



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

GEF ID:	4792		
Country/Region:	Mexico		
Project Title:	Conservation of Coastal Watersheds in Changing Environments		
GEF Agency:	World Bank	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-1; BD-1; CCM-5; CCM-5; LD-3; SFM/REDD+-1; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$39,518,181
Co-financing:	\$239,886,000	Total Project Cost:	\$279,404,181
PIF Approval:		Council Approval/Expected:	June 01, 2012
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Andrew Velthaus	Agency Contact Person:	Enos Esikuri

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	January 3, 2012 Yes, Mexico ratified the CBD in March 1993; the UNFCCC in 1993; and the CCD in 1995.	
	2. Has the operational focal point endorsed the project?	January 3, 2012 Yes, on December 7, 2011.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	January 3, 2012 Yes. The World Bank's comparative advantage is clear with regard to conservation trust funds, such as FMCN and in supporting sustainable natural	

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

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

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

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		resource management.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	January 3, 2012 No.	
	5. Does the project fit into the Agency's program and staff capacity in the country?	January 3, 2012 Yes. The World Bank has a substantial country office in Mexico and is preparing a \$300 mn loan to the National Forest Commission on sustainable use and restoration of forest resources.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	January 3, 2012 Yes - Mexico has sufficient resources to draw from all three focal areas. The request for SFM set-aside incentive funding meets the required guidelines, including the 3:1 match.	
	• the focal area allocation?		
	• the LDCF under the principle of equitable access		
	• the SCCF (Adaptation or Technology Transfer)?		
	• Nagoya Protocol Investment Fund		
Project Consistency	• focal area set-aside?		
	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	April 5, 2012 The PIF has been changed to fix all problems noted below. We clear.	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>January 20, 2012</p> <p>Previous comments a) and c) cleared.</p> <p>As indicated in previous comment b) below, please change Table A so that each outcome has its own row, with its own funding.</p> <p>January 3, 2012</p> <p>a) The Project is aligned with the BD strategic objectives (BD-1 and BD-2) and has some alignment CC-5 and with the SFM/REDD+1 results framework.</p> <p>b) In Table A, each outcome should be its own row. Please include the outcome numbers (such as 5.1 or 5.2 for CCM)</p> <p>c) For LD-3, Table A does list Outcome 3.2 and output 3.1 as listed in the GEF-5 focal area strategy, but later (in table B and the text) the objectives, outcomes, and indicators relevant to integrated landscape management are not clearly included. The PIF does not, therefore, make a strong case on including LD resources at this point.</p>	
	<p>8. Are the relevant GEF 5 focal/multifocal areas/LDCF/SCCF/NPIF objectives identified?</p>	<p>April 5, 2012</p> <p>The PIF has been changed to reflect that CC-M funding won't be used for adaptation. Only cofinancing will be used. We clear.</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>January 20, 2012</p> <p>Comment b2) below has not been adequately addressed. Because we believe that this is an issue relating to cofinancing, it is now dealt with in question 24 below.</p> <p>We clear on all other comments below.</p> <p>January 3, 2012</p> <p>a) BD-1 objectives are identified, but the PIF would benefit from quantification of benefits. For instance, how much will the funding gap decrease and how much will management effectiveness increase?</p> <p>b) The project objective is to "Ensure the integrated management of coastal watersheds that drain to the Gulf of Mexico and the Gulf of California as a means of conserving biodiversity threatened by climate change". b1) CCM funds are for climate change mitigation activities. Please make climate change mitigation benefits clearer in the objective. b2) Also clarify what funds are directed towards climate change adaptation activities. b3) It is unclear why some of the watersheds in the project are not on the coast (see the map) if this is about coastal watersheds. The focus appears to be watersheds in regions of high vulnerability rather than coastal</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>watersheds only.</p> <p>c) Contributions to CCM-5 and SFM (both SFM-1 and SFM-2) will be through enhanced use of PES and improved monitoring. It would be helpful to have some quantification at either output or outcome level here. We would appreciate having targets for the amount of land to be brought under more sustainable management, through PES and other schemes.</p> <p>d) LD-3 is identified and relevant outcomes and outputs are identified, but the PIF does not explain the competing land uses that are placing pressures on land or forests, the activities that will be financed, or the development integrated land management plans. If SFM is the objective, then LD-2 might be more suitable.</p> <p>e) It says that it will contribute to LD-3 but it does not correctly identify the objective and it does not identify how LD resources will be used to and how they will accomplish the LD-3 (of reducing pressure on "natural resources from competing land uses in the wider landscape.)</p>	
	<p>9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?</p>	<p>January 20, 2012</p> <p>Yes; cleared.</p> <p>January 3, 2012</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>The project is contained in Mexico's National Portfolio Formulation Document (NPDF) and the PIF emphasizes alignment with strategies for biodiversity and climate change. With regard to climate change, there is rather heavy emphasis on adaptation compared with mitigation, and the STAR allocation CC funds are to be used for mitigation.</p> <p>Please include references to appropriate sections of Mexico's National Communications (NC) and Technology Needs Assessment (TNA), if available.</p> <p>Please add more detail on how this project will contribute to Mexico's Action Plan on Desertification and National Strategy on Sustainable Management of Lands.</p>	
	<p>10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?</p>	<p>January 20, 2012</p> <p>Yes; cleared. At CEO endorsement, please clarify how capacities being developed through the project contribute to the sustainability of the monitoring program.</p> <p>January 3, 2012</p> <p>The clearest statement on sustainability is that the injections of additional resources to the two funds will ensure sustainability, but it is not clear what else will be done to close the funding gap for these protected areas.</p> <p>Strengthened capacity on monitoring</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		will also help ensure sustainability, but these capacities are already quite strong.	
Project Design	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	<p>January 20, 2012</p> <p>Yes; cleared. For CEO endorsement, further information should be presented on the baseline in each watershed as well as a full set of status indicators against which progress can be measured during project implementation.</p> <p>January 3, 2012</p> <p>The project baseline is not clear. Most of the description is about the national baseline with little detail on the site level. We know that Mexico's National Forest Inventory has been ongoing for a number of years, and other carbon monitoring activities (e.g., GEO Forest Carbon Tracking demonstrator country) have been underway for several years. Please clarify what monitoring activities are part of the baseline, and the barriers to mitigation that this project is addressing. National efforts at FANP and CONAFOR are also mentioned. Please clarify what support currently is being provided in the watersheds that are to receive support.</p>	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>January 20, 2012</p> <p>Yes; cleared.</p> <p>January 3, 2012</p> <p>The incremental reasoning of this proposal should be strengthened in some areas. The new protected areas to be created, improved PA management, and decrease of financing gap for existing PAs are incremental above the baseline.</p> <p>The baseline activities in the watersheds are not clearly described in relation to the project. The project notes that the areas to be examined are "highly vulnerable" but does not discuss the degree to which SFM/REDD+ activities are underway. Therefore, it is somewhat difficult to assess the incremental nature of the LD/SLM, CCM, SFM measures. Moreover, significant funding is already flowing to Mexico for monitoring and Mexico has a well developed PES system. It is not clear what forest and carbon monitoring and technical assistance for sustainable land and forest management is occurring at these sites. The description in Component 2 does clarify that PES will be expanded into these watersheds.</p> <p>1. The revised PIF needs to more clearly describe the baseline of activities within the watersheds, even in general terms, and then describe how the project</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>(particularly the funding for monitoring, PES, and technical assistance for integrated land management) are incremental to this baseline.</p> <p>2. Please clarify how many existing PAs will receive support and what support: development of sustainable financing plans, flows from the funds, expansion in size? And there will be three new PAs that will cover 500,000 ha? Will financing plans also be developed for these (so 13 plans), or are they a subset of the 10 plans that are mentioned?</p> <p>3. As the PIF indicates, Mexico has a National Forest Inventory (NFI), which focuses on field plots. Mexico is a demonstrator country for GEO's Forest Carbon Tracker . And there is LIDAR and CLASlite as well. The text indicates that the additional monitoring activities supported with GEF funding will include establishing additional permanent plots for monitoring. Please clarify how the additional monitoring activities proposed here are synergistic with, but is incremental to, all these ongoing activities, and what additional information is being provided. Please briefly (no more than a few sentences) describe how these additional data will be used: for the PES system, at the watershed level, integrated into national data sets? Who is funding the data management and storage after collection?</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>April 12, 2012</p> <p>Thank you for making the edits to the PIF to reflect that fact that no GEF-CCM funds will be invested in endowments for this project. Only BD, LD, and SFM funds will be invested in endowments.</p> <p>April 5, 2012</p> <p>Thank you for adjusting the PIF to clarify that SFM financing will be invested in the CONAFOR endowment fund and that CC-M financing will be used for non-endowment financed activities. Two edits are needed. In component 2, "NON" needs to be added prior to "endowment for the use of CC-M funds."</p> <p>Thank you for other changes in the PIF. We clear if the above two changes are made.</p> <p>January 20, 2012</p> <p>Component 2 is still not sufficiently clear as to what activities the different GEF funding streams (CC-M, SFM, LD) will finance and how these activities relate to each other.</p> <p>a)\$8.75 mn in CC-M funding will be invested in a CONAFOR PES fund to generate multiple benefits. But then \$7.91 mn in SFM "non-endowment</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>resources" will "also be channeled to sustainable forest management and restoration/regeneration within watersheds." The PIF needs to explain what that these "non-endowment resources" are paying for and how this differs from what the PES component is funding. Please clarify if this is technical assistance to support the PES scheme.</p> <p>b) Please clarify in the PIF how the TA sub-grants to be funded through the FMCN fund relate to the CONAFOR PES scheme as well as to the "non-endowment" financed SFM activities. Are there two streams of technical assistance to be provided to those receiving PES payments? If so, please clarify why some is provided through payments from an endowed fund while the other is not.</p> <p>c) Please clarify in the PIF why CC-M funding is being invested in a "biodiversity fund." The PIF needs to clarify the CC-M focused objective of the CONAFOR fund and how funding flows from this fund will continue to address the CC-M objective after project completion. If the objective of the Fund is SFM, then another option to consider would be to invest the SFM resources in the CONAFOR fund and use CC-M resources for more direct CC-M purposes.</p> <p>d) The hectare estimates throughout the PIF need to be clarified, including in</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>Tables A and B. What is the total area of the watersheds? Please clarify and break out (i) the area of the 7 existing PAs and (ii) the estimate of the three new PAs. (Tables A and B and the text in component 2 are inconsistent.) Please also clarify the area outside of PAs that will be eligible for PES payments to generate carbon sequestration and other ecosystem services. (Does this total 700,000 ha?)</p> <p>f) Carbon monitoring is an important component of the project. Please mention it in section A.1.1.</p> <p>January 3, 2012</p> <p>Key aspects of the framework should be clarified. The revised PIF should make improvements in the following areas:</p> <ol style="list-style-type: none"> 1. Clarify the problem that the PIF is attempting to address, the objectives it aims to achieve, and then align interventions more clearly to these. Section B1 is not clear as several problems are listed but the proposed actions don't flow from them clearly. 2. Please include a better justification on the use of LD funding in Section A1.1, including a specific justification for LD3. As mentioned earlier, this objective is appropriate for SLM activities, but LD2 is more appropriate 	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>for SFM. In B1 and B2, please explain the sectoral problems of relevance to the LD focal area and the need for integrated management. In this section, please highlight the specific land-based production sectors that stand to benefit and what types of technical and organizational support the land owners will receive and at what aggregate level. Is the intent that watershed management plans will be the "integrated land management plans" mentioned as the output?</p> <p>3. In table B, or later in text, please break out the contributions from each focal area for funds listed for each component. (Note: CCM-5 funds should not be used to pay for biodiversity monitoring development nor climate change adaptation and vulnerability assessments.)</p> <p>4. Component 2 needs to be more clearly written. This would seem to be where integrated land management (under LD) and SFM components would be undertaken. Instead, the focus is on monitoring, adaptation, and creation of endowments. This section should more clearly describe how the project will seek to change behavior of local land owners, how capacity will be increased, etc. There should be a linkage between this component and component 4, which we believe is where involvement of local stakeholders is addressed. The</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>sections on monitoring in component 2 should be moved to component 3.</p> <p>5. Reforestation activities are listed in the text. Briefly list what types of regeneration are planned (such as natural, planting) and whether non-native species are to be used.</p> <p>6. Please include a paragraph describing in general the synergies gained by combining the proposed activities into one MFA project</p> <p>7. Please clarify the funds that will received GEF investment. At least two are mentioned, but other endowments are also mentioned.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>January 20, 2012</p> <p>Yes; cleared.</p> <p>January 3, 2012</p> <p>This PIF is built on the assumption that by providing landowners in the watersheds with financial incentives (through PES) and technical assistance, they will shift behavior to more sustainable patterns of land and forest management. The other is that watershed management will require collaboration between groups at the watershed level.</p> <p>Please provide estimates of carbon benefits for the planned activities.</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>These can be rudimentary Tier I estimate at the PIF stage, and describe the methodology and assumptions. Alternatively if the benefits from CCM funding are only a carbon measuring system, then be clear about the purpose of the system.</p>	
	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?</p>	<p>January 20, 2012</p> <p>Yes; cleared. Additional information is expected at time of CEO endorsement.</p> <p>January 3, 2012</p> <p>This needs improvement. The PIF emphasizes public participation, but please also include a description of what socioeconomic benefits might accrue from the project.</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>January 20, 2012</p> <p>Yes; cleared. Additional information about their role is expected at time of CEO endorsement.</p> <p>January 3, 2012</p> <p>Public participation and collaboration among "organized groups" and "participatory forums is emphasized, but please clarify what is meant by these terms and the range of stakeholders and sectors expected to be represented.</p>	
	<p>18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation</p>	<p>Jan 3, 2012</p> <p>Yes, it does. The PIF focuses quite a bit on how the project will contribute to</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	measures? (i.e., climate resilience)	climate change adaptation at the watershed level and that vulnerability considerations will inform project site selection and design.	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>April 5, 2012</p> <p>Thank you for explaining the linkage with Mexico's REDD+ Readiness Plan.</p> <p>January 20, 2012</p> <p>In the PIF, please explain how this project links with Mexico's REDD+ Readiness Preparation Plan (R-PP) funded by FCPF and other REDD+ activities. (This is what was requested in the final sentence in the comment below.)</p> <p>January 3, 2012</p> <p>The proposal strives to be well coordinated with protected area and climate change adaptation initiatives, but it is difficult to understand how it is coordinated with some on-going efforts on forest and carbon monitoring.</p> <p>Please clarify whether coordination with the GEF-4 project #4149, SFM Mitigating Climate Change through Sustainable Forest Management and Capacity Building in the Southern States of Mexico (There might be overlap in Campeche and Chiapas) and the GEF5 Fifth Operational Phase of the GEF</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		Small Grants Program in Mexico. Both these projects have local carbon measurements and PES. Also please briefly describe coordination with national REDD+ activities.	
	20. Is the project implementation/ execution arrangement adequate?	January 3, 2012 Yes. The arrangements seem adequate since four of the agencies engaged in biodiversity and SFM will all be engaged as project executors. One component is dedicated to improving inter-institutional collaboration among the four and with local groups at the watershed level.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	April 12, 2012 Thank you for changing table A so that the project management costs are apportioned across the focal area investments proportionately. January 3, 2012 Project management costs for the GEF funded component are \$1.7 million, or 4.5% of the GEF grant (before management costs are added.)	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	<p>24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?</p>	<p>April 5, 2012</p> <p>Thank you for clarifying what the co-financing will be used for. We clear on this.</p> <p>January 20, 2012</p> <p>It is not clear what the large amount of cofinancing for component 2 in table B is for. From the text, this appears to be for adaptation and other non-carbon benefit land management activities. Funding for adaptation and other activities may be listed as cofinancing, but if so, please create a separate row that would list outcomes and outputs related to adaptation/vulnerability and the related cofinancing amount. If any GEF financing is to support this, please clarify the focal areas where this funding is coming from. (it should not be CC-M funding.)</p> <p>January 3, 2012</p> <p>The levels of funding are very robust. It is not entirely clear what the co-financing in many cases will support. For example, objective 2 (connecting the landscape within watersheds) needs to be clearer in terms of what the GEF grant will fund and co-financing will support since it is supported with \$150 million total.</p>	
	<p>25. At PIF: comment on the indicated cofinancing;</p>	<p>January 20, 2012</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	At CEO endorsement: indicate if confirmed co-financing is provided.	<p>Yes, cleared.</p> <p>January 3, 2012 Co-financing listed represents a 5 to 1 ratio. Eighty six percent of the listed co-financing is in-kind, but we believe some of the co-financing listed as "in kind" should be listed as cash. The PIF also mentions that CONAFOR's co-financing (of \$143.8 million) will be derived from a \$300 million loan, so this seems to be cash co-financing. Please clarify.</p> <p>The relationship between this project and the work with CONABIO, Moore Foundation, Norwegian government, USAID, WHRC, The Nature Conservancy, etc. is not totally clear. Please clarify in the text. Is this part of the current co-financing? If so please list these groups in Table C.</p>	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>January 13, 2012</p> <p>Yes, cleared.</p> <p>January 3, 2012</p> <p>As stated in #25 above, the World Bank's co-financing is not entirely clear Is it that which is listed as CONAFOR's financing? Please note in Table C what financing is derived from a WB loan to the Government Agency concerned.</p>	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	<ul style="list-style-type: none"> • STAP? 		
	<ul style="list-style-type: none"> • Convention Secretariat? 		
	<ul style="list-style-type: none"> • Council comments? • Other GEF Agencies? 		
Secretariat Recommendation			
Recommendation at PIF Stage	<p>30. Is PIF clearance/approval being recommended?</p>	<p>April 12, 2012</p> <p>The World Bank has made all changes in the PIF or otherwise answered all of our questions as requested. We therefore clear on the PIF.</p> <p>April 5, 2012</p> <p>Only two adjustments are needed for this PIF to be cleared.</p> <p>First, the please fix the totals in Tables A, B, and C. The totals in A and B only reflect the management costs, not total. In C, the total is blank.</p> <p>Second, thank you for changing the way SFM and CC-M resources are invested. But under component 2, add "NON" prior to endowment for the use of CC-M resources. And in component 3, eliminate "endowment" after CC-M.</p> <p>January 20, 2012</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>No " please address the issues raised in comments #7, 14, 19, and 24 listed above.</p> <p>January 3, 2012</p> <p>We do not recommend this PIF for technical clearance at this time. We request that the Agency clarify the issues noted above.</p>	
	<p>31. Items to consider at CEO endorsement/approval.</p>	<p>April 12, 2012</p> <p>At CEO endorsement, please address the issues/comments listed in #10, 11, 16, and 17. Please also address the following comments:</p> <p>(a) Please give considerable attention to justifying cost-effectiveness on the use of GEF funds in the final document for CEO endorsement. \$11.53 million in GEF resources will be invested in PA expansion and narrowing the funding gap, which works out to \$9.6 invested per hectare. However, total CCM, LD, and SFM funding under component 2 (\$20.4 million) will improve management of only 823,220 hectares, for a cost of \$24 million hectare, which seems high. Please examine the feasibility of expanding the surface area of landscapes outside of PAs that can be brought under improved management through this project in order to make it more cost effective.</p> <p>(b)Further specify the innovative nature</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>of the multi-institutional collaborative framework mentioned in A.1.1.</p> <p>(c) The final project document must explain how the capital in the endowment fund will be sufficient to generate sufficient returns to provide sufficient payments for the protected areas or land owners. For the PES fund, it needs to explain how the level of payments was generated so as to be sufficient to change land owner behavior.</p> <p>(d) We believe that the monitoring program in component 3, which is focused on multiple benefits, will demonstrate well this project's innovative nature. Please provide more detail about how the comprehensive system will combine community-based and national monitoring systems.</p> <p>(e) The current leverage ratio between GEF and non-GEF resources going into endowment funds is 1:1 for BD, LD, and SFM resources.</p> <p>(f) Please clearly indicate in the document, preferably in a table, the resources (separated out between GEF and co-financing) that will be invested in endowments and for non-endowment activities. Please include a clear total for GEF funds invested in endowments and co-financing invested in endowments. We expect that CC-M</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		resources will not be invested in endowments.	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	January 03, 2012	
	Additional review (as necessary)	January 20, 2012	
	Additional review (as necessary)	April 05, 2012	
	Additional review (as necessary)	April 12, 2012	
	Additional review (as necessary)		

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

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments.