with the Economic Development Secretariat secured cofinancing using services provided by BANRURAL, and in partnership with CONFIANZA, BANRURAL, Crédito Solidario, and FIRSA/BANHPROVI, for a total of USD \$14 million to launch the abovementioned financial products and outlining a potential investment mechanism according to the following characteristics:

- Timeframes: a) financing for working capital (inputs, environmental certifications and purchase/sale of coffee or cocoa): 24 months; b) investments in fixed assets (post-harvest, technologies, energy efficiency, irrigation, etc.): 60 months. Annual rate of 7.25% to 14% to the end user of the credit, maximum rate for bankable families.
- Working capital and fixed assets USD \$8,500 and USD \$21,186, respectively. Create a guarantee fund, 70% of which will be provided by CREDISOL and 30% to be provided by BANRURAL. There are no commissions for disbursement, the financing will cover 100% of the investment plan, guarantees will depend on each user, an insurance policy on the debt balance will be included, a requirement of 12 months of experience in production, and non-bankable producers might be eligible to access non-formal rural banking systems.

96. The partnerships for articulating these services could include BANHPROVI, FIRSA, BANRURAL, IHCAFE, FUNDER, CREDISOL, CONFIANZA, among others (including access to formal/regulated banking services and no access to formal/regulated banking services.). The budgetary contributions for the financial products will be made through the aforementioned cofinancing partners and GEF funds will be used for the incentives.

#### **Outcome 4 – Knowledge management and monitoring and evaluation (M&E).**

97. Knowledge management will be an integral part of project, enabling institutional memory, promoting learning and continuous improvement, generating documents for up-scaling of lessons and experiences and visibility strategies for capacity development and political advocacy. This project outcome will compile and share lessons learned in a systematic and efficient manner, with special emphasis placed on the development and dissemination of knowledge. The outcome will also support adaptive management so that the project integrates experiences that result during implementation of the activities in the new programmatic cycles of the project. A

communications/knowledge management expert specialist will be part of the Project Coordination Unit (PCU), who will be responsible for systematizing and documenting experiences and lessons learned, and communicating them within and beyond the project intervention area.

*Output 4.1. The experiences and lessons learned identified through the monitoring of the dry-humid biological corridor of southwestern Honduras systematized.*

98. The project will identify lessons learned related to the implementation of strategies to promote biodiversity conservation, SFM, and SLM. This effort will bring forth useful lessons and successful experiences that result from actions to strengthen local and national governance to enhance connectivity between PAs and production landscapes, improve PA management effectiveness and their financial sustainability, enhanced watersheds/subwatershed management, the implementation of LMTs to enhance connectivity and restore degraded forests, the training of national and local stakeholders to promote biodiversity conservation, SLM and SFM, and making available financial products and economic incentives to small- and medium-size farmers to implement sustainable production practices for coffee and cocoa under agroforestry, including facilitating their access to local and international markets. Data, analysis, and lessons learned that result from the implementation of project activities, which will be reported periodically during project implementation with active participation from the key stakeholders (producers, women organizations, indigenous organizations, local governments, private sector organizations, and central government agencies, among others) will be the main source for producing project documents for the dissemination of knowledge.

99. Identifying the lessons learned and BMPs will help to: a) guide future actions; b) guide dialogue at the national, sub-national, and local levels with regard to policies and strategies for reducing loss in forest cover, decrease carbon emissions, improve connectivity, enhance carbon stocks, and reduce land and soil degradation; and c) improve the impact of the projects and programs financed by GEF.

*Output 4.2. South-south cooperation program to exchange knowledge about the sustainable production of coffee, cocoa, and other agroforestry products.*

100. Results from the project will be disseminated within the project intervention area through the different networks and forums available. This will include knowledge exchange with the participation of national institutions such as FHIA, IHCAFE, APROCACAO, and MiAmbiente and international institutions such as National Federation of Coffee Growers of Colombia and the Guatemalan National Coffee Association, as well as cocoa growers. In addition, the project will participate in the electronic platform for sharing lessons learned among managers established by the UNDP-GEF Regional Coordination Unit (RCU), which has established an electronic platform for sharing lessons learned among the project managers. The project will identify and participate, as is relevant and appropriate, in scientific, policy-based, and/or any other networks that may be of benefit to project implementation. In addition, the project will participate, as is relevant and appropriate, in UNDP-GEF sponsored networks that are organized for senior staff working on projects that share common characteristics.

## ii. Partnerships:

101. The project will incorporate best management practices and lessons learned through the GEF-UNDP Project “*Mainstreaming biodiversity in the coffee region in Colombia*,” regarding marketing of certified and non-certified agricultural and forest products, compensation for carbon sequestration, and rehabilitation programs. This project ended in 2014 and its final evaluation showed that it successfully achieved the expected goals and results and produced a positive impact on the community.

102. Furthermore, the project will coordinate actions and draw lessons learned from the following three projects related to the strengthening of cocoa production that are currently under implementation by FHIA: 1) “*Promoting High Value Agroforestry Systems with Cacao in Honduras*”, which goes from 2010-2017 and is being financed by the government of Canada. 2) “*Promotion of High Value Agroforestry Systems*” and “*Promotion of agribusiness initiatives to improve productivity and competitiveness of cocoa producers in the Maya Corridor*”, which is being financed by the ETEA Foundation until 2016 and is being implemented in the western part of Honduras. 3). “*Project for the*

*improvement of income for cocoa producers in Central America – Honduras Component”, which goes until 2017 and is being financed by the COSUDE.*

iii. Stakeholder engagement.

103. The successful implementation of the project will largely depend on the effective communication and coordination with the multiple project stakeholders and the implementation of mechanisms to ensure these stakeholders’ participation. The key national and sub-national stakeholders include the MiAmbiente, ICF, INA, IHCAFE, SAG, among others. At the local level, the most relevant stakeholders are municipal governments, organizations small- and medium-size farmers, producers’ organizations of coffee and cocoa, women groups, local communities, and indigenous peoples and organizations. Private sector agencies and financial institutions will play an active in the project in promoting sustainable production, developing marketing strategies for coffee and cocoa products, and investing and facilitating access to financial products and incentives for farmers. The project’s Stakeholder Engagement and Communication Plan is included in Annex L, which includes information summarizing the main PPG workshops convened and stakeholder meetings conducted, among other aspects; a list of people consulted during project development is included in Annex Q. In addition, consultation with indigenous peoples and organizations initiated during the PPG will continue during project implementation through an Indigenous Peoples Plan (IPP) included as Annex G, which was developed in response to the social and environmental screening conducted during the final formulation of the project (refer to Annex F: UNDP Social and Environmental Screening [SESP]).

iv. Mainstreaming gender:

104. According to the project objective and the proposed actions, it is categorized as *Gender-responsive: results addressed differential needs of men or women and equitable distribution of benefits, resources, status, and rights, but do not address root causes of inequalities in their lives.*

105. During the PPG a gender analysis for the prioritized landscape and a detailed Gender Mainstreaming Plan (included as Annex N) was developed to ensure gender mainstreaming in the project; specific gender-based indicators will be used for monitoring and a gender specialist will be part of the PCU to facilitate improvements on gender equality and women’s empowerment.

v. South-South and Triangular Cooperation (SSTrC): *Describe how the project intends to support/encourage SS/TrC to achieve and sustain results, if applicable. See [UNDP SS/TRC](#) for further information.*

106. The project will promote south-south cooperation with the other countries in the region that are implementing similar initiatives (e.g., Costa Rica, Guatemala, Ecuador, and Colombia); this will be achieved through exchanges with the Country Offices and the Regional Office for Latin America and the Caribbean (LAC) of the UNDP. Technically qualified staff and groups of experts in the issues addressed by the project who are from these countries will have many opportunities to exchange experiences and knowledge. Finally, successful experiences will have a prominent place in the lessons learned that will be disseminated to ensure their widespread adoption and replication in other LAC countries.

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## VI. FEASIBILITY

### i. Cost efficiency and effectiveness.

107. A strategy to deliver multiple environmental benefits by strengthening local and national governance to consolidate connectivity between PAs and production systems for the conservation of biodiversity and its sustainable use, promoting SLM and the rehabilitation of biological corridors, and establishing supply chain initiatives to increase income of farmers derived from coffee and cocoa under agroforestry will be more cost-effective in the short, medium, and long terms than the alternative strategy. The alternative strategy would result in increased loss of ecosystem connectivity in the dry-humid biological corridor of southwestern Honduras, increasing the loss of key habitat for biodiversity, decreasing natural forest cover, and increasing land and soil degradation.

108. Under the GEF scenario, the different national, sub-national, and local stakeholders in the project prioritized landscapes will work together to strengthen the connectivity between PAs and production landscapes based on a shared vision that will include actions that will contribute to biodiversity conservation, sustainable management of forests, enhancement of carbon stocks, protection of water sources, and protection of agro-ecosystems, with social and economic benefits for local and indigenous communities. This strategy will remove institutional, technical, capacity, market, and financial barriers that prevent addressing the causes of ecosystem fragmentation and loss of forest cover, principally from the expansion of agriculture and illegal logging. Under the GEF scenario, the adopting of sustainable production systems in production landscapes will be promoted by making incentives (certification of sustainable agricultural products, carbon sequestration certification and verification, tax deductions, and technical assistance) and financial products (credit) and markets available to small- and medium-size farmers and producers, and by strengthening the governance and institutional capacity of national and local institutions to effectively manage PAs and watersheds.

109. The GEF scenario will implement LMTs, including agroforestry, that will enhance connectivity, increase carbon stocks through the accumulation of organic material and forest biomass, and reduce soil degradation by increasing its capacity for retaining, infiltrating, circulating, storing water, and recycling nutrients. By improving the management capacity and financial sustainability of PAs, the GEF scenario will contribute to the protection of biodiversity of global, national, and local importance as well as to protect water sources within PAs that are a main source of water for local communities. This, together with efforts by these communities to protect and manage small watershed, will translate into direct benefits for the local producers through improved productivity and water and food supply, thus providing additional incentives for them to adopt sustainable production practices.

110. Under the GEF scenario supply chains for coffee and cocoa grown in areas of importance for connectivity will be strengthened. This will include providing training and technical assistance to producers to implement agroforestry systems as a key factor for achieving sustainable production landscapes. Business partnerships will be established with government agencies, buyers, and service providers that will facilitate access to markets and investments to promote coffee and cocoa production under agroforestry. Finally, training and technical assistance will also be provided for aspects related to the post-harvest and product quality in the coffee and cocoa production chains, and for the certification of best production practices that will contribute to the environmental sustainability of biological corridors with social benefits.

111. Under the business-as-usual scenario, there will be greater ecosystem fragmentation, reduced carbon stocks, increased GHG emissions, and loss of biodiversity, as well as reduced ecosystem services thus bearing a negative impact on local communities and the environment. This would occur within the context of weak governance and low institutional capacity, limited economic and marketing opportunities for local producers, and lack of local participation in decision-making to promote biodiversity conservation, SFM, and SLM. The business-as-usual scenario would result in increased environmental and social impacts, which would prove to be costlier in both the short and long terms than the GEF strategy proposed herein.

### ii. Risk Management.

112. As per standard UNDP requirements, the Project Manager will monitor risks quarterly and report on the status of risks to the UNDP Country Office. The UNDP Country Office will record progress in the UNDP ATLAS risk log. Risks will be reported as critical when the impact and probability are high (i.e. when impact is rated as 5, and when impact is rated as 4 and probability is rated at 3 or higher). Management responses to critical risks will also be reported to the GEF in the annual PIR. The detailed risk management strategy for the project is included in Annex I.

iii. Social and environmental safeguards:

113. The overall project risk categorization is **moderate risk**. During the project design stage, the social and environmental screening was completed (Annex F). Preliminary consultations at the local level were conducted during the project; however, a full consultation is still required and will be carried during the first year of project implementation as outlined in the IPP (Annex G). More specifically, further consultations with indigenous groups present in the prioritized landscapes will be conducted (the associated costs have been properly budgeted). Risk mitigation and risk assessment measures have been fully incorporated into the UNDP Risk Log and presented to the Local Project Appraisal Committee (LPAC) as an annex to this project document (see Annex I). The Risk Log will be updated in the ATLAS system for the duration of the project, as necessary. Environmental and social grievances during implementation would be reported to the GEF in the annual PIR.

iv. Sustainability and Scaling-Up.

114. The basis for the ecological sustainability of the project resides in the consolidation of three biological and 13 LBCs through enhanced ecosystem connectivity, improved management effectiveness of 15 PAs, enhanced management of 62 subwatersheds, and the implementation of LMTs over 6,000 ha. Through the project, improved capacities and tools will be available to PA managers and co-managers for more effective planning and management of the PAs and production landscapes. A monitoring system for felines, quetzals, and warblers will allow the managers to not only monitor changes in the populations of the selected species but also changes in the quality of habitat (broadleaf cloud forest, broadleaf deciduous forest, dense and sparse conifer forest, and mixed forests) for these and other species in the prioritized biological corridors. In addition, it will allow them to monitor the effectiveness of the project in consolidating the prioritized biological corridors.

115. The socioeconomic sustainability of the project will be achieved principally through the participation of local and indigenous communities in the planning and implementation of sustainable production activities to reduce pressure on forest patches and PAs within the project's prioritized landscape. The benefits that small- and medium-scale farmers will obtain from access to financial products (e.g., credit), incentives (e.g., municipal tax exemption/decoctions, certification schemes, and the sale of carbon credits through their participation in a pilot project for certification and verification of carbon sequestration), technical support, and increased access to markets for their products and to investors to implement sustainable production practices, will contribute to increased productivity, quality products, food security, and increased income beyond the life of the project.

116. The basis for the institutional sustainability of the project lies in its ability to improve the capacities of national authorities, PA co-managers, waters boards and water associations, indigenous organizations, producers' organizations, women's groups, and the private sector to jointly plan and manage sustainable production landscapes that will contribute to consolidating biological corridors and reduce threats to the PAs. The project will establish national and regional platforms for coffee and cocoa that will bring together multiple stakeholders and be used to develop indicators of productivity, environmental sustainability, and social conflict resolution that will contribute to strengthening relationships between producers, buyers, and social organizations, and build governance. Conservation and best social practice agreements for implementing LMTs and coffee and cocoa agroforestry will contribute to building long-term collaborative actions between producers and MiAmbiente. The provision of training and technical support will serve to build more stable and stronger institutions and organizations at the national and local levels, thereby contributing to the sustainability of project outcomes.

117. The financial sustainability of the project will be achieved through the provision of economic incentives to small farmers and producers to transform non-sustainable production landscapes into sustainable production landscapes. It is expected that once these incentives materialize, small- and medium-scale farmers will continue implementing sustainable production practices beyond project completion. This financial sustainability will include making

financing mechanisms available for PAs' management, including funding through a strengthened PA Fund, business plans for PAs, and income generated from bird watching and agrotourism activities. These and other financial mechanisms will be implemented as part of a financial sustainability strategy for 15 PAs and will contribute to reducing the financial gap to cover basic PA management costs beyond project completion.

118. The project has the potential of scaling-up in different regions in Honduras as the main elements of the proposed project can easily be found in other parts of the country. First, a network of biological corridors throughout the country connecting PAs has already been selected and demarcated throughout the country. This network could be strengthened in selected regions of the country through the design of microcorridors connecting productive systems, such as agroforestry landscapes and SFM, with relevant PAs based on the lessons learned and best practices that will result from project implementation. This will be achieved in Outcome 1 through the national and local communication strategy that will raise awareness for implementation of the biological corridor strategy, and platforms for coffee and cocoa created to build governance that will allow the expansion of project outcomes. Although the type of production systems may vary depending on the region, the potential for sustainable coffee and cocoa in various regions has already been identified and is key as this constitutes a viable economic and sustainable option for local farmers. Finally, opportunities for scaling-up will be created in Outcome 3—both nationally through extension work with producers' associations, and through Outcome 4—regionally through the south-south cooperation program to exchange knowledge.

## VII. PROJECT RESULTS FRAMEWORK

<p><b>This project will contribute to the following Sustainable Development Goal (s):</b> Goal 1: End poverty in all its forms everywhere; Goal 2: Zero hunger; Goal 5: Achieve gender equality and empower all women and girls; Goal 12: Ensure sustainable consumption and production patterns; Goal 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.</p>					
<p><b>This project will contribute to the following country outcome included in the UNDAF/Country Programme Document:</b> Strategic Area 3: A Honduras that is productive, creates opportunities and dignified work, and that makes use of its resources in a sustainable manner and reduces environmental vulnerability.</p>					
<p><b>This project will be linked to the following output of the UNDP Strategic Plan:</b> Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.</p>					
	Objective and Outcome Indicators	Baseline <sup>17</sup>	Mid-term Target <sup>18</sup>	End of Project Target	Assumptions <sup>19</sup>
<p><b>Project Objective:</b> Strengthen the connectivity between protected areas (PAs) and production landscapes to generate environmental, social, and economic benefits in the dry-humid biological corridor of southwestern Honduras.</p>	<p><b>Indicator 1:</b> Number of people directly benefitting from strengthened livelihoods (differentiated by gender) through solutions for management of natural resources and ecosystems services</p>	<ul style="list-style-type: none"> <li>– Direct: 0</li> <li>– Indirect: 0</li> </ul>	<ul style="list-style-type: none"> <li>– Direct: 8,052 (5,592 men, 2,460 women)</li> </ul>	<ul style="list-style-type: none"> <li>– Direct: 16,103 (11,184 men, 4,919 women)</li> </ul>	<ul style="list-style-type: none"> <li>– Willingness by decision makers to incorporate objectives of biodiversity conservation, SFM, and reduction in land degradation in PAs and sustainable production landscapes in the dry-humid biological corridor of southwestern Honduras</li> <li>– There is willingness by the local landowners to incorporate environmental sustainability criteria as part of their production activities</li> <li>– Optimal sampling</li> </ul>
	<p><b>Indicator 2:</b> Presence of key indicator species in PAs and biological corridors</p>	<ul style="list-style-type: none"> <li>– Quetzal (<i>Pharomachrus mocinno</i>)</li> <li>– Golden-cheeked warbler (<i>Setophaga chrysoparia</i>)</li> <li>– Cougar (<i>Puma concolor</i>)</li> <li>– Ocelot (<i>Leopardus pardalis</i>)</li> <li>– Margay (<i>Leopardus wiedii</i>)</li> <li>– Jaguarundi (<i>Puma yagouaroundi</i>)</li> </ul>	<ul style="list-style-type: none"> <li>– Quetzal (<i>Pharomachrus mocinno</i>)</li> <li>– Golden-cheeked warbler (<i>Setophaga chrysoparia</i>)</li> <li>– Cougar (<i>Puma concolor</i>)</li> <li>– Ocelot (<i>Leopardus pardalis</i>)</li> <li>– Margay (<i>Leopardus wiedii</i>)</li> <li>– Jaguarundi (<i>Puma yagouaroundi</i>)</li> </ul>	<ul style="list-style-type: none"> <li>– Quetzal (<i>Pharomachrus mocinno</i>)</li> <li>– Golden-cheeked warbler (<i>Setophaga chrysoparia</i>)</li> <li>– Cougar (<i>Puma concolor</i>)</li> <li>– Ocelot (<i>Leopardus pardalis</i>)</li> <li>– Margay (<i>Leopardus wiedii</i>)</li> <li>– Jaguarundi (<i>Puma yagouaroundi</i>)</li> </ul>	
	<p><b>Indicator 3:</b> Area (ha) of farms that adopt sustainable practices for production of coffee and cocoa under agroforestry increase connectivity between their farms and PAs</p>	<ul style="list-style-type: none"> <li>– Coffee: 1,110 (15% IHCAFE)</li> <li>– Cocoa: 120 (20% PROCACAOH)</li> </ul>	<ul style="list-style-type: none"> <li>– Coffee: 2,960</li> <li>– Cocoa: 240</li> </ul>	<ul style="list-style-type: none"> <li>– Coffee: 7,400</li> <li>– Cocoa: 600</li> </ul>	
<p><b>Outcome 1:</b> Strengthened local and national</p>	<p><b>Indicator 4:</b> Number of biological corridors legally</p>	<ul style="list-style-type: none"> <li>– 0</li> </ul>	<ul style="list-style-type: none"> <li>– At least one (1) in process</li> </ul>	<ul style="list-style-type: none"> <li>– At least one (1) approved</li> </ul>	<ul style="list-style-type: none"> <li>– Continued political will to strengthen the national</li> </ul>

<sup>17</sup> Baseline, mid-term, and end-of-project target levels must be expressed in the same neutral unit of analysis as the corresponding indicator. Baseline is the current/original status or condition and need to be quantified. The baseline must be established before the project document is submitted to the GEF for final approval. The baseline values will be used to measure the success of the project through implementation monitoring and evaluation.

<sup>18</sup> Target is the change in the baseline value that will be achieved by the mid-term review and then again by the terminal evaluation.

<sup>19</sup> Risks must be outlined in the Feasibility section of this project document.

governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use.	recognized as a result of the implementation of the regulation for establishing biological corridors				governance framework and consolidate the dry-humid biological corridor
	<u>Indicator 5:</u> Change in the management effectiveness (as measured through the METT) of 15 PAs covering 389,223 ha	<ul style="list-style-type: none"> <li>- Celaque National Park (NP): 70</li> <li>- Opalaca Biological Reserve BR): 47</li> <li>- Cerro Azul Meambar NP: 58</li> <li>- Lago de Yojoa Multiple Use Area (MUA): 66</li> <li>- Guajiquiro BR: 14</li> <li>- El Jilguero Water Production Zone (WPZ): 42</li> <li>- Montecillos (BR): 39</li> <li>- Mixcure Wildlife Refuge (WR): 38</li> <li>- Montaña Verde WR: 47</li> <li>- Puca WR: 38</li> <li>- Pacayita BR: 11</li> <li>- Montecristo NP: 51</li> <li>- Erapuca WR: 37</li> <li>- Güisayote BR: 50</li> <li>- Santa Bárbara Mountain NP: 14</li> </ul>	<ul style="list-style-type: none"> <li>- Celaque NP: 74</li> <li>- Opalaca BR: 51</li> <li>- Cerro Azul Meambar NP: 61</li> <li>- Lago de Yojoa MUA: 70</li> <li>- Guajiquiro BR: 18</li> <li>- El Jilguero WPZ: 46</li> <li>- Montecillos BR: 43</li> <li>- Mixcure WR: 42</li> <li>- Montaña Verde WR: 51</li> <li>- Puca WR: 42</li> <li>- Pacayita BR: 15</li> <li>- Montecristo NP: 55</li> <li>- Erapuca WR: 41</li> <li>- Güisayote BR: 54</li> <li>- Santa Bárbara Mountain NP: 18</li> </ul>	<ul style="list-style-type: none"> <li>- Celaque NP: 80</li> <li>- Opalaca BR: 57</li> <li>- Cerro Azul Meambar NP: 68</li> <li>- Lago de Yojoa MUA: 76</li> <li>- Guajiquiro BR: 24</li> <li>- El Jilguero WPZ: 52</li> <li>- Montecillos BR: 49</li> <li>- Mixcure WR: 48</li> <li>- Montaña Verde WR: 57</li> <li>- Puca WR: 48</li> <li>- Pacayita BR: 21</li> <li>- Montecristo NP: 61</li> <li>- Erapuca WR: 47</li> <li>- Güisayote BR: 60</li> <li>- Santa Bárbara Mountain NP: 24</li> </ul>	<ul style="list-style-type: none"> <li>- Interest from the central and local governments, indigenous communities, and production sectors to improve the management of PAs</li> <li>- Increased investments for the management and protection of prioritized sites</li> <li>- Optimal sampling</li> </ul>
	<u>Indicator 6:</u> Change in the financial gap for covering basic management costs and investments in 15 prioritized PAs	- USD 3,628,867/year	- USD 3,447,424/year (5% reduction)	- USD 3,265,980/year (10% reduction)	
<u>Indicator 7:</u> Number of organizational structures* that participate in decision making for the conciliation of biological corridors and PAs  *Biological corridors local committees, NGOs and PA co-managers, watershed councils, indigenous organizations, coffee and cocoa value chain platforms	- 0	- 98	- 177	<ul style="list-style-type: none"> <li>- There is political will to strengthen the national governance framework and consolidate the arid-humid biological corridor</li> <li>- Interest is maintained by the central and local governments, producers and local and indigenous communities, and production sectors to improve the management of PAs</li> </ul>	

**Outputs:**

1. Documentation completed and submitted to MiAmbiente containing the requirements established in Regulation 632-2015 to support the legal establishment of biological corridors.
2. New or updated management plans for 15 PAs include implementation arrangements and financial sustainability strategy.

3. Management plans for 62 subwatersheds in the selected corridors.
4. Management or co-management committees for 15 PAs developed and/or strengthened (coordination, equipment, training, gender approach, participation of indigenous organizations).
5. Watershed Boards (including Water Associations) established and/or strengthened for the management of the 62 subwatersheds (one in each municipality of the project area) with full participation of indigenous organizations for decision-making.
6. Municipal resolutions for tax incentive schemes (tax exemption/deduction) for private owners and indigenous territories implementing sustainable practices (linked to Outcome 2 Agreements).
7. Instrument to fund the National Protected Area and Wildlife Trust Fund (with emphasis on the 15 PAs prioritized by the project) with resources derived from the private production sector.
8. Financial sustainability strategy for 15 PAs that articulate the biological conservation corridor (*including business plans, tax exemption benefits for producers, and resources from the AP Fund*).
9. Program for training, access to markets (tour operators, managers, and guides), and distribution of benefits for PAs derived from bird watching and agrotourism, articulated with the Lenca Route.
10. Monitoring and conservation program for felines (puma, ocelot, jaguarondi) and quetzals in the 15 selected PAs.
11. National and regional platforms for coffee and cocoa strengthened for the governance and management throughout the value chain, that consider indicators of productivity, environmental sustainability, and social conflict resolution.
12. National and local communication strategy (awareness-building, participation, and feedback) for the implementation of sustainable management practices of productive landscapes, biological corridors, and PAs.

<b>Outcome 2:</b> Generation of environmental, social, and economic benefits for communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes.	<b>Indicator 8:</b> Sequestered carbon (tCO <sub>2</sub> -eq) through the implementation of landscape management tools [LMTs] (biological micro-corridors, forest enrichment, live fences, windbreaks) in 6,000 ha by project's end	– 0	– 235,301 tCO <sub>2</sub> -eq (Estimated using the Ex-Ante Carbon-balance Tool [EX-ACT] appraisal system developed by FAO)	– 470,601 tCO <sub>2</sub> -eq (Estimated using the Ex-Ante Carbon-balance Tool [EX-ACT] appraisal system developed by FAO)	– There are no substantial changes in land use/cover – Sampling efforts are optimal – Environmental variability within normal range
	<b>Indicator 9:</b> Area (ha) of improved connectivity in 13 prioritized biological areas <sup>20</sup> by project's end	– 0	– 1,000	– 3,000	
	<b>Indicator 10:</b> Area (ha) affected by fires annually	– 6,000 (Per ICF data at the departmental level for the 2010-2017 period, 48,202.31 ha were affected by fire in the project's prioritized area)	– 5,580	– 4,800	
	<b>Indicator 11:</b> Area (ha) of forest in private reserves under sustainable management	– 0	– 100	– 800	

**Outputs:**

<sup>20</sup> Trifinio-Copán Ruinas; Erapuca – Copán Ruinas; Mt Verde – Lago de Yojoa; Lago de Yojoa – El Cajón; Montaña Verde – Puca; Celaque – Opalaca; Trifinio Güisayot; Güisayote – Pacayita; Opalaca – Mixcure; Guajiquiro – Montecillos; Opalaca – Lago Yojoa; Mixcure – El Jilguero; Celaque – Pacayita.

1. LMTs, connecting production systems with PAs (biological micro-corridors, forest enrichment, hedges, live fences, and windbreaks, and firewood management).
2. Conservation and sustainable use certification program for farms (ICF, RF, IHCAFE, etc.) in the prioritized areas, using certification schemes in effect in Honduras.
3. 3,000 conservation and best social practice agreements signed with the producers of coffee, cocoa, and agroforestry products to adopt LMTs for the conservation and sustainable management of forests.
4. At least 10 community, family, and public (e.g., ICF) nurseries providing over 100,000 seedlings to be used with the LMTs and for rehabilitation practices, including firewood management and for the restoration of ecosystems for water recharge.
5. Carbon sequestration program for the sale of carbon credits in national markets.
6. 2,500 families with ecological stoves to reduce the demand for firewood and the risk of acute respiratory diseases.
7. Fire prevention and control program in the project areas (national, community, and municipal forests) with community participation.
8. At least 30 subwatersheds approved as water supply zones by the ICF and according to the Forest Law.

<b>Outcome 3:</b> Establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa, sustainable agroforestry, and ecosystem services	<b>Indicator 12:</b> Annual net income (USD) per producer and gender and derived from: a) coffee under agroforestry and b) cocoa under agroforestry.		Men (2 ha/family)	Women (2 ha/family)	Men (2 ha/family)	Women (2 ha/family)	Men (2 ha/family)	Women (2 ha/family)	<ul style="list-style-type: none"> <li>– National and international markets for sustainable products are available and stable</li> <li>– Incentives available</li> <li>– There is willingness by the landowners to make use of available incentives and to adopt sustainable production practices in their farms</li> <li>– Climate variability within normal range</li> </ul>
	a.	1,197	1,078	1,557	1,464	2,595	2,543		
	b.	383	344	696	655	1,161	1,138		
	<b>Indicator 13:</b> Number of families with access to credit and environmental incentives to promote sustainable and biodiversity-friendly practices, including product quality improvement and development approved for producers of coffee and cocoa under agroforestry.	<ul style="list-style-type: none"> <li>– Coffee: 555</li> <li>– Cocoa: 120</li> </ul>		<ul style="list-style-type: none"> <li>– Coffee: 1,480</li> <li>– Cocoa: 180</li> </ul>		<ul style="list-style-type: none"> <li>– Coffee: 2,775</li> <li>– Cocoa: 225</li> </ul>			

- Outputs:**
1. Training and technical assistance program for 4,000 small- and medium-scale producers linked to field schools implementing best sustainable practices, access to certified genetic material, sustainable agroforestry plans for farms, environmental certifications impacting productivity, and good environmental practices that favor biodiversity conservation and connectivity of PAs.
  2. Capacity of producing families participating in at least one of the two production chains strengthened in organizational and business development themes foster associativity and union under an approach for environmental sustainability and articulated to the market.
  3. Program to facilitate access by small- and medium-scale producers to at least two financial products and incentives to promote sustainable practices includes indicators, environmental and social safeguards, and mechanisms to establish partnerships with the public, private, and banking sectors.

<b>Outcome 4:</b> Knowledge management and M&E.	<b>Indicator 14:</b> Number of documents on successful experiences in the incorporation of conservation of biodiversity, SFM, and reduction of land degradation objectives in PAs and sustainable production landscapes prioritized by the project.	– 0	– 4	– 10	<ul style="list-style-type: none"> <li>– Wide-ranging and timely dissemination</li> <li>– Willingness and resources in place for replication</li> </ul>
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	<u>Indicator 15</u> : Number of replications of agroforestry systems using LMTs that strengthen one local biological corridor not covered by the project.	- 0	- 4	- 10	
<b>Outputs:</b> <ol style="list-style-type: none"> <li>1. The experiences and lessons learned identified through the monitoring of the dry-humid biological corridor of southwestern Honduras systematized.</li> <li>2. South-South Cooperation program to exchange knowledge about the sustainable production of coffee, cocoa, and other agroforestry products.</li> </ol>					

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## VIII. MONITORING AND EVALUATION (M&E) PLAN

119. The project results as outlined in the project results framework (PRF) will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results. Supported by Outcome 4: Knowledge Management and M&E, the project monitoring and evaluation plan will also facilitate learning and ensure knowledge is shared and widely disseminated to support the scaling up and replication of project results.

120. Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the [UNDP POPP](#) and [UNDP Evaluation Policy](#). While these UNDP requirements are not outlined in this project document, the UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the [GEF M&E policy](#) and other relevant GEF policies<sup>21</sup>.

121. In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including the GEF Operational Focal Point and national/regional institutes assigned to undertake project monitoring. The GEF Operational Focal Point will strive to ensure consistency in the approach taken to the GEF-specific M&E requirements (notably the GEF Tracking Tools) across all GEF-financed projects in the country. This could be achieved for example by using one national institute to complete the GEF Tracking Tools for all GEF-financed projects in the country, including projects supported by other GEF Agencies.<sup>22</sup>

### **M&E Oversight and monitoring responsibilities:**

122. **Project Manager:** The Project Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The Project Manager will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The Project Manager will inform the Project Board, the UNDP Country Office and the UNDP-GEF Regional Technical Advisor (RTA) of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.

123. The Project Manager will develop annual work plans based on the multi-year work plan included in Annex A, including annual output targets to support the efficient implementation of the project. The Project Manager will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the PRF indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g., gender strategy, stakeholder participation strategy, etc.) occur on a regular basis.

124. **Project Board:** The Project Board will take corrective action as needed to ensure the project achieves the desired results. The Project Board will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the Project Board will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.

125. **Project Implementing Partner:** The Implementing Partner is responsible for providing any and all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary and appropriate. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes, and is aligned with national systems so that the data used by and generated by the project supports national systems.

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<sup>21</sup> See [https://www.thegef.org/gef/policies\\_guidelines](https://www.thegef.org/gef/policies_guidelines)

<sup>22</sup> See [https://www.thegef.org/gef/gef\\_agencies](https://www.thegef.org/gef/gef_agencies)

126. UNDP Country Office: The UNDP Country Office will support the Project Manager as needed, including through annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and Project Board within one month of the mission. The UNDP Country Office will initiate and organize key GEF M&E activities including the annual GEF PIR, the independent mid-term review and the independent terminal evaluation. The UNDP Country Office will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality.

127. The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the UNDP POPP. This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed, and monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Project Manager.

128. The UNDP Country Office will retain all M&E records for this project for up to seven years after project financial closure in order to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF IEO.

129. UNDP-GEF Unit: Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.

130. **Audit**: The project will be audited according to UNDP Financial Regulations and Rules and applicable audit policies on NIM implemented projects.<sup>23</sup>

**Additional GEF monitoring and reporting requirements:**

131. Inception Workshop and Report: A project inception workshop will be held within two months after the project document has been signed by all relevant parties to, amongst others:

- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
- b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
- c) Review the PRF and finalize the indicators, means of verification and monitoring plan;
- d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;
- e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; Environmental and Social Management Plan and other safeguard requirements; the gender strategy; the knowledge management strategy, and other relevant strategies;
- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
- g) Plan and schedule Project Board meetings and finalize the first year annual work plan.

132. The Project Manager will prepare the inception report no later than one month after the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the Project Board.

133. GEF Project Implementation Report (PIR): The Project Manager, the UNDP Country Office, and the UNDP-GEF Regional Technical Advisor will provide objective input to the annual GEF PIR covering the reporting period July (previous year) to June (current year) for each year of project implementation. The Project Manager will ensure that the indicators included in the project PRF are monitored annually in advance of the PIR submission deadline so that

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<sup>23</sup> See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.

134. The PIR submitted to the GEF will be shared with the Project Board. The UNDP Country Office will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.

135. Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to the project. The project will identify, analyze and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.

136. GEF Focal Area Tracking Tools: The following GEF Tracking Tool(s) will be used to monitor global environmental benefit results: BD-1, BD-4, LD-2, and SFM-1. The baseline/CEO Endorsement GEF Focal Area Tracking Tool(s) – submitted as Annex D to this project document – will be updated by the Project Manager/Team (not the evaluation consultants hired to undertake the MTR or the TE) and shared with the mid-term review consultants and terminal evaluation consultants before the required review/evaluation missions take place. The updated GEF Tracking Tool(s) will be submitted to the GEF along with the completed Mid-term Review report and Terminal Evaluation report.

137. Independent Mid-term Review (MTR): An independent mid-term review process will begin after the third PIR has been submitted to the GEF, and the MTR report will be submitted to the GEF in the same year as the 4<sup>th</sup> PIR. The MTR findings and responses outlined in the management response will be incorporated as recommendations for enhanced implementation during the final half of the project's duration. The terms of reference (ToR), the review process and the MTR report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center \(ERC\)](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final MTR report will be available in English and will be cleared by the UNDP Country Office and the UNDP-GEF RTA, and approved by the Project Board.

138. Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The Project Manager will remain on contract until the TE report and management response have been finalized. The ToR, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the Project Board. The TE report will be publically available in English on the UNDP ERC.

139. The UNDP Country Office will include the planned project terminal evaluation in the UNDP Country Office evaluation plan, and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report, and rate the quality of the TE report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

140. Final Report: The project’s terminal PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

**Mandatory GEF M&E Requirements and M&E Budget:**

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>24</sup> (US\$)		Time frame
		GEF grant	Co-financing	
<b>Inception Workshop</b>	UNDP Country Office	USD 5,000	USD 5,000	Within two months of project document signature
<b>Inception Report</b>	Project Manager	None	None	Within two weeks of inception workshop
<b>Standard UNDP monitoring and reporting requirements as outlined in the UNDP Programme and Operations Policies and Procedures (POPP)</b>	UNDP Country Office	None	None	Quarterly, annually
<b>Monitoring of indicators in PRF</b>	Project M&E Specialist	None for time of Project M&E Specialist (Outcome 4)	USD 5,000	Annually
<b>GEF Project Implementation Report (PIR)</b>	Project Manager and UNDP Country Office and UNDP-GEF team	None	None	Annually
<b>NIM Audit as per UNDP audit policies</b>	UNDP Country Office	USD 35,000 (USD 5,000/yr.)	None	Annually or other frequency as per UNDP Audit policies
<b>Lessons learned and knowledge generation</b>	Project Communication/Knowledge Management Specialist	None for time of Project Communication Specialist (Outcome 4)	USD 10,000	Annually
<b>Monitoring of environmental and social risks, and corresponding management plans as relevant</b>	Project Manager UNDP CO	None	None	On-going
<b>Addressing environmental and social grievances</b>	Project Manager UNDP Country Office	None for time of project manager, and UNDP CO	None	On-going
<b>Monitoring activities for the implementation of the IPP</b>	Indigenous Peoples Expert	None for time of Indigenous Peoples Expert (Outcome 4)	None	On-going

<sup>24</sup> Excluding project team staff time and UNDP staff time and travel expenses.

<b>Project Board meetings</b>	Project Board UNDP Country Office Project Manager	USD 7,000	USD 7,000	At minimum annually
<b>Supervision missions</b>	UNDP Country Office	None <sup>25</sup>	None	Annually
<b>Oversight missions</b>	UNDP-GEF team	None <sup>25</sup>	None	Troubleshooting as needed
<b>Knowledge management as outlined in Outcome 4</b>	Project Communication/Knowledge Management Specialist	USD 104,000	USD 10,000	On-going
<b>GEF Secretariat learning missions/site visits</b>	UNDP Country Office and Project Manager and UNDP-GEF team	None	None	To be determined.
<b>Mid-term GEF Tracking Tool to be updated</b>	Project Manager Project Consultant	USD 10,000	USD 10,000	Before mid-term review mission takes place.
<b>Independent Mid-term Review (MTR) and management response</b>	UNDP Country Office and Project team and UNDP-GEF team	USD 28,700	USD 28,700	Between 3 <sup>rd</sup> and 4 <sup>th</sup> PIR.
<b>Terminal GEF Tracking Tool to be updated</b>	Project Manager Project Consultant	USD 10,000	USD 10,000	Before terminal evaluation mission takes place
<b>Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response</b>	UNDP Country Office and Project team and UNDP-GEF team	USD 41,700	USD 41,700	At least three months before operational closure
<b>Translation of MTR and TE reports into English</b>	UNDP Country Office Translator	USD 10,000	None	As required. GEF will only accept reports in English.
<b>TOTAL indicative COST</b> Excluding project team staff time, and UNDP staff and travel expenses		<b>USD 251,400</b>	<b>USD 127,400</b>	

<sup>25</sup> The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

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## **IX. GOVERNANCE AND MANAGEMENT ARRANGEMENTS**

*Section should preferably be no more than four pages*

141. Roles and responsibilities of the project's governance mechanism: The project will be implemented following UNDP's national implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Honduras, and the Country Programme.

142. As stated in Financial Regulation 27.02 of the UNDP Financial Regulations and Rules, an implementing partner is "the entity to which the Administrator has entrusted the implementation of UNDP assistance specified in a signed document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs, as set forth in such document." By signing a project document an implementing partner enters into an agreement with UNDP to manage the project and achieve the results defined in the relevant documents.

143. The project will be implemented following UNDP's national implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Honduras on 17 January 1995, and the Country Programme. The Implementing Partner for this project is the Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente+).

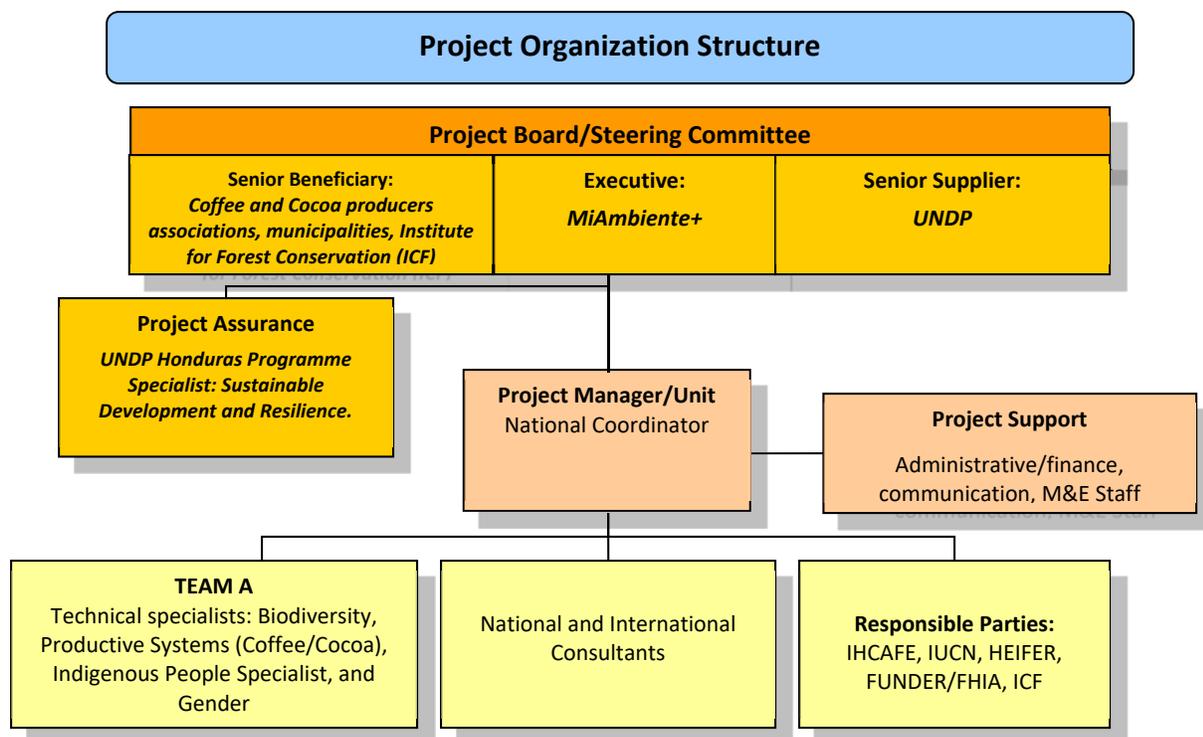
144. The accountability of an implementing partner is to:

- a. Report, fairly and accurately, on project progress against agreed work plans in accordance with the reporting schedule and formats included in the project agreement;
- b. Maintain documentation and evidence that describes the proper and prudent use of project resources in conformity to the project agreement and in accordance with applicable regulations and procedures. This documentation will be available on request to project monitors (project assurance role) and designated auditors.

145. The Implementing Partner is also responsible for:

- Approving and signing the combined delivery reports (CDRs); and,
- Signing the financial report or the funding authorization and certificate of expenditures.

146. The project organisation structure is as follows:



147. **Project Board:** The Project Board (also called Project Steering Committee) is responsible for making by consensus, management decisions when guidance is required by the Project Manager, including recommendations for UNDP/Implementing Partner approval of project plans and revisions, and addressing any project level grievances. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP.

148. Specific responsibilities of the Project Board include:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager;
- Provide guidance on new project risks, and agree on possible countermeasures and management actions to address specific risks;
- Agree on project manager's tolerances as required;
- Review the project progress, and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Appraise the annual project implementation report, including the quality assessment rating report; make recommendations for the workplan;
- Provide ad hoc direction and advice for exceptional situations when the project manager's tolerances are exceeded; and
- Assess and decide to proceed on project changes through appropriate revisions.

149. The composition of the Project Board must include the following roles:

150. Executive: The Executive is an individual who represents ownership of the project who will chair the Project Board. The Executive is: Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente+) or his delegate.

151. The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher-level outcomes. The executive has to ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiaries and suppliers.

152. Specific Responsibilities: (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organization structure and logical set of plans;
- Set tolerances in the AWP and other plans as required for the Project Manager;
- Monitor and control the progress of the project at a strategic level;
- Ensure that risks are being tracked and mitigated as effectively as possible;
- Brief relevant stakeholders about project progress;
- Organize and chair Project Board meetings.

153. Senior Supplier: The Senior Supplier is an individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. The Senior Supplier is: United Nations Development Programme (UNDP) Country Office in Honduras.

154. Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Make sure that progress towards the outputs remains consistent from the supplier perspective;
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management;
- Ensure that the supplier resources required for the project are made available;
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.

155. Senior Beneficiary: The Senior Beneficiary (individual or group of individuals) represents the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries. The Senior Beneficiaries are: AHPROCAFE, APROCACAO, AMHON, Lenca Sectoral Roundtable, Maya-Chorti organizations, and SAG.

156. The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness, the role should not be split between too many people.

157. Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Prioritize and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Specification of the Beneficiary's needs is accurate, complete and unambiguous;
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target;
- Impact of potential changes is evaluated from the beneficiary point of view;
- Risks to the beneficiaries are frequently monitored.

158. **Project Assurance:** UNDP provides supervision, oversight and quality assurance role involving UNDP staff in Country Offices and at regional and headquarters levels. Project Assurance must be totally independent of the Project Management function. The quality assurance role supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. The Project Assurance is: Programme Specialist: Sustainable Development and Resilience, UNDP Honduras.

159. **Project Manager/National Coordinator:** The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

160. The Implementing Partner appoints the Project Manager, who should be different from the Implementing Partner's representative in the Project Board.

161. Specific responsibilities include:

- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Board to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Plan the activities of the project and monitor progress against the PRF and the approved annual workplan;
- Mobilize personnel, goods and services, training to initiative activities, including drafting ToRs and work specifications, and overseeing all contractors' work;
- Monitor events as determined in the project monitoring schedule plan/timetable, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments or reimbursement using the fund authorization and certificate of expenditures;
- Monitor financial resources and accounting to ensure the accuracy and reliability of financial reports;
- Be responsible for preparing and submitting financial reports to UNDP on a quarterly basis;
- Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log;
- Capture lessons learned during project implementation;
- Prepare the annual workplan for the following year; and update the Atlas Project Management module if external access is made available.
- Prepare the GEF PIR and submit the final report to the Project Board;
- Based on the GEF PIR and the Project Board review, prepare the AWP for the following year.
- Ensure the mid-term review process is undertaken as per the UNDP guidance, and submit the final MTR report to the Project Board.
- Identify follow-on actions and submit them for consideration to the Project Board;
- Ensure the terminal evaluation process is undertaken as per the UNDP guidance, and submit the final TE report to the Project Board.

162. **Responsible Parties:** As stated in the Financial Regulation 17.01 of the UNDP Financial Regulations and Rules, an implementing partner may enter into agreements with other organizations or entities, known as responsible parties, who may provide goods and services to the project, carry out project activities and produce project outputs. Responsible parties are accountable directly to the implementing partner.

163. A Responsible Party is defined as an entity that has been selected to act on behalf of the implementing partner on the basis of a written agreement or contract to purchase goods or provide services using the project budget. In addition, the responsible party may manage the use of these goods and services to carry out project activities and

produce outputs. All responsible parties are directly accountable to the implementing partner in accordance with the terms of their agreement or contract with the implementing partner. Implementing partners use responsible parties in order to take advantage of their specialized skills, to mitigate risk and to relieve administrative burdens.

164. The following organizations will be act as responsible party for this project:

- Honduran Coffee Institute (IHCAFE): National institute responsible for promoting coffee production in Honduras by developing the competitiveness of the Coffee Agroindustrial Chain in a sustainable manner, using environmentally friendly technologies, ensuring the production of quality coffee, implementing efficient promotion programs, and alternatives for feasible diversification as an alternate source of income for producers.
  - Will provide technical assistance and training in the implementation of best practices for sustainable coffee production.
  - Will support the coordination and partnership of coffee producers to identify agreements for implementing LMT.
  - Will identify new sites within the project area where shade coffee can be cultivated and more sustainable practices implemented.
  - Will support as a potential project co-financier the articulation of actions in the coffee chain through technical production assistance, technology transfer, and articulation to the market.
  
- HEIFER
  - Will provide support to fulfill the components, indicators, and activities associated with the coffee value chains.
  
- FUNDER/FHIA
  - Will provide support to fulfill the components, indicators, and activities associated with the coffee and cocoa value chains.
  
- IUCN: International organization dedicated to the conservation of natural resources
  - Will provide technical assistance for executing the activities of project Outcomes 1 and 2, especially those related to improving governance, the management effectiveness of the PAs, the process of consolidating the corridors, and consolidating the legal recognition of the watershed boards.
  - Will facilitate methodologies and tools that contribute to a focus on rights in conservation, fair and equal governance of the PAs, corridors, and subwatersheds, as well as the development of economic and financial instruments that maximize the adoption of sustainable practices and conversations about biodiversity.
  - Will facilitate information and technical support in the development of financial products for the coffee and cocoa chains.
  - Will provide technical assistance and develop capacities to improve multisectoral and multilevel governance.

165. UNDP Direct Project Services as requested by Government (if any): UNDP Country Office in Honduras may provide implementation support services without affecting the strengthening of the capacities of the counterpart and the direct execution of the activities describes in the Project Document. The cost incurred by the UNDP country office shall be recovered in accordance with the relevant policy.

166. Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information: In order to accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF

will also accord proper acknowledgement to the GEF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy<sup>26</sup> and the GEF policy on public involvement<sup>27</sup>.

167. Project management: The PCU will be located in the city of Tegucigalpa, Honduras and housed in MiAmbiente's headquarters, and made up of the Project Manager, a Financial/Administrative Assistant, a Gender Expert, a Communications Expert, an M&E Expert, a Coffee/Cocoa Specialist, a Biodiversity Specialist, and three Field Technicians (located in three regions: Intibucá, Comayagua, and Santa Bárbara).

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<sup>26</sup> See [http://www.undp.org/content/undp/en/home/operations/transparency/information\\_disclosurepolicy/](http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/)

<sup>27</sup> See [https://www.thegef.org/gef/policies\\_guidelines](https://www.thegef.org/gef/policies_guidelines)

## X. FINANCIAL PLANNING AND MANAGEMENT

*Section should preferably be no more than two pages*

169. The total cost of the project is USD 68,489,697. This is financed through a GEF grant of USD 13,286,697 and USD 55,203,000 in parallel co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources and the cash co-financing transferred to UNDP bank account only.

170. Parallel co-financing: The actual realization of project co-financing will be monitored during the *mid-term review* and terminal evaluation process and will be reported to the GEF. The planned parallel co-financing will be used as follows:

Co-financing source	Co-financing type	Co-financing amount (USD)	Planned Activities/Outputs	Risks	Risk Mitigation Measures
Honduran Coffee Institute (IHCAFE)	Grant	12,000,000	Output 1.11, Output 1.12, Output 2.2, Component 3 (all outputs)	Low	The UNDP Country Office will monitor the co-financing contributions to the project
Foundation for Rural Business Development (FUNDER)	Grant	2,000,000	Output 1.11, Output 1.12, Component 3 (all outputs)	Low	The UNDP Country Office will monitor the co-financing contributions to the project
Rural Development Bank (BANRURAL)	Grant	14,000,000	Output 3.1, Output 3.2, Output 3.3	Low	The UNDP Country Office will monitor the co-financing contributions to the project
Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente)	In-kind	4,000,000	Component 1 (all outputs), Component 2 (all outputs), Component 4 (all outputs)	Low	The UNDP Country Office will monitor the co-financing contributions to the project
Agriculture and Cattle-ranching Secretariat (SAG)	In-kind	2,000,000	Output 1.9, Output 1.11, Output 1.12, Output 2.3, Output 3.1, Component 4 (all outputs)	Low	The UNDP Country Office will monitor the co-financing contributions to the project
National Forest Conservation and Development Institute (ICF)	In-kind	3,592,104	Component 1 (all outputs), Component 2 (all outputs), Component 4 (all outputs)	Low	The UNDP Country Office will monitor the co-financing contributions to the project
Sectoral Cabinet for Economic Development (GSDE)	Grant	5,000,000	Component 2 (all outputs), Component 4 (all outputs)	Medium – Dependent on annual budgeting and effective allocation of funds to the institution	The UNDP Country Office will monitor the co-financing contributions to the project

Global Coffee Platform (GCP)	Grant	500,000	Output 1.11	Medium – Dependent on annual budgeting and effective allocation of funds to the institution	The UNDP Country Office will monitor the co-financing contributions to the project
HEIFER Project	Grant	3,000,000	Output 1.9, Output 1.11, Output 1.12, Output 2.1, Output 2.2, Output 2.3	Low	The UNDP Country Office will monitor the co-financing contributions to the project
International Union for Conservation of Nature (IUCN)	Grant	4,000,000	Component 1 (all outputs), Component 2 (all outputs)	Medium – Dependent on annual budgeting and effective allocation of funds to the institution	The UNDP Country Office will monitor the co-financing contributions to the project

171. **Budget Revision and Tolerance:** As per UNDP requirements outlined in the UNDP POPP, the project board will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project manager to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the Project Board. Should the following deviations occur, the Project Manager and UNDP Country Office will seek the approval of the UNDP-GEF team as these are considered major amendments by the GEF: a) Budget re-allocations among components in the project with amounts involving 10% of the total project grant or more; b) Introduction of new budget items/or components that exceed 5% of original GEF allocation.

172. Any over expenditure incurred beyond the available GEF grant amount will be absorbed by non-GEF resources (e.g. UNDP TRAC or cash co-financing).

173. **Refund to Donor:** Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the UNDP-GEF Unit in New York.

174. **Project Closure:** Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP.<sup>28</sup> On an exceptional basis only, a no-cost extension beyond the initial duration of the project will be sought from in-country UNDP colleagues and then the UNDP-GEF Executive Coordinator.

175. **Operational completion:** The project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Terminal Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review Project Board meeting. The Implementing Partner through a Project Board decision will notify the UNDP Country Office when operational closure has been completed. At this time, the relevant parties will have already agreed and confirmed in writing on the arrangements for the disposal of any equipment that is still the property of UNDP.

176. **Financial completion:** The project will be financially closed when the following conditions have been met: a) The project is operationally completed or has been cancelled; b) The Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

177. The project will be financially completed within 12 months of operational closure or after the date of cancellation. Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure

<sup>28</sup> see <https://info.undp.org/global/popp/ppm/Pages/Closing-a-Project.aspx>

documents including confirmation of final cumulative expenditure and unspent balance to the UNDP-GEF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

## XI. TOTAL BUDGET AND WORK PLAN

Total Budget and Work Plan			
Atlas <sup>29</sup> Proposal or Award ID:	00088099	Atlas Primary Output Project ID:	00094908
Atlas Proposal or Award Title:	Agroforestry landscapes and sustainable forest management that generate environmental and economic benefits globally and locally		
Atlas Business Unit	HN10		
Atlas Primary Output Project Title	Agroforestry landscapes and sustainable forest management that generate environmental and economic benefits globally and locally		
UNDP-GEF PIMS No.	5704		
Implementing Partner	Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente)		

GEF Component/Atlas Activity	(Atlas Implementing Agent)	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Amount Year 5 (USD)	Amount Year 6 (USD)	Amount Year 7 (USD)	Total (USD)	Note
<b>COMPONENT/ OUTCOME 1:</b> Strengthened local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use	<b>MiAmbiente</b>	<b>62000</b>	<b>GEF</b>	71300	Local Consultants	56,000	101,500	45,500	21,000	21,000	21,000	21,000	287,000	1
				71400	Contractual Services – Individuals	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000	2
				71600	Travel	8,500	11,000	6,500	5,000	5,000	5,000	5,000	46,000	3
				72100	Contractual Services- Companies	498,500	553,500	553,500	553,500	503,500	457,500	342,500	3,462,500	4
				74500	Miscellaneous Expenses	3,000	3,000	3,000	3,000	3,000	3,000	3,000	21,000	5
				75700	Training, Workshops and Confer	3,000	7,500	4,500	3,500	3,500	3,500	3,500	29,000	6
					<b>Total Outcome 1</b>	<b>589,000</b>	<b>696,500</b>	<b>633,000</b>	<b>606,000</b>	<b>556,000</b>	<b>510,000</b>	<b>395,000</b>	<b>3,985,500</b>	
<b>COMPONENT/ OUTCOME 2:</b> Generation of environmental, social, and economic benefits	<b>MiAmbiente</b>	<b>62000</b>	<b>GEF</b>	71300	Local Consultants	168,000	266,000	46,700	46,700	46,700	14,000	14,000	602,100	7
				71400	Contractual Services – Individuals	51,500	51,500	51,500	51,500	51,500	51,500	51,500	360,500	8
				71600	Travel	73,900	31,900	17,400	17,400	17,400	12,500	12,500	183,000	9

<sup>29</sup> See separate guidance on how to enter the TBWP into Atlas

for communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes				72100	Contractual Services-Companies	115,000	939,750	883,500	883,500	489,750	138,500	17,500	3,467,500	10	
				72200	Equipment and Furniture	4,200	235,250	2,250	2,250	2,250				246,200	11
				72500	Supplies	2,118	2,118	2,118	2,118	2,118	2,118	2,118		14,826	12
				72800	Information Technology Equipmt	8,750	9,961							18,711	13
				74500	Miscellaneous Expenses	4,050	4,050	4,050	4,050	4,050	4,050	4,050		28,350	14
				75700	Training, Workshops and Confer	26,500	135,000	55,500	13,500	13,500				244,000	15
					<b>Total Outcome 2</b>	<b>454,018</b>	<b>1,675,529</b>	<b>1,063,018</b>	<b>1,021,018</b>	<b>627,268</b>	<b>222,668</b>	<b>101,668</b>	<b>5,165,187</b>		
<b>COMPONENT/ OUTCOME 3:</b> Establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa, sustainable agroforestry, and ecosystem services	<b>MiAmbiente</b>	<b>62000</b>	<b>GEF</b>	71300	Local Consultants	156,000	151,867	87,700	92,367	66,700	71,366	40,200	666,200	16	
				71400	Contractual Services – Individuals	48,500	48,500	48,500	48,500	48,500	48,500	48,500	48,500	339,500	17
				71600	Travel	24,500	31,200	25,000	27,700	17,000	19,700	10,000		155,100	18
				72100	Contractual Services-Companies	100,000	210,000	299,160	299,160	232,290	210,000	210,000		1,560,610	19
				74500	Miscellaneous Expenses	3,000	3,000	3,000	3,000	3,000	3,000	3,000		21,000	20
				75700	Training, Workshops and Confer	11,000	15,500	12,500	12,500	4,500	4,500	4,500		65,000	21
					<b>Total Outcome 3</b>	<b>343,000</b>	<b>460,067</b>	<b>475,860</b>	<b>483,227</b>	<b>371,990</b>	<b>357,066</b>	<b>316,200</b>	<b>2,807,410</b>		
<b>COMPONENT/ OUTCOME 4: KM and M&amp;E</b>	<b>MiAmbiente</b>	<b>62000</b>	<b>GEF</b>	71200	International Consultants				13,475			21,000	34,475	22	
				71300	Local Consultants				17,840				22,250	40,090	23
				71400	Contractual Services – Individuals	70,000	70,000	70,000	70,000	70,000	70,000	70,000		490,000	24
				71600	Travel	5,100	5,100	5,100	11,815	5,100	5,100	12,600		49,915	25
				74100	Professional Services	5,000	5,000	5,000	10,000	5,000	5,000	10,000		45,000	26

				74200	Audio Visual&Print Prod Costs		3,333	3,333	3,333	3,333	3,334	3,334	20,000	27		
				75700	Training, Workshops and Confer	6,400	1,400	1,400	2,070	1,400	1,400	2,350	16,420	28		
					<b>Total Outcome 4</b>	<b>86,500</b>	<b>84,833</b>	<b>84,833</b>	<b>128,533</b>	<b>84,833</b>	<b>84,834</b>	<b>141,534</b>	<b>695,900</b>			
<b>PROJECT MANAGEMENT</b>	<b>MiAmbiente</b>	<b>62000</b>	<b>GEF</b>	71400	Contractual Services – Individuals	70,000	70,000	70,000	70,000	70,000	70,000	70,000	490,000	29		
				71600	Travel	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	36,400	30	
				72200	Equipment and Furniture	2,000									2,000	31
				72500	Supplies	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	10,500	32	
				72800	Information Technology Equipmt	4,400									4,400	33
				74500	Miscellaneous Expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	17,500	34
				74598/64398	Direct Project Costs	10,271	10,271	10,271	10,271	10,272	10,272	10,272	10,272	10,272	71,900	35
					<b>Total Project Management</b>	<b>95,871</b>	<b>89,471</b>	<b>89,471</b>	<b>89,471</b>	<b>89,471</b>	<b>89,472</b>	<b>89,472</b>	<b>89,472</b>	<b>89,472</b>	<b>632,700</b>	
<b>PROJECT TOTAL</b>						<b>1,568,389</b>	<b>3,006,400</b>	<b>2,346,182</b>	<b>2,328,249</b>	<b>1,729,563</b>	<b>1,264,040</b>	<b>1,043,874</b>	<b>13,286,697</b>			

**Summary of Funds:**

	<b>Amount Year 1</b>	<b>Amount Year 2</b>	<b>Amount Year 3</b>	<b>Amount Year 4</b>	<b>Amount Year 5</b>	<b>Amount Year 6</b>	<b>Amount Year 7</b>	<b>Total</b>
GEF	<b>1,568,389</b>	<b>3,006,400</b>	<b>2,346,182</b>	<b>2,328,249</b>	<b>1,729,563</b>	<b>1,264,040</b>	<b>1,043,874</b>	<b>13,286,697</b>
Honduran Coffee Institute (IHCAFE)	1,714,286	1,714,286	1,714,286	1,714,286	1,714,286	1,714,285	1,714,285	<b>12,000,000</b>
Foundation for Rural Business Development (FUNDER)	285,715	285,715	285,714	285,714	285,714	285,714	285,714	<b>2,000,000</b>
Rural Development Bank (BANRURAL)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	<b>14,000,000</b>
Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente)	571,429	571,429	571,429	571,429	571,428	571,428	571,428	<b>4,000,000</b>

Agriculture and Cattle-ranching Secretariat (SAG)	285,715	285,715	285,714	285,714	285,714	285,714	285,714	2,000,000
National Forest Conservation and Development Institute (ICF)	513,158	513,158	513,158	513,158	513,158	513,157	513,157	3,592,104
Global Coffee Platform (GCF)	71,428	71,428	71,428	71,429	71,429	71,429	71,429	500,000
HEIFER Project	428,571	428,571	428,571	428,571	428,572	428,572	428,572	3,000,000
International Union for Conservation of Nature (IUCN)	571,429	571,429	571,429	571,429	571,428	571,428	571,428	4,000,000
Sectoral Cabinet for Economic Development (GSDE/FIRSA)	714,286	714,286	714,286	714,286	714,286	714,285	714,285	5,000,000
<b>TOTAL</b>	<b>8,724,406</b>	<b>10,162,417</b>	<b>9,502,197</b>	<b>9,484,265</b>	<b>8,885,578</b>	<b>8,420,052</b>	<b>8,199,886</b>	<b>63,378,801</b>

**Budget notes:**

Note	Budget Notes
Outcome 1: Strengthened local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use.	
1	<p>a) Financial Expert for the identification and documentation of successful experiences on municipal tax incentives at the local or regional level. Total cost: \$21,000 during year 1. (Output 1.6)</p> <p>b) Financial Expert to develop a strategy for the design of municipal fiscal incentives for private owners and indigenous territories implementing sustainable practices. Total cost: \$42,000 during year 2 (Output 1.6)</p> <p>c) Financial Expert to provide technical support to pilot municipalities for the implementation of fiscal incentives for private owners and indigenous territories implementing sustainable practices. Total cost: \$52,500 during years 2 to 7 (Output 1.6).</p> <p>d) PA Financial Expert for assessing the financial needs of the PA system and performance and gaps of the FA Fund. Total cost: \$21,000 during year 1. (Output 1.7)</p> <p>e) PA Financial Expert to identify and support the implementation of mechanisms to capitalize the PA Fund. Total cost: \$73,500 during years 2 to 7. (Output 1.7)</p> <p>f) PA Financial Expert to assess the financial needs and identification of financing opportunities for each PA. Total cost: \$28,000 during years 1 and 2. (Output 1.8)</p> <p>g) PA Financial Expert to outline the financial sustainability strategy for 15 PAs (including an analysis of legal and technical-administrative feasibility, levels of collection, and social-political feasibility of the financial mechanisms identified) and sign agreements for the implementation of the strategy with consideration given to local and indigenous communities. Total cost: \$49,000 during years 2 and 3. (Output 1.8)</p>
2.	<p>a) Coffee &amp; cocoa Management Specialist (20%): technical support to strengthening local and national governance for the dry-humid biological corridor with emphasis on production systems to contribute to the conservation of biodiversity and its sustainable use. Total cost: \$56,000; \$8,000/year during seven years (all outputs in component).</p> <p>b) Biodiversity Conservation Specialist (40%): technical support to strengthening local and national governance for the dry-humid biological corridor with emphasis on PAs to contribute to the conservation of biodiversity and its sustainable use. Total cost: \$84,000; \$12,000/year during seven years (all outputs in component).</p>
3.	<p>a) Travel costs in support of Component 1 for strengthening local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems. Total cost: \$35,000 during seven years.</p> <p>b) Travel costs related to the identification and documentation of successful experiences on municipal tax incentives at the local or regional level. Total cost: \$2,000 during year 1. (Output 1.6)</p> <p>c) Travel costs related to development of a strategy for the design of municipal fiscal incentives for private owners and indigenous territories implementing sustainable practices. Total cost: \$3,000 during year 2 (Output 1.6)</p> <p>d) Travel cost relate to assessing the financial needs and the identification of financing opportunities for each PA. Total cost: \$3,000 during years 1 and 2. (Output 1.8).</p> <p>e) Travel costs related to developing the financial sustainability strategy for 15 PAs and signing of agreements for the implementation of the strategy with consideration given to local and indigenous communities. Total cost: \$3,000 during years 2 and 3. (Output 1.8)</p>

4.	<p>a) Development of proposals for the establishment of biological corridors according to Regulation 632-2015, including: a) identification of stakeholders; b) socialization and consultation with indigenous groups and local communities to achieve FPIC; c) socioeconomic and ecological characterization; d) creation of local committees of biological corridors; and e) drafting and presenting proposals to MiAmbiente. Total cost: \$530,000 during years 1 to 5 (Output 1.1).</p> <p>b) Strengthening of local committees of biological corridors, including development of operational manuals, obtain legal status, training and awareness-raising activities, etc.. Total cost: \$120,000 during years 6 and 7 (Output 1.1)</p> <p>c) Development of 4 management plans for PAs (Pacayitas, Santa Bárbara, Montaña Verde y Guajiquiro) and update management plans for 11 PAs, including consultations with local stakeholders, implementation arrangements, financial sustainability strategy, and drafting and approval of management plans. Total cost: \$690,000 during year 1 to 6 (Output 1.2):</p> <p>d) Development of management plans for 62 subwatersheds in the selected corridors, including: a) identification of stakeholders; b) socialization and consultation with indigenous groups and local communities to achieve FPIC; c) socioeconomic and ecological characterization; and d) drafting of management plans and gazettement of subwatersheds. Total cost: \$385,000. (Output 1.3):</p> <p>e) Creation and/or strengthening of co-management committees for 15 PAs, including: a) create or reactivate co-management committees; b) prepare statutes and work plans; c) develop and implement training plans; d) outline strategies for financial sustainability; and e) implement work plans using indicators of performance. Total cost: \$511,000 during years 1 to 7 (Output 1.4).</p> <p>f) Creation and/or strengthening of watershed boards (including water associations) for 62 micro watersheds, including: a) prepare statutes and work plans; b) develop and implement training plans; and c) outlines strategies for financial sustainability. Total cost: \$378,000 during years 1 to 7 (Output 1.5).</p> <p>g) Development and implementation of a program for training, access to markets for tour operators, managers, and guides, and distribution of benefits for PAs derived from bird watching and agrotourism, articulated with the Lenca Route. Total cost: \$180,000 during years 2 to 7 (Output 1.9).</p> <p>h) Design and implement a monitoring and conservation program for felines and quetzals in the 15 selected PAs. Total cost: \$150,000 during years 2 to 7 (Output 1.10).</p> <p>i) Establish a national and regional platforms for coffee and cocoa to improve governance and management capacity throughout the value chain, including: a) analysis of needs for strengthening capacity related to the environmental sustainability of the coffee-cocoa producers' organizations; b) design and implement a plan to strengthen the coffee and cocoa producers' organizations; and c) establishing cooperation and strengthening agreements with the coffee and cocoa producers' organizations. Total cost: \$200,000 during years 1 to 4 (Output 1.11).</p> <p>j) Development and implementation of a national and local communication strategy (awareness-raising, participation, and feedback) for the implementation of sustainable management practices of productive landscapes, biological corridors, and PA with a gender approach. Total cost: \$98,000 during years 1 to 7 (Output 1.12).</p> <p>k) Strengthen the governance and management capacity of the Mesa Lenca and the Maya-Chortí indigenous organizations using a gender approach and as part of the communication strategy. Total cost: \$220,500 during years 1 to 7 (Output 1.12).</p>
5.	Unforeseen events related to Component 1 for developing an enabling environment for the delivery of multiple global environmental benefits. Total cost: \$21,000 year 1 to 7.
6.	<p>a) Workshops/meetings related to development of a strategy for the design of municipal fiscal incentives for private owners and indigenous territories implementing sustainable practices. Total cost: \$2,000 during year 2 (Output 1.6).</p> <p>b) Workshops and meetings for the selection of 13 pilot municipalities and follow-up the implementation of the municipal tax incentives strategy. Total cost: \$21,000 during year 2 to 7 (Output 1.6).</p> <p>c) Workshops/meetings related to the assessment of financial the needs of the PA system and performance and gaps of the FA Fund. Total cost: \$2,000 during year 1. (Output 1.7).</p> <p>d) Workshops/meetings relate to assessing the financial needs and the identification of financing opportunities for each PA. Total cost: \$2,000 during years 1 and 2. (Output 1.8).</p> <p>e) Workshops/meetings related to developing the financial sustainability strategy for 15 PAs and signing of agreements for the implementation of the strategy with consideration given to local and indigenous communities. Total cost: \$2,000 during years 2 and 3. (Output 1.8).</p>
Outcome 2: Generation of environmental, social, and economic benefits to communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes.	
7.	<p>a) SFM Expert for identification of stakeholders interested in implementing LMTs, including women, and characterization of the potential participating farms. Total cost: \$10,500 during year 1 (Output 2.1)</p> <p>b) SFM Expert to identify jointly with farmers the LMTs to be implemented in each farm. Total cost: \$42,000 during years 1 and 2 (Output 2.1)</p> <p>c) SFM Expert to provide technical support and follow-up to the implementation of LMTs. Total cost: \$126,000 during years 3 to 5 (Output 2.1).</p>

	<p>d) SFM Expert for raising awareness among farmers through field visits and informational meetings about the importance of the LMTs and their contribution to build ecosystem connectivity and for sustainable production. Total cost: \$42,000 during yeas 1 and 2 (Output 2.3)</p> <p>e) SFM Expert to support the signing agreements and to define work plans for LMT implementation. Total cost: \$63,000 during years 1 and 2. (Output 2.3)</p> <p>f) SFM Expert for assessment of the existing nurseries in the prioritized landscape will be carried out, which will determine the number, location, production capacity, and identification of stakeholders operating them (community, family, and/or public organizations). Total cost: \$21,000 during year 1. (Output 2.4)</p> <p>g) SFM Expert to determine the native species and seeds to be grown in nurseries for the implementation of LMTs and ecosystem restoration. Total cost: \$21,000 during year 1 (Output 2.4)</p> <p>h) Carbon Expert to design a carbon compensation program. Total cost: \$28,000 during year 2 (Output 2.5)</p> <p>i) Carbon Expert for territorial analysis for a carbon sequestration initiative. Total cost: \$21,000 during year 2. (Output 2.5)</p> <p>j) Carbon Marketing Expert to promote carbon credits to be generated by the carbon sequestration certification and verification program. Total cost: \$28,000 during years 6 and 7 (Output 2.5)</p> <p>k) Carbon Emissions/Mitigation Expert to identify the beneficiary families and establishing the baseline of firewood used as well the firewood that they consume following the adoption of ecological stoves. Total cost: \$28,000 during years 1 to 2 (Output 2.6)</p> <p>l) Carbon Emissions/Mitigation Expert for the selection of the best technological option and for providing technical assistance to households benefiting from the ecological stoves. Total cost: \$66,500 during years 2 to 5 (Output 2.6)</p> <p>m) Watershed Management Expert to design a monitoring system for assessing the condition the water sources, performing water analyses, and to monitor land use changes that may affect the quality and supply of water. Total cost: \$35,000 during year 2 (Output 2.8)</p> <p>n) Watershed Management Expert to identify, map, and delineate water sources and recharge areas, and identify/map the owners of water sources. Total cost: \$56,000 during years 1 and 2 (Output 2.8).</p> <p>o) Watershed Management Legal Expert for drafting legal proposals for the declaration of at least 30 subwatersheds as water supply zones. Total cost: \$14,100 during years 3 to 5. (Output 2.8)</p>
8.	<p>a) Project Coordinator (10%): coordination support for delivering environmental, social, and economic benefits to communities through SLM and rehabilitation of corridors to increase connectivity between PAs and production landscapes. Total cost: \$35,000; \$5,000/year over seven years (all outputs in component).</p> <p>a) Coffee &amp; Cocoa Management Specialist (30%): technical support to delivering of social and economic benefits to communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes. Total cost: \$84,000; \$12,000/year during seven years (all outputs in component).</p> <p>c) Biodiversity Conservation Specialist (40%): technical support for delivering environmental benefits and the rehabilitation of corridors to increase connectivity between PAs and production landscape. Total cost: \$84,000; \$12,000/year during seven years (all outputs in component).</p> <p>d) Field Coordinators (3; 50%): field support for delivering environmental, social, and economic benefits to communities through SLM and rehabilitation of corridors to increase connectivity between PAs and production landscapes. Total cost: \$157,500; \$22,500 year during 7 years (all outputs in component).</p>
9.	<p>a) Vehicle (1). Total cost: \$40,000.</p> <p>b) Gas, maintenance, and insurance vehicle (2). Total cost: \$21,000; \$3,000/year/vehicle during 7 years.</p> <p>c) Travel costs in support of Component 2 for delivering multiple environment benefits by connecting core protected areas within sustainably managed production landscapes in the central volcanic chain. Total cost; \$49,000; \$7,000/year during seven years.</p> <p>d) Travel costs related to the identification of stakeholders interested in implementing LMTs, including women, and characterization of the potential participating farms. Total cost: \$5,000 during year 1. (Output 2.1).</p> <p>e) Travel costs related to identify jointly with farmers the LMTs to be implemented in each farm. Total cost: \$5,000 during years 1 and 2 (Output 2.1).</p> <p>f) Travel costs related to technical support and follow-up to the implementation of LMTs. Total cost: \$15,000 during years 3 to 5. (Output 2.1).</p> <p>g) Travel costs related to raising awareness among formers through field visits and informational meetings about the importance of the LMTs and their contribution to build ecosystem connectivity and for sustainable production. Total cost: \$3,000 during yeas 1 and 2 (Output 2.3).</p> <p>h) Travel costs related to support the signing agreements and to define work plans for LMT implementation. Total cost: \$6,000 during years 1 and 2. (Output 2.3).</p> <p>i) Travel costs related to the assessment of the existing nurseries in the prioritized landscape and determine the location, production capacity, and identification of stakeholders operating them. Total cost: \$3,000 during year 1. (Output 2.4).</p> <p>j) Travel costs to determine the native species and seeds to be grown in nurseries for the implementation of LMTs and reforestation and rehabilitation of ecosystems. Total cost:</p>

	<p>\$3,000 during year 1 (Output 2.4).</p> <p>k) Travel costs related to the design of a carbon compensation program. Total cost: \$3,000 during year 2 (Output 2.5).</p> <p>l) Travel costs related to territorial analysis for a carbon sequestration initiative. Total cost: \$3,000 during year 2 (Output 2.5).</p> <p>m) Travel costs related to promote markets for carbon credits to be generated by the carbon sequestration certification and verification program. Total cost: \$5,000 during year 6 and 7 (Output 2.5).</p> <p>n) Travel costs related to identify the beneficiary families and establishing the baseline of firewood used as well the firewood that they consume following the adoption of energy-efficient stoves. Total cost: \$3,000 during years 1 to 2 (Output 2.6).</p> <p>o) Travel costs related to the selection of the best technological option and for providing technical assistance to households benefiting from the energy-efficient stoves. Total cost; \$12,000 during years 1 to 5. (Output 2.6).</p> <p>p) Travel costs related to the design of a monitoring system for assessing the condition of water sources, performing water analyses, and to monitor land use changes that may affect the quality and supply of water. Total cost: \$3,000 during year 2 (Output 2.8).</p> <p>q) Travel costs related to identify, map, and delineate water sources and recharge areas, and identify/map the owners of water sources. Total cost: \$4,000 during years 1 and 2 (Output 2.8).</p>
10.	<p>a) Implementation of LMTs following the work plans previously defined for this purpose. Total cost: \$595,000 during year 2 to 5 (Output 2.1).</p> <p>b) Implementation of a conservation and sustainable use certification program for farms. Total cost: \$605,000 during years 2 to 6 (Output 2.2).</p> <p>c) Construction of nurseries for the production of native germplasm for implementing LMT and restoration of ecosystems for water recharge. Total cost: \$145,000 during years 2 and 3 years (Output 2.4).</p> <p>d) Participatory reforestation and ecological restoration activities with germplasm from nurseries supported by the project, and technical support and monitoring. Total cost: \$400,000 during years 2 to 5. (Output 2.4).</p> <p>e) Certification and verification of carbon removals and stocks. Total cost; \$35,000 during years 6 and 7. (Output 2.5)</p> <p>e) Company for purchase and installation of 2,500 ecological stoves and provide training of users for their operation and maintenance. Total cost: \$687,500 during years 2 and 3(Output 2.6).</p> <p>f) Design and socialization of a technical manual for ecological stoves in Spanish and indigenous language. Total cost: \$100,000; during years 3 and 4. (Output 2.6).</p> <p>g) Strengthen local support committees (CODELES and CODEM), forest fires committees, water boards, cooperatives, and others for fire prevention and control. Total cost: \$230,000 during years 1 and 2. (Output 2.7).</p> <p>h) Socioeconomic and biophysical analysis for the declaration of subwatersheds/water supply zones. Total cost: \$190,000 during year 2. (Output 2.8).</p> <p>i) Prepare and execute the action plans for forest protection as part of the declaration of subwatersheds/water supply zones. Total cost: \$480,000 years 2 to 5. (Output 2.8).</p>
11.	<p>a) Office furniture for 3 Project Specialists/Field Coordinators. Total cost: \$1,200: \$400/person.</p> <p>b) Field equipment for fire prevention and control. Total cost: \$230,000 during year 2 (Output 2.7)</p> <p>c) Equipment to strengthen the community-based control centers for fire prevention and control. Total cost: \$9,000 during years 2 to 5 (Output 2.7).</p> <p>d) Equipment to support the identification, mapping, and delineation of water sources and recharge area. Total cost: \$6,000 during years 1 and 2 (Output 2.8).</p>
12.	Office, IT, and field supplies in support Component 2 activities. Total cost: \$14,826 during 7 years.
13.	<p>a) Computers (5) for Biodiversity Expert, Coffee &amp; Cocoa Expert and Project Specialists/Field Coordinators (3). Total cost: \$6,500; \$1,300/person (all outputs in component).</p> <p>b) Printer (3) for local/field offices. Total cost: \$750; 250/unit (all outputs in component).</p> <p>c) Digital camera (3) for local/field offices Total cost: \$600; \$200/unit (all outputs in component).</p> <p>d) Video beam (3) for local/field offices. Total cost: \$900; \$300/unit (all outputs in component).</p> <p>e) Computers and IT supplies to support local groups for the tabulation and management of data related to the prevention and control of fires, and producing reports. Total cost: \$9,961 during year 2 (Output 2.7).</p>
14.	Unforeseen events related to delivering multiple environment benefits by connecting core protected areas within sustainably managed production landscapes. Total cost: \$28,350; \$4,050/year during 7 years (all outputs in component).
15.	a) Workshops and meetings related to the identification of stakeholders interested in implementing LMTs, including women, and characterization of the potential participating

	<p>farms. Total cost: \$3,000 during year 1 (Output 2.1).</p> <p>b) Workshops and meetings related to identify jointly with farmers the LMTs to be implemented in each farm and outline the work plans. Total cost: \$5,000 during years 1 and 2 (Output 2.1).</p> <p>c) Workshops and meetings related to raising awareness among formers through field visits and informational meetings about the importance of the LMTs and their contribution to build ecosystem connectivity and for sustainable production. Total cost: \$2,000 during yeas 1 and 2 (Output 2.3).</p> <p>d) Workshops and meetings related to support the signing agreements and to define work plans for LMT implementation. Total cost: \$3,000 during years 1 and 2. (Output 2.3).</p> <p>e) Workshops and meetings to raise awareness among small farmers and producers about the compensation for carbon sequestration program. Total cost: \$10,000 during year 2 (Output 2.5).</p> <p>f) Training of local support committees (CODELES and CODEM), forest fire committees, water boards, cooperatives, and others for fire prevention and control. Total cost: \$50,000 during years 1 to 3. (Output 2.7).</p> <p>g) Training of local groups in the use of fire registration forms, including tabulation of data and development of reports by region. Total cost: \$50,000 years 2 to 5. (Output 2.7).</p> <p>h) Workshops for the development of a fire protection plan for the project prioritized landscape and action plans for local fire committees. Total cost: \$60,000 year 2 (Output 2.7).</p> <p>i) Workshops and meetings for the creation of community-based control centers for fire prevention and control. Total cost: \$5,000 during years 2 to 5 (Output 2.7).</p> <p>j) Workshops and meetings related to the design of a monitoring system for assessing the condition the water sources, performing water analyses, and to monitor land use changes that may affect the quality and supply of water. Total cost: \$3,000 during year 2 (Output 2.8).</p> <p>k) Workshops and meetings related to identify, map, and delineate water sources and recharge areas, and identify/map the owners of water sources. Total cost: 34,000 during years 1 and 2 (Output 2.8).</p> <p>l) Workshops and meetings to consult with local and indigenous communities about the establishment of at least 30 subwatersheds as water supply zones. Total cost: \$50,000 during years 2 and 3 (Output 2.8).</p>
<p><b>Outcome 3: Establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa sustainable agroforestry and ecosystem services.</b></p>	
<p>16.</p>	<p>a) SFM Expert for the identification of families (small and medium producers) for training and technical assistance (best sustainable practices, access to certified genetic material, sustainable agroforestry plans for farms, environmental certifications). Total cost: \$21,000 during year 1. (Output 3.1)</p> <p>b) SFM Expert for designing the technical assistance package for each value chain with a gender focus. Total cost: \$14,000 during year 1 (Output 3.1)</p> <p>c) Environmental Economics Expert to support building capacities for environmental certification articulated to the market. Total cost; \$63,000 during years 2 to 4. (Output 3.1)</p> <p>d) Financial expert to facilitate access to financial services by producer families in each value chain. Total cost: \$63,000 during years 2 to 7 (Output 3.1)</p> <p>e) Agroforestry Expert to evaluate best practices in agroforestry systems, including research needs and establishing partnerships. Total cost: \$136,200 years 2 to 7 (Output 3.1)</p> <p>f) Agribusiness expert to identify existing organizations of producers in the project area to strengthen organizational and business development and promote the creation of new ones, if needed (Cooperatives, Associations, Rural Savings Banks, etc.). Total cost: \$10,500 during year 1 (Output 3.2)</p> <p>g) Agribusiness expert for strengthening partnerships for business services with MIPYMES-Business Development Centers and specialized suppliers, and design of technical service packages by value chains. Total cost: \$21,000 during year 1 (Output 3.2)</p> <p>h) Agribusiness Expert for establishment of pre-contracts or partnerships with buyers and private businesses. Total cost: \$21,000 during year 1. (Output 3.2).</p> <p>i) Legal Expert to support business organizations in legal, tax, licensing, trademark and patent matters. Total cost: \$48,000 years 1 to 6 (Output 3.2).</p> <p>j) Accounting Expert to support the development of administrative capacities, accounting systems, generation of balance sheets and income statements. Total cost: \$36,000 years 1 to 6 (Output 3.2).</p> <p>k) Agribusiness Expert to facilitate and coordinate access to supplies in a timely and cost-effective manner and in the quality required by the producers. Total cost: \$39,000 during years 1 to 6 (Output 3.2).</p> <p>l) Agribusiness Expert to facilitate links with the market and the fulfillment of contracts, marketing, communication, etc. Total cost: \$36,000 years 1 to 6 (Output 3.2).</p> <p>m) Agribusiness Expert to support exchange of business experiences through value chains. Total cost: \$14,000 during years 2, 4 and 6 (Output 3.2).</p> <p>n) Financial/Business Expert for negotiation with co-financiers and financial partners for the development of financial products. Total cost: \$42,000 years 1 and 2 (Output 3.3).</p> <p>o) Financial/Business Expert for design of financial products and incentives that respond to the requirements of agroforestry systems and with a gender approach. Total cost:</p>

	<p>\$42,000 during years 1 and 2 (Output 3.3).</p> <p>p) Financial/Business Expert for drafting and signing agreements with co-financiers and/or financial partners. Total cost: \$17,500 during year 2.</p> <p>q) Agribusiness Expert for advertisement and communication about the availability of incentives and financial products among producer organizations and families/farmers. Total cost: \$42,000 during years 2 to 7 (Output 3.3).</p>
17.	<p>a) Coffee &amp; Cocoa Management Specialist (50%): technical support to establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa sustainable agroforestry and ecosystem services. Total cost: \$140,000; \$20,000/year during seven years (all outputs in component).</p> <p>b) Biodiversity Conservation Specialist (20%): technical support to establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa sustainable agroforestry and ecosystem services. Total cost: \$42,000; \$6,000/year during seven years (all outputs in component).</p> <p>c) Field Coordinators (3; 50%): field support to establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa sustainable agroforestry and ecosystem services. Total cost: \$157,500; \$22,500 year during 7 years (all outputs in component).</p>
18.	<p>a) Travel costs in support of Component 3 for establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa sustainable agroforestry and ecosystem services. Total cost: \$35,000 during seven years.</p> <p>b) Travel costs for the identification of families (small and medium producers) for training and technical assistance (best sustainable practices, access to certified genetic material, sustainable agroforestry plans for farms, environmental certifications). Total cost: \$5,000 during year 1 (Output 3.1).</p> <p>c) Travel costs for designing the technical assistance package for each value chain with a gender focus. Total cost: \$2,500 during year 1. (Output 3.1).</p> <p>d) Travel costs for facilitating access to financial services by producer families in each value chain. Total cost: \$12,000; \$2,000/year during years 2 to 7 (Output 3.1).</p> <p>e) Travel costs for the develop capacities for environmental certification articulated to the market. Total cost: \$24,000 during years 2 to 4. (Output 3.1).</p> <p>f) Travel costs s to evaluate best practices in agroforestry systems, including research needs and establishing partnerships. Total cost: \$6,000during years 2 to 7 (Output 3.1).</p> <p>g) Travel costs to identify existing organizations of producers in the project area to strengthen organizational and business development. Total cost: \$1,500 during year 1. (Output 3.2).</p> <p>h) Travel costs for strengthening partnerships for business services with MIPYMES-Business Development Centers and specialized suppliers, and design of technical service packages by value chains. Total cost: \$1,500 during year 1 (Output 3.2).</p> <p>i) Travel costs to support the development of administrative capacities, accounting systems, generation of balance sheets and income statements. Total cost: \$12,000 years 1 to 6 (Output 3.2).</p> <p>j) Travel costs for facilitating and coordinating access to supplies in a timely and cost-effective manner and in the quality required by the producers. Total cost: 18,000 during years 1 to 6 (Output 3.2).</p> <p>k) Travel costs to facilitate links with the market and the fulfillment of contracts, marketing, communication, etc. Total cost: \$12,000 during years 1 to 6 (Output 3.2).</p> <p>l) Travel costs to support exchange of business experiences through value chains. Total cost: \$8,100 during years 2, 4, and 6 (Output 3.2).</p> <p>m) Travel costs related to negotiation with co-financiers and financial partners for the development of financial products. Total cost: \$4,000 during years 1 and 2 (Output 3.3).</p> <p>n) Travel costs related to drafting and signing agreements with co-financiers and/or financial partners. Total cost: \$1,500 during year 2.</p> <p>o) Travel costs related to the advertisement and communication about the availability of incentives and financial products among producer organizations and families/farmers. Total cost: \$12,000 during years 2 to 7 (Output 3.3).</p>
19.	<p>a) Design of investment plans and farm plans under agroforestry systems with a gender approach. Total cost: \$133,740 during years 3 and 4 (Output 3.1).</p> <p>b) Signing of environmental performance agreements for farm management with small and medium producers. Total cost: \$66,870 during years 3 to 5 (Output 3.1).</p> <p>c) Technical services for the different stages of cultivation or supply chain (soil studies, pests and diseases management, genetics, nutrition, technological innovation associated to markets, etc.). Total cost: \$455,000 during years 1 to 7 (Output 3.1).</p> <p>d) Assess and improve management plans or business plans for the organizations. Total cost: \$154,000 during years 1 to 7. (Output 3.2).</p> <p>e) Business training for staff and managers of organizations. Total cost: \$91,000 during years 1 to 7. (Output 3.2).</p> <p>f) Implementation of protocol for access to credit and incentives. Total cost: \$150,000 years 2 to 7 (Output 3.3).</p> <p>g) Incentives to promote community initiatives for the production of sustainable coffee and cocoa under agroforestry. Total cost: \$510,000 during years 2 to 7. (Output 3.3).</p>
20.	<p>Unforeseen events related to delivering multiple environment benefits by connecting core protected areas within sustainably managed production landscapes. Total cost: \$21,000 during 7 years (all outputs in component).</p>

21.	<p>a) Workshops/meetings for the identification of families (small and medium producers) for training and technical assistance (best sustainable practices, access to certified genetic material, sustainable agroforestry plans for farms, environmental certifications). Total cost: \$5,000 year 1. (Output 3.1)</p> <p>b) Consultation workshops/meetings for designing the technical assistance package for each value chain with a gender focus. Total cost: \$2,500 year 1. (Output 3.1)</p> <p>c) Workshops/meetings for facilitating access to financial services by producer families in each value chain. Total cost: \$12,000 years 2 to 7 (Output 3.1)</p> <p>d) Training and workshops for the develop capacities for environmental certification articulated to the market. Total cost: \$24,000; 8,000/year years 2 to 4. (Output 3.1)</p> <p>e) Workshops/meetings to evaluate best practices in agroforestry systems, including research needs and establishing partnerships. Total cost: \$6,000 years 2 to 7 (Output 3.1)</p> <p>f) Workshops/meetings for strengthening partnerships for business services with MIPYMES-Business Development Centers and specialized suppliers, and design of technical service packages by value chains. Total cost: \$1,500 during year 1 (Output 3.2)</p> <p>g) Workshops/meetings related to negotiation with co-financiers and financial partners for the development of financial products. Total cost: \$4,000 during years 1 and 2. (Output 3.3.)</p> <p>h) Workshops/meetings related to drafting and signing agreements with co-financiers and/or financial partners. Total cost: \$1,000 during year 2. (Output 3.3.)</p> <p>i) Workshops/meetings related to the advertisement and communication about the availability of incentives and financial products among producer organizations and families/farmers. Total cost: \$9,000 during years 2 to 7 (Output 3.3).</p>
Component 4. Knowledge Management and Monitoring & Evaluation	
22.	<p>a) Mid-term project review: Total cost: \$13,475.</p> <p>b) Terminal project evaluation. Total cost: \$21,000.</p>
23.	<p>a) Mid-term GEF Tracking Tools update. Total cost: \$10,000.</p> <p>b) Terminal GEF Tracking Tools update. Total cost: \$10,000.</p> <p>c) Mid-term review: Total cost: \$7,840</p> <p>d) Terminal evaluation. Total cost: \$12,250.</p>
24.	<p>a) M&amp;E Expert (part time - 40%): Monitoring &amp; evaluation of project activities (including monitoring of indicators in project results framework - PRF). Total cost: \$105,000; \$15,000/year during seven years (all outputs in component).</p> <p>b) Gender Expert (part time -15%). Support and monitoring of gender mainstreaming (Gender Mainstreaming Plan). Total cost: \$35,000; \$5,000/year during seven years. (all outputs in component).</p> <p>c) Communications/Knowledge Management Expert (part time - 35%). Communication activities and documentation and systematization of lessons learnt and best practices. Total cost: \$70,000; \$10,000/year during seven years (all outputs in component).</p> <p>d) Indigenous Peoples Expert (part time - 25%). Consultations with indigenous communities and organization and implementation of the IPP. Total cost: \$280,000; \$40,000/year during seven years (all outputs in component).</p>
25.	<p>a) Travel costs for mid-term review. Total cost: \$6,715.</p> <p>b) Travel costs for terminal evaluation: Total cost: \$7,500.</p> <p>c) Travel costs for M&amp;E of project activities: Total cost: \$11,900 (all outputs in component).</p> <p>d) Travel costs for gender mainstreaming activities: Total cost: \$6,300 (all outputs in component).</p> <p>e) Travel costs for knowledge management: Total cost: \$11,200 (all outputs in component).</p> <p>f) Travel costs for consultations with indigenous communities and organizations and implementation of the IPP. Total cost: \$6,300 during seven years (all outputs in component).</p>
26.	<p>a) External audit (5). Total cost: \$35,000.</p> <p>b) Translations of MTR and TE Reports. Total cost: \$10,000.</p>
27.	Publications related to knowledge management and communication. Total cost: \$20,000 (all outputs in component).
28.	<p>a) Project Inception Workshop. Total cost \$5,000.</p> <p>b) Mid-term review related workshops. Total cost: \$670.</p> <p>c) Terminal evaluation-related workshops. Total cost: \$950.</p> <p>d) Project board meetings. Total cost: \$7,000.</p> <p>e) Workshops and meetings for consultations with indigenous communities and organization and implementation of the IPP. Total cost: \$2,800 (all outputs in component).</p>

Project Management	
29.	a) Project Coordinator (90%): project planning, day-to-day management of project activities, project reporting, maintaining key relationships among stakeholders. Total cost: \$315,000; \$45,000/year over seven years. b) Financial/Administrative Assistant: financial management of the project, accounting, purchasing, and reporting. Total cost: \$175,000; \$25,000 year during seven years.
30.	Travel costs related to project management. Total cost: \$36,400; \$5,200/year during 7 years.
31.	Office furniture. Total cost: \$2,000.
32.	Office and IT supplies. Total cost: \$10,500; \$1,500/year during 7 years.
33.	a) Computer Project Coordinator. Total cost: \$1,500 b) Computer Financial/Administrative Assistant: Total cost: \$1,500 c) Printer (1). Total cost: \$520 d) Digital camera (1). Total cost: \$300. e) Video beam (1). Total cost: \$580.
34.	Incidental expenses related to project management. Total cost: \$17,500; \$2,500/year during seven years.
35.	Direct Project Costs (DPC). Total cost: \$71,900 during seven years.

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## **XII. LEGAL CONTEXT**

178. Consistent with the Article III of the Standard Basic Assistance Agreement (SBAA), the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

- a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) Assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

179. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.

180. The Implementing Partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml). This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document".

181. Any designations on maps or other references employed in this project document do not imply the expression of any opinion whatsoever on the part of UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

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### **XIII. ANNEXES**

- A. Multi year Workplan
- B. Monitoring Plan
- C. Evaluation Plan
- D. GEF Tracking Tool (s) at baseline
- E. Terms of Reference for Project Board, Project Manager, Chief Technical Advisor and other positions as appropriate
- F. UNDP Social and Environmental and Social Screening Template (SESP)
- G. Indigenous Participation Plan
- H. UNDP Project Quality Assurance Report (to be completed by UNDP Country Office)
- I. UNDP Risk Log (to be completed by UNDP Country Office)
- J. Results of the capacity assessment of the project implementing partner and HACT micro assessment (to be completed by UNDP Country Office)
- K. Additional Agreements
- L. Stakeholder Engagement and Communication Plan
- M. Summary of Consultants and Contractual Services Financed by the Project for the First Two Years
- N. Gender Analysis and Project Gender Mainstreaming Plan
- O. Legal/institutional assessment
- P. Target landscape profile
- Q. List of people consulted during project development

**ANNEX A: MULTI YEAR WORK PLAN:**

Task	Responsible Party	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6				Year 7			
		Q1	Q2	Q3	Q4																								
Outcome 1. Strengthened local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use																													
<i>Output 1.1 – Documentation completed and submitted to MiAmbiente containing the requirements established in Regulation 632-2015 to support the legal establishment of biological corridors</i>																													
1.1.1 Identification of stakeholders	MiAmbiente																												
1.1.2 Socialization and consultation with indigenous groups and local communities to achieve FPIC	MiAmbiente																												
1.1.3 Socioeconomic and ecological characterization	MiAmbiente																												
1.1.4 Creation of local committees of biological corridors	MiAmbiente																												
1.1.5 Drafting and presenting proposals for legal approval	MiAmbiente																												
1.1.6 Strengthening of local committees of biological corridors	MiAmbiente																												
<i>Output 1.2 – New or updated management plans for 15 PAs include implementation arrangements and financial sustainability strategy</i>																													
1.2.1 Identification and consultations with local stakeholders	MiAmbiente																												
1.2.2 Develop/update socioeconomic and ecological information for each PA	MiAmbiente																												
1.2.3 Drafting and approval of management plans.	MiAmbiente																												
<i>Output 1.3 – Management plans for 62 subwatersheds in the selected corridors</i>																													

1.3.1 Identification of stakeholders	MiAmbiente																						
1.3.2 Socialization and consultation with indigenous groups and local communities to achieve FPIC	MiAmbiente																						
1.3.3 Socioeconomic and ecological characterization	MiAmbiente																						
1.3.4 Drafting of management plans and gazettement of subwatersheds	MiAmbiente																						
<b>Output 1.4 – Co-management committees for 15 PAs developed and/or strengthened (coordination, equipment, training, gender approach, participation of indigenous organizations)</b>																							
1.4.1 Create or reactivate co-management committees	MiAmbiente																						
1.4.2 Prepare statutes and work plans	MiAmbiente																						
1.4.3 Outline strategies for financial sustainability	MiAmbiente																						
1.4.4 Develop and implement training plans	MiAmbiente																						
1.4.5 Implement work plans using indicators of performance	MiAmbiente																						
<b>Output 1.5 – Watershed Boards (including Water Associations) established and/or strengthened for the management of the 62 subwatersheds (one in each municipality of the project area) with full participation of indigenous organizations for decision-making</b>																							
1.5.1 Create Watershed Boards	MiAmbiente																						
1.5.2 Prepare statutes and work plans	MiAmbiente																						
1.5.3 Outline strategies for financial sustainability	MiAmbiente																						
1.5.4 Develop and implement training plans	MiAmbiente																						
<b>Output 1.6 – Municipal resolutions for tax incentive schemes (tax exemption/deduction) for private owners and indigenous territories implementing sustainable practices (linked to Outcome 2 Agreements)</b>																							





local communication strategy																											
1.12.2 Identify/map beneficiary indigenous organizations	MiAmbiente																										
1.12.3 Strengthen the governance and management capacity of the Mesa Lenca and the Maya-Chortí indigenous organizations	MiAmbiente																										
Component 2. Generation of environmental, social, and economic benefits to communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes																											
<i>Output 2.1 – LMTs, connecting production systems with PAs (biological micro-corridors, forest enrichment, hedges, live fences, and windbreaks, and firewood management)</i>																											
2.1.1 Identification of stakeholders interested in implementing LMTs	MiAmbiente																										
2.1.2 Identify jointly with farmers the LMTs to be implemented in each farm	MiAmbiente																										
2.1.2 Implementation of LMTs based defined work plans	MiAmbiente																										
2.1.3 Provide technical support and follow-up to the implementation of LMTs	MiAmbiente																										
<i>Output 2.2 – Conservation and sustainable use certification program for farms (ICF, RF, IHCAFE, etc.) in the prioritized areas, using certification schemes in effect in Honduras</i>																											
2.2.1. Map organizational platforms and inform them about the certification program	MiAmbiente																										
2.2.2. Identify farms with potential to be certified	MiAmbiente																										
2.2.3. Identify markets for certified farmers	MiAmbiente																										
2.2.4. Certification of farms and monitoring	MiAmbiente																										

<i>Output 2.3 – 3,000 conservation and best social practice agreements signed with the producers of coffee, cocoa, and agroforestry products to adopt LMTs for the conservation and sustainable management of forests</i>																										
2.3.1 Build awareness about the importance of the LMT for ecosystem connectivity	MiAmbiente																									
2.3.2 Negotiate and sign voluntary agreements and develop action plans	MiAmbiente																									
<i>Output 2.4 – At least 10 community, family, and public (e.g., ICF) nurseries providing over 100,000 seedlings to be used with the LMTs and for rehabilitation practices, including firewood management and for the restoration of ecosystems for water recharge</i>																										
2.4.1. Asses the existing nurseries in the prioritized landscape	MiAmbiente																									
2.4.2. Determine the native species and seeds to be grown in nurseries	MiAmbiente																									
2.4.3. Construction of nurseries for the production of native germplasm for implementing LMT and ecosystem restoration	MiAmbiente																									
2.4.4. Participatory reforestation and ecological restoration activities with germplasm from nurseries and technical support	MiAmbiente																									
<i>Output 2.5 – Carbon sequestration program for the sale of carbon credits in national markets</i>																										
2.5.1. Design a carbon compensation program	MiAmbiente																									
2.5.2. Territorial analysis for a carbon sequestration initiative	MiAmbiente																									
2.5.3. Certification and verification of carbon removals and stocks	MiAmbiente																									
2.5.4 Promote carbon credits to be generated by	MiAmbiente																									











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**ANNEX B: MONITORING PLAN**

The Project Manager will collect results data according to the following monitoring plan.

Monitoring	Indicators	Description	Data source/ Collection Methods	Frequency	Responsible for data collection	Means of verification	Assumptions and Risks
<p><b>Project objective:</b> Strengthen the connectivity between protected areas (PAs) and production landscapes to generate environmental, social, and economic benefits in the dry-humid biological corridor of southwestern Honduras.</p>	<p><u>Indicator 1:</u> Number of people directly benefitting from strengthened livelihoods (differentiated by gender) through solutions for management of natural resources, ecosystems services, chemicals, and waste</p>	<ul style="list-style-type: none"> <li>– Direct: 16,103 (11,184 men, 4,919 women)</li> </ul>	<ul style="list-style-type: none"> <li>– Periodic project monitoring and follow-up</li> <li>– Project follow-up meetings and surveys</li> </ul>	<ul style="list-style-type: none"> <li>– Annually</li> </ul>	<ul style="list-style-type: none"> <li>– Project Manager</li> <li>– Gender Specialist</li> </ul>	<ul style="list-style-type: none"> <li>– PIR</li> <li>– Reports of project follow-up meetings</li> </ul>	<ul style="list-style-type: none"> <li>– Willingness by decision makers to incorporate objectives of biodiversity conservation, SFM, and reduction in land degradation in PAs and sustainable production landscapes in the dry-humid biological corridor of southwestern Honduras</li> <li>– There is willingness by the local landowners to incorporate environmental sustainability criteria as part of their production activities</li> <li>– Optimal sampling</li> </ul>
	<p><u>Indicator 2:</u> Presence of key indicator species in PAs and biological corridors</p>	<ul style="list-style-type: none"> <li>– Quetzal (<i>Pharomachrus mocinno</i>)</li> <li>– Golden-cheeked warbler (<i>Setophaga chrysoparia</i>)</li> <li>– Cougar (<i>Puma concolor</i>)</li> <li>– Ocelot (<i>Leopardus pardalis</i>)</li> <li>– Margay (<i>Leopardus wiedii</i>)</li> <li>– Jaguarundi (<i>Puma yagouarundi</i>)</li> </ul>	<ul style="list-style-type: none"> <li>– Periodic project monitoring and follow-up</li> </ul>	<ul style="list-style-type: none"> <li>– Mid and final point of the project</li> </ul>	<ul style="list-style-type: none"> <li>– Project Manager</li> <li>– Project Biodiversity Specialist and consultants</li> </ul>	<ul style="list-style-type: none"> <li>– Felines: camera trap grids</li> <li>– Quetzal and warblers: point count surveys</li> <li>– Project technical reports</li> <li>– PIR</li> <li>– Related project/meeting reports</li> </ul>	
	<p><u>Indicator 3:</u> Area (ha) of farms that adopt sustainable practices for production of coffee and cocoa under agroforestry increase connectivity between their farms and PAs</p>	<ul style="list-style-type: none"> <li>– Coffee: 7,400</li> <li>– Cocoa: 600</li> </ul>	<ul style="list-style-type: none"> <li>– Periodic project monitoring and follow-up</li> </ul>	<ul style="list-style-type: none"> <li>– Mid and final point of the project</li> </ul>	<ul style="list-style-type: none"> <li>– Project Manager</li> <li>– Project technical team</li> </ul>	<ul style="list-style-type: none"> <li>– Field/spatial sampling</li> <li>– Field notes verification reports</li> <li>– PIR</li> </ul>	

<b>Outcome 1:</b> Strengthened local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use.	<b>Indicator 4:</b> Number of biological corridors legally recognized as a result of the implementation of the regulation for establishing biological corridors	– At least one (1) approved	– Periodic project monitoring and follow-up	Final point of the project	– Project Manager	– Official gazette – Proposal	– Continued political will to strengthen the national governance framework and consolidate the dry-humid biological corridor – Interest from the central and local governments, indigenous communities, and production sectors to improve the management of PAs – Increased investments for the management and protection of prioritized sites – Optimal sampling
	<b>Indicator 5:</b> Change in the management effectiveness (as measured through the METT) of 15 PAs covering 389,223 ha	– Celaque NP: 80 – Opalaca BR: 57 – Cerro Azul Meambar NP: 68 – Lago de Yojoa MUA: 76 – Guajiquiro BR: 24 – El Jilguero WPZ: 52 – Montecillos BR: 49 – Mixcure WR: 48 – Montaña Verde WR: 57 – Puca WR: 48 – Pacayita BR: 21 – Montecristo NP: 61 – Erapuca WR: 47 – Güisayote BR: 60 – Santa Bárbara Mountain NP: 24	– Completed GEF Tracking Tool: Biodiversity (Baseline GEF Tracking Tools included in Annex D)	Mid and final point of the project	– Project consultant	– Completed GEF Tracking Tool	
	<b>Indicator 6:</b> Change in the financial gap for covering basic management costs and investments in 15 prioritized PAs	USD 3,265,980/year (10% reduction)	– Completed GEF Tracking Tool: Biodiversity (Baseline GEF Tracking Tools included in Annex D)	Mid and final point of the project	– Project consultant	– Completed GEF Tracking Tool	

	<p><u>Indicator 7:</u> Number of organizational structures* that participate in decision making for the conciliation of biological corridors and PAs</p> <p>*Biological corridors local committees, NGOs and PA co-managers, watershed councils, indigenous organizations, coffee and cocoa value chain platforms</p>	177	<ul style="list-style-type: none"> <li>– Periodic project monitoring and follow-up</li> <li>– Project follow-up meetings and surveys</li> </ul>	– Annually	<ul style="list-style-type: none"> <li>– Project Manager</li> <li>– Project Communication/Knowledge Management Specialist</li> </ul>	<ul style="list-style-type: none"> <li>– PIR</li> <li>– Reports of project follow-up meetings</li> </ul>	<ul style="list-style-type: none"> <li>– There is political will to strengthen the national governance framework and consolidate the arid-humid biological corridor</li> <li>– Interest is maintained by the central and local governments, producers and local and indigenous communities, and production sectors to improve the management of PAs</li> </ul>
<p><b>Outcome 2:</b> Generation of environmental, social, and economic benefits for communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes.</p>	<p><u>Indicator 8:</u> Sequestered carbon (tCO<sub>2</sub>-eq) through the implementation of landscape management tools [LMTs] (biological micro-corridors, forest enrichment, live fences, windbreaks) in 6,000 ha by project's end</p>	<ul style="list-style-type: none"> <li>– 470,601 tCO<sub>2</sub>-eq</li> </ul> <p>(Estimated using the Ex-Ante Carbon-balance Tool [EX-ACT] appraisal system developed by FAO)</p>	<ul style="list-style-type: none"> <li>– Periodic project monitoring and follow-up</li> </ul>	Mid and final point of the project	<ul style="list-style-type: none"> <li>– Project Manager</li> <li>– Project team and consultants</li> </ul>	<ul style="list-style-type: none"> <li>– Project technical reports</li> <li>– PIR</li> <li>– Related project/meeting reports</li> </ul>	<ul style="list-style-type: none"> <li>– There are no substantial changes in land use/cover</li> <li>– Sampling efforts are optimal</li> <li>– Environmental variability within normal range</li> </ul>
	<p><u>Indicator 9:</u> Area (ha) of improved connectivity in 13 prioritized biological areas<sup>30</sup> by project's end</p>	<ul style="list-style-type: none"> <li>– 3,000</li> </ul>	<ul style="list-style-type: none"> <li>– Periodic project monitoring and follow-up</li> </ul>	Mid and final point of the project	<ul style="list-style-type: none"> <li>– Project Manager</li> <li>– Project M&amp;E Specialist and technical team</li> </ul>	<ul style="list-style-type: none"> <li>– Field/spatial sampling</li> <li>– Field notes verification reports</li> <li>– PIR</li> </ul>	

<sup>30</sup> Trifinio-Copán Ruinas; Erapuca – Copán Ruinas; Mt Verde – Lago de Yojoa; Lago de Yojoa – El Cajón; Montaña Verde – Puca; Celaque – Opalaca; Trifinio Güisayot; Güisayote – Pacayita; Opalaca – Mixcure; Guajiquiro – Montecillos; Opalaca – Lago Yojoa; Mixcure – El Jilguero; Celaque – Pacayita.

	<u>Indicator 10:</u> Area (ha) affected by fires annually	– 4,800		– Periodic project monitoring and follow-up	Mid and final point of the project	– Project Manager – Project M&E Specialist and technical team	– Field/spatial sampling – Field notes verification reports PIR	
	<u>Indicator 11:</u> Area (ha) of forest in private reserves under sustainable management	– 800		– Periodic project monitoring and follow-up	Mid and final point of the project	– Project Manager – Project M&E Specialist and technical team	– Field/spatial sampling – Field notes verification reports PIR	
<b>Outcome 3:</b> Establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa, sustainable agroforestry, and ecosystem services	<u>Indicator 12:</u> Annual net income (USD) per producer and gender and derived from: a) coffee under agroforestry and b) cocoa under agroforestry.	Men (2 ha/family)	Women (2 ha/family)	– Periodic project monitoring and follow-up	Mid and final point of the project	– Project Manager – Project team and consultants	– Household surveys – Project technical reports – PIR	– National and international markets for sustainable products are available and stable – Incentives available – There is willingness by the landowners to make use of available incentives and to adopt sustainable production practices in their farms – Climate variability within normal range
		2,595	2,543					
		1,161	1,138					
	<u>Indicator 13:</u> Number of families with access to credit and environmental incentives to promote sustainable and biodiversity-friendly practices, including product quality improvement and development approved for producers of coffee and cocoa under agroforestry.	– Coffee: 2,775 – Cocoa: 225		– Periodic project monitoring and follow-up	Mid and final point of the project	– Project Manager – Project team and consultants	– Household surveys – Project technical reports – PIR	
<b>Outcome 4:</b> Knowledge management and M&E	<u>Indicator 14:</u> Number of documents on successful experiences in the incorporation of conservation of biodiversity, SFM, and reduction of land	– 10		– Periodic project monitoring and follow-up	– Annually	– Project Communication/Knowledge Management Specialist	– PIR – Related project reports – Web pages with project information	– Wide-ranging and timely dissemination – Willingness and resources in place for replication

	degradation objectives in PAs and sustainable production landscapes prioritized by the project.						
	<u>Indicator 15:</u> Number of replications of agroforestry systems using LMTs that strengthen one local biological corridor not covered by the project.	– 10	– Periodic project monitoring and follow-up	Mid and final point of the project	– Project Communication/Knowledge Management Specialist	– PIR	
<b>Mid-term GEF Tracking Tool</b>	N/A	N/A	Baseline GEF Tracking Tool included in Annex D.	After 3 <sup>rd</sup> PIR submitted to GEF	– Project consultant but not evaluator	Completed GEF Tracking Tool	– None
<b>Terminal GEF Tracking Tool</b>	N/A	N/A	Baseline GEF Tracking Tool included in Annex D.	After final PIR submitted to GEF	– Project consultant but not evaluator	Completed GEF Tracking Tool	– None
<b>Mid-term Review</b>	N/A	N/A	To be outlined in MTR inception report	Submitted to GEF same year as 4 <sup>th</sup> PIR	– Independent evaluators	Completed MTR	– None
<b>Environmental and Social risks and management plans, as relevant.</b>	N/A	N/A	Updated SESP and management plans	Annually	Project Manager UNDP CO	Updated SESP	– None



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**ANNEX C: EVALUATION PLAN**

<b>Evaluation Title</b>	<b>Planned start date Month/year</b>	<b>Planned end date Month/year</b>	<b>Included in the Country Office Evaluation Plan</b>	<b>Budget for consultants<sup>31</sup></b>	<b>Other budget (i.e. travel, site visits, and workshops)</b>	<b>Budget for translation</b>
<b>Mid-term Review</b>	06/2022	07/2022	No	USD 21,315	USD 7,385	USD 5,000
<b>Terminal Evaluation</b>	02/2025	03/2025	No	USD 33,250	USD 8,450	USD 5,000
<b>Total evaluation budget</b>				<b>USD 80,400</b>		

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<sup>31</sup> The budget will vary depending on the number of consultants required (for full size projects should be two consultants); the number of project sites to be visited; and other travel related costs. Average # total working days per consultant not including travel is between 22-25 working days.

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**ANNEX D: GEF TRACKING TOOL (S) AT BASELINE**

The GEF Tracking Tools (BD-1, BD-4, LD-2, and SFM-1; see separate attachment) will be used to track project-level results. These will be based on results tracked at the level of the prioritized landscape. As noted in the Monitoring Plan (see Annex B above), these will be updated by project consultants (but not evaluators) during the mid-point and end of the project.

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## **ANNEX E: TERMS OF REFERENCE FOR PROJECT BOARD, PROJECT MANAGER, AND OTHER POSITIONS**

### **E.1. Terms of Reference of Project Board**

#### **Responsibilities**

The Project Board will provide overall strategic policy and management direction for the project and play a critical role in reviewing and approving the project planning and execution conducted by the PCU and the Implementing Partner. In line with the adoption of an adaptive management approach, the Project Board will review project progress, make recommendations and adopt the (biennial) project work plans and budget.

Whenever feasible, approval by the Project Board members of interim revisions (as applicable) of the biennial project work plans and budgets will be sought by electronic means, in order to optimize cost-efficiency of the project management arrangements.

#### **Specific Duties**

Specific functions of the Project Board will include:

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC in Honduras).
- Agree on Project Manager’s responsibilities, as well as the responsibilities of the other members of the PCU;
- Delegate any Project Assurance function as appropriate;
- Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);
- Review and appraise detailed Project Plan and Annual Work Plan (AWP), including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.
- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager tolerances in the AWP and quarterly plans when required;
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner.
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions;
- Provide ad-hoc direction and advice for exception situations when Project Manager’s tolerances are exceeded;
- Assess and decide on project changes through revisions;
- Assure that all Project deliverables have been produced satisfactorily;
- Review and approve the Final Project Review Report, including lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement);
- Notify operational completion of the project to the Outcome Board.

As the Project Board will provide overall guidance to the Project; it will not be expected to deal with day-to-day management and administration of the Project. This will be handled by the Project Manager, in coordination with the Executing Agencies, and under guidance from the Country Office of the Implementing Agency (to ensure conformity with United Nations’ requirements).

The Project Board is especially responsible for evaluation and monitoring of Project outputs and achievements. In its formal meetings, the Project Board will be expected to review the Project work plan and budget expenditure, based on the Project Manager’s report. The Project Board should be consulted for supporting any changes to the work plan or budget, and is responsible for ensuring that the Project remains on target with respect to its outputs.

Where necessary, the Project Board will support definition of new targets in coordination with, and approval from, the Implementing/Executing Agencies.

### **Membership**

The Project Board is expected to be composed of:

- Representative of the GEF Implementing Agency: UNDP Country Office in Honduras;
- Representative of the Implementing Partner: MiAmbiente;
- Representatives of coffee and cocoa producers associations, municipalities, and the ICF.

Other parties can be invited as observers to the Project Board Meetings, as deemed relevant and beneficial for the implementation of the Project.

### **Frequency and Conduct of Meetings**

It is anticipated that there will be at least three full meetings of the Project Board to take place at the following times during the duration of the Project:

- Project Inception
- Project Midterm
- Project End

Other options such as meetings of representative groupings of the Project Board, teleconferencing and e-mail will be explored to allow for discussion and review of project matters during the years when no formal Project Board are planned. Formal meetings will be scheduled and arranged by the PCU in consultation with, and at the request of, the other Project Board members.

### **E.2. Terms of Reference for Key Project Staff**

A Project Manager, an M&E Expert, a Gender Expert, a Communications/Knowledge Management Expert, a Coffee/Cocoa Specialist, and a Biodiversity Specialist will staff the PCU. A Financial and Administrative Assistant will provide administrative input for successful project implementation, and management and monitoring of all financial project aspects; three Field Technicians will provide local support. The ToRs for these positions will be further discussed and will be fine-tuned during the Inception Workshop so that roles and responsibilities and UNDP GEF reporting procedures are clearly defined and understood. Also, during the Inception Workshop the ToRs for specific consultants and sub-contractors will be fully discussed and, for those consultancies to be undertaken during the first year of the project, full ToRs will be drafted and selection and hiring procedures will be defined.

#### **Project Manager**

A Project Manager will be hired using project funds to carry out the duties specified below, and to provide further technical assistance as required by the project team to fulfill the objectives of the project. He/she will be responsible for ensuring that the project meets its obligations to the GEF and the UNDP, with particular regard to the management aspects of the project, including supervision of staff, serving as stakeholder liaison, implementation of activities, and reporting. The Project Manager will lead the PCU and will be responsible for the day-to-day management of project activities and the delivery of its outputs. The Project Manager will support and coordinate the activities of all partners, staff, and consultants as they relate to the implementation of the project.

The Project Manager will be responsible for the following tasks:

#### **Specific Duties**

- Prepare detailed work plan and budget under the guidance of the Project Board and UNDP;
- Make recommendations for modifications to the project budget and, where relevant, submit proposals for budget revisions to the Project Board, and UNDP;
- Facilitate project planning and decision-making sessions;

- Organize the contracting of consultants and experts for the project, including preparing ToRs for all technical assistance required, preparation of an action plan for each consultant and expert, supervising their work, and reporting to the UNDP Project Officer;
- Provide technical guidance and oversight for all project activities;
- Oversee the progress of the project outcomes conducted by local and international experts, consultants, and cooperating partners;
- Coordinate and oversee the preparation of all outputs of the project;
- Foster, establish, and maintain links with other related national and international programs and national projects, including information dissemination through media such as web page actualization, etc.;
- Organize Project Board meetings at least once every semester as well as annual and final review meetings as required by UNDP, and act as the secretary of the Project Board;
- Coordinate and report the work of all stakeholders under the guidance of UNDP;
- Prepare PIRs/APRs in the language required by the GEF and the UNDP's Country Office and attend annual review meetings;
- Ensure that all relevant information is made available in a timely fashion to UNDP regarding activities carried out nationally, including private and public sector activities, which impact the project;
- Prepare and submit quarterly progress and financial reports to UNDP as required, following all UNDP quality management system and internal administrative process;
- Coordinate and participate in M&E exercises to appraise project success and make recommendations for modifications to the project;
- Prepare and submit technical concepts and requirements about the project requested by UNDP, the Government of Honduras, or other external entities;
- Perform other duties related to the project in order to achieve its strategic objectives;
- Ensure the project utilizes best practices and experiences from similar projects;
- Ensure the project utilizes the available financial resources in an efficient and transparent manner;
- Ensure that all project activities are carried out on schedule and within budget to achieve the project outputs;
- Solve all scientific and administrative issues that might arise during the project.

### **Outputs**

- Detailed work plans indicating dates for deliverables and budget;
- Documents required by the control management system of UNDP;
- ToRs and action plan of the staff and monitoring reports;
- List of names of potential advisors and collaborators and potential institutional links with other related national and international programs and national projects;
- Quarterly reports and financial reports on the consultant's activities, all stakeholders' work, and progress of the project to be presented to UNDP (in the format specified by UNDP);
- A final report that summarizes the work carried out by consultants and stakeholders during the period of the project, as well as the status of the project outputs at the end of the project;
- Minutes of meetings and/or consultation processes;
- Yearly PIRs/APRs;
- Adaptive management of project.

All documents are to be submitted to the UNDP Project Officer and in MS Word and in hard copy.

### **Qualifications (indicative)**

- A graduate academic degree in areas relevant to the project (e.g., conservation of biodiversity, SFM or SLM);
- Minimum 10 years of experience in project management with at least 5 years of experience in at least one area relevant to the project (e.g., conservation of biodiversity, SFM or SLM);
- Experience facilitating consultative processes, preferably in the fields of conservation of biodiversity, SFM or SLM;

- Proven ability to promote cooperation between and negotiate with a range of stakeholders, and to organize and coordinate multi-disciplinary teams;
- Strong leadership and team-building skills;
- Self-motivated and ability to work under the pressure;
- Demonstrable ability to organize, facilitate, and mediate technical teams to achieve stated project objectives;
- Familiarity with logical frameworks and strategic planning;
- Strong computer skills;
- Flexible and willing to travel as required;
- Excellent communication and writing skills in Spanish and English;
- Previous experience working with a GEF-supported project is considered an asset.

### **Financial and Administrative Assistant**

The Project Financial and Administrative Assistant is responsible for the financial and administrative management of the project activities and assists in the preparation of quarterly and annual work plans and progress reports for review and monitoring by UNDP. This position will be part of the PCU under the supervision of the Project Manager.

#### **Specific Duties**

- Responsible for providing general financial and administrative support to the project;
- Take own initiative and perform daily work in compliance with annual work schedules;
- Assist project management in performing budget cycle: planning, preparation, revisions, and budget execution;
- Provide assistance to partner agencies involved in project activities, performing and monitoring financial aspects to ensure compliance with budgeted costs in line with UNDP policies and procedures;
- Monitor project expenditures, ensuring that no expenditure is incurred before it has been authorized;
- Assist project team in drafting quarterly and yearly project progress reports concerning financial issues.
- Drafting the contracts of national/local consultants and all project staff, in accordance with the instructions of the UNDP Contract Office in Honduras;
- Ensure that UNDP procurement rules are followed during procurement activities that are carried out by the project and maintain responsibility for the inventory of the project assets;
- Perform preparatory work for mandatory and general budget revisions, annual physical inventory and auditing, and assist external evaluators in fulfilling their mission;
- Prepare all outputs in accordance with the UNDP administrative and financial office guidance;
- Ensure the project utilizes the available financial resources in an efficient and transparent manner;
- Ensure that all project financial activities are carried out on schedule and within budget to achieve the project outputs;
- Perform all other financial related duties, upon request;
- Make logistical arrangements for the organization of meetings, consultation processes, and media;
- Draft correspondence related to assigned project areas; provide clarification, follow up, and responses to requests for information;
- Assume overall responsibility for administrative matters of a more general nature, such as registry and maintenance of project files;
- Provide support to the Project Manager and project staff in the coordination and organization of planned activities and their timely implementation;
- Assist the Project Manager in liaising with key stakeholders from the Government of Honduras counterpart, co-financing agencies, municipalities, civil society, and NGOs, as required;
- Ensure the proper use and care of the instruments and equipment used on the project
- Resolve all administrative and support issues that might arise during the project;
- Provide assistance in all logistical arrangements concerning project implementation.

### **Qualifications (indicative)**

- Undergraduate Degree in finance, business sciences, or related fields;
- At least 3-5 years in project financial management and administration;
- A demonstrated ability in the financial management of development projects and in liaising and cooperating with government officials, donors, and civil society;
- Self-motivated and ability to work under the pressure;
- Team-oriented, possesses a positive attitude, and works well with others;
- Flexible and willing to travel as required;
- Excellent interpersonal skills;
- Excellent verbal and writing communication skills in Spanish and English;
- Good knowledge of Word, Outlook, Excel, and Internet browsers;
- Previous experience working with a GEF and/or UNDP-supported project is considered an asset.

### **Communications Expert**

The Communications Expert will be responsible for advising on and issuing communications, as well as awareness-raising, and visibility activities related to the project. This position will provide technical support to the PCU under the supervision of the Project Manager.

#### **Specific Duties:**

- Coordinate and conduct the communication, awareness-raising, and visibility campaigns of the project at the local and national levels;
- Collect and analyze lessons learned and best practices, and design replication strategies within other production landscapes and biological corridors;
- Coordinate the design, production, and dissemination of diverse reports, publications, and knowledge products through different media, including print, websites, and social networks;
- Promote visibility of the project results and activities through placement and distribution of information material and creative partnerships;
- Advise and assist the project teams at the national level for developing awareness campaigns, communication strategies, visibility actions, and media initiatives;
- Establish synergies with other GEF and non-GEF initiatives, government agencies, private sector entities, donor agencies, among other stakeholders to promote cooperation and coordination of implementation of related efforts at the national level; and
- Draft and ensure that key results, reports, lessons learned, and relevant success stories are disseminated through different communication vehicles.
- Coordinate the implementation of knowledge management outputs of the project;
- Facilitate learning and sharing of knowledge and experiences relevant to the project.

#### **Qualifications (indicative):**

- Degree in Communications, or other related field;
- At least 3-5 years of experience in the field of communications or knowledge management, preferably focused on conservation of biodiversity, SFM or SLM;
- Previous experience working with a GEF project is considered an asset;
- Ability to synthesize, systematize, edit, and publish information to produce communications materials and products;
- Strong interpersonal and communication skills; commitment to team work and to working across disciplines; and
- Fluency in Spanish is essential, both spoken and written. Working knowledge of English is an asset.

### **M&E Specialist**

The M&E Specialist will be responsible for the advisory and conduction of all M&E activities related to the project. This position will provide technical support to the PCU under the supervision of the Project Manager.

**Specific Duties:**

- Responsible for the proper functioning of the Project’s M&E, including the Project impact indicators contained in the PRF, GEF Tracking Tools for Biodiversity, Land Degradation, and SFM in accordance with the GEF requirements;
- Coordinate with the Project Manager and the different technical and administrative units of MiAmbiente to program all M&E activities;
- Establish in the AWP the necessary time and resources to comply with the UNDP and GEF M&E requirements for the project;
- Coordinate the preparation of forms, questionnaires, and other tools for collecting information in the field within the framework of M&E and the PRF;
- Provide support to the Project Manager in preparing M&E reports required by UNDP and the GEF, indicating, among other things, the progress in complying with the indicators included in the PRF; and
- Prepare the ToRs for the MTR and TE of the Project.

**Qualifications (indicative):**

- Degree in biodiversity conservation, SFM or SLM or other similar areas with a focus on project monitoring and evaluating;
- At least 5-10 years of experience in the fields of biodiversity conservation, SFM or SLM, or other similar areas, 3 years of which shall be in project monitoring and evaluation;
- Experience in data analysis, publications and/or reporting based on field data is required;
- Previous experience working with a GEF project is considered an asset;
- Strong interpersonal and communication skills; commitment to teamwork and to working across disciplines; and
- Fluency in Spanish is essential, both spoken and written. Working knowledge of English is an asset.

**Gender Specialist**

The Gender Specialist will be responsible for ensuring that gender is mainstreamed during project execution and for the implementation of the project Gender Mainstreaming Plan. This position will provide technical support to the PCU under the supervision of the Project Manager.

**Specific Duties:**

- Coordinate with the Project Manager and the different technical and administrative units of MiAmbiente for gender mainstreaming;
- Establish in the AWP the necessary time and resources to implement the project Gender Mainstreaming Plan;
- Collect sex-disaggregated data in line with the PRF and Gender Mainstreaming Plan;
- Provide support to the Project Manager in preparing gender-based reports required by UNDP and the GEF, indicating, among other things, the progress in complying with the indicators included in the PRF and the Gender Mainstreaming Plan;
- Participate and coordinate in project training activities for gender mainstreaming; and
- Coordinate actions with government agencies, NGOs, CSOs, and women’s organization or groups whose work focuses on gender in the prioritized production landscapes.

**Qualifications (indicative):**

- Degree in social or natural sciences or other relevant discipline, preferably with a specialization in gender and project cycle management;

- At least 5 years of experience in the field of gender equality and gender mainstreaming;
- Demonstrated expertise in mainstreaming gender in UNDP and/or GEF projects and programs in Honduras;
- Experience working with government institutions and international organizations that support gender and development work in environmental projects and programs;
- Knowledge of with gender analysis tools and methodologies for gender mainstreaming;
- Previous experience working with a GEF project is considered an asset;
- Strong interpersonal and communication skills; commitment to team work and to working across disciplines; and
- Fluency in Spanish is essential, both spoken and written. Working knowledge of English is an asset.

## ANNEX F: UNDP SOCIAL AND ENVIRONMENTAL SCREENING TEMPLATE (SESP)

### Project Information

<b>Project Information</b>	
1. Project Title	Agroforestry landscapes and sustainable forest management that generate environmental and economic benefits globally and locally
2. Project Number	PIMS 5704
3. Location (Global/Region/Country)	Honduras

### Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

#### QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?

##### *Briefly describe in the space below how the Project mainstreams the human-rights based approach*

The proposed project will implement activities using a human-rights based approach while benefiting the communities living within the PAs and their buffer zones and along the dry-humid biological corridor of southwestern Honduras. The project activities will be implemented so that they will contribute to protecting human life and to assist the government of Honduras to realize civil, economic, social and cultural rights of all project participants and beneficiaries. In addition, the project will promote nondiscrimination and equality, including women, indigenous people, economically disadvantaged communities, and other vulnerable groups. Some of the activities are related to the following main outcomes and/or results of the project: a) Increased awareness by indigenous communities and farmers about the importance of the project and its biological corridor as well of biodiversity and conservation values; b) Consultation protocol with indigenous communities for the establishment of biological corridors; c) participatory management plans for PAs updated d) Implementation of sustainable biodiversity-friendly production practices, including coffee and cocoa under agroforestry products; and e) Technical assistance for the implementation of biodiversity- friendly production so that the local communities (including women) may continue with the production once the project is finished. The project also promotes accountability and the rule of law and identifies mechanisms to address grievances through UNDP’s mechanism for addressing complaints, grievances, and suggestions. The project will respect the human rights of all project participants regardless of their race, color, sex, language, religion, political or other opinion, national or social origin, property, birth, or other status.

##### *Briefly describe in the space below how the Project is likely to improve gender equality and women’s empowerment*

The project will give special priority on ensuring that women are well represented in the implementation. The project will incorporate gender considerations into all phases of its life cycle, and includes a Project Gender Mainstreaming Plan designed specifically to ensure that the concerns and experiences of women (as well as men) are an integral part of the development, implementation, and M&E of the project. The Project Gender Mainstreaming Plan outlines activities and specific indicators to ensure gender participation and gender equality. In addition, the project’s Stakeholder Engagement and Communication Plan identifies women and women’s groups in the prioritized landscape within in the dry-humid biological corridor that will be directly involved in project implementation. According to the

UNDP Gender Marker the project is classified as Gender Responsive: the results address the different needs of men and women, there is equitable distribution of benefits, resources, status, and rights; however, the project does not address the root causes of inequality in their lives.

**Briefly describe in the space below how the Project mainstreams environmental sustainability**

The project will contribute with the consolidation of 971,752 ha of biological corridors, which will provide connectivity of PAs to forest remnants in production landscapes and contribute to the conservation of biologically-important areas. More specifically the project will implement multiple activities that will allow mainstreaming environmental sustainability including: a) support the implementation of sustainable and/or biodiversity-friendly economic activities such as cocoa and coffee under agroforestry, that promote biodiversity conservation, reduce deforestation, and enhance ecological connectivity within the PAs; b) the use of native species in the implementation of sustainable production practices, which will in turn promote the conservation of watersheds and soils; and c) contribute to the reduction of GHG emissions and will promote carbon sequestration through ecosystem conservation and forest management by means of sustainable management tools ( micro corridors, live fences, hedges, etc.).

**Part B. Identifying and Managing Social and Environmental Risks**

<p><b>QUESTION 2: What are the Potential Social and Environmental Risks?</b> <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.</i></p>	<p><b>QUESTION 3: What is the level of significance of the potential social and environmental risks?</b> <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i></p>			<p><b>QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?</b></p>
<p><b>Risk Description</b></p>	<p><b>Impact and Probability (1-5)</b></p>	<p><b>Significance (Low, Moderate, High)</b></p>	<p><b>Comments</b></p>	<p><b>Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.</b></p>
<p>Risk 1: The project will potentially reproduce discriminations against women</p>	<p>I = 2 P = 1</p>	<p>Low</p>	<p>The project includes a Gender Action Plan to mainstream gender issues into the project and promote gender equality</p>	
<p>Risk 2: Activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected</p>	<p>I = 1 P = 5</p>	<p>Low</p>	<p>The proposed project will implement several of its activities within the 15 PAs,</p>	

<p>areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?</p>			<p>which are part of its area of influence.</p> <p>None of the project's activities are expected to result in deforestation, conversion or degradation of critical habitat or environmentally sensitive areas. On the contrary, the activities will contribute to the conservation of critical habitats along the dry-humid corridor in the southwest of Honduras. Furthermore, environmental authorities of Honduras, such as SINAPH and ICF, will implement the project</p>	
<p>Risk 3: Changes to the use of lands and resources.</p>	<p>I = 1 P = 5</p>	<p><b>Low</b></p>	<p>Project's implementation will lead to a change in the use of land from non-sustainable to sustainable practices. This includes the introduction of biodiversity friendly productive systems of cocoa and coffee under agroforestry products. It also involves the rehabilitation of forests using landscape management tools.</p> <p>The management plan update for the APs will be a highly participatory process. This will allow local communities to gradually transition from current land/natural resource use practices to more sustainable practices. In addition, the project will provide support to the local communities in various aspects such as: implementation of biodiversity-friendly economic</p>	<p>s.</p>

			activities, economic incentives, technical assistance, and capacity-building as a way to reduce negative impacts. This will include revenue generation and forest protection through carbon sequestration derived from the adoption of landscape management tools. To ensure that any negative impacts on the local communities are minimized, the project will implement monitoring and evaluation tools to be used periodically. This will allow the timely identification of negative impacts along with its corresponding corrective measure.	
Risk 4: The Project involves reforestation	I = 1 P = 5	<b>Low</b>	The project will include the reforestation and rehabilitation of degraded land, and forests using native species to be grown in nurseries to be implemented by the project.	
Risk 5: Outcomes of the Project may be sensitive or vulnerable to potential impacts of climate change	I = 2 P = 2	<b>Low</b>	Although the project will enhance resilience to climate change through low-carbon-emission and sequestration of carbon integrated management of the prioritized production landscapes, they could continue to be vulnerable to extreme climate variability.  The project will promote actions that will lead to better connectivity, which will then lead to more extended and solid forest covers, and therefore more resilient natural and	

			agricultural systems. Similarly, there will be an increased protection of soils and a better regulation of the water cycle that will in turn, create stable micro-climatic conditions, thereby benefiting forest species as well as reducing the vulnerability of human populations to climate change.	
Risk 6: Presence of Indigenous people in project area, limited consultation for achieving FPIC, and potentially affect the lands, natural resources, and territories of indigenous peoples	I = 3 P = 5	Moderate	Indigenous communities (Lenca and Maya Chortí groups) are key stakeholders of the project.	<p>During the project formulation phase of the project indigenous groups were consulted and participated in the final design of the project; however, not all indigenous organizations present in the project target area were consulted. To ensure that all relevant indigenous groups and organizations are consulted and participate in the project, an Indigenous Peoples Plan (IPP) has been included as part of the project design, which will allow for extensive indigenous groups consultation for achieving FPIC and participation in the project. The IPP is included as Annex G of this project document.</p> <p>The project will collect information about land ownership in the project's prioritized PAs as part of the development of the management plans and will define strategies for titling indigenous lands as part of the PA's management plans. These activities are considered as part of the IPP and Output 1.2 of the project (<i>New or updated management plans for 15 PAs include implementation arrangements and financial sustainability strategy</i>). In addition, measures will be taken so that the design of the management plans has a focus of conservation rights such as that conceptualized by the International Union for Conservation of Nature (IUCN) through its World Conservation Congresses.</p>
[add additional rows as needed]				
	<b>QUESTION 4: What is the overall Project risk categorization?</b>			
	Select one (see <a href="#">SESP</a> for guidance)		Comments	
	Low Risk	<input type="checkbox"/>		

	<i>Moderate Risk</i>	<input checked="" type="checkbox"/>	Given that full consultation with indigenous groups was not achieved during project formulation the overall project risk categorization is moderate. During the project formulation phase, meetings and workshops were held with indigenous organizations to present and discuss the project and its objectives; feedback was received for the joint definition of project activities and the IPP. However, further consultations are required and will be conducted during project implementation. The risk mitigation and risk evaluation measures will be full incorporated into the UNDP Risk Log, which will be presented to the LPAC as an annex to the final project document. The Risk Log will be updated in the ATLAS system during the length of the project, as necessary.
	<i>High Risk</i>	<input type="checkbox"/>	
	<b>QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?</b>		
	Check all that apply		<b>Comments</b>
	<i>Principle 1: Human Rights</i>	<input type="checkbox"/>	
	<i>Principle 2: Gender Equality and Women's Empowerment</i>	<input type="checkbox"/>	
	<i>1. Biodiversity Conservation and Natural Resource Management</i>	<input type="checkbox"/>	
	<i>2. Climate Change Mitigation and Adaptation</i>	<input type="checkbox"/>	
	<i>3. Community Health, Safety and Working Conditions</i>	<input type="checkbox"/>	
	<i>4. Cultural Heritage</i>	<input type="checkbox"/>	
	<i>5. Displacement and Resettlement</i>	<input type="checkbox"/>	
	<i>6. Indigenous Peoples</i>	<input checked="" type="checkbox"/>	Right and engagement of indigenous people in the project activities will be ensured through the project. The project includes an IPP developed jointly with representatives of indigenous organization to ensure full participation of indigenous groups in project implementation.
	<i>7. Pollution Prevention and Resource Efficiency</i>	<input type="checkbox"/>	

## Final Sign Off

<i>Signature</i>	<i>Date</i>	<i>Description</i>
QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have “checked” to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have “cleared” the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

## SESP Attachment 1. Social and Environmental Risk Screening Checklist

<b>Checklist Potential Social and Environmental Risks</b>		
<b>Principles 1: Human Rights</b>		<b>Answer (Yes/No)</b>
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? <sup>32</sup>	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
<b>Principle 2: Gender Equality and Women’s Empowerment</b>		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	Yes
3.	Have women’s groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women’s ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
<b>Principle 3: Environmental Sustainability:</b> Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
<b>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</b>		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No

<sup>32</sup> Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to “women and men” or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	Yes
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	Yes
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	Yes
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
<b>Standard 2: Climate Change Mitigation and Adaptation</b>		
2.1	Will the proposed Project result in significant <sup>33</sup> greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	Yes
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
<b>Standard 3: Community Health, Safety and Working Conditions</b>		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No

<sup>33</sup> In regards to CO<sub>2</sub>, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
<b>Standard 4: Cultural Heritage</b>		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
<b>Standard 5: Displacement and Resettlement</b>		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? <sup>34</sup>	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
<b>Standard 6: Indigenous Peoples</b>		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	Yes
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)?  <i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i>	Yes

<sup>34</sup> Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	Yes
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
<b>Standard 7: Pollution Prevention and Resource Efficiency</b>		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs?  <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

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## **ANNEX G: INDIGENOUS PEOPLES PLAN**

### **Introduction**

The purpose of the Indigenous Peoples Plan (IPP) is to achieve the effective participation of indigenous communities (Lenca and Maya Chortí) and guarantee the free, prior, and informed consent (FPIC) for implementation of the project “Agroforestry landscapes and sustainable forest management that generate environmental and economic benefits globally and locally.” In addition, this plan will establish effective mechanisms of coordination among the social, private, and government sector stakeholders to achieve the participation of the indigenous communities in every phase of the project. It will also allow the participation of indigenous men and women under equal conditions and promote, beginning at the institutional and base organization levels, their participation in decision-making processes to develop leadership capabilities with a focus on sustainable empowerment.

In addition, the IPP is developed in compliance with the UNDP environmental and social safeguards for project implementation as well as the GEF policies of inclusion for indigenous populations.

### **Reference Framework of the IPP**

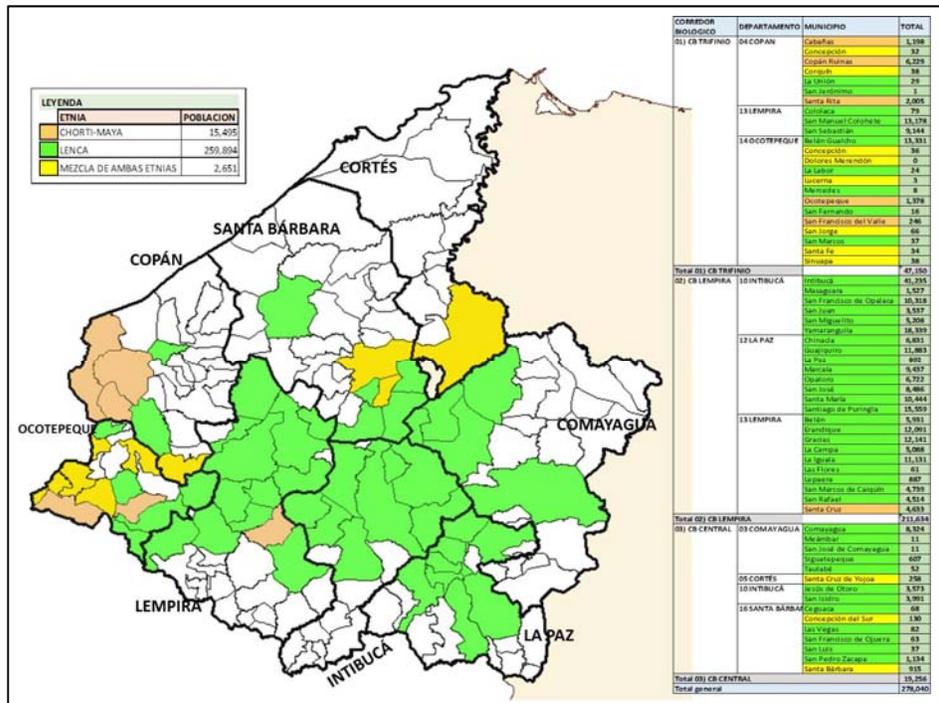
The project’s area of influence is characterized as being multi-cultural and multi-ethnic, and demonstrates a particular “mestizaje” with elements from various groups: Lenca, Chortí, and Mestizo. The indigenous populations of the project’s area of influence have transformed their traditional tribal organizations into community organizations over the years. Their systematic marginalization has led them to seek new forms of participation in an effort to save their forms of social organization, culture, and land rights.

Although they have been subjected to strong pressure for them to “acculturate,” they have maintained themselves as culturally distinct groups and their ethnic identity has in fact been strengthened in the last few years. The fight to maintain their distinctive cultural identity is closely linked to access to land that traditionally has belonged to them, and which they are losing as their lands have been occupied by a majority mestizo population.

Considering that indigenous populations live in 61 or the 62 municipalities of the project, their presence in the project’s area of influence may be classified under the term “human settlements” (HS) in the following population groups:

- a. Scarce presence: HS with fewer than 100 indigenous, where 826 indigenous live in 22 municipalities.
- b. Low presence: HS from 100 to less than 2,000 indigenous, where 8,200 indigenous live in 10 municipalities.
- c. Medium presence: HS from 2,000 to less than 5,000 indigenous, where 31,884 indigenous live in 8 municipalities.
- d. High presence: HS from 5,000 to less than 10,000 indigenous, where 71,400 indigenous live in 10 municipalities.
- e. Very high presence: HS from 10,000 to 20,000 indigenous, where 128,415 indigenous live in 10 municipalities.
- f. Special presence: more than 40,000 indigenous, municipality of Intibucá.

The following figure shows the location, per municipality, of the indigenous populations of Lenca and Chortí, and shows the locations where both groups coincide.



Field studies performed during the PPG phase identified a series of perceptions held by indigenous people that should be considered in the project planning. They are grouped into the following three categories:

- Monitoring and control activities:** Activities to ensure that the ILO Convention 169 is being complied with, particularly guaranteeing the participation of the Lenca and Maya-Chortí in use of the forest, as well as avoiding the exclusion or marginalization of these populations in the application of the Forestry Law.
- Disregard for indigenous governance:** Because of the fragmenting of alliances within indigenous populations there has been an increase in other forms of organization, including government sponsored forms or governance. This situation has created distrust and little confidence in state institutions.
- Reducing uncertainty:** Enhancing the participation of indigenous populations and women in international cooperation projects.

Sustainable development requires the equal participation of men and women, recognizing their ethnic and cultural differences, socioeconomic differences, age, and sex differences, among others. Within this framework, participation is understood as achieving understanding and the integration of relationships and differences in the roles, rights, and opportunities in the different phases of the project, specifically the representation of the Lenca and Maya-Chortí populations in the *ad hoc* Technical Committee and Project Steering Committee.

### Methodology

The development of the IPP, as well as the project's Stakeholder Engagement and Communication Plan, was based on the following principles:

- Transparency and access to information.** Access to information for all stakeholders was maintained during the proposal development process, as well the use during consultations of tools and languages that were equally accessible.

- b. Good faith and transparency of those participating. The consultation process emphasized the good faith of all stakeholders involved and transparency in their participation as well as the collection and dissemination of information to interested parties.
- c. Respect for the rights and cultural diversity of the stakeholders. An intercultural dialogue was developed that entailed the understanding of all stakeholders of their rights and obligations as organized citizens. Ensuring that all men and women, especially indigenous populations, will be familiar with the project objectives and exercise their right to participate.
- d. Inclusion and representation. The process facilitated the incorporation of state and private sector institutionality into the project, emphasizing the role of indigenous populations and their organizational representatives within civil society. This process of inclusion continues to be open to incorporation of interested parties that have not yet become involved, such as the COPINH organization.
- e. Effective governance. The roles and responsibilities of the stakeholders in the IPP were considered to be official and clearly defined by the SINAPH. The project promotes the strengthening of relationships between the stakeholders, and is envisioned as a platform to facilitate the identification of the roles and spheres of action among the participants.
- f. Gender equality. Organizations were identified that work in gender themes and promote leadership and empowerment of women, youth, and girls.
- g. Differentiated forms of ethnicity. With consideration given to the UNDP and GEF safeguards for indigenous populations and national mandates for FPIC, consultations were performed in differentiated forms in the Maya Chortí and Lenca communities, equally applying the criteria for social inclusion from the perspectives of the different stakeholders interviewed and identified by the informants.

The following steps were developed for the process of identifying the stakeholders called upon to participate in the IPP:

1. List of participants according to their placements in the social organization.

Stakeholder Type	Number	Percentage
Economic stakeholders	83	19.86
PA co-managers	72	17.22
Municipalities	62	14.83
NGOs	41	9.81
Government Entities	34	8.13
Indigenous Organizations	31	7.42
National and international cooperation	27	6.46
Financial Institutions	26	6.22
Civil Society Organizations (CSOs)	17	4.07
Mancomunidades	16	3.83
Universities	9	2.15
<b>Total</b>	<b>418</b>	<b>100.00</b>

Source: Stakeholder mapping, baseline survey, and technical inputs, IUCN, 2017

2. Classification of stakeholders according to their role (territorial, key, and strategic) and using the following definitions:

- **Strategic Stakeholder.** Organization or institution with capacities and decision-making power as to how, in what way, when, and who will perform social, economic, environmental, and policy actions within the framework of a set program or project.
- **Key Stakeholder.** Organization or institution with a direct role in and knowledge of cultural, social, biophysical, financial, business aspects, and participation in the management and planning processes. These are key to achieving the development of a program or project.
- **Territorial Stakeholder.** Any organization or institution that lives in the defined territory, having a role that is neutral, positive, or negative. A territorial stakeholder does not live in a closed system, rather one that is open and influenced by various systems and subsystems.

Stakeholder type	Number	Strategic	Key	Territorial
Municipalities	62	40.32	59.68	0.00
Mancomunidades	16	62.50	37.50	0.00
Governmental	34	26.47	35.29	38.24
Indigenous Organizations	31	12.90	87.10	0.00
Co-managers	72	30.56	69.44	0.00
Economic actors	83	8.43	30.12	61.45
CSOs	17	41.18	47.06	11.76
National and international cooperation	27	29.63	48.15	22.22
NGOs	41	19.51	36.59	43.90
Financial Institutions	26	38.46	61.54	0.00
Universities	9	22.22	22.22	55.56
<b>Total</b>	<b>418</b>	<b>26.79</b>	<b>50.48</b>	<b>22.73</b>

Source: Stakeholder mapping, baseline survey, and technical inputs, IUCN, 2017

#### Joint construction of the IPP for the Lenca and Maya-Chortí indigenous populations.

The participation of indigenous groups in the project is considered a right and their incorporation by the government is part of the legitimization to ensure the project's success.

The IPP includes two aspects: a) characterization of the participating institutions from the perspective of the indigenous leaders, and b) identification of the role of the indigenous populations in the project, also from the perspective of the indigenous leaders. These aspects are detailed in the following table.

Institutional stakeholders in the indigenous territories of the project's area of influence:

Institution	Problem Identified by the Indigenous Organization	Action	Responsible Party
Forest Conservation Institute (ICF)	<ul style="list-style-type: none"> <li>• There is no participation by the indigenous population in the use of the forest, the Forestry Law does not favor the indigenous populations</li> </ul>	<ul style="list-style-type: none"> <li>• Avoid penalization and persecution of indigenous who extract timber for household use or to construct housing.</li> </ul>	National ICF police, Ethnicities' Prosecutor's Office, Maya-Chortí Military force

Forest Conservation Institute (ICF)	<ul style="list-style-type: none"> <li>Indigenous populations are not considered when declaring PAs</li> </ul>	<ul style="list-style-type: none"> <li>Promote the incorporation of indigenous populations in managing PAs and the use of natural resources.</li> </ul>	ICF Military police Power of attorney Mayor's office
Confederation of Indigenous Peoples of Honduras (CONPAH)	<ul style="list-style-type: none"> <li>Fragmentation of indigenous peoples' alliances; non-indigenous forms of organizations that attract key leaders</li> </ul>	<ul style="list-style-type: none"> <li>Promote consensus and synergy among the Lenca organizations to achieve effective participation of indigenous communities in the project.</li> <li>Make indigenous groups more visible and understand their demands for the recognition of their needs in relation to the project.</li> <li>Respond to the needs of the indigenous population in general, including women and youth, for training in biodiversity, land, and forest conservation and sustainable agroforestry production.</li> </ul>	Secretariat of Human Rights, Justice, Governance, and Decentralization (SDHJGD), National Council of Indigenous Peoples and Afro-Hondurans (DINAFROH)
Secretariat of Energy, Natural Resources, and Mines (MiAmbiente)	<ul style="list-style-type: none"> <li>Benefits or international cooperation projects (social, cultural, and environmental) are not clear or delivered</li> <li>Some international cooperation projects are not transparent and the participation of indigenous peoples is limited (lack of elderly, women, and youth participation)</li> </ul>	<ul style="list-style-type: none"> <li>Clarify the positive and negative impacts of the projects on indigenous populations</li> <li>Ensure the information is prior and sufficient for the effective participation of the indigenous populations in the project, include transparency in the signing of agreements</li> <li>Ensure the representation of the Lenca and Maya-Chortí in the Ad Hoc Technical Committee and Project Management Committee.</li> </ul>	MiAmbiente
	<ul style="list-style-type: none"> <li>Indigenous organizations are not taken into account in the planning and execution of projects</li> <li>Poor use of the participation concept</li> <li>There is discrimination in the projects in the Lenca Route</li> </ul>	<ul style="list-style-type: none"> <li>Inform with transparency and see the indigenous as a person with the right to know his or her benefits.</li> </ul>	Prosecutors' Offices and human rights indigenous organizations, Ministry of Education and MiAmbiente

	<ul style="list-style-type: none"><li>• Decisions are not made taking indigenous peoples into account, including women</li></ul>	<ul style="list-style-type: none"><li>• Guarantee the representation of the Lenca and Maya-Chortí in the Ad Hoc Technical Committee and the Project Management Committee, including representation of indigenous women</li></ul>	MiAmbiente
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**IPP for the Lenca and Maya-Chortí Indigenous Groups**

N	Entity	Stakeholder	Description	Characterization	Role in the Project and Progress Indicators
1	<p>1. Lenca Indigenous Organizations</p> <p>2. Maya-Chortí Indigenous Organization</p>	<p>1. Lenca Sectoral Roundtable</p> <p>2. Maya-Chortí Indigenous National Council (CONIMCHH)</p> <p>3. National Ancestral Coordinator of Maya-Chortí Indigenous Rights (CONADIMCHH)</p>	<p>1. Independent Lenca Indigenous Movement for Peace, Honduras (MILPAH)</p> <p>2. Fieldworkers Union (UTC)</p> <p>3. Lenca Indigenous Federation of Honduras (FHONDIL)</p> <p>4. Intibucá Women’s Organization (The Ants)</p> <p>5. Committee of Popular and Indigenous Organizations of Honduras (COPINH)</p> <p>6. CONADIMCHH</p> <p>7. CONIMCHHJ</p> <p>8. Committee of Popular and Indigenous Organizations of Intibucá (COPINH)</p>	<p>1. Inform indigenous populations about an effective way to organize around the project’s actions, its progress, and results, to promote participation in and the appropriation of key concepts.</p> <p>2. Guarantee compliance with the consultation and consent regarding projects that will be carried out on lands inhabited by indigenous populations.</p>	<p>Indigenous organizations are community structures that promote and demand compliance with their rights under national and international legislation.</p> <ul style="list-style-type: none"> <li>• Establish agreements to reduce deforestation and promote connectivity of the ecosystems through traditional production practices and land and resource use <i>Progress indicator: Number of agreements established with indigenous organizations (Output 2.3 and Output 2.4)</i></li> <li>• Support and provide technical assistance <i>Progress indicator: Number of indigenous peoples and organizations supported (Output 3.1).</i></li> <li>• Promote dialogue and participation for designing plans and development of capacities <i>Progress indicator: number of plans designed with indigenous participation (Output 1.2, Output 1.3, Output 1.9)</i></li> </ul>

2	Maya-Chortí Indigenous Organizations, Lenca sectoral roundtable	1. CONADIMCHH 2. CONIMCHH	1. MILPASH 2. UTC 3. FHONDIL 3. Intibucá Women's Organization (The Ants) 4. COPINH 5. CONADIMCHH 6. CONIMCHH	1. Increase indigenous peoples' consent regarding the importance of implementing biodiversity friendly production systems, environmental conservation, and sustainable resources management.	1. The Lenca and Maya-Chortí indigenous organizations have experience and a mandate from their communities of governance in their lands, which include production projects.	<ul style="list-style-type: none"> <li>• Participate in the benefits generated through implementation of the project activities <i>Progress indicator: Number of indigenous peoples benefiting from the conservation of biodiversity, SFM, and SLM (see Indicator 1 in the PRF)</i></li> <li>• Promote agricultural assistance that guarantees environmentally friendly production, including reducing land-based/agricultural contamination <i>Progress indicator: Number of indigenous families receiving technical assistance (Output 3.1)</i></li> <li>• Contribute to the capacity development of agricultural producers and forest resources <i>Progress indicator: Number of indigenous families trained (Output 3.1 and Output 3.2)</i></li> <li>• Provide support and guidance to actions related to planning and management for watersheds, biological corridors, and PAs in the project's area of influence</li> </ul>
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						<p><i>Progress indicator: Number of PA and subwatershed management plans develop with indigenous participation (Output 1.2, Output 1.3, and Output 1.4)</i></p> <ul style="list-style-type: none"> <li>Participate in the protection and generation of environmentally friendly production activities under an advisory plan by MiAmbiente</li> </ul> <p><i>Progress indicator: number of indigenous people participating in the protection and generation of environmentally friendly production activities (Output 2.2., Output 2.5, Output 2.6, Output 3.3)</i></p>
3	Indigenous organizations and federations		<ol style="list-style-type: none"> <li>Project Management Committee, Lenca sectoral roundtable</li> <li>CONADIMCHH</li> <li>CONIMCHH</li> <li>General Directorate of Indigenous Populations and Afro-Hondurans (DINAFROH)</li> <li>National Agrarian Institute (INA)</li> </ol>	<ol style="list-style-type: none"> <li>Legal support for legalization of land in the project area</li> <li>Monitoring of the titling plan for the lands belonging to the Lenca and Maya-Chortí indigenous populations and local communities</li> </ol>	<ol style="list-style-type: none"> <li>The land and environmental committees are part of the indigenous organizations, responsible for documenting territories</li> </ol>	<ul style="list-style-type: none"> <li>Collect information about land ownership in the project's prioritized PAs as part of the development of the management plans</li> </ul> <p><i>Progress indicator: 15 management plans include information on land ownership in the project prioritizes PAs (Output 1.2)</i></p> <ul style="list-style-type: none"> <li>Define strategies for titling lands as part of the PA's management plans</li> </ul>

						<p><i>Progress indicator: 15 management plans include strategies for titling lands in the project prioritizes PAs (Output 1.2)</i></p> <ul style="list-style-type: none"> <li>• Facilitate actions to consolidate biological corridors and watersheds among the different management groups of the PAs</li> </ul> <p><i>Progress indicator: Number of indigenous peoples participating in management or co-management committees and watershed boards (Output 1.4 and Output 1.5)</i></p> <ul style="list-style-type: none"> <li>• Facilitate the project's actions, principally related to environmental education</li> </ul> <p><i>Progress indicator: Number of indigenous peoples benefited from environmental educational activities (Output 1.12, Output 2.7)</i></p>
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## Strategic Components

The participation of indigenous populations in the project includes being informed, participating in consultation processes during which they are listened to, shared decision-making, citizen control, seeking social and political recognition, and individual and cultural appreciation. As such, the challenge consists in making these groups visible and understanding their demands for recognition and their needs. This aspect is particularly important since their participation in the project should be understood as a collective force and not as individuals.

Participation in the decisions of the project that directly affect indigenous communities beginning with the analysis, planning, to execution and follow-up are necessary to ensure the project's success. For example, consultation with indigenous peoples about their traditional ways of using and caring for natural resources (forests, biodiversity, soils, and water resources, etc.), and how they distribute the benefits derived; this will result in equal governance, giving the indigenous communities more decision-making power, control, and management of the natural resources in their surroundings. During the PPG phase (baseline analysis), all stakeholders were identified. However, the project team was not able to consult all of the stakeholders; thus, the consultation process will be completed during the initial phase of project implementation, which make possible the incorporation of organizations such as COPINH into the decision-making process for project implementation and the equal distribution of the project's benefits.

Given that the project could affect indigenous social institutions in some way, the existence and participation of these institutions should be recognized in every phase of the project (design, implementation, including adaptive management, and monitoring and evaluation). The lack of social recognition and devaluation of indigenous culture could alter decision-making, promote scarce participation, as well as the lack of material and spiritual support for the project.

Because the indigenous populations have traditional knowledge and experience in the conservation and use of forests, mountains, rivers, and springs, as well as plant and animal life, their knowledge will be considered and incorporated into the project activities, thereby ensuring the project's sustainability and success. In addition, given that the project could introduce innovation, it is necessary to prepare the indigenous groups culturally so that they may accept technological and social changes that would affect their lives. As such, the project will consider all the needs of the indigenous populations and jointly harmonize the introduction of innovations in accordance with indigenous cultural and social characteristics.

The following are the principal actions' strategic components that are geared towards strengthening the involvement of the indigenous populations in the project's execution:

- a. Incorporation of representation of the Lenca and Maya-Chortí in the project's *ad hoc* Technical Committee.
- b. Incorporation of the representation of the Lenca and Maya-Chortí in the project's Management Committee.
- c. Dissemination of information and status of the project in a concerted manner with all social stakeholders and public and private institutions.
- d. Clear identification and full dissemination of the areas of competency, domain, and responsibility that guide the participation of interested parties.
- e. Early strengthening of capacities for dialogue and agreement, beginning with project staff and consequently among the participating stakeholders, reducing gaps and asymmetry between the participating groups.
- f. Strengthening of capacities for the active participation of indigenous groups, rural inhabitants, women, and project staff.
- g. Articulation of public programs related to the project and interinstitutional coordination at the national government level with departmental and municipal agencies in the project's area of influence.
- h. Ensuring the dissemination of information and early training of the participating stakeholders.
- i. Technical support in the consultation processes to be carried out by the competent national entities.

- j. Strengthening of the spaces and mechanisms for citizen participation, seeking the heterogeneity of stakeholders, adapting to the nature and characteristics of the different spaces for dialogue and agreement.
- k. Establishment of a framework for processes or protocols for action with rules for participation, procedures, and specific mechanisms for transparency and governance, incorporating monitoring systems and attention to complaints and controversies.
- l. Disclosure of IPP locally during the first year of project implementation.

**Budget**

Item	Cost (USD)
Indigenous Peoples Expert (part time - 25%; seven years) for consultations with indigenous communities and organizations and implementation of the IPP	280,000
Travel costs for consultations with indigenous communities and organizations and implementation of the IPP	6,300
Workshops and meetings for consultations with indigenous communities and organization and implementation of the IPP	2,800
<b>Total</b>	<b>289,100</b>

**Schedule for monitoring activities**

Monitoring activities will be conducted in line with the multiyear work plan for Component 4 (Knowledge management and M&E) of the project (Annex A).

**Grievance Redress and Suggestions Mechanism**

The mechanism for addressing complaints, grievances, and suggestions will provide useful information to the project and will serve to continuously improve and prevent conflicts that the project’s actions may generate. The project will ensure that the indigenous peoples potentially affected have knowledge of and access to this mechanism. The specific grievance mechanism for the project will be determined using the following methodology, which will be adapted to the ministerial mechanism when it becomes operational.

Steps

The following are the steps for addressing complaints, grievances, and suggestions:

- Complaints/grievances/suggestions will initially be addressed at the technical level. If resolution is possible and can easily be addressed at the technical level, no further action will be required.
- When the complaint/grievance/suggestion is difficult to address at the closest level and/or alters the proposed project activities it should be communicated to and managed by the Project Management Unit or Steering Committee, who will then make a decision on the action to be taken.
- If the complaint/grievance/suggestion refers to a concept related to project implementation, it will be directed to the Project Steering Committee and national sectoral mechanisms will be used in the resolution of the issue.

The management of complaints will be as follows:

1. Indigenous Peoples Expert receives and documents complaints

When the complaint cannot be addressed at the technical level, the affected party (or the party who wishes to provide suggestions) should approach the Indigenous Peoples Expert, who must generate a written report of the complaint, and be proactive providing a solution, with assistance from the technical team, and follow up on possible related social and environmental risks. The technical staff should also mention the

complaints in the project reports. The Project Board should have access to the written report of the complaint.

## 2. The Indigenous Peoples Expert consults with the Project Board

If the Indigenous Peoples Expert is not able to address the complaint, he/she will inform the Project Board, who will decide on the course of action and related details. The Project Board should then communicate verbally and in writing to the affected party the action (or actions) to be taken.

## 3. Mediation by a Third Party

If the affected person determines that the complaint has not been properly addressed, he/she shall notify the Indigenous Peoples Expert. Upon receiving this communication, the Indigenous Peoples Expert will inform the Project Board who will decide on the next step.

In the event that the Project Board cannot resolve the complaint, an external resolution or arbitration may be required, such as the Ombudsman. Finally, the affected or injured party will have the option to file the complaint using UNDP's Stakeholder Response Mechanism (SRM; [www.undp.org/srm](http://www.undp.org/srm)). Access to UNDP's Social and Environmental Compliance Unit ("SECU") is also available ([www.undp.org/secu](http://www.undp.org/secu)), or the complainant may also use another national or international mechanism.

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**ANNEX H: UNDP PROJECT QUALITY ASSURANCE REPORT**

Please see the QA Report in separate file.

## ANNEX I: UNDP RISK LOG

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
Lack of coordination and therefore, duplication and overlapping of responsibilities due to lack of political will of the different institutions involved in the project.	Political	If effective coordination among the different institutions involved in the project is not achieved, disperse and discordant implementation of activities and initiatives will occur, which could greatly reduce the absorption of the project at the local level. P = 2 I = 2	In order to ensure support and coordination, the project will involve the institutions and key stakeholders from an early stage. The participation of the institutions stated during the PPG phase and will follow through to the implementation stage. The dialogue and decision-making processes will be strengthened by engaging key stakeholders at all levels and by strengthening capacity-building processes. The project includes a Stakeholder Engagement and Communication Plan (Annex L) that will contribute to mitigate this risk.	MiAmbiente	No change
Lack of compliance in the certification of biodiversity- and environmentally friendly products (if any), carbon sequestration schemes, and in/or agreements for the use of LMTs.	Strategic	Lack of compliance with incentives and tools at the local level will result in limited delivery of global environmental benefits as well as social and economic benefits at the local level. P = 2 I = 2	The project will develop protocols and monitoring plans to verify compliance of certification standards, carbon sequestration methodologies, and/or proper usage of LMTs on the farms that agree to implement some or all of these models. Verification and monitoring practices will take place periodically throughout the implementation of the project.	MiAmbiente	No change
Economic benefits derived from conservation and sustainable management of forests do not materialize due to external causes, mainly market limitations.	Financial	Not achieving tangible benefits for the producers will limit the sustainability of the project outcomes, lead to increased deforestation, biodiversity habitat fragmentation, and land degradation, and will limit the ability to replicate best practices in other	The project will work with different sources of income such as economic incentives for coffee and cocoa under agroforestry production and improved carbon stocks and biodiversity conservation. It will also foster agrotourism activities and will make available financial products (e.g., credit) for farmers and facilitate access to	MiAmbiente	No change

		production landscapes in Honduras. P = 2 I = 4	markets to commercialize their environmental-friendly products. The beneficiaries of these schemes will be adequately informed and trained, receiving technical assistance for the development of integrated management plans for their farms and business plans, in such a way that they will receive direct and indirect benefits.		
Low prices in global markets for coffee and cocoa under agroforestry (the two main agricultural products of the project).	Financial	Low prices in global markets for coffee and cocoa under agroforestry will limit the delivery of social and economic benefits to farmers implementing sustainable production practices who may prefer to abandon these practices. P = 2 I = 4	Although the project cannot totally mitigate this risk, it can focus its production towards more sustainable and better quality practices in a way that it can be directed to other niche markets.	MiAmbiente	No change
Climate change and/or other extreme climatic/natural events.	Environmental	Although the project will enhance resilience to climate change through low-carbon-emission and sequestration of carbon integrated management of the prioritized production landscapes, they could continue to be vulnerable to extreme climate variability. P = 2 I = 2	The project will promote actions that will lead to better connectivity, which will then lead to more extended and solid forest covers, and therefore more resilient natural and agricultural systems. Similarly, there will be an increased protection of soils and a better regulation of the water cycle that will in turn, create stable micro-climatic conditions, thereby benefiting forest species as well as reducing the vulnerability of human populations to climate change. The project will use climate data from the CGIAR climate portal ( <a href="http://ccafs-climate.org/data_bias_corrected/">http://ccafs-climate.org/data_bias_corrected/</a> ) as part of the strategy to address climate risks.		No change

<p>Exclusion of indigenous groups from consultation, participation, and benefits of the project, and can potentially affect the lands, natural resources, and territories of indigenous peoples</p>	<p>Strategic</p>	<p>Not being able to ensure that indigenous communities are consulted and effectively participates will limit the impact of the project and will put a risk the sustainability of the project outcomes P = 2 I = 5</p>	<p>During the PPG phase indigenous groups were consulted and participated in the final design of the project; however, not all indigenous organizations present in the project target area were consulted. To ensure that all relevant indigenous groups and organizations are consulted and participate in the project, an Indigenous Peoples Plan (IPP) has been included as part of the project design, which will allow for extensive indigenous groups consultation for achieving FPIC and participation in the project. The IPP is included as Annex G of this project document.</p> <p>The project will collect information about land ownership in the project's prioritized PAs as part of the development of the management plans and will define strategies for titling indigenous lands as part of the PA's management plans. These activities are considered as part of the IPP and Output 1.2 of the project (New or updated management plans for 15 PAs include implementation arrangements and financial sustainability strategy). In addition, measures will be taken so that the design of the management plans has a focus of conservation rights such as that conceptualized by the International Union for Conservation of Nature (IUCN) through its World Conservation Congresses.</p>	<p>Mi Ambiente</p>	<p>No change</p>
<p>Activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g.</p>	<p>Operational</p>	<p>The proposed project will implement several of its activities within the 15 PAs, which are part of its area of influence. P= 5</p>	<p>None of the project's activities are expected to result in deforestation, conversion or degradation of critical habitat or environmentally sensitive areas. On the contrary, the</p>	<p>MiAmbiente</p>	<p>No change</p>

nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities.		I = 1	activities will contribute to the conservation of critical habitats along the dry-humid corridor in the southwest of Honduras. Furthermore, environmental authorities of Honduras, such as SINAPH and ICF, will implement the project.		
Changes to the use of lands and resources.	Operational	P = 5 I = 1	<p>Project's implementation will lead to a change in the use of land from non-sustainable to sustainable practices. This includes the introduction of biodiversity friendly productive systems of cocoa and coffee under agroforestry products. It also involves the rehabilitation of forests using landscape management tools.</p> <p>The management plan update for the APs will be a highly participatory process. This will allow local communities to gradually transition from current land/natural resource use practices to more sustainable practices. In addition, the project will provide support to the local communities in various aspects such as: implementation of biodiversity-friendly economic activities, economic incentives, technical assistance, and capacity-building as a way to reduce negative impacts. This will include revenue generation and forest protection through carbon sequestration derived from the adoption of landscape management tools. To ensure that any negative impacts on the local communities are minimized, the project will implement monitoring and evaluation tools to be used periodically. This will allow the timely identification of negative impacts along</p>	MiAmbiente	No change

			with its corresponding corrective measures.		
The project will potentially reproduce discriminations against women	Operational	I = 2 P = 1	The project includes a Gender Action Plan to mainstream gender issues into the project and promote gender equality	Mi Ambiente	No change
The Project involves reforestation	Operational	I = 1 P = 5	The project will include the reforestation and rehabilitation of degraded land, and forests using native species to be grown in nurseries to be implemented by the project.	Mi Ambiente	No change

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## ANNEX J: RESULTS OF THE CAPACITY ASSESSMENT OF THE PROJECT IMPLEMENTING PARTNER AND HACT MICRO ASSESSMENT

Pursuant to the UN General Assembly Resolution 56/201 on the triennial policy review of operational activities for development of the United Nations system, UNDP adopted an operational framework for transferring cash to government and non-government Implementing Partners (IP). Its implementation will significantly reduce transaction costs and lessen the burden that the multiplicity of UN procedures and rules creates for its partners.

Financial regulation.27.02 (Definitions) of the UNDP Financial Regulations and Rules (FRR) defines National Implementation Modality (NIM) as: "The overall management of UNDP programme activities in a specific programme country carried out by an eligible national entity of that country." National implementation is used when there is adequate capacity in the national authorities to undertake the functions and activities of the programme or project.

National implementation is considered to be the norm since it is expected to contribute most effectively to:

- Greater national self-reliance by effective use and strengthening of the management capabilities, and technical expertise of national institutions and individuals, through learning by doing;
- Enhanced sustainability of development programmes and projects by increasing national ownership of, and commitment to development activities;
- Reduced workload and integration with national programmes through greater use of appropriate national systems and procedures.

The Agencies will assess the risks associated with transactions to an IP, before initiating cash transfers under the harmonized procedures.

- Micro Assessment: This assesses the risks related to cash transfers to the partner and is done once every programme cycle, or whenever a significant change in the Implementing Partner's organizational management is noticed. Assessments should be done for partners (government or NGO) that receive or are expected to receive cash transfers above an annual amount (usually US\$ 100,000 combined from all Agencies). The micro assessment reviews the Implementing Partner's system of accounting, reporting, auditing, and internal controls.

The Micro Assessments serve two objectives:

- Development objective: The assessments help Agencies and the Government to identify strengths and weaknesses in the PFM system and the financial management practices of individual Implementing Partners, and identify areas for capacity development.
- Financial management objective: The assessments help Agencies identify the most suitable resource *transfer* modality and procedures, and scale of assurance activities to be used with each Implementing Partner.

After assessing the national procurement and financial systems and the capacity of implementing partners, UNDP will adopt a risk management approach and select the most suitable funds transfer modality. In addition, UNDP will define steps to ensure the proper use of the funds provided. This will approach will ensure greater convergence between the assistance provided and the priorities and needs of each country.

### *Micro Assessment: Mi Ambiente+ (Honduras)*

Based on the operating guidelines provided above, a micro assessment was performed in June of 2106 to evaluate the financial management capacity of the MiAmbiente's Project Coordinating Office (PCO). It was concluded in the micro-assessment that MiAmbiente's PCO has a combined **moderate risk level** for: Implementing Partner, Programme Management, Organizational Structure and Staffing, Accounting Policies and Procedures, Fixed Assets and Inventory, Financial Reporting and Monitoring, Information Systems, and Procurement. The complete microassessment is available through the UNDP Country Office in Honduras.

The project's implementing partner is MiAmbiente; this agency will establish agreements directly with other organizations or entities (responsible parties) such as the Honduran Coffee Institute (IHCAFE), the National Forest Conservation and Development Institute (ICF), IUCN, the Foundation for Rural Business Development (FUNDER), and the HEIFER Foundation. IHCFE and ICF are government organizations that because of their mandate will have direct links to the project. The IUCN, FUNDER, and the HEIFER Foundation were selected based on their collaborative advantage since they are currently working with MiAmbiente in other projects and will also be project cofinanciers. Capacity assessments for these three organizations

are underway; they have submitted the initial documentation to UNDP as part of a request for expression of interest sent to Civil Society Organizations that will be responsible parties in the various projects UNDP has with MiAmbiente. This is the step prior to a HACT microevaluation that will be carried out next year prior to the start of the Project.

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## ANNEX K: ADDITIONAL AGREEMENTS

LPAC: November 21<sup>st</sup>, 2017

### Acta de Comité Local de Revisión de Proyectos (LPAC)

**Proyecto:** Paisajes Agroforestales y Manejo Sostenible de Bosques que generan beneficios ambientales y económicos globales y locales.

**Lugar:** Sala de reuniones PNUD, Edificio de Las Naciones Unidas

**Fecha y hora:** 21 noviembre de 2017, 2.00 pm.

#### Participantes:

Carlos Pineda Fasquelle, Sub-Secretario de Estado MiAmbiente

Allissar Chaker, Representante Residente a.i. del PNUD

Dennis Funes, Especialista de Programa del PNUD

Claudia Milagros, Oficina Coordinadora de Proyectos MiAmbiente/PNUD

Rosario Garcia Rodas, Coordinadora Mesa Sectorial Lenca

Susana Ferreira, Representante del ICF

Rafael Martins, Analista de Cambio Climático del PNUD

Raul Bonilla Blanco, Coordinador de Proyectos, AHPROCAFE

Marlon Durón, Coordinador de la Unidad de Cambio Climático y Gestión de Riesgos, SAG

#### 1. Desarrollo de la agenda de la reunión de LPAC:

Representantes del PNUD presentaron los objetivos del comité local de revisión de proyectos (LPAC) como una instancia de revisión final antes del envío oficial a donantes o firma de documentos de proyecto (PRODOC) por parte de PNUD, para asegurar el alineamiento del proyecto a las prioridades nacionales y los acuerdos de cooperación entre PNUD y el Gobierno de Honduras. Los comentarios y acuerdos del LPAC se incorporan como parte del documento de proyecto.

Se llevó a cabo una presentación resumen del marco de resultados, arreglos de gestión y cofinanciamiento del proyecto "Paisajes Agroforestales y Manejo Sostenible de Bosques que generan beneficios ambientales y económicos globales y locales" que será presentado ante el Fondo Global para el Medio Ambiente (GEF por sus siglas en inglés).

Luego de la presentación a cargo del Especialista de Programa de PNUD, los principales comentarios de los participantes fueron los siguientes:

- Rosario Garcia Rodas de la Mesa Sectorial Lenca informa que con el apoyo de UICN se realizó una reunión en Siguatepeque donde se firmó un convenio entre los pueblos Lenca y Maya-Chorti para la participación en el proyecto; Dennis Funes del PNUD comentó que representantes de los dos pueblos podrían participar de la Junta de Proyecto y su estructura

- de gobernanza; Rosario Garcia plantea la necesidad de incluir las dos organizaciones del pueblo Maya-Chorti pues las mismas tienen problemas de comunicación entre ellas;
- Claudia Milagros hace la sugerencia de que se podría incluir la NAMA de café como co-financiamiento al proyecto; y también incluir la base de datos de los productores en el Componente 4;
- Marlon Durón menciona el Programa Nacional Agroalimentario y la rectoría y facilitación de la SAG en relación a la cadena del cacao;
- Claudia Milagro señala que en los beneficiarios el tema de conservación no está representado por ninguna institución en los arreglos de gestión.

Acuerdos del LPAC:

- Aprobar el envío al GEF por parte del PNUD del PRODOC "Paisajes Agroforestales y Manejo Sostenible de Bosques que generan beneficios ambientales y económicos globales y locales";
- Con respecto a los arreglos de gestión se aprobó la modalidad de implementación nacional (NIM) con MiAmbiente como Asociado en la Implementación y los arreglos de gestión y gobernanza propuestas bajo un Comité Directivo (Junta de Proyecto) y equipo de proyecto integrado de la siguiente forma:



- Se aprueba la propuesta de Partes Responsables del proyecto garantizando el debido proceso de evaluación de capacidades, documentación del valor agregado para el proyecto en caso de ser aprobado por el GEF;

- Con relación a la participación de las dos organizaciones Maya-Chorti como beneficiarios en se acuerda confirmar posteriormente qué organizaciones y representantes del pueblo Maya-Chorti estarán participando en la Junta de Proyecto;
- Se aprueba enviar a la Mesa Sectorial Lenca por correo electrónico el Plan de Participación del proyecto para sus observaciones antes del 30 nov. 2017.

Firma de los integrantes del LPAC:

Nombre	Cargo e institución	Firma
Carlos Pineda	Sub-secretario de Estado MiAmbiente	
Alissar Chaker	Representante Residente a.i., PNUD	
Dennis Funes	Especialista de Programa, PNUD	
Susana Ferreira	Representante del ICF	
Rosario Garcia Rodas	Coordinadora Mesa Sectorial Lenca	
Raul Bonilla Blanco	Coordinador de Proyectos, AHPROCAFE	
Marlon Durón	Coordinador de la Unidad de Cambio Climático y Gestión de Riesgo, SAG	

## CARTA DE ACUERDO

### ENTRE EL PROGRAMA DE LAS NACIONES UNIDAS PARA EL DESARROLLO (PNUD) Y EL GOBIERNO

#### PARA LA PRESTACIÓN DE SERVICIOS DE APOYO

Estimado Señor Secretario de Estado José Antonio Galdames:

1. Se hace referencia a las consultas entre funcionarios del Gobierno de Honduras (en adelante, “el Gobierno”) y funcionarios del PNUD respecto de la prestación de servicios de apoyo por parte de la oficina del PNUD en el país para los programas y proyectos gestionados a nivel nacional. Mediante el presente acuerdo, el PNUD y el Gobierno acuerdan que la oficina del PNUD en el país puede prestar tales servicios de apoyo, a solicitud del Gobierno, a través de su institución designada en el documento del proyecto pertinente, según se describe más adelante.
2. La oficina del PNUD en el país puede prestar servicios de apoyo para ayudar en las necesidades de información y pago directo. Al prestar dichos servicios de apoyo, la oficina del PNUD en el país verificará que la capacidad del Gobierno (Asociado en la Implementación) sea reforzada para que pueda llevar a cabo dichas actividades de forma directa. Los costos en que incurra la oficina del PNUD en el país en la prestación de dichos servicios de apoyo serán recuperados del presupuesto.
3. La oficina del PNUD en el país podrá prestar, a solicitud del Asociado en la Implementación, los siguientes servicios de apoyo para las actividades de los proyectos (ver detalles en anexos):
  - (a) Identificación y/o contratación de personal para el proyecto;
  - (b) Identificación y facilitación de actividades de capacitación o asesoría técnica;
  - (a) Adquisición de bienes y servicios;
4. La adquisición de bienes y servicios y la contratación del personal para el proyecto por parte de la oficina del PNUD en el país se realizará de acuerdo con el reglamento, reglamentación, políticas y procedimientos del PNUD. Los servicios de apoyo descritos en el párrafo 3 anterior se detallarán en un anexo al documento del proyecto. Si las necesidades de servicios de apoyo de la oficina del país cambiaran durante la vigencia de un proyecto, el anexo al documento del proyecto se revisará de común acuerdo entre el Representante Residente del PNUD y el Asociado en la Implementación.
5. Las disposiciones pertinentes del Acuerdo de Asistencia Básica (SBAA) entre el Gobierno de la República de Honduras y el PNUD firmado el 17 de enero de 1995 o las Disposiciones Complementarias que forman parte del documento del proyecto, incluidas las disposiciones acerca de la responsabilidad y privilegios e inmunidades, se aplicarán a la prestación de tales servicios de apoyo. El Gobierno conservará la responsabilidad general por el proyecto gestionado a nivel nacional a través de su Asociado en la Implementación. La responsabilidad de la oficina del PNUD en el país por la prestación de los servicios de apoyo aquí descritos se limitará a la prestación de aquellos que se detallan en el anexo al documento del proyecto.
6. Cualquier reclamación o controversia que surgiera como resultado o en relación con la prestación de servicios de apoyo por parte de la oficina del PNUD en el país en conformidad con esta carta será gestionada de acuerdo con las disposiciones pertinentes del SBAA.
7. La forma y el método en que la oficina del PNUD en el país puede recuperar los gastos incurridos en la prestación de los servicios de apoyo descritos en el párrafo tercero de este Acuerdo serán especificados en el anexo al documento del proyecto.
8. La oficina del PNUD en el país presentará informes sobre la marcha de los servicios de apoyo prestados e informará acerca de los gastos reembolsados en la prestación de dichos servicios, según se requiera.
9. Cualquier modificación a estos acuerdos se efectuará por mutuo acuerdo escrito de las partes contractuales.
10. Si usted está de acuerdo con las disposiciones enunciadas precedentemente, sírvase firmar y devolver dos copias firmadas de esta carta a esta oficina. Una vez firmada, esta carta constituirá el acuerdo entre el Gobierno y el PNUD en los términos y condiciones establecidos para la prestación de servicios de apoyo por la oficina del PNUD en el país a programas y proyectos gestionados a nivel nacional.

Atentamente,

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Firmado en nombre del PNUD  
Consuelo Vidal  
Representante Residente

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Firmado en nombre del Gobierno  
José Antonio Galdames  
Ministro Mi Ambiente

Fecha:

## Anexo 1

### **DESCRIPCIÓN DE LOS SERVICIOS DE APOYO DE LA OFICINA DEL PNUD EN EL PAÍS**

1. Se hace referencia a las consultas entre la Secretaría de Relaciones Exteriores, la institución designada por el Gobierno de Honduras y funcionarios del PNUD respecto de la prestación de servicios de apoyo por parte de la oficina del PNUD en el país al proyecto gestionado a nivel nacional “Paisajes agroforestales y manejo sostenible de bosques que generan beneficios ambientales y económicos globales y locales” (PNUD PIMS 5704; ID Atlas – Proyecto 00085103), “el Proyecto”.
2. De acuerdo con las disposiciones de la carta de acuerdo y documento de Programa firmado el (insertar fecha), la oficina del PNUD en el país prestará los servicios de apoyo al Proyecto que se describen a continuación.
3. Servicios de apoyo que se prestarán:

Servicios de apoyo (descripción)	Calendario de la prestación de los servicios de apoyo	Costo de la prestación de tales servicios de apoyo del PNUD (cuando proceda)	Método de reembolso del PNUD (cuando proceda)
1. Procesamiento de pagos.	Durante la vida del proyecto según Plan Operativo Anual aprobado.  800 transacciones estimadas 100 Creación de vendors	Se aplicará el costo por cada transacción realizada según la Lista Universal de Precios del PNUD (UPL) USD 31,200.00 USD 2,100.00	Cargo directo al Proyecto (DPC)
2. Gestiones de contratación y monitoreo de Personal	Durante la vida del proyecto según Plan Operativo Anual aprobado.  4 contratos PNUD y gestión de planillas	Se aplicará el costo por cada transacción realizada según la Lista Universal de Precios del PNUD (UPL)  USD 1,820.00	Cargo directo al Proyecto (DPC)
3. Procesos de Adquisiciones de bienes y servicios	Durante la vida del proyecto según Plan Operativo Anual aprobado.  110 procesos de contratación de bienes y servicios	Se aplicará el costo por cada transacción realizada según la Lista Universal de Precios del PNUD (UPL)  USD 34,930.00	Cargo directo al Proyecto (DPC)
4. Procesos de ingresos de fondos	Durante la vida del proyecto según Plan Operativo Anual aprobado.  50 transacciones de registro de depósitos	Se aplicará el costo por cada transacción realizada según la Lista Universal de Precios del PNUD (UPL)  USD 1,850.00	Cargo directo al Proyecto (DPC)
<b>Total</b>		<b>USD 71,900.00</b>	

4. Descripción de las funciones y responsabilidades de las Partes involucradas:  
Secretaría de Energía, Recursos Naturales, Ambiente y Minas-MIAMBIENTE:

- Asociado en la implementación responsable ante el PNUD de asegurar el logro de los resultados del Proyecto

La Oficina de PNUD Honduras:

- Aplicar las políticas y procedimientos que permitan monitorear y evaluar el progreso y alcance de los objetivos del proyecto
- Proporcionar apoyo operacional y técnico al proyecto

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## ANNEX L: STAKEHOLDER ENGAGEMENT AND COMMUNICATION PLAN

The formulation of the stakeholder participation plan has the following objectives: a) to clearly identify the basic roles and responsibilities of the main participants in this Project; b) to ensure full knowledge of those involved concerning the progress and obstacles in project development and to take advantage of the experience and skills of the participants to enhance project activities; and c) to identify key instances in the project cycle where stakeholder involvement will occur. The ultimate purpose of the stakeholder participation plan will be the long-term sustainability of the project achievements, based on transparency and the effective participation of the key stakeholders.

During the PPG phase, consultations were conducted by the project formulation team and MiAmbiente and UNDP staff to involve multiple stakeholders in the project design process and to identify potential partnerships with local groups and governments, the private sector, and government agencies, among others, for effective participatory planning and management. The stakeholders consulted included members of local communities, small- and medium-size farmers, producer's organizations, indigenous organizations, women groups, PA co-managers, water boards, municipal officials, NGOs, state and private financial service providers, coffee and cocoa producer sector, and coffee and cocoa buyers Sector. In addition, multiple government officials in Honduras were consulted including IHCAFE, ICF, CONACAFE, SAG, and INA, among others. Over 400 social actors were identified as stakeholders of the project.

### Participation mechanisms:

#### *Information dissemination, consultation, and similar activities that took place during the PPG*

During the PPG phase of the project, key stakeholders participated in planning and project design workshops and multiple smaller focus group sessions and meetings. These participatory forums include: a) PPG phase inception workshop; b) project Results Framework Workshop; and c) multiple individual meetings and consultations with key national and local stakeholders held by the project team, UNDP Country Office in Honduras, and staff from MiAmbiente.

The Inception Workshop was held on April 6, 2017 in Tegucigalpa, Honduras. The objectives of this workshop were to: a) help the PPG project team and other stakeholders to understand and take ownership of the project goals and objectives, b) ensure that the project team and other stakeholders have a clear understanding of what the PPG phase seeks to achieve as well as their own roles in successfully carrying out the PPG activities, c) re-build commitment and momentum among key stakeholders (including potential project co-financers) for the PPG phase, and d) validate the PPG Work Plan.

The national-level Results Framework Workshop was held on May 4<sup>th</sup>, 2017 in Tegucigalpa, Honduras; and a local-level Results Framework Workshop was held on August 1-2, 2017 in Ciudad de Comayagua, Honduras. The objectives of these workshops were to: a) define the Results Framework, including the revised project outputs, indicators, baseline information, goals, verification mechanisms, and assumptions; b) preliminary definition of the project's activities for each outcome/output; c) define a preliminary budget for the project, including the co-financing; and d) update the PPG phase Work Plan.

Throughout project development, close contact was maintained with the national and local stakeholders. National institutions and key donor agencies were directly involved in the development of the project. Numerous consultations occurred with multiple stakeholders to discuss the various aspects of project design, and consultations with co-financing institutions were conducted to ensure a complete package of signed cofinancing letters that will contribute to consolidating agroforestry landscapes and sustainable forest management in the dry-humid biological corridor of southwestern Honduras to generate environmental and economic benefits globally and locally.

#### *Approach to stakeholder participation*

The project's approach for stakeholder involvement and participation is based on the principles outlined in the following table.

<b>Principle</b>	<b>Stakeholder participation will:</b>
Adding Value	Be an essential means of adding value to the project.
Inclusivity	Include all relevant stakeholders.
Accessibility and Access	Be accessible and promote access to the process.

Transparency	Be based on transparency and fair access to information.
Fairness	Ensure that all stakeholders are treated in a fair and unbiased way.
Accountability	Be based on a commitment to accountability by all stakeholders.
Constructive	Seek to manage conflict and promote the public interest.
Redressing	Seek to redress inequity and injustice.
Capacitating	Seek to develop the capacity of all stakeholders.
Needs-Based	Be based on the needs of all stakeholders.
Flexible	Be designed and implemented in a flexible manner.
Rational and Coordinated	Be rationally planned and coordinated, rather than ad hoc.
Excellence	Be subject to ongoing reflection and improvement.

*Stakeholder involvement plan*

The project’s design incorporates several features to ensure ongoing and effective stakeholder participation in its implementation. The mechanisms to facilitate the involvement and active participation of different stakeholders in project implementation will comprise a number of different elements:

a) Project inception workshop to enable stakeholder awareness of the start of project implementation

The project will be launched by a multi-stakeholder workshop. This workshop will provide an opportunity to provide all stakeholders with the most updated information on the project and the project work plan. It will also establish a basis for further consultation as the project’s implementation begins.

b) Formation of Project Steering Committee to ensure representation of stakeholder interests in project

A Project Board will be formed to ensure broad representation of all key interests throughout the project’s implementation. The representation and broad terms of reference of the Project Board are further described in Section IX (Governance and Management Arrangements) of this Project Document.

c) Establishment of a Project Coordination Unit (PCU) to oversee stakeholder engagement processes during project

The PCU will take direct operational and administrative responsibility for facilitating stakeholder involvement and ensuring increased local ownership of the project and its results. The PCU will be located in the Headquarters of the MiAmbiente in Tegucigalpa and led by a Project Manager who will ensure stakeholder engagement at the local level, including the participation of community, rural, indigenous, and women’s organizations and individuals.

d) Project communications to facilitate ongoing awareness of the project

The PCU will include a Communications/Knowledge Management Specialist that will ensure that all stakeholders aware of the project and its management. This will include dialogue and communication at the local and municipal levels to promote the connectivity between PAs and production landscapes, and building awareness about transparency in project management.

Outcome 4 will allow the gathering and sharing of lessons learned in a systematic and efficient manner, with special emphasis on the development and dissemination of knowledge, facilitating communication for ongoing awareness of the project.

e) Direct involvement of stakeholders in project implementation

The direct involvement of the national, subnational, and local stakeholders in project implementation, including capacity-building is described below.

CATEGORY	STAKEHOLDER	DESCRIPTION	ROLE IN THE PROJECT
1. Entities responsible for providing national-level policy and administrative direction in areas relevant to project development	Ministry of the Secretary of Energy, Natural Resources, Environment and Mining (MiAmbiente)	Government institution responsible for stimulating sustainable development through the development, coordination, execution, and evaluation of public policies oriented towards conserving natural resources and the environment, contributing to a better quality of life for its population. The policy focal point for the Convention on Biological Diversity, the United Nations Convention to Combat Desertification, among others. Serves as the GEF focal point.	<ul style="list-style-type: none"> <li>• Will coordinate project execution in partnership with strategic partners.</li> <li>• Will coordinate with institutions and provide follow-up to the project and its articulation with other related programs and projects.</li> <li>• Will provide guidance for project implementation, monitoring results, as well as presentation of project progress reports.</li> <li>• Will negotiate co-execution agreements for project activities with key partners.</li> <li>• Will support the legal recognition and registration of the watershed boards.</li> <li>• Will legalize the corridors that are proposed by the project for connectivity between the production landscapes.</li> <li>• Will monitor the development of project agreements with the implementers.</li> <li>• Will monitor achieving of results in the production landscapes.</li> </ul>
	National Agrarian Institute (INA)	Government institution responsible for executing the country's agrarian policy, providing access to land and technical assistance to rural families, indigenous communities, and afro-Hondurans.	<ul style="list-style-type: none"> <li>• Will coordinate with the ICF and MiAmbiente to provide access to information about land ownership to families in environmentally important buffer zones, including families that will benefit from the carbon sequestration pilot program.</li> </ul>
	Honduran Coffee Institute (IHCAFE)	National institute responsible for promoting coffee production in Honduras by developing the competitiveness of the Coffee Agroindustrial Chain in a sustainable manner, using environmentally friendly technologies, ensuring the production of quality coffee, implementing efficient promotion programs, and alternatives for feasible diversification as an alternate source of income for producers.	<ul style="list-style-type: none"> <li>• Will provide technical assistance and training in the implementation of best practices for sustainable coffee production.</li> <li>• Will support the coordination and partnership of coffee producers to identify agreements for implementing LMT.</li> <li>• Will identify new sites within the project area where shade coffee can be cultivated and more sustainable practices implemented.</li> <li>• Will support as a potential project co-financier the articulation of actions in the coffee chain through technical production assistance, technology transfer, and articulation to the market.</li> </ul>
	National Institute of Women (INAM)	Responsible for overseeing the implementation of the implementation of the National Policy for Women and follow-up on the implementation of the Second Plan for Gender Equality 2010-2022/II (PIEG II), both at the national and local levels through the Institutional Gender Units and the Municipal Women's Offices (OMM). Promote,	<ul style="list-style-type: none"> <li>• Will provide follow-up to the institutions responsible for the implementation of the GEF6 project in compliance with gender equality</li> <li>• Will monitor project activities related with the PIEG II especially referring to the following: <ul style="list-style-type: none"> <li>➢ Promotion, protection and guarantee of the right to education, cultural rights and interculturality, and the right to information</li> </ul> </li> </ul>

		provide technical assistance and follow up to the institutions responsible for executing the PIEG II.	<ul style="list-style-type: none"> <li>➤ Promotion, protection and guarantee of economic rights, work, employment and access, use and control of resources</li> <li>➤ Gender, access, sustainable use and control of biodiversity, natural resources and risk management.</li> <li>• Will provide technical assistance to OMM regarding the implementation of project activities.</li> <li>• Will promote coordination between the different institutions that participate in the project for the mainstreaming of gender</li> </ul>
	National Forest Conservation and Development Institute (ICF)	Government institution responsible for executing the National Forest, Protected Areas, and Wildlife Conservation and Development Policy through developing programs, projects, and plans and creating administrative, technical, and operational units to achieve the objectives and purpose of this Law. Charged with the management and protection of the country's protected areas (PAs).	<ul style="list-style-type: none"> <li>• Will support the process for legalization of the biological corridors.</li> <li>• Will lead the development and updating of the management plans of the 15 PAs selected as beneficiaries of the project and its implementation.</li> <li>• Will support strengthening management or co-management committees of the 15 PAs.</li> <li>• Will support identifying new private PAs and areas with watersheds.</li> <li>• Will lead the financing process of the PAs through the PA Fund and other related mechanisms.</li> <li>• Will provide technical support for developing evaluations of programs associated with the PAs.</li> <li>• Will provide recommendations for interventions in production landscapes and strategies applicable to the PAs.</li> <li>• Will support land use zoning of agricultural lands in the PAs' buffer zones.</li> <li>• Will provide recommendations for the design and implementation of subwatershed management plans.</li> </ul>
2. Direct beneficiaries of the products and services generated by the project	Second-tier structure and organizations of coffee producers	Institutionality of the organized coffee sector articulates the sector's governance structures: Honduran Association of Coffee Producers (AHPROCAFE), Union of Coffee Cooperatives and Agricultural Services Limited (UNIOCOOP), Central Cooperatives of Honduras, National Association of Coffee Producers (ANACAFE).	<ul style="list-style-type: none"> <li>• Will support sustainable practices for the coffee chain in the project area, as well as influence the national agenda and plans for the country in this area.</li> <li>• Will launch development processes for families producing coffee with gender equality and in harmony with the environment.</li> </ul>
	Second-tier structure and organizations of cocoa producers	Second-tier organization and its members are legal persons, cooperatives, and associations dedicated to the production and commercialization of cocoa in Honduras. Honduran Association of Cocoa Producers (APROCACAO).	<ul style="list-style-type: none"> <li>• Will provide technical assistance, improvement to farms, sustainable harvesting and commercialization of cocoa in the project's production landscapes.</li> <li>• Will coordinate actions with the organized cocoa sector and provide support, including cocoa producers' associations in the project's production landscapes.</li> </ul>

	Women's coffee cooperatives	Groups that integrate and represent producers, constituted in coffee production cooperatives and other agricultural subsectors that seek the socioeconomic development of people, their organization, and communities with gender equality and in harmony with the environment.	<ul style="list-style-type: none"> <li>• Will focus on the incorporation of equal opportunities for women in training and access to production factors during project implementation.</li> </ul>
	Mayoral offices in the project area (municipal environmental units is the 62 mayoral offices)	Charged with developing and implementing land use plans; specifically regulating land uses in the municipal area in accordance with the law; optimizing land use of the available territory and coordinating sectoral plans aligned with national policies and departmental and municipal plans.	<ul style="list-style-type: none"> <li>• Will promote through their municipal units the conservation, protection, and management of the PAs and subwatersheds, using monitoring and control.</li> <li>• Will oversee the management activities of the PAs, seeking and allocating financial resources for their management.</li> <li>• Will promote the incorporation of gender into the project activities at the local level, including the equal distribution of social, economic, and environmental benefits.</li> <li>• Will promote the use of economic, financing, and marketing mechanisms as incentives for sustainable production and conservation in the production landscapes.</li> <li>• Beneficiaries of training in biodiversity conservation, climate change mitigation, in addition to incorporation of these themes into local planning instruments.</li> <li>• Will actively contribute to the planning and carrying out of different management activities in the project's 15 PAs.</li> <li>• Will support the establishment of municipal and communal nurseries for implementing LMT and coffee and cocoa agroforestry systems.</li> <li>• Will coordinate with the Municipal Offices for Women (OMM) for the equal participation of women and men in project activities.</li> </ul>
	Producers in the coffee chain	Coffee producers' organizational base linked to the project's area of intervention: COMSA, COCAFELOL, APROCAF Florida Opatoro, CRAC SAUP Santa Ana Producers Associations, Entrepreneurs of Guajiquiro, AMPROCAL, APROCAS, APROLMA; CAFEL, CAFESCOR, Cielito Lindo Coffee Association, CARSBIL, Los Laureles Coffee Association, (GOBENEP), CARUCHIL, COAQUIL, COCAEROL, COCAFAL, COCASJOL, COCASMIL, COCREBISTOL, COMIFORTL, COMMOVEL, EMANUEL S.A., PACAYAL COFFEE S.A. de C.V. PAOLT, PROBECA, and SANACAFE	<ul style="list-style-type: none"> <li>• Will promote/implement sustainable production systems and production practices that are environmentally friendly.</li> <li>• Beneficiaries of training in biodiversity conservation and sustainable land and forest management.</li> <li>• Beneficiaries of incentives for sustainable production and conservation in production landscapes.</li> <li>• Will promote economic relationships and provision of goods and services beginning with initial production until arrival to the consumer.</li> <li>• Will ensure that the poorest links in the chain may improve their participation in the value chain, including empowering women to acquire equal control over production resources.</li> </ul>

	Producers in the cocoa chain	Cocoa producers' organizational base linked to the project's area of intervention: (CACAOSAFER, COAGRICSAL, COAVEL, CRASVIDMIL, APROCAGUAL, Productores de Quimistán, Productores Subcuenca Gualcarque, and Lago Yojoa)	<ul style="list-style-type: none"> <li>• Will promote/implement sustainable production systems and production practices that are environmentally friendly.</li> <li>• Beneficiaries of training in biodiversity conservation and sustainable land and forest management.</li> <li>• Beneficiaries of incentives for sustainable production and conservation in production landscapes.</li> <li>• Will promote economic relationships and provision of goods and services beginning with initial production until arrival to the consumer.</li> <li>• Will ensure that the poorest links in the chain may improve their participation in the value chain, including empowering women to acquire equal control over production resources.</li> </ul>
	Local tourist guides' associations	People dedicated to promoting the landscape and options for entertainment and culture in the project's area of influence, including the PAs.	<ul style="list-style-type: none"> <li>• Will build awareness among the visitors about the value of the environment (natural as well as cultural) through development of activities associated with bird-watching in the PAs and agro-tourism, among others.</li> </ul>
3. Stakeholders with specific competencies in the governance of the biological corridors	National System for Protected Areas of Honduras (SINAPH)	Government agency responsible for administering the country's PAs. Responsible for ensuring that all interventions within the framework of the SINAPH are carried out by the co-management bodies to promote the conservation and sustainable use of natural and cultural resources, for the economic, social and environmental benefit of the population, through the equitable distribution of benefits.	<ul style="list-style-type: none"> <li>• Will be in charge of the coordination of actions for the improvement of the management effectiveness of PAs within the project area.</li> <li>• Will facilitate the creation of new private protected areas, as well as watersheds.</li> <li>• Will serve as a coordinating entity for the implementation of sustainable production practices within the prioritized biological corridors.</li> <li>• Will promote the implementation of the Project Gender Mainstreaming Plan and the IPP within protected areas.</li> </ul>
	Water and Sanitation Boards (JASS)	The board is a mechanism for citizen participation and self-management of public services at the level of hamlets, villages, and municipalities.	<ul style="list-style-type: none"> <li>• Will support the declaration of subwatersheds as water supply areas and the development of business plans for 62 subwatersheds in the biological corridors selected by the project.</li> </ul>
	NGOs co-managers of the PAs	Nonprofit institutions that do not depend on the government and perform activities of social interest, especially the co-management of the PAs.	<ul style="list-style-type: none"> <li>• Will support the process for legalization of the biological corridors.</li> <li>• Will actively participate in the development and updating of management plans for the 15 PAs selected as beneficiaries of the project.</li> <li>• Beneficiaries of strengthening of the management or co-management committees of the project's 15 PAs (coordination, equipment, training, gender focus, participation of indigenous organizations).</li> <li>• Will promote the sustainable management of the PAs, including managing financing at the private and public, national and international levels for their financial sustainability.</li> </ul>

			<ul style="list-style-type: none"> <li>• Will support the monitoring and conservation program for felines and quetzals for the 15 PAs.</li> <li>• Will support citizen participation and communities' involvement in the activities that will be carried out under the management plan.</li> </ul>
4. Existing spaces for dialogue, with emphasis on the indigenous population	Lenca Sectoral Roundtable (LSR), Maya Chortí Indigenous National Council of Honduras (CONIMCHH), Ancestral National Coordinator of Indigenous Rights for the Maya Chortí of Honduras (CONADIMCHH), and COPINH	Policy representation for indigenous populations who claim full respect and exercising of their human rights. They are structures and platforms that articulate the communal base of organizations and that influence public policy to ensure their rights, especially when their rights to their land, natural resources, and ways of life are compromised.	<ul style="list-style-type: none"> <li>• Will participate in the governance boards of the project.</li> <li>• Will participate in the decision-making process for the structure, organization, and platform of governance of the PAs, corridors, and watershed boards.</li> <li>• Will participate in the different phases of the planning and execution processes of the project, and facilitating and granting an opening so that its benefits reach indigenous populations.</li> <li>• Will promote the participation of women by improving their access to training, implementation of sustainable production practices, access to financing products and incentives and participation in the decision-making processes related to the project.</li> </ul>
	National Roundtable for Risk Management and Climate Change (MNIGR-CC)	The National Roundtable for Risk Management with representation at the local level.	<ul style="list-style-type: none"> <li>• Will support the project by creating a space for discussion and guiding actions to reduce risks associated with climate change and protect natural resources.</li> </ul>
	Western Regional Space (EROC)	Space for dialogue and discussion between civil society and local governments in the departments of Lempira, Ocotepeque, and Copán in the project area.	<ul style="list-style-type: none"> <li>• Will promote the implementation of sustainable production practices in the project's production landscapes, contributing to strengthening of decentralization, democracy, and transparency in public management.</li> </ul>
	Protected Areas Advisory Councils (COCO-AP)	Groups that monitor compliance with existing regulations and procedures related to the PAs.	<ul style="list-style-type: none"> <li>• Will support the management and protection of the project's 15 PAs.</li> <li>• Will promote actions to increase financial resources for good management and protection of the PAs.</li> </ul>
	Biodiversity General Directorate (DiBio)	Part of MiAmbiente that regulates biodiversity in the country in coordination with government agencies, NGOs, and civil society. Charged with collecting information regarding biodiversity themes.	<ul style="list-style-type: none"> <li>• Will support updating the PAs' management plans.</li> <li>• Will serve as the coordinating entity in promoting sustainable forest management practices.</li> </ul>
	Community radio stations	Radio stations financed by donations from their audiences, international development groups, the government, and through publicity.	<ul style="list-style-type: none"> <li>• Will support the dissemination of the project's activities and training processes.</li> </ul>

	National Tourism Chamber of Honduras (CANATURH)	Nonprofit organization oriented towards integrating the country's tourism initiative.	<ul style="list-style-type: none"> <li>• Will provide technical assistance and training to Tourism Guides' associations in the project area of influence, including tourism associated with bird-watching and agro-tourism.</li> </ul>
5. Support for project implementation	Agriculture and Cattle-ranching Secretariat (SAG)	Has the mandate to achieve national agricultural production at a competitive and sustainable level and with the capacity to insert itself into the global economy, responding to internal market needs and integrating human, social, and environmental development, based on self-management, community participation, focus on gender equality, and the sustainable management of natural resources.	<ul style="list-style-type: none"> <li>• Will support identifying products with market potential that will be introduced into the agro-forestry models.</li> <li>• Will coordinate the execution of agreements from the framework for competitiveness of production chains with PRONAGRO.</li> <li>• Will articulate initiatives with potential work with the project.</li> <li>• Will facilitate partnerships and agreements with the private sector for seeking financing in production themes.</li> </ul>
	National Agricultural Health Services (SENASA)	Responsible for the application of Health Regulations and Procedures for Importing and Exporting agricultural products.	<ul style="list-style-type: none"> <li>• Will support the supervision and regulation of cocoa seedling production systems so that they comply with the necessary requirements and achieve a genetic quality appropriate for the cocoa production systems.</li> </ul>
	Economic Development Secretariat (Programa 20/20)	National Program for Employment Generation and Economic Growth, a private/public sector partnership.	<ul style="list-style-type: none"> <li>• Potential partner in the search for incentives for economic growth in the coffee and cocoa chains in the project's prioritized landscapes.</li> </ul>
	Water Resources General Directorate/MiAmbiente	Government agency charged with the study of water resources, including a system of observation, processing, evaluation, and analysis of the corresponding processes and phenomena.	<ul style="list-style-type: none"> <li>• Will support the identification of key subwatersheds along the biological corridors, the development of management plans, and the identification of subwatersheds as water supply areas.</li> </ul>
	Internal Revenue Service (SAR)	Responsible for collecting taxes, employing principles of social justice, equity, transparency, and creating confidence among the citizenry and complying with the Constitution and taxation laws.	<ul style="list-style-type: none"> <li>• Will explore the articulation of financial incentives for the production sector associated with the corridors and buffer zones of the PAs.</li> </ul>
	United Nations Development Programme (UNDP)	Implementing agency that supports projects for development and cooperation.	<ul style="list-style-type: none"> <li>• Will provide technical, programmatic, and administrative assistance for project execution, including managing project resources.</li> <li>• Will establish agreements with project partners for implementation.</li> <li>• Will be responsible for contracting and acquisition processes.</li> <li>• Will monitor the project implementation team.</li> <li>• Will establish agreements with local associations to implement and monitor activities, including LMT and agroforestry systems.</li> </ul>

	International Union for Conservation of Nature (IUCN)	International organization dedicated to the conservation of natural resources.	<ul style="list-style-type: none"> <li>• Will provide technical assistance for executing the activities of project Outcomes 1 and 2, especially those related to improving governance, the management effectiveness of the PAs, the process of consolidating the corridors, and consolidating the legal recognition of the watershed boards.</li> <li>• Will facilitate methodologies and tools that contribute to a focus on rights in conservation, fair and equal governance of the PAs, corridors, and subwatersheds, as well as the development of economic and financial instruments that maximize the adoption of sustainable practices and conversations about biodiversity.</li> <li>• Will facilitate information and technical support in the development of financial products for the coffee and cocoa chains.</li> <li>• Will provide technical assistance and develop capacities to improve multisectoral and multilevel governance.</li> </ul>
	International cooperation projects	Cofinance and implement initiatives to reduce deforestation, protect biodiversity, and promote sustainable land and forest management, in coordination with the production landscape projects in the areas of influence: Proyecto Nuestra Cuenca Goascorán COSUDE – UICN, Proyecto PROCACAO (COSUDE), Proyecto GEMA USAID, INVEST – (ACS COMRURAL, ACS USAID, ACS COSECHA DE AGUA), PROCAMBIO GIZ, PROYECTO MAS (USDA-TNS), PROYECTO BID SNV, PROYECTO CAHOVA CANADA, Proyecto Fundación ETEA, Proyecto PROMESA CAFÉ HEIFER.	<ul style="list-style-type: none"> <li>• Will serve as strategic partners and sources of lessons learned in the relationships between the subwatershed boards, the Watershed Board, and the municipal governments, as well as lessons learned in biodiversity conservation, PAs management, and reducing land and forest degradation.</li> <li>• Will promote coordination of the actions/experiences of existing initiatives in the project value chains, which have been prioritized to promote connectivity, reduce deforestation, and implement sustainable production practices.</li> </ul>
	Service providers	Entities that provide services at the national level (technical assistance, training, business services, financial services, research and innovation, family social inclusion, environmental themes): (FUNDER), FAO), FHIA, Tropical Agricultural Research and Higher Education Center (CATIE), HEIFER HONDURAS, IDE HONDURAS “International Development Enterprises”, Fundación Jicatuyo, Acción Social Menonita (CAMS)	<ul style="list-style-type: none"> <li>• Will provide support to fulfill the components, indicators, and activities associated with the coffee and cocoa value chains.</li> </ul>
	PROLENCA project	Project to improve the income, employment opportunities, food security, and life conditions of	<ul style="list-style-type: none"> <li>• Will coordinate actions with the project proposed herein regarding participation and benefits for the Lenca indigenous population in the prioritized corridors and production landscapes.</li> </ul>

		the poor rural population, with a focus of social inclusion and gender equity.	
	Financial entities	National and international financial entities with financial products to support value chains: BANHPROVI – FIRSA, BANRURAL, BANCO OCCIDENTE, BANCO ATLANTIDA, CONFIANZA, ROOT CAPITAL, OIKO CREDIT, RESPONSABILITY, PILAR, ODEHF, Crédito Solidario, and Banco Centroamericano de Integración Económica (BCIE).	<ul style="list-style-type: none"> <li>• Will provide support to small- and medium-size producers, facilitating access to financial products and incentives for the sustainable production of coffee and cocoa, as well as strengthening their capacities for business development and administration.</li> </ul>
	Coffee buyers' associations	Buyers' platform and access to the market for coffee, as well as a connection to global markets: ADECAFE, Exportadora HONDUCAFE, BECAMO, SOGIMEX, OLAM, CAFFEX, HQC, COFFE PLANET, Molinos de Honduras, Beneficio Santa Rosa.	<ul style="list-style-type: none"> <li>• Will provide support to small- and medium-size producers in accessing market opportunities associated with environmental themes in the coffee value chain.</li> </ul>
	Universities and centers for training (private and public)	Platforms for training, research, and development for the value chains: UNAH, UNACIFOR, ZAMORANO, USAP, UNA, UNITEC, and INFOP.	<ul style="list-style-type: none"> <li>• Will provide information to the project about biodiversity studies performed in the area.</li> <li>• Will help to identify the indicator species and monitoring procedures.</li> <li>• Will provide training for the project beneficiaries in the areas of conservation and sustainable production, including coffee-growing and agroforestry systems, among others.</li> </ul>

**ANNEX M: SUMMARY OF CONSULTANTS AND CONTRACTUAL SERVICES FINANCED BY THE PROJECT FOR THE FIRST TWO YEARS**

Type of Consultant	Position / Titles	\$/Person month	Estimated Person months	Tasks, Deliverables and Qualifications
Contractual Services	Project Coordinator	\$4,167/month	24 months	<p><b>Tasks:</b> Lead the PCU and will be responsible for the day-to-day management of project activities and the delivery of its outputs. Support the Project Board and coordinate the activities of all partners, staff, and consultants as they relate to the implementation of the project.</p> <p><b>Key Deliverables:</b> Prepare detailed work plan and budget; ToR and action plan of the staff and monitoring reports; quarterly reports and financial reports on the consultant’s activities, all stakeholders’ work, and progress; Prepare yearly PIRs/APRs; Adaptive management of project</p> <p><b>Expertise &amp; Qualifications:</b> A graduate academic degree in areas relevant to the project (e.g., SFM, SLM, and biodiversity conservation); Minimum 5 years of experience in environmental project management</p>
Contractual Services	Monitoring and Evaluation Expert	\$1,250/month (part time)	24 months	<p><b>Tasks:</b> Project M&amp;E, including PRF updates and other activities a per the M&amp;E plan</p> <p><b>Key Deliverables:</b> Periodic documents with Project M&amp;E results, including follow-up and updates relate to the PRF</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in areas relevant to the project (e.g., SFM, SLM, and biodiversity conservation); At least 3 years of working experience in project M&amp;E including assessing indicators of project impact</p>
Contractual Services	Communications/Knowledge Management Expert	\$833/month (part time)	24 months	<p><b>Tasks:</b> Document, systematize, and disseminate lessons learned and project best practices, and promote south-south cooperation</p> <p><b>Key Deliverables:</b> Periodic documents with lessons learned and project best practices</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in communications or related fields; At least 3 years of working experience in environmental issues</p>
Contractual Services	Gender Expert (part time)	\$417/month (part time)	24 months	<p><b>Tasks:</b> Support and monitoring of gender mainstreaming (Gender Mainstreaming Plan)</p> <p><b>Key Deliverables:</b> Periodic documents with gender mainstreaming and assessment of indicators as established in the Gender Mainstreaming Plan</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in social or environmental studies with emphasis in gender issues; At least 3 years of working experience in environmental issues</p>

Contractual Services	Administrator/ Finance Assistant	\$2,083/month	24 months	<p><b>Tasks:</b> Responsible for the financial and administrative management of the project activities and assists in the preparation of quarterly and annual work plans and progress reports for review and monitoring by UNDP</p> <p><b>Key Deliverables:</b> Planning, preparation, revisions, and budget execution documents; Contracts of national / local consultants and all project staff, in accordance with the instructions of the UNDP Contract Office; Quarterly and yearly project progress reports concerning financial issues</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in finance, business sciences, or related fields; at least 3 years of working experience in the financial management of development projects</p>
Contractual Services	Field Technicians (3)	\$1,250/month per specialist	24 months	<p><b>Tasks:</b> Field support to Component 2 in the field for delivering multiple environment benefits by connecting core protected areas within sustainably managed production landscapes</p> <p><b>Key Deliverables:</b> Fieldwork plans and reports outlining coordination and field activities as described in the work plans, including lessons learned and best practices</p> <p><b>Expertise &amp; Qualifications:</b> A technical degree in areas relevant to the project (e.g., SFM, SLM, and biodiversity conservation); At least 3 years of working experience in the field</p>
Contractual Services	Coffee/Cocoa Specialist	\$3,333/month	24 months	<p><b>Tasks:</b> Support the technical implementation of sustainable production and marketing activities for coffee and cocoa under agroforestry</p> <p><b>Key Deliverables:</b> Field reports; marketing assessment findings; establish long-term partnerships between groups of farmers, coffee and cocoa organizations, businesses, and buyers</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in agroforestry, agribusiness or similar field; at least 5 years of working experience in sustainable production and marketing of coffee and cocoa</p>
Contractual Services	Biodiversity Specialist	\$2,500/month	24 months	<p><b>Tasks:</b> Support the technical implementation of biodiversity conservation and sustainable use, PA management, and ecosystem connectivity</p> <p><b>Key Deliverables:</b> Field and monitoring reports</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in biology, ecology or related fields; at least 5 years of experience biodiversity conservation and monitoring</p>
Contractual Services	Indigenous Peoples Expert	\$3,333/month	24 months	<p><b>Tasks:</b> Consultations with indigenous communities and organizations and implementation of the IPP</p> <p><b>Key Deliverables:</b> Periodic reports of consultations with indigenous communities and organizations including progress and recommendations regarding the implementation of the IPP.</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in anthropology, sociology or related fields; at least 5 years of experience working with indigenous communities and organizations in Honduras</p>

National Consultant	Financial Expert	\$3,500/month	6 months (year 1)	<p><b>Tasks:</b> Identification and documentation of successful experiences on municipal tax incentives at the local or regional level.</p> <p><b>Key Deliverables:</b> Document of successful experiences on municipal tax incentives and potential for replication in project area</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 5 years of experience in taxes and incentives</p>
National Consultant	Financial Expert	\$3,500/month	12 months (year 2)	<p><b>Tasks:</b> develop a strategy for the design of municipal fiscal incentives for private owners and indigenous territories implementing sustainable practices.</p> <p><b>Key Deliverables:</b> Document with strategy for municipal fiscal incentives for producers</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 5 years of experience in taxes and incentives</p>
National Consultant	Financial Expert	\$3,500/month	2.5 months (year 2)	<p><b>Tasks:</b> provide technical support to pilot municipalities for the implementation of fiscal incentives for private owners and indigenous territories implementing sustainable practices.</p> <p><b>Key Deliverables:</b> reports with results from the implementation of fiscal incentives and potential for replication</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 5 years of experience in taxes and incentives</p>
National Consultant	PA Financial Expert	\$3,500/month	6months (year 1)	<p><b>Tasks:</b> assessing the financial needs of the PA system and performance and gaps of the FA Fund.</p> <p><b>Key Deliverables:</b> Document with financial needs and gap analysis.</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in environmental economics or related fields; at least 3 years of experience with PA financial management</p>
National Consultant	PA Financial Expert	\$3,500/month	3.5 months (year 2)	<p><b>Tasks:</b> identify and support the implementation of mechanisms to capitalize the PA Fund.</p> <p><b>Key Deliverables:</b> Document with financial needs to cover basic and optimal management needs and investments and gap analysis.</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in environmental economics or related fields; at least 3 years of experience with PA financial management</p>
National Consultant	PA Financial Expert	\$3,500/month	8 months (years 1 and 2)	<p><b>Tasks:</b> assess the financial needs and identification of financing opportunities for each prioritized PA (15)</p> <p><b>Key Deliverables:</b> Document with characterization of land use/land cover of the specific areas of intervention and database with information on the owner of each farm where the LMT are implemented (including land tenure and legal aspects), identification number, coordinates of the farm, type of LMT implemented, year of implementation, and dimensions and number of trees.</p>

				<b>Expertise &amp; Qualifications:</b> An academic degree in environmental economics or related fields; at least 3 years of experience with PA financial management
National Consultant	PA Financial Expert	\$3,500/month	7 months (year 2)	<b>Tasks:</b> outline the financial sustainability strategy for 15 PAs (including an analysis of legal and technical-administrative feasibility, levels of collection, and social-political feasibility of the financial mechanisms identified) and sign agreements for the implementation of the strategy. <b>Key Deliverables:</b> Document with financial strategy for each prioritized PA (15) and draft of agreements <b>Expertise &amp; Qualifications:</b> An academic degree in environmental economics or related fields; at least 3 years of experience with PA financial management
National Consultant	SFM Expert	\$3,500/month	3 months (years 1 and 2)	<b>Tasks:</b> identification of stakeholders interested in implementing LMTs, including women, and characterization of the potential participating farms. <b>Key Deliverables:</b> Document with potential stakeholders interested in implementing LMTs, including women, and location of farms <b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience with SFM
National Consultant	SFM Expert	\$3,500/month	12 months (years 1 and 2)	<b>Tasks:</b> identify jointly with farmers the LMTs to be implemented in each farm. <b>Key Deliverables:</b> Documents with LMTs (e.g., biological microcorridors, forest enrichment, hedges, live fences, wind barriers, and firewood management) to be implemented in each participating farm Training reports and memoirs <b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience with SFM
National Consultant	SFM Expert	\$3,500/month	2 months (years 1 and 2)	<b>Tasks:</b> raising awareness among farmers through field visits and informational meetings about the importance of the LMTs and their contribution to build ecosystem connectivity and for sustainable production <b>Key Deliverables:</b> Meetings/workshops reports, informational materials <b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience with SFM
National Consultant	SFM Expert	\$3,500/month	18 months (years 1 and 2)	<b>Tasks:</b> support the signing agreements and define work plans for LMT implementation <b>Key Deliverables:</b> Draft of agreement and work plans per farm for the implementation of LMTs. <b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience with SFM
National Consultant	SFM Expert	\$3,500/month	6 months (year 1)	<b>Tasks:</b> assessment of the existing nurseries in the prioritized landscape and identification of stakeholders operating them (community, family, and/or public organizations).

				<p><b>Key Deliverables:</b> Report information about the nurseries present in the prioritized landscape and their potential for providing germplasm for the implementation of LMTs</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience with SFM</p>
National Consultant	SFM Expert	\$3,500/month	6 months (year 1)	<p><b>Tasks:</b> determine the native species and seeds to be grown in nurseries for the implementation of LMTs and ecosystem restoration.</p> <p><b>Key Deliverables:</b> Report with information regarding the type and quantity of native species and seeds to be produced in each nursery for the implementation of LMTs and ecosystem restoration</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience with SFM</p>
National Consultant	Carbon Expert	\$3,500/month	8 months (year 1)	<p><b>Tasks:</b> development of a carbon compensation program.</p> <p><b>Key Deliverables:</b> Document outlining the carbon compensation program including site selection, beneficiaries, verification mechanism, LMTs to be implemented, and monitoring among, others.</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 5 years of experience with mitigation of climate change (carbon sequestration)</p>
National Consultant	Carbon Expert	\$3,500/month	6 months (year 2)	<p><b>Tasks:</b> territorial analysis a carbon sequestration initiative</p> <p><b>Key Deliverables:</b> Document with characterization of land use/land cover of the specific areas of intervention and database with information on the owner of each farm where the LMT are implemented (including land tenure and legal aspects), identification number, coordinates of the farm, type of LMT implemented, year of implementation, and dimensions and number of trees.</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 5 years of experience with mitigation of climate change (carbon sequestration)</p>
National Consultant	Carbon Emissions/Mitigation Expert	\$3,500/month	8 months (years 1 and 2)	<p><b>Tasks:</b> identify the beneficiary families and establishing the baseline of firewood used as well the firewood that they consume following the adoption of ecological stoves.</p> <p><b>Key Deliverables:</b> Report with baseline/carbon assessment related to the implementation of a ecological stoves and the reduction of GHG emissions</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 5 years of experience with mitigation of climate change (carbon sequestration)</p>

National Consultant	Carbon Emissions/Mitigation Expert	\$3,500/month	3 months (year 2)	<p><b>Tasks:</b> selection of the best technological option and for providing technical assistance to households benefiting from the ecological stoves</p> <p><b>Key Deliverables:</b> Feasibility analysis to determine the best technological option to implement ecological stoves</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 5 years of experience with mitigation of climate change (carbon sequestration)</p>
National Consultant	Watershed Management Expert	\$3,500/month	10 months (year 2)	<p><b>Tasks:</b> design a monitoring system for assessing the condition of water sources, performing water analyses, and to monitor land use changes that may affect the quality and supply of water.</p> <p><b>Key Deliverables:</b> Monitoring system, including data management protocols and indicators</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in water resources management or related fields; at least 3 years of experience in watershed management and monitoring</p>
National Consultant	Watershed Management Expert	\$3,500/month	16 months (years 1 and 2)	<p><b>Tasks:</b> identify, map, and delineate water sources and recharge areas, and identify/map the owners of water sources.</p> <p><b>Key Deliverables:</b> Maps and databases of water sources and recharge areas</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in water resources management or related fields; at least 3 years of experience in watershed management and mapping (geographic information systems)</p>
National Consultant	SFM Expert	\$3,500/month	6 months (year 1)	<p><b>Tasks:</b> identification of families (small and medium producers) for training and technical assistance (best sustainable practices, access to certified genetic material, sustainable agroforestry plans for farms, environmental certifications).</p> <p><b>Key Deliverables:</b> Database with information about participating families; reports of meetings and workshops</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience with SFM</p>
National Consultant	SFM Expert	\$3,500/month	4 months (year 1)	<p><b>Tasks:</b> designing the technical assistance package for each value chain with a gender focus</p> <p><b>Key Deliverables:</b> Document describing the different types of technical assistance to be provided to support coffee and cocoa sustainable agroforestry and ecosystem services</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in forestry or related fields; at least 3 years of experience in supply chains</p>
National Consultant	Environmental Economics Expert	\$3,500/month	6 months (year 2)	<p><b>Tasks:</b> support building capacities for environmental certification articulated to the market</p> <p><b>Key Deliverables:</b> Training reports</p>

				<b>Expertise &amp; Qualifications:</b> An academic degree in environmental economics or related fields; at least 3 years of experience in environmental certification
National Consultant	Financial Expert	\$3,500/month	3 months (year 2)	<b>Tasks:</b> facilitate access to financial services by producer families in each value chain <b>Key Deliverables:</b> Reports outlining access to financial services (e.g., credit) by producer family assisted <b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 3 years of experience working with small farmers
National Consultant	Financial Expert	\$3,500/month	3 months (year 2)	<b>Tasks:</b> facilitate access to financial services by producer families in each value chain <b>Key Deliverables:</b> Reports outlining access to financial services (e.g., credit) by producer family assisted <b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 3 years of experience working with small farmers
National Consultant	Agroforestry Expert	\$3,500/month	6.5 months (year 2)	<b>Tasks:</b> evaluate best practices in agroforestry systems, including research needs and establishing partnerships <b>Key Deliverables:</b> Reports best practices in agroforestry systems and research needs for the prioritized area; list of potential and partners and information about initial contacts <b>Expertise &amp; Qualifications:</b> An academic degree in forestry/agriculture or related fields; at least 3 years of experience working in agroforestry and SFM
National Consultant	Agribusiness Expert	\$3,500/month	3 months (year 1)	<b>Tasks:</b> identify existing organizations of producers in the project area to strengthen organizational and business development and promote the creation of new ones, if needed (Cooperatives, Associations, Rural Savings Banks, etc.) <b>Key Deliverables:</b> database of organizations of producers and capacity building needs <b>Expertise &amp; Qualifications:</b> An academic degree in agribusiness or related fields; at least 3 years of experience working with organizations of producers/small farmers
National Consultant	Agribusiness Expert	\$3,500/month	6 months (year 1)	<b>Tasks:</b> strengthening partnerships for business services with MIPYMES-Business Development Centers and specialized suppliers, and design of technical service packages by value chains <b>Key Deliverables:</b> database with information of business partners and document describing the different types of technical services to be provided by value chains (coffee and cocoa) <b>Expertise &amp; Qualifications:</b> An academic degree in agribusiness or related fields; at least 3 years of experience working with organizations of producers/small farmers
National Consultant	Agribusiness Expert	\$3,500/month	6 months (year 1)	<b>Tasks:</b> establishment of pre-contracts or partnerships with buyers and private businesses

				<p><b>Key Deliverables:</b> database with information of buyers and private businesses; pre-contracts or memorandum of understanding (partnerships)</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in agribusiness or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Legal Expert	\$4,000/month	4 months (years 1 and 2)	<p><b>Tasks:</b> support business organizations in legal, tax, licensing, trademark and patent matters</p> <p><b>Key Deliverables:</b> Reports regarding support provided for each participating business organization</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in law or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Accounting Expert	\$3,000/month	4 months (years 1 and 2)	<p><b>Tasks:</b> support the development of administrative capacities, accounting systems, generation of balance sheets and income statements</p> <p><b>Key Deliverables:</b> Reports regarding support provided for each participating organizations of producers</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in accounting or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Agribusiness Expert	\$3,000/month	4 months (years 1 and 2)	<p><b>Tasks:</b> facilitate links with the market and the fulfillment of contracts, marketing, communication, etc.</p> <p><b>Key Deliverables:</b> Reports regarding support provided for each participating organizations of producers</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in agribusiness or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Agribusiness Expert	\$4,667/year	Year 2	<p><b>Tasks:</b> support exchange of business experiences through value chains.</p> <p><b>Key Deliverables:</b> Reports regarding knowledge and lessons learned exchange and assessment on potential for replication and scaling-up</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in agribusiness or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Financial/Business Expert	\$3,500/month	12 months (years 1 and 2)	<p><b>Tasks:</b> negotiation with co-financiers and financial partners for the development of financial products.</p> <p><b>Key Deliverables:</b> Agreements for the development of financial products</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Financial/Business Expert	\$3,500/month	12 months (years 1 and 2)	<p><b>Tasks:</b> design of financial products and incentives that respond to the requirements of agroforestry systems and with a gender approach.</p> <p><b>Key Deliverables:</b> Document with description of financial products and incentives to promote</p>

				<p>sustainable agroforestry and terms an conditions to access them</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Financial/ Business Expert	\$3,500/month	5 months (year 2)	<p><b>Tasks:</b> drafting and signing agreements with co-financiers and/or financial partners.</p> <p><b>Key Deliverables:</b> Agreements signed</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in finances or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>
National Consultant	Agribusiness Expert	\$3,500/month	2 months (year 2)	<p><b>Tasks:</b> advertisement and communication about the availability of incentives and financial products among producer organizations and families/farmers.</p> <p><b>Key Deliverables:</b> Meetings/workshops reports, informational materials</p> <p><b>Expertise &amp; Qualifications:</b> An academic degree in agribusiness or related fields; at least 3 years of experience working with organizations of producers/small farmers</p>

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## ANNEX N: GENDER ANALYSIS AND PROJECT GENDER MAINSTREAMING PLAN

### Introduction

The GEF project “Agroforestry landscapes and sustainable forest management that generate environmental and economic benefits globally and locally” will contribute to reducing the gaps in participation and equal enjoyment of natural resources in the protected areas and production landscapes of the project and the benefits derived from its implementation. Traditionally women participate in the management of natural resources and production systems, including agroforestry systems; however, this participation is not equal with men. Culturally speaking, the gender stereotypes persist, putting women in a disadvantaged situation compared with the men. Therefore, the project will create specific actions that reduce these gaps and promote the effective participation of women with decision-making autonomy, economic autonomy, and boost their positions as community leaders as a fundamental part of managing protected areas (PAs) and agroforestry systems.

According to the National Policy for Women in Honduras and the Second Plan for Gender Equality 2010-2022/II (PIEG), incorporating a gender focus into laws, policies, and plans for sustainable environmental develop is an inescapable mandate and introduces important challenges to achieve equal opportunities and results for women and men, among which, in the environmental and biodiversity conservation sphere the following are highlighted within the sustainable development framework (INAM, 2010):

- ✓ Articulation of environmental policies with a gender focus in in the education, health, and economic sectors at the central, regional, and municipal levels.
- ✓ Adoption of a gender focus in strategies for climate change, PAs, forest management plans, energy, biodiversity, water resources, and risk management.
- ✓ Achieve the active participation of women in adopting decisions related to the environment at every level.
- ✓ Generate knowledge about the role of women in collecting and reproducing food, food autonomy and security, plant-based medicine
- ✓ Soil conservation
- ✓ Irrigation, watershed planning, sanitation, coastal area planning, and marine resource use, and fishing
- ✓ Integrated pest control, land use planning, forest conservation and silviculture, sustainable environmental and forest management and prevention of natural disasters
- ✓ Sources of new and renewable energy sources, emphasizing knowledge and experiences of indigenous women and women of afro-descent
- ✓ Generation of quantified and qualified statistical information disaggregated by sex and the development of a set environmental indicators with a focus on gender

As part of the project’s activities, initially the following characteristics about women in the project’s area of influence will be identified and confirmed: who are the women producers, what their most important activities are, how they support the local and family economies, and what their needs for strengthening are. This will allow an assessment of their immediate needs and strategic interests in a differentiated manner.

To strengthen the roles of men and women in the sustainable management of agroforestry systems and their associated ecosystems, the project’s activities will promote best conservation practices within their lands in their natural surroundings. In addition to strengthening governance structures for women, the project will promote the equal participation and empowerment of women in the sustainable management of ecosystems.

Women living in the project’s area of influence are high vulnerable due to the high levels of poverty and social exclusion. In addition, the western region of Honduras where they live has high levels of gender-based violence. The social exclusion experienced by women in this region is most relevant in the indigenous communities, where historically decision-making with regard to production, transformation, access,

opportunities, implementation of local economic development strategies are immersed in a hegemonic patriarchal culture. As such, the design of local strategies and access to opportunities for women in production systems is a priority to boost women's equality through the project.

To achieve these objectives, the following prioritized activities will be developed and included in the gender mainstreaming plan:

- Identify the roles of men and women involved in agroforestry production systems and their needs for strengthening to implement sustainable production systems.
- Perform evaluations and develop strategies to provide direction as to the needs of women in the identified production chains and where strengthening is needed
- Implement strengthening strategies for women participating in production processes and sustainable management of agroforestry systems and value chains
- Identify the financing needs of women and the barriers they face in accessing credit and other incentives and design strategies for them to access those mechanisms
- Evaluate the needs for implementing incentives differentiated by skills, knowledge, or specific needs of women's groups in the project's area of influence
- Design technical assistance programs that take into consideration needs for strengthening women's skills and knowledge about the sustainable management of agroforestry production systems and reducing vulnerability to climate change
- Identify men and women's roles related to their levels of participation in planning and how they might influence agreements for the sustainable management of agroforestry systems and PAs
- Develop strategies that ensure women's participation and facilitate their integration into multi-sectoral platforms with different stakeholders that make decisions regarding sustainable management, as well as their participation in governance platforms
- Increase women's access to producers' associations and develop strategies to strengthen their leadership in these organizations
- In accordance with their needs and interests, strengthen women's capacities in sustainable production systems and business development

Using the initial baseline data collected during the PPG phase about the level of women's participation in production, their leadership roles, and autonomy in decision-making, the project will document at the mid-point how these roles have progressed and adjust the strategy to make the changes visible and demonstrate the knowledge and progress the women have made, and establish or validate strategies to strengthen their participation in the governance structures.

### **Reference Framework**

- ***National Level***

The National Women's Policy—II PIEG in Component No. 6 "Gender, Access, Sustainable Use and Control of Biodiversity, Natural Resources, and Risk Management," sets forth the mandate for incorporation of the theme of rights, gender, access, sustainable use and control of biodiversity, natural resources, and risk management. This part of the sustainable development concept is understood as the satisfaction of women and men's needs for survival without compromising resources for future generations. This implies the equal distribution of benefits generated to improve people's lives, seeking harmony and equilibrium with nature.

The central government promotes the active participation of women in decision making related to the environment at every level, integrating gender perspective into the development, execution, and evaluation of policies and programs favoring the environment and sustainable development (INAM, 2010). In addition, Honduras is a signatory of a series of international conventions, agreements, and treaties that comprise the protection framework for women and girls. A list of these agreements is the following:

**Name of International Institution**

**Date of Ratification**

➤ International Covenant on Civil and Political Rights	25-08-1997
➤ International Covenant on Economic, Social and Cultural Rights	17-02-1981
➤ Letter of the Organization of American States	02-07-1950
➤ Convention on the Rights of the Child	10-08-1990
➤ American Declaration of the Rights and Duties of Men	23-06-1949
➤ American Convention on Human Rights or the Pact of San José	05-09-1977
➤ International Convention on the Elimination of all Forms of Discrimination Against Women	03-03-1983
➤ Inter-American Convention on the Prevention, Punishment, and Eradication of Violence Against Women	12-07-1995
➤ Convention for the Suppression of the Traffic in Persons and of the Exploitation of the Prostitution of Others	15-06-1993
➤ Rome Statute of the International Criminal Court	01-07-2002
➤ United Nations Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution, and Child Pornography	08-05-2002
➤ United Nations Convention against Transnational Organized Crime	02-12-2003

### Legal and Institutional Framework

In the most recent decades, Honduras has adhered to and ratified various conventions, protocols, and other international commitments in different aspects related to the environment and development, including themes and focuses directly related to environmental and natural resource management, as well as other issues linked to environmental and social themes. Of the different international legal instruments to which the country subscribes, various commitments, calls to action and regulatory frameworks have been derived that directly determine the link with gender equality and environmental management, such as the following:

- Convention on Biological Diversity (CBD): The CBD entered into force on December 29, 1993, and was ratified by Honduras through Legal Decree No. 30-95 on February 21, 1995.
- Convention on International Trade in Endangered Species (CITES): Decree No. 771 of 1979.
- Convention on Biodiversity Conservation and the Protection of Prioritized Wildlife Areas in Central America. Decree No. 183-94 of December 15, 1994.
- Convention on Climate Change: ratified in 1995 through the United National Framework Convention on Climate Change (Legal Decree No. 26-95), signing of the Kyoto Protocol (1997) through Legal Decree No. 37-2000, March 17.
- Convention to Combat Desertification and Drought: United Nations Convention to Combat Desertification (UNCCD) was ratified by Honduras through Legal Decree No. 35-97, April 28, 1997. The objective of the convention is to combat desertification and mitigate the effects of drought in affected countries (INAM, 2008).
- Convention on the Conservation of Wetlands – Ramsar Convention. The convention originated in the city of Ramsar, Iran, beginning in 1971 and entered into force in 1975.

There are various referenda on the rights of women at the international legal framework level; for example, the Beijing Platform for Action, which explicitly addresses women’s rights and proposes the active participation of women in decision-making concerning environmental issues at all levels. It also addresses the integration of gender perspective into sustainable programs and projects, as well as the need to establish evaluation mechanisms to determine the impact of environmental and development policies on women’s lives. There is also a series of international conventions and treaties that constitute a regulatory framework and promote gender equality—this is described in detail in the Gender Analysis.

At the national level, in the context of the II PIEG and its Component No. 6, it is set forth that “the State guarantees that the policies, plans, and projects for the sustainable use, management, and conservation of biodiversity and natural resources incorporates the principle of gender equality as well as a focus on interculturality, ensuring the full participation of women in decision-making spaces at the highest level (Policy 1).” This also includes six strategic objectives to achieve this goal.

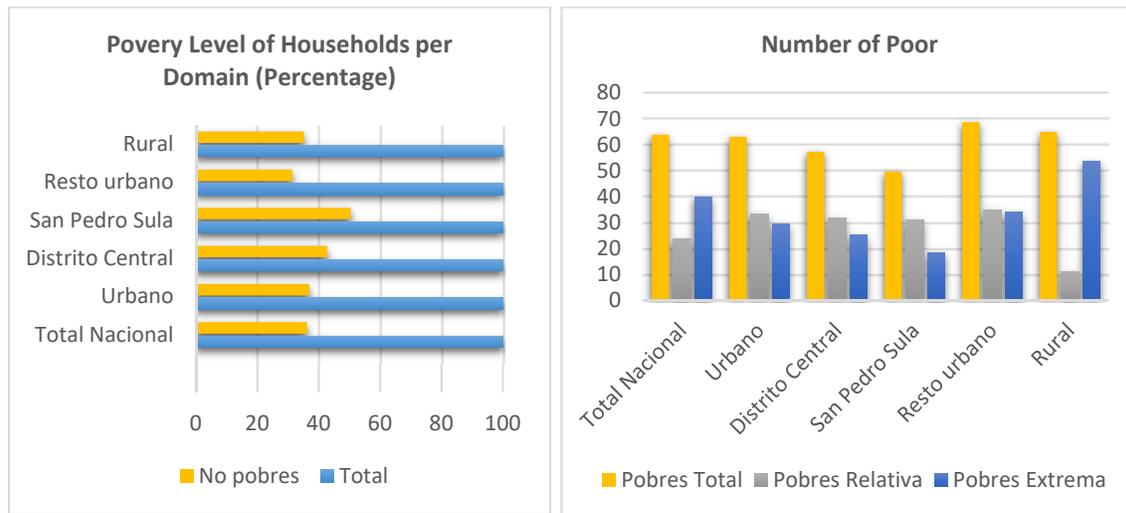
It also indicates that the governing body of this policy is the National Institute of Women and identifies those responsible for its application as organizations such as the National Agrarian Institute (INA), MiAmbiente, the Secretary of State in the Offices of Agriculture and Livestock (SAG), the National Program for Sustainable Rural Development (PRONADERS), the Secretariat of Governance and Justice, the ICF, the National Institute of Statistics (INE), the Technical Secretariat of Planning and External Cooperation (SEPLAN), now the General Coordination Office of Government, Municipal Mayors’ Offices, and Municipal Women’s Offices (OMM), among others. Supporting organizations are identified as the National Municipal Women’s Alliance of Honduras (ANAMMH), the Honduran Association of Municipalities (AMHON), Water Administration Boards, and social and women’s organizations working in environmental issues.

#### Main Gender Indicators at the National Level

##### a) Poverty

National statistics indicate that the total national poverty percentage is 68.7%, wherein relative poverty is 23.9% and extreme poverty is 44.7%; the households within the Central District and San Pedro Sula have the lower poverty indices (Figure 1). Poverty in rural areas reaches almost 70% of households as compared to 68.7% of the urban area.

Figure 1. Poverty level of households per domain (percentage).



Source: National Statistics Institute (INE). Recurring Multi-Purpose Survey of Households, June 2015.

Poverty is limiting factor and determines the social and economic barriers that limit access for women and men to basic services such as education, health, housing, as well as other factors like access to production, financial, cultural, technological, and market resources that impede them from reaching a dignified way of life under equal conditions. Other critical aspects such as general violence, drug trafficking, geographic dispersion, deficient transportation routes, heterogeneity of populations, and particularly populations that have historically been excluded such as the indigenous, and indigenous women that face the effects of poverty, social inequality, domestic violence, and gender-based violence, which make an integrated, multi-sectoral, and multi-dimensional intervention necessary through programs and projects that incorporate women under equal conditions.

#### b) Income

In Honduras there is a gender gap with regard to per capita income at both the urban and rural levels. The per capita income in rural areas is 1,874 lempiras<sup>35</sup> (1,875 lempiras for men and 1,842 lempiras for women), while the per capita income at the national level is 3,675 lempiras (3,934 lempiras for men and 3,264 lempiras for women).<sup>36</sup> This financial gap between men and women is maintained among the different educational and age levels.

In addition, the percentage of women-headed households in Honduras is 33.8% in urban areas and 21.8% in rural areas. Female-headed households in some departments within the project's area of influence are as follows: La Paz 24.1%, Intibucá 23%, and Lempira 22.3%; these departments are 10 point below the national percentage, which indicates that 65% of households are headed by men and 35% by women.

Poverty and poor nutrition are barriers on Honduras that impede the creation of opportunities for productive lives. This has an impact on numerous generations, where 23% of children under 5 years of age suffer from chronic malnutrition. In addition, almost 30% of the population of Honduras does not have access to health care.

#### c) Labor market

The labor market in Honduras is characterized by low productivity and a high percentage of under-employment, with predominately the traditional agricultural, manufacturing, and business sectors absorbing almost 70% of the Economically Active Population (EAP). Agriculture absorbs more than 46% of

<sup>35</sup> One U.S. dollar is equivalent to 23.6 lempiras.

<sup>36</sup> INE. 2015 Household Survey.

the male EAP, while business absorbs more than 34% of the female EAP. Based on the data from the 2015 Recurring Multi-Purpose Survey of Households, the Population of Employable Age (PEA) and the EAP of Honduras is the following:

	<b>Total</b>	<b>Rural</b>	<b>Urban</b>
<b>Population of Employable Age (PEA)</b>	<b>6,748,683</b>	<b>3,032,200</b>	<b>3,716,493</b>
Men	3,169,731	1,506,940	1,662,791
Women	3,578,952	1,525,260	2,053,702
<b>Economically Active Population (EAP)</b>	<b>3,935,336</b>	<b>1,813,609</b>	<b>2,121,727</b>
Men	2,358,247	1,223,327	1,134,920
Women	1,577,089	590,282	986,807
<b>Level of Participation (%)</b>	<b>58.3</b>	<b>59.8</b>	<b>57.1</b>
Men	74.4	81.2	68.3
Women	44.1	38.7	48.1

Although the situation of women in the country has shown progress in some aspects, such as their participation in different spheres of development (political, educational, administrative, and technical), there is still a marked gap (more than 2 to 1) in the conformation of the work force, where women barely reach 35.9% participation (men show a participation level of 72.3%). The rate of participation of women in the rural sector (29.2%) is also markedly inferior to their labor participation in cities (42.9%). This is due to factors that are linked to customs and traditions more ingrained in the countryside and to the latest changes in the modern economy in terms of jobs. The high rate of absorption of female labor in activities of the urban sector such as factories, business and services in malls and business centers, also explains this situation.

Women develop small- and medium-scale household and artisanal agro-industries such as bakeries, tortilla-making businesses, dairy businesses, crafts, rug-making, and weaving, among others; these activities contribute to increased household production and income. In the services sector, women work as domestic employees and cleaners, as well as in food preparation. These activities are characterized by their level of informality and demonstrate the problem with under-employment and inadequate wages<sup>37</sup>.

There continue to be strong imbalances in the unoccupied national EAP among young men and women. Women occupy only 34.2% of the occupied EAP, although they have an average of 8.1 years of education, compared with 65.8% of men with an average of 6.8 years of education<sup>38</sup>. Just 34% of youth participate in the national EAP, while economically active youth surpass 75% of the age range between 15 and 29 years. Among the indicators of open unemployment, the rate of female unemployment in this group reaches a higher percentage than men (5.7% versus 4.7%).

#### d) Young women and employment

It is important to note that unemployment in the country mainly affects young women and there is a general lack of specific programs that target creating technical skills for adolescents and youth, which would allow them to insert themselves under equal conditions in the labor market and receive the same compensation as men. Young women become mothers at an early age and discontinue their studies, whether it is due to an educational system that expels them or because they are responsible for the care of the children and not able to dedicate time to completing their education.

<sup>37</sup> Rapid analysis of the potentialities for absorbing youth employment in the three departments within the joint program focal area: "Human development through employment to overcome the challenges of migration in Honduras" Juan Carlos Fúnez Navarro, External Consultant, OIT Contract, PROG/COLEXT/302/2009).

<sup>38</sup> INE, 2012.

Indicators for the participation rate of young women in the EAP (33.9%) show that women and mostly young women have more difficulties joining the labor market although they have either reached the same level or exceeded the number years that men have studied<sup>39</sup>. Sociocultural problems persist that question the productivity of women and continue to marginalize them and privilege the male labor force. Women enter the labor force as a complementary work force and their reproductive condition continues to be a discriminating factor for access to education and the labor market. It is common for a woman to obtain a work opportunity; they must sacrifice her salary aspirations to accept wages that are lower than the average wages paid to men.

Women also have strong participation in internal and local migration, especially in coffee harvesting and factory work, as well as in international migration to the United States where the percentage of female migratory workers surpasses that of men.

#### e) Strategic sectors: environmental and agricultural

The political and financial crisis in the country, together with climate vulnerability that has a large impact on agricultural production, has affected the two most dynamic sectors in the Honduran economy: agriculture production and tourism. In the first case, the potential that agricultural production has to create employment, income, and food, has decreased in recent years down to 11% of the GDP in 2014, after it reached 14% in 2000. The agricultural sector employs around 36% of the EAP, or more than 1.2 million people.

There are processes underway to make these sectors more dynamic and improve the investment climate. In the agricultural sector the development of value chains is being promoted with competition between a wide range of stakeholders that creates added value for each link in the chain, maximizing opportunities for employment. In addition, new tools and financial products are being implemented that will allow partners of the value chains, especially small producers, to access credit under opportune and favorable conditions. There is also an effort underway to promote and strengthen small and micro businesses, as well as commercial startups in developing regions.

The actions include a legal and institutional framework, the creation of support funds and lines of credit that will specifically benefit rural women. In addition, the strengthening of Vocational Training Institutes with innovative programs to increase women and youth's skills is underway and will reach rural communities through different means.

Special attention should be paid to support from external cooperation in executing projects that include local economic development components, where the strengthening of the agricultural and small-, micro-, and medium-scale businesses (MyPIME) is the main priority for development. Both sectors are net generators, in addition to food, of direct and indirect employment. In 2014 the agricultural sector created more than 300,000 direct jobs and close to 1.6 million indirect jobs, with coffee being one of the most dynamic rubrics and the important growth of cocoa (World Bank, 2014).

- **Local Level**

The Project will be implemented in the western region of Honduras. This is a region of minor relative development, is characterized as an area that produces migrations, especially youth and women looking for improved living conditions and in many cases fleeing violence. These groups emigrate to other areas that are more developed, such as development corridors, especially in the northern and central development corridors, looking for employment and activities to generate income.

Through Legal Decree No. 286-2009, published in the Official Gazette on February 2, 2010, the "Law to Establish a Country Vision and Adopt a National Plan for Honduras" was approved, in which the bases for economic, social, and policy development were established for the country. It is in accordance with this law that the 16 Regions and their Regions of Development were established under a territorial focus

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<sup>39</sup>AEP 10.1 versus 8.3, INE 2012

determined according to the watershed, which in the case of the western region is crossed by five development regions that comprise municipalities of six departments that form the project's area of intervention: Región Valle de Sula, which includes the municipalities of Santa Bárbara; Región Valle de Comayagua, which includes the municipalities of Intibucá and La Paz; Región Occidente, which includes the municipalities of Copán, Lempira, and Ocotepeque; Región Golfo de Fonseca, which includes the municipalities of La Paz; and Región Río Lempa, which includes the municipalities of Lempira, Intibucá, Ocotepeque, and La Paz. Santa Bárbara, Copán, Ocotepeque, Lempira, Intibucá, and La Paz are the departments in the western region of the country in which the activities of this project are focused.

The project's geographic coverage spans 62 municipalities, which are targeted for the intervention of actions under ecological, biophysical, and socioeconomic activities in 15 PAs and 13 biological corridors.

### Gender Analysis in the Prioritized Project Area

During the PPG phase of the project, a gender analysis was performed in the project's area of influence, which included field visits, surveys, and interviews with individuals and focus groups. The sections that follow present a summary of the findings of the analysis, which placed special focus on indigenous women. The study was performed in five of the seven departments that comprise the project: Santa Bárbara, Copán, Gracias, Intibucá, and La Paz. The gender analysis highlights differences between men and women and between indigenous populations and ladinos.

The results of the study indicate that 78% of women and 75% men are familiar with the region's ecosystems, and place high value on the importance of their environment (84% for women and 89% for men). This demonstrates a high valuation of natural resources and goods; nevertheless, with regard to participation in the management or conservation of some of those ecosystems, only 33% of women reported participating, while 58% of men reported participating. The men and women who were interviewed attributed various reasons as to why they didn't participate; 48% of women and 68% of men reported that they were not called to do so (Figure 2).

Figure 2. Reasons not to become involved in ecosystems management.



Source: IUCN gender analysis in the project's area of influence.

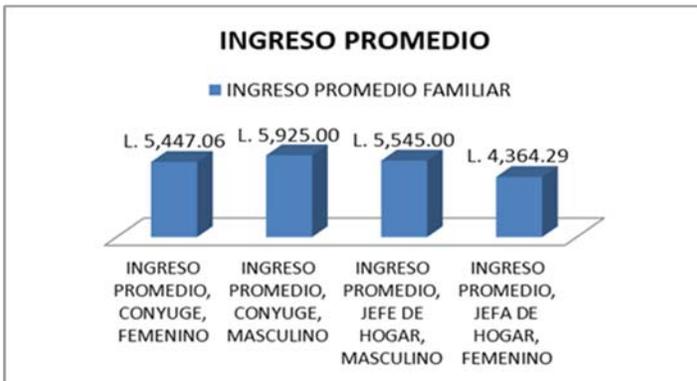
According to the data and observations from the investigation conducted locally through focus groups and key informant interviews, as well as data from heads-of-household, the average age of most community leaders is between 35 and 45 years old, with a high level of representation from indigenous communities, and a majority of them men (providing evidence of exclusion because of gender and age). The following is a summary of the main gender gaps found which limit the participation of women under equal conditions with men.

### Main gender gaps and barriers identified that limit the participation of women under equal conditions with men

**Structural poverty and the poverty of women:** The project’s area of influence is characterized by the structural poverty of the households. This poverty is marked by monthly incomes that are below the minimum salary with gaps in income due to gender (Figure 3), as well as the lack of opportunities for earning income, which are mostly around agricultural subsistence; women tend to participate in this economic activity as unpaid family labor and their role is recognized as important contributions to the household income.

More than 30% of the women interviewed reported being agricultural workers, 26% of these women represent unpaid work and do not participate in equal conditions as the men, yet they must work a triple work shift in their production jobs, their reproduction jobs, and domestic work. In addition, there remains the issue of women’s structural poverty being linked to subordination and the determination of “downtime” for women and girls in domestic roles.

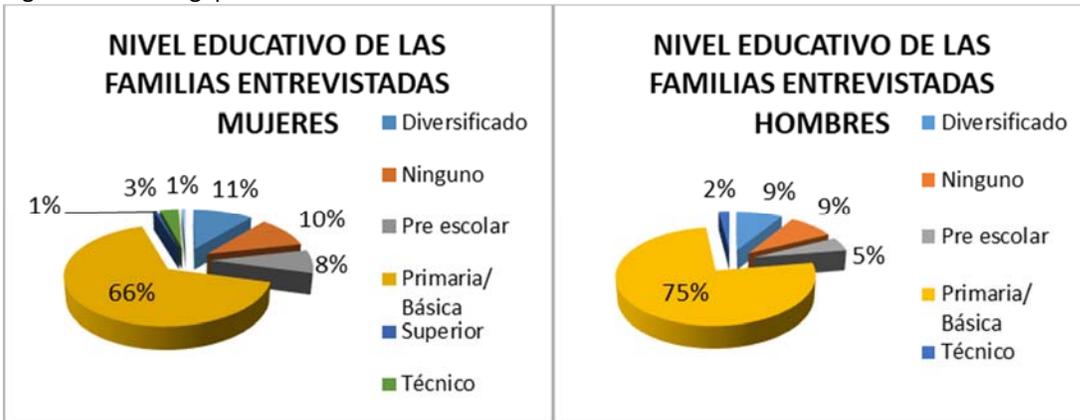
Figure 3. Income gap based on gender.



Source: IUCN gender analysis in the project’s area of influence.

**Women’s education and reproduction and domestic roles.** In the project’s area of influence it is common for the children to finish the basic education level (1 to 6 years of elementary school) but they do not continue onto the secondary education level. Many of the adults have finished only the first cycle of basic education (from 1 to 3 years of elementary school) and there are levels of illiteracy, which in the case of the women interviewed surpassed 10%. It is also common for children to stop studying beginning in the second cycle of basic education, which in the case of girls is because they begin to assume domestic and reproductive roles at a very young age (the percentage of female-headed households is high at 29% in relatively small communities), and there is a gap in access to education (Figure 3).

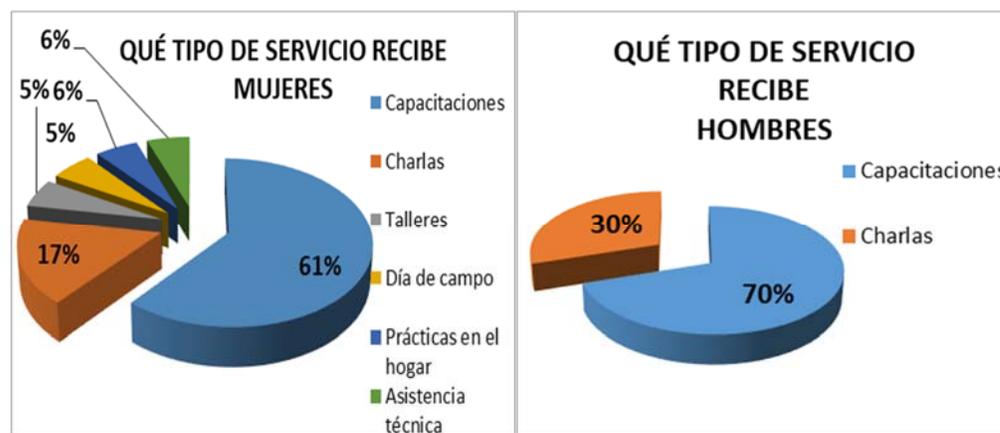
Figure 3. Gender gap in level of education.



Source: IUCN gender analysis in the project’s area of influence.

**Skills training.** There are significant gaps between men and women related to skills training and knowledge in the populations in the study area (Figure 4); men have greater access to technical support services and training. In general access to training is limited, in the case of women it is because they have less access to these services, and in the case of men it is because there is little training offered. For men and women, not knowing their environment, ecosystems, and being able to participate in their management, compromises their personal security and food supply and the well-being of these ecosystem and the environmental basis of their families and of future generations.

Figure 4. Gender gap in skills training



Source: IUCN gender analysis in the project’s area of influence.

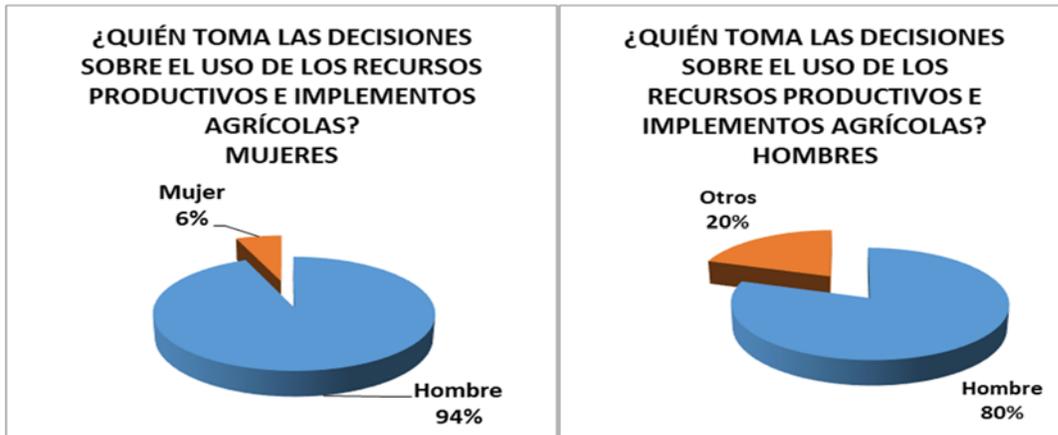
Men and women indicate that the most common form of skills training is through training workshops and second through lectures. Men only visualize two segments of the population as receivers of the services, which are they themselves and the rest of the population; nevertheless, women who also visualize men as the majority receivers of the services have a more inclusive vision of receiving the services. They also view themselves as receivers, and include youth and children and the rest of the population.

**Cultural valuation of participation.** Significant gaps are identified for the effective participation of women in the conservation and management of agroforestry systems. Among those interviewed, there was a perception by both men and women that indicates that women’s participation is “not very efficient” and causes conflict (52% of women and 64% of men). The positive valuation of women’s participation was held by 39% of women and 18% of men.

Second, there are differences in the valuation of men’s and women’s participation in community jobs such as domestic work. There is also little consideration of children’s rights and the roles of children and youth in community processes, and the processes related to schools and education perpetuate gender roles and stereotypes and affirm gender inequality.

**Structures for participation and decision-making.** Although women actively participate in agroforestry processes, they are not able to visualize this on equal terms with men and it is more difficult for the women to assume leadership roles given that cultural values placing them in domestic and reproductive roles beginning at an early age do persist. As a consequence, there is a level of rejection towards girls and women participating in sustainable management and conservation of ecosystems (Figure 5), as men consider that their physical conditions do not allow them to participate in field labor.

Figure 5. Decision-making about the use of production resources.



Source: IUCN gender analysis in the project's area of influence.

**Gender awareness and women's leadership.** There are gaps in women's participation in decision-making, leadership roles and sustainable empowerment, mainly due to cultural perceptions that restrict the possibilities for girls and women to integrate themselves into sustainable management processes under equal conditions with men. In addition, limitations in institutional training programs, mobilization logistics, and technical staff trained in gender issues and natural resources management limit the application of the National Gender Policy and training programs on gender equality that target men as well as women and children.

#### Barriers Faced in Increasing Gender Equality

There are several barriers that may limit the adequate participation of women beneficiaries of the project, as follows:

- The responsibilities and domestic roles of women as care takers and providers of food limit their participation.
- The isolation and rugged topography of the places where the populations live make it difficult for women to mobilize to the places where the trainings and decision-making and community meetings will take place, especially those who live in the PAs' buffer areas and indigenous populations.
- The predominant roles of men as leaders make their participation in decision-making more forceful.
- The patriarchal culture and dominant role of men inhibits women's participation in community and production activities.
- Little knowledge in the region of the legal and institutional framework on the rights of women.
- The focus on family might eclipse the needs and interests of women, making them feel that they are not represented in the project or that their participation is not valued as important, thereby reproducing the gender roles and stereotypes.

#### Opportunities to Increase Gender Equality

The project will consider the contributions made to the PAs' management, conservation of watersheds and forests, and implementation of agroforestry systems, especially those by indigenous women who historically have not played an active role in these activities. Also, the participation of women in production processes and the transformation of agroforestry products will be considered, and the project will create

opportunities so that women may contribute their knowledge and experience to strengthen the different links of the production chain. These opportunities will include the following:

- Recognition and dissemination of the legal framework and strengthening of the institutional framework so that the conditions are created in which gender equality is promoted.
- Political will of the indigenous organizations to promote gender equality and strengthen indigenous women's participation in governance structures.
- Valuing of traditional knowledge and conservation practices by indigenous women.
- Recognition of women's experience and role in the management of agroforestry systems and PAs.
- Promoting women's interest in production processes and the sustainable management of agroforestry systems.
- Knowledge and valuing of the importance of ecosystems, species, and their uses by women.
- Interest by men and women to increase family income and develop production activities.
- Coordination and synergy with multiple institutions, NGOs, and international groups working in the region with a focus on gender equality.
- Recognition of ILO Convention 169, which ratifies the rights of indigenous peoples and their lands, and other agreements that have been agreed to and ratified by the Government of Honduras with the ILO, which also protect the rights of women.

## Gender Mainstreaming Action Plan

Component/Activities	Indicators	Period of Implementation
<b>Outcome 1:</b> Strengthened local and national governance for the dry-humid biological corridor with emphasis on PAs and production systems to contribute to the conservation of biodiversity and its sustainable use.		
<ul style="list-style-type: none"> <li>– Strengthen the incorporation of gender in all phases of the project to improve governance of the protected areas (PAs), corridors, and subwatersheds.</li> <li>– Design and support implementation of a plan with actions to strengthen capacities of women, men, and children beneficiaries of the project, including indigenous representatives.</li> <li>– Educational, communication, and awareness-raising campaigns to promote a culture of gender equality in decision-making spaces, structures, organizations, and governance platforms.</li> <li>– Promote the equal participation of men and women in the development and implementation of PAs’ management plans and watershed and subwatershed boards.</li> <li>– Perform a study of the current situation regarding women’s participation in governance structures of the PAs, corridors, and subwatersheds.</li> <li>– Train staff from the project’s Executing Agency and their partners in strategy, conceptual frameworks, and practical tools for implementing the focus on gender.</li> </ul>	<ul style="list-style-type: none"> <li>– At least 35% of the participants in meetings or events related to governance in PAs, corridors, water, forests, and land are women.</li> <li>– Participation of women as leaders has increased by 50%, including indigenous women, in leadership positions of the structures, organizations, and platforms of governance in the PAs, corridors, water, forests, and land.</li> <li>– At least 50% of the governance structures of the PAs, corridors, water, forest, and lands adopt resolutions that promote the rights and participation of women in decision making.</li> <li>– At least 80% of the management plans of the PAs, corridors, and subwatersheds include actions promoting the rights and participation of women, youth, and children.</li> </ul>	2018 – 2023
<b>Outcome 2:</b> Generation of environmental, social, and economic benefits for communities through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes.		
<ul style="list-style-type: none"> <li>– Strengthen the incorporation of the gender focus to improve women’s participation in coffee and cocoa chains and other activities that generate environmental benefits through the sustainable management of lands and the rehabilitation of corridors.</li> <li>– Promote women’s participation in all links of the coffee and cocoa value chains (establishment of nurseries, planting, management, harvest, and commercialization).</li> <li>– Promote informational actions that facilitate access to technical assistance services, credit services, and other benefits derived from climate change mitigation actions (carbon sequestration).</li> <li>– Incorporate gender focus into the training, educational, and awareness-raising processes for the project staff, partners, and targeted group as a key instrument for generating environmental benefits through sustainable land management and rehabilitation of the corridors to increase connectivity between the PAs and production landscapes.</li> </ul>	<ul style="list-style-type: none"> <li>– At least 60% of the educational and training actions include information about the importance of equal participation of men and women in managing the production landscapes.</li> <li>– At least one clause that guarantees respecting the rights of women, including indigenous women, and the equal distribution of benefits is included in 100% of the agreements signed with the producers.</li> <li>– The carbon sequestration pilot program includes actions that promote women’s participation and equal distribution of benefits.</li> <li>– At least 50% of the beneficiaries of the ecological stoves pilot program are women.</li> </ul>	2018 – 2023
<b>Outcome 3:</b> Establishing supply chain initiatives to increase income of farmers derived from coffee, cocoa, sustainable agroforestry, and ecosystem services		

<ul style="list-style-type: none"> <li>– Strengthen knowledge and improve attitudes and practices for incorporating the gender perspective into the development of coffee and cocoa production chains in agroforestry systems and using an ecosystem-based focus.</li> <li>– Ensure the inclusion of actions that promote women’s access and participation in the training and technical assistance program for small- and medium-scale producers; as well as in organizational themes and business development.</li> </ul>	<ul style="list-style-type: none"> <li>– At least 20% of producers associated with coffee and cocoa production chains who receive training or participate in meetings to improve production processes are women.</li> <li>– At least 35% of women coffee and cocoa farmers who receive technical support from the project adopt more sustainable production techniques and practices for managing landscapes.</li> <li>– At least 50% of women farmers participating in the project access financial products or other types of incentives that promote the sustainable management of their farms and production processes and/or contribute to the connectivity and management of the corridors.</li> <li>– At least 30% of the leadership positions in the coffee and cocoa value chain governance platforms are occupied by women.</li> </ul>	<p style="text-align: center;">2018 – 2023</p>
<p><b>Outcome 4: Knowledge management and M&amp;E</b></p>		
<ul style="list-style-type: none"> <li>– Strengthen the generation, learning, and exchange of knowledge and best practices around incorporation of gender focus in: <ul style="list-style-type: none"> <li>○ The governance of PAs, corridors, and subwatersheds</li> <li>○ Generation of environmental benefits through sustainable land management and rehabilitation of corridors to increase connectivity between PAs and production landscapes</li> <li>○ Establishment of initiatives for production chains to increase income and other benefits for the communities of farmers associated with coffee and cocoa in agroforestry systems and with an ecosystem-based focus.</li> </ul> </li> <li>– Maintain a registry of participation disaggregated by gender and ethnicity for training, education, and awareness-raising events, farms, families benefiting from other services under this project output.</li> <li>– Complete a monitoring and evaluation plan for inclusion of a gender equality focus in project outputs 1, 2, 3, and 4.</li> <li>– Develop case studies, systematization of experiences and lessons learned about gender equality and women’s empowerment in the different project components as part of the monitoring plan.</li> </ul>	<ul style="list-style-type: none"> <li>– At least two publications (case studies or systematizations) are generated and socialized during the life of the project that recognize lessons learned and best practices about empowerment, lessons learned from men and women and the activities and outputs promoted by the project.</li> <li>– Positive changes are reported in 100% of the progress reports and mid-term and final evaluations of the project regarding the exercising of rights and participation by women in the project’s activities.</li> </ul>	<p style="text-align: center;">2018 – 2023</p>

**Budget**

Item	Cost (USD)
Gender Expert (part time - 15%). Support and monitoring of gender mainstreaming (Gender Mainstreaming Plan).	35,000
Travel costs for gender mainstreaming activities	6,300
<b>Total</b>	<b>41,300</b>

**Responsible Entity:** MiAmbiente with the support of the project Gender Expert and in coordination with the National Women's Institute (INAM) and the Municipal Women's Offices (OMM).

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## ANNEX O: LEGAL/INSTITUTIONAL ASSESSMENT

### Legal and institutional framework for the protected areas, watersheds, and subwatershed

The following is a summary of the framework of each of the laws:

- The General Environmental Law, Decree No. 104-93: Generally addresses issues related to natural and cultural resources and rural and urban spaces that might be altered by physical, chemical, or biological agents, or by other factors due to natural causes or human activities.
- The General Water Law, Decree No. 181-2009: Proposes different ways to manage and achieve, in accordance with the conditions of each service, sustainability in provision of potable water and sanitation services.
- Regulation of the Potable Water and Sanitation Legal Framework, Decree No. 118-2003: Establishes the norms applicable to potable water and sanitation services in the national territory as a basic instrument for promoting quality of life among the population and ensuring sustainability as a generational legacy.
- Law for the Protection of the Lago de Yojoa Watershed (Hondulago), Decree No. 46-200: Establishes the regulation and land use of the natural resources of the Lago de Yojoa, in terms of its protection, valuing, and conservation.
- Forestry, Protected Areas, and Wildlife Law, Decree No. 98-2007: Establishes the legal aspects for managing forest, protected areas, and wildlife resources, seeking sustainable development in harmony with the country's social, economic, environmental, and cultural interests. Some related norms are the following: a) General Regulation of the Forestry, Protected Areas, and Wildlife Law, Executive Agreement No. 031-2010; b) Declaration of Protected Areas and Cloud Forests, Decree No. 87-87; and c) Regulation of the National System of Protected Areas, Agreement No. 921-97.
- Law for the Protection of Coffee Cultivation Activity, Decree No. 199-95.
- Law of the Honduran Tourism Institute, Decree No. 103-93.
- Organic Law of the Honduran Institute of Anthropology and History
- Law of Cultural Patrimony

### Governance structures, organizations, and platforms

#### *Indigenous peoples*

The indigenous peoples in the project area maintain policy platforms that are recognized by the government, and participate in the decision making within their territories. These organizations are governed by national laws yet maintain links to indigenous institutionality. In the project's area of influence, there are two indigenous groups: the Lenca and the Maya-Chortí, both of whom are organized mainly into two platforms, as described below.

#### The Lenca population

- The Lenca Sectoral Roundtable (LSR, according to its Spanish acronym): The LSR is a social organization representing the Lenca people living in the departments of La Paz, Comayagua, Intibucá, Lempira, Santa Bárbara, Francisco Morazán, Valle, and Ocotepeque. It is composed of 27 organizations that represent a good part of the Lenca community. The LSR represents these organizations with the objective of achieving consensus and agreement among the Lenca organizations in the different departments. The LSR also tries to promote and position the main elements of culture, world vision, and Lenca traditions in terms of governance. The Lenca population is the majority indigenous group in the country.
- The Civic Council of Popular and Indigenous Organizations of Honduras (COPINH): This is a non-profit Lenca group. The organization represents the heart of the struggle of the indigenous and afro-Honduran populations, has highly formed leadership in different areas, and has the capacity to convene and mobilize members. COPINH's work centers around the fight to protect land rights, defend natural resources, extraction industries, health, and education. COPINH recognizes that indigenous participation includes women, places a focus on gender and condemns any harm to women, and believes they should be included in the country's decision-making processes.

### The Maya-Chortí population

- The Maya-Chortí Indigenous National Council of Honduras (CONIMCHH): The indigenous organization that represents and fights for the Maya-Chortí population was founded in 1994. The group's work focuses on recognition as a population and the titling of communal lands achieving through management the installation of preschools, primary schools, and health clinics. The organizational level of this group is one of the most advanced, as compared with other indigenous populations, due to their continual training processes and the fact that all of the actions organized are recorded on video, enabling them to maintain an excellent source for future training.
- National Ancestral Coordination of Maya-Chortí Indigenous Rights of Honduras (CONADIMCHH): This recently formed organization has developed processes allowing organizational growth through management and actions around public policy that are oriented towards meeting social demands regarding rights to culture, territory, and natural resources in the departments of Copán and Ocotepeque. The group has legal staff and has participated in various development projects; they also have formed alliances with other similar organizations in Guatemala and Honduras

### *Protected areas advisory councils*

The advisory councils are based on the Forestry, Protected Areas, and Wildlife Law 98-2007:

- Article 18. Approve internal regulations, manuals, and instructions for managing the Forestry, Protected Areas, and Wildlife Sector.
- Article 21. Creation, organization, and operation of the Forest Advisory Councils at their different levels.
- Article 22. Establish specifically the members of the Forest, Protected Areas, and Wildlife National Advisory Council (COCONAFOR).
- Article 23. COCONAFOR has the following attributes, among others: to assist and support the National Institute of Conservation and Development of Forests, Protected Areas, and Wildlife (ICF), to oversee the Advisory Councils and other groups at every level. COCONAFOR will qualify or disqualify the work done by the members who make up the Advisory Councils.
- Articles 24, 25, 26, and 27. Define the members and attributes of the Departmental and Municipal Advisory Councils for Protected Areas and Wildlife.
- Article 28. Establish that the Community Advisory Council for Forests, Protected Areas, and Wildlife will be formed by community-based organizations, among its other attributes.
- Article 142. Establish the creation and integration of the National Committee for Protection of Forests, Protected Areas, and Wildlife (CONAPROFOR), and jointly with it one of the responsibilities of the Departmental, Municipal, Community Advisory Councils for Forests, Protected Areas, and Wildlife; which is to support CONAPROFOR.

The advisory councils have been organized in almost all of the areas (11 PAs said they had at some point formed an advisory council); however, their operations could not be analyzed as they do not have periodic meetings or a work plan.

### *Watershed and subwatershed boards*

The formation and operation of the watershed boards are mandated by the General Water Law and Special Regulation that MiAmbiente issued at the beginning of 2017. In the project area, the water boards are the organizations that are the most frequently found with regard to managing water systems in the communities.

### *Local committees of the biological corridors*

There are no local committees of the biological corridors established in the project area. This is a new concept in the country and there is just one initiative in the eastern region of the country that is in the process of development.

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## ANNEX P: TARGET LANDSCAPE PROFILE

The project area of influence covers 971,752 ha along the humid-dry corridor of southwestern Honduras. It includes 582,529 ha of biological corridors and 389,223 ha of PAs. The project covers territories of the departments of Copán, Ocotepeque, Lempira, Intibucá, Santa Bárbara, Cortés, Comayagua, and La Paz, and will include 62 municipalities. The project will be implemented throughout three biological corridors (Trifinio Biological Corridor, Lempira Biological Corridor, and the Central Biological Corridor) within the larger dry-humid biological corridor of Honduras; these corridors connect 15 PAs with neighboring productive areas. The three biological corridors consist of a network of 13 local biological corridors (LBC), which will be strengthened across the landscapes.

Protected areas and local biological corridors in the project area

No.	Protected Areas	Local Biological Corridors
1	El Jilguero Water Production Zone	1 Guajiquiro-Montecillos
2	Guajiquiro Biological Reserve	2 Mixcure-El Jilguero
3	Montecillos Biological Reserve	3 Opalaca-Mixcure
4	Mixcure Wildlife Refuge	4 Opalaca-Lago de Yojoa
5	Opalaca Biological Reserve	5 Montaña Verde-Lago de Yojoa
6	Montaña Verde Wildlife Refuge	6 Lago de Yojoa-El Cajón
7	Cerro Azul Meámbar National Park	7 Montaña Verde-Puca
8	Lago de Yojoa Multiple Use Area	8 Celaque-Opalaca
9	Montaña de Santa Bárbara National Park	9 Celaque-Pacayita
10	Montaña de Puca Wildlife Refuge	10 Guisayote-Pacayita
11	Montaña de Celaque National Park (KBA)	11 Trifinio-Guisayote
12	Guisayote Biological Reserve	12 Trifinio-Copán Ruinas
13	Montecristo Trifinio National Park	13 Erapuca-Copán Ruinas
14	Erapuca Wildlife Refuge	
15	Volcán Pacayitas Biological Reserve	

### Biophysical and environmental description

The project's area of influence is characterized by annual temperatures that vary between 20 and 32 degrees Celsius, with a relative humidity between 62 and 90%, and an annual rate of precipitation that ranges between 200 and 2,800 millimeters. The geology of this region consists principally of the Valley of Angels soil group that are expandable and saturable with acid and intermediate volcanic rocks (Kva and Tpm). The predominant ecosystems are broad-leaf humid forests (cloud forest), broad-leaf deciduous forest, dense and sparse conifer forest, and mixed forests. The Holdridge life zone (1961) for this region is the humid subtropical forest (bh-ST). There are three large watersheds that include the protected areas (PAs) and corridors of interest to the project: the Motagua River watershed (drains into the Gulf of Honduras), the Ulúa River watershed (drains into the Honduran Caribbean Ocean), and the Lempa River watershed (drains into El Salvador). These large watersheds provide ecosystem services to the neighboring countries of Guatemala, El Salvador, and the central and northern regions of Honduras, contributing directly to the development of those countries.

The area presents a great variety of species of plant and animals. Species such as *Liquidambar spp.*, *Styracifolia spp.*, *Clethra spp.*, *Nectandra spp.*, and *Symplocos spp.* are found in the lower elevations and between 1,800 and 1,900 meters above sea level (masl), where the cloud forest begins. Species such as *Alfaroa hondurensis*, *Abies guatemalensis*, *Persea americana*, and *Cornus disciflora* are classified as vulnerable (VU) in the IUCN Red List; *Oreopanax lempirana*, which is endemic to the Montaña de Celaque National Park and classified as CR, is predominant. A new species endemic to the Montaña de Celaque National Park, *Miconia celaquensis*, was discovered in 1996; this species is the second endemic species of the Melastomataceae family to be found in Honduras. Other species of plants present are the egg-cone pine (*Pinus oocarpa*), the thinleaf pine (*Pinus maximinoi*), the American sweetgum (*Liquidambar styraciflua*), the white poplar (*Clethra macrophylla*), which is currently considered vulnerable (VU) under the IUCN Red List, and the gumbo-limbo (*Bursera Simaruba*), among others.

Among the representative mammal species are the white-tailed deer (*Odocoileus virginianus*), coyotes, jaguarundi, foxes, agouti, sloths, toucans, goldfinches, quetzals, and jaguillas. Of these species, the jaguarundi or eyra cat

(*Herpailurus yaguarondi*) and the slate-colored solitaire (*Myadestes unicolor*) have declining populations, and the eyra cat is part of CITES Appendix I. With regard to avian species, some studies show the temporary presence of up to 269 species belonging to 39 families, 19 of which live in the cloud forest. The bird species identified as declining in population size according to the IUCN endangered species list include the following: quetzal, the emerald toucanet (*Aulacorhynchus prasinus*), the slate-colored solitaire (*Myadestes unicolor*), the crested guan (*Penelope purpurascens*), and the highland guan (*Penelopina nigra*). Other animal species predominant in the area are rats and bats, along with several endemic species of reptiles and amphibians. The prioritized corridors and PAs also serve as resting areas for migratory birds that travel from the north and south hemispheres, including the golden-cheeked warbler (*Dendroica chrysoparia*).

## **Socioeconomic description**

### *Demographic aspects*

The biological corridors with their components, PAs, and connections, are defined as three social units: Trifinio Biological Corridor (BC), Lempira BC, and Central BC. There are 1,176,739 people living in this area, representing 13.75% of the total population of Honduras. There is an almost equal proportion of women (49%) to men (51%). In the three corridors, boys and girls represent more than 50% of the population. Per an analysis of the corridors with regard to participation, the Central BC and Lempira BC contribute 41% and 36% of the total population of the project, respectively, followed by Trifinio BC with 23%.

The municipalities of Comayagua, Siguatepeque, Santa Cruz de Yojoa, Santa Bárbara, and Jesús de Otoro in the Central BC are all located in the main highway axis of the country, providing an important contribution in terms of population participating in the project, and they also provide the most land area within the project's area of influence of the three corridors. The Trifinio BC is the corridor that provides the least population, and consists of six municipalities with the least amount of land cover in the corridor; this situation is very similar to the other two corridors, as they also contribute little land cover and population to the project.

With regard to population density (person per square kilometer [km<sup>2</sup>]), the median among the three biological corridors reflects greater occupancy as compared with the average national density of 73.8 persons/km<sup>2</sup>. This is most true Trifinio BC with 93 persons/km<sup>2</sup> and Central BC with 87 persons/km<sup>2</sup>; Lempira BC has the least density at 79.5 persons/km<sup>2</sup>. The rate of population growth is similar to the national average (2.02) in Copán and Cortés, and higher in five of the eight departments (with ranges of 2.4 to 2.11) and only lower in Santa Bárbara (1.71); as such there is a faster growth rate in the project's area of influence than the national average.

In Honduras, 4.7% to 5% of the population aged 65 years or older depends economically on the working population younger than 65 years old. There are problems with illiteracy, life expectancy is below the national average, this sector of the population has limited access to housing and low levels of per capita income. The municipalities of the biological corridors that suffer from these issues are the following: i) Dólores de Merendón, San Jorge, San Jerónimo, and Concepción de Ocotepeque in Trifinio BC; ii) Chinacla, San Marcos de Caiquin, and La Campa in Lempira BC; and iii) San Isidro, Ceguaca, San José de Comayagua, and Concepción in Central BC.

### *Economic aspects*

Central BC and Lempira BC provide the highest percentage of Economically Active Population (EAP; 76%) to the project, at 44% and 32%, respectively. The municipalities that are located in the highway axis constitute 74% of the participation from the Central BC. Trifinio BC provides the lowest percentage of EAP to the project.

The main source of income for the majority of producers is generated by coffee cultivation; 50% of producers have farms equal to or less than 2 manzanas (approximately 1.4 ha), with an average production of 16 quintales per manzana (1,600 kg/0.7 ha). There are shortages in food supply and lack of access to health care, mainly during the non-harvesting months when there is no income from the sale of coffee. However, farmers do carry out other activities to improve their income and support their families. For example, 19% of farmers cultivate basic grains for subsistence and additional income, 16% work in trade, 12.3% have their own business, 11.7% work in wage labor, and 9% are salaried. 2.5% of farmers receive remittances from abroad and 1.8% grow vegetable gardens. To a lesser extent, male and female farmers raise major and minor species on their lands. More than 90% of producers have ways to save their income and one-third take out loans through rural banks.

Coffee chain. This sector involves more than 122,000 producer families throughout the country, according to IHCAFE records (2015). 50% of these families have less than 2 manzanas of coffee cultivation, 16% have 2 to 3 manzanas, 16% have 3 to 5 manzanas, 16% have 5 to 20 manzanas, and 2% have more than 20 manzanas. 17.7%

of the producers are women who own their own farms and 83.3% are male owners. In the project's area of influence there are an estimated 38,000 coffee-growing families, and their situation is very similar to that described for the national average.

Only those municipalities that are departmental capitals (with the exception of Gracias) surpass the national average for per capita income (2,920). The majority of the municipalities in the three corridors have a low quality of life and well-being. In 91% of the municipalities of the Lempira BC, households are found to live in destitute conditions beyond that of the national average; in 65% and 60% of the municipalities of Trifinio BC and Central BC, respectively, households live in similar destitution.

The Human Development Index (HDI) calculating three basic aspects: life expectancy, literacy, and dignity of life. In Honduras the HDI is 0.606; however, 70% of municipalities in Trifinio BC, 53% of municipalities in Central BC, and 37% of municipalities in Lempira BC are lower than the national average of the HDI. With regard to the portion of the population that is unemployed, there is a strong predominance of this sector of the population in the Central BC at 41% unemployed, followed by Lempira BC at 36% and Trifinio BC at 23%.

#### *Social aspects*

The National Institute of Statistics, through its population and housing census (2013), indicates that the national rate of illiteracy is 12.1% and the population has an average of 7.8 years of education, which indicates that the literacy rate is 87.9% nationally. The illiteracy rate in the project's area of influence is 22.7%; only four municipalities reach or exceed the national literacy rate.

None of the municipalities in the project's area of influence surpass 60% in rate of education. The municipality of Dolores Merendón (Ocotepeque) has the lowest rate of education at 27.21% and the municipality of La Paz has the highest education rate of 59.43%.

The field studies performed provided information about the mostly low-income producers' access to health services. A majority do not have access to private health services, 64.4% have access to public hospitals, 12.5% to medical brigades, 12.1% to health centers, and just 9.9% to private clinics and 1.1% to other means.

#### *Land ownership*

According to the GEMA-USAID project (2017), 94% of landowners have some type of documentation that proves their ownership of the land. 40% of those interviewed have a public deed, and 31% have a private document. 53% of women producers and women partnered with men have access to land for production activities with 28% access to more than 5 manzanas. In addition, male producers and men partnered with women producers have 79.6% access to land, 45.8% of them have access to more than 5 manzanas. With regard to credit, 26.7% of men as well as women have not had loans. The survey showed that 52.7% of men and 49.2% of women participate in the technical support workshops that they are invited to attend. 99% of the producers own a cellular phone and an average of 85% use it only for telecommunication and 18% use it for the internet.

With regard to cocoa production, 79.28% of producers have their own land for cultivation, 6% share the land with their partners/spouses. The remaining 20% of producers do not have their own land but produce on rented lands or lands that are lent to them by a family member.

#### *Environmental aspects*

Information from the 2013 population and housing census shows that 42% of the population draws water from the public system, 42% from a private system, 4.2% use a well, 5.4% draw their water from rivers or creeks, and the rest of the population draw from other sources.

It was observed during the fieldwork performed during the PPG phase that there is an excessive use of pesticides; however, there is no official record that indicates the quantity of toxic chemicals used per hectare among the different crops. The unregulated use of pesticides, fungicides, and insecticides may produce health problems, mainly to do with the skin, nose, and mouth, according to the Panamerican Health Organization.

## ANNEX Q: LIST OF PEOPLE CONSULTED DURING PROJECT DEVELOPMENT

N	Protected Area	Organization	Person consulted
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2	Güisayote	Mancomunidad de Güisayote y Región Forestal de Copán	Julio Castellanos, Ángel Prado
3	Celaque	MAPANCE	Hermes Vega Carlos Reyes Ulises Soriano
4	Volcán Pacayita	MAPANCE y Región Forestal de Copán	Julio Castellanos, Ángel Prado
5	Erapuca	Región Forestal de Copán	Julio Castellanos, Ángel Prado
6	Puca	Región Forestal de Copán y Fundación PUCA.	Juan Calderón Jorge Ponce Julio Castellanos, Ángel Prado
7	Montaña Verde	Región Forestal de Copán	Julio Castellanos, Ángel Prado Hermes Vega.
8	Opalaca	Oficina Local de ICF La Esperanza, COCEPRADII y UMA Intibucá.	Ing. Carlos Guevara COCEPRADII, Ing. Nohemy Romero Ventura, Ing. Ángela Beatriz Sánchez Rodríguez ICF, Kenia Morales.
9	Mixcure	Oficina Local de ICF La Esperanza, COCEPRADII y UMA Intibucá	Ing. Carlos Guevara COCEPRADII, Ing. Nohemy Romero Ventura, Ing. Ángela Beatriz Sánchez Rodríguez ICF, Kenia Morales. Mirian Leticia Méndez, UMA Intibucá.
10	El Jilguero	Oficina local de ICF de Marcala, ASOMAINCUPACO.	Thelma Nicolás Carbajal, Denis Ramón Donaire, Kenia Morales.
11	Guajiquiro	Oficina local de ICF de Marcala, ASOMAINCUPACO.	Thelma Nicolás Carbajal, Denis Ramón Donaire, Kenia Morales.
12	Montecillos	Oficina Local de Siguatepeque, Oficina Local ICF La Esperanza, UMA Jesús de Otoro.	Kenia Morales, Alma Santos. Nohemy Romero, Lila Izaguirre, y Selwing Gámez, UMA Jesús de Otoro.
13	Santa Bárbara	Oficina regional de ICF de Comayagua.	Kenia Morales, Alexis Oliva
14	Lago de Yojoa	AMUPROLAGO	Kenia Morales, Alexis Oliva
15	Cerro Azul Meámbar	Aldea Global.	Kenia Morales, Sergio Midence, Alma Santos.

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