REQUEST FOR: CEO ENDORSEMENT

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

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PART I: PROJECT INFORMATION

Project Title: Strengthening the resilience of multiple-use protected areas to deliver multiple global environmental benefits			
Country(ies):	Nicaragua	GEF Project ID:[1]	5277
GEF Agency(ies):	UNDP	GEF Agency Project ID:	5125
Other Executing Partner(s):	Ministry of Environment and Natural Resources (MARENA)	Submission Date:	February 12, 2015
GEF Focal Area (s):	Multi-Focal Area	Project Duration(Months)	60
Name of Parent Program (if applicable): ➢ For SFM/REDD+ ☒ ➢ For SGP ☐ ➢ For PPP ☐		Project Agency Fee ($):	588,288

A. FOCAL AREA STRATEGY FRAMEWORK[2]

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount ($)*	Cofinancing ($)
BD-1	Outcome 1.1: Improved management effectiveness of 12 existing and 0 new protected areas	Output 1.1: New protected areas (0) and coverage (0) of unprotected ecosystems (12 existing multiple-use PAs covering 178,441.93 ha)	GEFTF	1,914,704	6,159,110
LD-3	Outcome 3.2: Integrated landscape management practices adopted by local communities	Output 3.1: Integrated land management plans developed and implemented	GEFTF	765,881	2,463,642
CCM-5	Outcome 5.1: Good management practices in LULUCF adopted both within the forest land and in the wider landscape	Output 5.2: Forests and non-forest lands under good management practices	GEFTF	1,963,799	6,317,036
SFM/ REDD-1	Outcome 1.2: Good management practices applied in existing forests	Output 1.2: Forest area (hectares) under sustainable management, separated by forest type	GEFTF	1,548,128	4,979,930
		Total project costs		**6,192,512**	**19,919,718**

* Applying the STAR flexibility mechanism of GEF-5 resources a total of US$230,900 of BD STAR allocation is being channeled to other focal areas as follows: US$161,310 for CCM-5 and US$69,590 for LD-3 inclusive of the corresponding contribution of each focal area to Project Management cost. Thus, for the FSP a total amount of US$1,914,704 of BD resources, US$765,881 of LD resources and US$1,963,799 of CC resources are being allocated. Amounts including fees are shown in Table D.

B. PROJECT FRAMEWORK

[1] Project ID number will be assigned by GEFSEC.
[2] Refer to the Focal Area Results Framework and LDCF/SCCF Framework when completing Table A.

Project Objective: Strengthened management effectiveness of multiple-use protected areas and the sustainable use of dry and humid forests in the wider landscape in western and north-central Nicaragua to ensure the flow of multiple ecosystem services, ensuring biodiversity conservation, sustainable land management, and climate change mitigation from land use change.

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount ($)	Confirmed Cofinancing ($)
1. Strengthened capacity and financial sustainability of the multiple-use protected areas (MUPAs) in dry forest and humid, semi-humid, and cloud forest landscapes of western and north-central Nicaragua	TA	- Improved management effectiveness of 12 existing MUPAs, measured by the METT scorecard: 1) Volcán Cosigüina Natural Reserve (NR): From 53 to 58; 2) Estero Padre Ramos NR: From 54 to 59; 3) Estero Real NR: From 38 to 42; 4) Apacunca Genetic Reserve: From 35 to 38; 5) Volcán Concepción NR: From 43 to 47; 6) Volcán Maderas NR: From 33 to 36; 7) Cerro Cumaica - Cerro Alegre NR: From 36 to 40; 8) Cerro Mombachito – La Vieja NR: From 13 to 14; 9) Sierra Amerrisque NR: From 33 to 36; 10) Macizos de Peñas Blancas NR: From 39 to 43; 11) Cerro Kilambé NR: From 39 to 43; and 12) Istmo de Istiam-Peña Inculta NR: From 33 to 36. - The threats facing 12 MUPAs (non-sustainable agriculture and cattle ranching, illegal logging, trade of vulnerable and endangered species, and forest fires) are reduced across an area of 178,441.93 hectares (ha): a) Forested area in the MUPAs (per type of ecosystem) remains unchanged by project end: i) Dry forest: 104,233 ha ii) Humid, semi-humid, and cloud forests: 21,436 ha b) Number of hectares of illegal logging of high value timber in two (2) MUPAs reduced by at least 10% (deforestation declines each year by 2.5%) (the baseline and target will be established	- **Planning and monitoring strengthened in 12 MUPAs through:** a) Approved management plans for 12 existing MUPA, defining conservation measures to address threats; defining sustainable off-take limits and specifying management targets, and indicators of success and needs for delivering protected area (PA) functions. b) Procedures, roles and responsibilities defined for monitoring, surveillance, and enforcement of sustainable off-takes for forest products, and land use prescriptions for grazing, agriculture, and other acceptable production activities. c) Information system for sustainable use and management (forest products, agriculture, and grazing) and conservation in MUPAs strengthens decision-making processes and facilitates compliance and monitoring of threats to biodiversity. **- Management and enforcement framework in place for 12 MUPAs:** a) Capacity built within MARENA to effectively deliver PA management functions across MUPAs in dry forest and humid, semi-humid, and cloud forest landscapes. b) Multi-sectoral collaborative agreements for shared management of MUPAs define access areas for sustainable use of forest products and offtakes, biodiversity-	GEFTF	3,133,527 BD: 1,823,527 CCM: 1,310,000	12,330,430

		during the first year of project implementation, the species to be assessed are included): i) Cerro Kilambé NR: Sweetgum (*Liquidambar styraciflua*) and mahogany (*Swietenia macrophylla*) ii) Volcán Cosigüina NR: White Mangrove (*Laguncularia racemosa*) c) Reduction by 50% in the trade of vulnerable or endangered species: i) Orange-fronted parakeet (*Aratinga canicularis*): From 35 to 17 individuals seized as recorded by PA rangers in each MUPA/year ii) Pacific parakeet (*Arantinga strenua*): From 41 to 20 individuals seized as recorded by PA rangers in each MUPA/year iii) Black iguana (*Ctenosauria similis*): From 51 to 25 individuals seized as recorded by PA rangers in each MUPA/year d) Reduction in forest fires reported in the dry forest MUPAs from 109 events per year to 87 events per year. - Reduced vulnerability of threatened BD: a) Continued presence of indicator species of biological group (birds and plants): i) <u>Dry forest</u>: a) Birds: 2 species (*Procnias tricarunculata, Calocita formosa*); b) Plants: 2 species (*Albizia saman, Laguncularia racemosa*) ii) <u>Humid, semi-humid, and cloud forest</u>: a) Birds: 2 species	friendly production methods, agreed-to management measures, and monitoring and enforcement mechanisms. c) Strengthening of enforcement (targeting illegal logging, trade of vulnerable and endangered species, uncontrolled slash-and-burn); improved national and local PA authorities' information systems for monitoring threats; protocols for patrolling and reporting malfeasance; capacity to sanction infractions. d) Sustainable production practices to prevent deforestation in the buffer zones of PA **- Finance in place for 12 multiple-use PAs:** a) New financial resources available for PA management derived from government and private funds (i.e., PAs visitors' entry fees – Law 807/2012), and funds leveraged by MUPA management partners (NGOs, private sectors, local governments), among other sources. b) Effective deployment of funds and human resources to address threats to multiple-use PAs. c) Cost-effective administration (including financial management and personnel administration) at MARENA's Headquarters and in Local Territorial Delegations.			

		(Pharomachrus mocinno, Vermivora chrysoptera); b) Plants: 2 species (*Quercus pubescens, Swietenia macrophyll*) - Change in the capacity of MARENA staff, measured by capacity development indicators (UNDP Capacity Development Scorecard: 30 officials trained, including women): a) MARENA Headquarters: from 81% to 90%. b) MARENA's Local Territorial Delegations: i) Rivas: from 62% to 77%; ii) Jinotega: from 60% to 75%; iii) Boaco: from 44% to 59%; iv) Chontales: from 44% to 59%; v) Chinandega: from 51% to 66%. - X ha in good management practices in LULUCF[3] adopted in buffer zones of 12 MUPAs, including 2,500 ha in agroforestry and silvopastoral systems (the target will be established during the first year of project implementation) - Decrease from $1,968,039 USD to $610,667 USD in the financial gap to cover the basic management costs of 12 MUPAS as a result of new financial resources after 5 years. - Total budget (USD) per year available for the management of 12 MUPAs by financial source after 5 years: 1) National government: From $100,861.95 to $121,034 (increase in 20% after 5 years); 2) Local government (municipalities): From $280,282 to $336,338			

[3] LULUCF: good management practices with local communities to develop alternative livelihood methods to reduce emissions and sequester carbon, including agroforestry systems to build sinks on agricultural lands while allowing food production, and practices that sustain fertility in soils to prevent the cultivation of new lands currently under forest or other non-agricultural vegetation.

		(increase in 20% after 5 years); 3) Generated revenues (visitors fees): From $0 to $300,000 after 5 years (average of $60,000/year); and 4) Private sources (NGO, private sector, others): From $7,000 to $600,000 USD after 5 years (average of $120,000/year).				
2. Multiple global environmental benefits generated through sustainable forest and land management outside MUPAs	TA	- Ecosystem structure and functionality of tropical dry, humid, semi-humid, and cloud forests strengthened through the consolidation of 4 biological corridors improved through: a) Area (ha) of biological corridors consolidated to improve connectivity between existing MUPAs and endangered tropical forest habitat in productive landscapes: i) <u>Dry forest</u>: 25,000 ha (including 1,000 ha rehabilitated, 1,250 ha in agroforestry and silvopastoral systems, and sustainable watershed management plans and integrated farm management plans) ii) <u>Humid, semi-humid, and cloud forest</u>: Humid, semi-humid, and cloud forest: 30,000 ha (including 1,000 ha rehabilitated, 1,250 in agroforestry and silvopastoral systems, and 399.55 ha of avoided deforestation and integrated farm management plans) b) Continued presence of indicator species in the biological corridors: i) <u>Dry forest</u>: Golden-mantled Howling Monkey (*Alouatta palliata*); and b) Black Iguana (*Ctenosaura similis*) ii) <u>Humid, semi-humid,</u>	**- Land use planning, monitoring and enforcement strengthened in landscapes around MUPAs:** a) Strengthened institutional capacity of national and regional officials and field personnel to support the sustainable management and conservation of dry and humid forest production landscapes, the use of SFM/REDD+ methodologies, the quantification and evaluation of carbon (C) flows, and the development of strategies to conserve BD. b) Training and logistical support provided to municipal environment authorities, for implementing SFM, SLM, and CC mitigation measures, as well as their enforcement capabilities: compliance monitoring with land use planning structures; spatial and field surveys and other surveillance measures to assess compliance; and improved policing and capacity to sanction infractions. c) Municipal-level GIS mapping tool of SFM/SLM and BD benefits guide the development and implementation of land use plans and ecological zoning for the consolidation of biological corridors connecting	GEFTF	2,764,104 LD: 729,411 CCM: 560,285 SFM/REDD: 1,474,408	6,634,015

		and cloud forest: Quetzal (*Pharomachrus mocinno*); and Tapir (*Tapirus bairdi*) c) Restored carbon stocks of threatened tropical forests at the end of 5 years (natural rehabilitation of degraded areas, agroforestry, and silvopastoral systems): i) Dry forest: 26,862 tCO_2-eq (1,000 ha rehabilitated) ii) Humid, semi-humid, and cloud forest: 35,816 tCO_2-eq (1,000 ha rehabilitated) d) Sustained water flows (m^3/sec) in 10 prioritized watersheds as measured by water gauges to be installed in the prioritized rivers during the first year of the project (the baseline will be established during the first year of project implementation, the prioritized watersheds are mentioned): 1) Istiam River (Basin 69): X; 2) Mayales River (Basin 69): X; 3) Fonseca River (Basin 69): X; 4) Estero Real River (Basin 58): X; 5) Tuma River (Basin 55): X; 6) Cúa River (Basin 53): X; 7) Bocay River (Basin 53): X; 8) Aquespalapa River (Basin 58): X; 9) Viejo River (Basin 64): X; and 10) El Obraje River (Basin 64): X. e) Reduction by 20% in the annual average loss of soil (from 30.0 t/ha/year to 24.0 t/ha/year) in prioritized areas as a result of the implementation of integrated farm management plans in dry lands. - Avoided emissions (tCO_2-e) from deforestation in a humid, semi-humid, and	MUPAs. d) Municipal-level monitoring and enforcement systems facilitate decision-making and the assessment of SFM/SML and BD benefits in dry and humid forest landscapes **- Integrated farm management delivers multiple global environmental benefits:** a) Integrated farm management plans specifying the spatial and temporal arrangements of different land uses across farms in dry and humid forest landscapes allow farmers to improve on-farm sustainability (including the implementation of agroforestry and silvopastoral systems) and improved ecosystem connectivity: b) Two thousand hectares (2,000) of dry and humid forests set asides enhanced through natural rehabilitation of degraded areas. **- Performance-based compensation mechanism for the wider landscape in place:** a) One performance-based compensation mechanism in multiple-use PA landscapes by means of ENDE/REDD+ provide a utilitarian incentive for the conservation of humid forest blocks covering 30,000 ha.			

		cloud forest landscape during a 5-year period: 137,127 tCO_2-e. - Avoided deforestation (ha) at the end of the project: 399.55 ha. - X number of sustainable production initiatives (beneficiaries differentiated by gender) that contribute to the reduction of deforestation for the GEF-funded National Strategy for Avoided Deforestation (ENDE)-REDD+ pilot project (target will be determined during the first year of project implementation) - Change in the capacity of the municipal staff and communities measured by capacity development indicators (UNDP Capacity Development Scorecard: 270 municipal officials and local communities trained, including women): a) Municipalities: from 37% to 50% (average for 16 municipalities; individual baseline scores are included in Annex 8.8 of the Project Document): b) Local communities: from 15% to 30% (average for 16 CSOs; individual baseline scores are included in Annex 8.8. of the Project Document).				
			Subtotal		5,897,631	18,964,445
			Project management Cost (PMC)[4]	GEFTF	294,881	955,273
			Total project costs		**6,192,512**	**19,919,718**

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME ($)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount ($)
National Government	National Forestry Institute (INAFOR)	In-kind	2,500,000

[4] PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

National Government	Nicaraguan Tourism Institute (INTUR)	In-kind	11,200,000
National Government	Ministry of Families, Community, Co-operatives, and the Associative Economy (MEFCCA)	Cash	655,000
National Government	Ministry of Families, Community, Co-operatives, and the Associative Economy (MEFCCA)	In-kind	655,000
National Government	Ministry of Environment and Natural Resources (MARENA)	Cash	2,287,359
National Government	Ministry of Environment and Natural Resources (MARENA)	In-kind	2,287,359
GEF Agency	UNDP	Cash	285,000
GEF Agency	UNDP	In-kind	50,000
Total Co-financing			**19,919,718**

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY[1]

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in $)		
				Grant Amount (a)	Agency Fee (b)[2]	Total c=a+b
UNDP	GEF TF	BD	Nicaragua	1,914,704	181,897	2,096,601
UNDP	GEF TF	LD	Nicaragua	765,881	72,759	838,640
UNDP	GEF TF	CCM	Nicaragua	1,963,799	186,561	2,150,360
UNDP	GEF TF	SFM/REDD+	Nicaragua	1,548,128	147,071	1,695,199
Total Grant Resources				**6,192,512**	**588,288**	**6,780,800**

[1] In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

[2] Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount ($)	Cofinancing ($)	Project Total ($)
International Consultants	34,300	0	34,300
National/Local Consultants	263,850	0	263,850

G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF[5]

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.: NA

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities. NA

A.3 The GEF Agency's comparative advantage: NA

[5] For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter "NA" after the respective question.

A.4. The baseline project and the problem that it seeks to address: NA

A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project: NA

A. 6. Changes from PIF Stage

1. The project design is closely aligned with the original PIF. The project's strategy, including the structure of the project components, closely resembles the PIF that was approved by the GEF. The following changes were made, which do not represent a departure from the project's strategy as defined originally in the PIF and it will not have an impact on the funds (GEF and co-financing) originally budgeted.

PIF Outputs (Component 1)	Project Document Outputs (Component 1)
Planning and monitoring strengthened in 11 multiple-use PAs (MUPA) *Management and enforcement framework in place for 11 MUPAs* *Finance in place for 11 MUPAs*	*Planning and monitoring strengthened in 12 multiple-use PAs (MUPA)* *Management and enforcement framework in place for 12 MUPAs* *Finance in place for 12 MUPAs* One additional MUPA was included in the project. This area is called the Istiam Peña Inculta Wetland Wildlife Refuge (1,767 ha) and is part of the Lake Nicaragua Island Corridor. The Istiam Peña Inculta Wetland Wildlife Refuge was established in 2013 an included as part of the Ometepe Biosphere Reserve (listed in 2010); together with the Volcán Concepción Natural Reserve and the Volcán Maderas Natural Reserves they constitute the core zone of the the Ometepe Biosphere Reserve. The Istiam Peña Inculta Wetland Wildlife Refuge is strategically located and provides protection for the lowland dry forest ecosystems between the two volcanos as well as connectivity with the lower and upper montane dry and humid forests.
Not included	*Sustainable production practices to prevent deforestation in the buffer zones of protected areas.* This new project output was included to promote sustainable production practices in the buffer zones of the project's 12 MUPAs. Activities such as agroforestry or other activities that mix enhanced forest cover with production activities will contribute to the integration of tropical forest into the multifunctional landscape of the MUPAs, thereby contributing to biodiversity conservation and ecosystem connectivity while at the same time providing a source of livelihood for the local people living within the buffer zones. In addition, sustainable production practices will include: a) agroforestry and silvopastoral systems in at least 2,500 ha to build carbon sinks on agricultural lands, and b) practices that sustain fertility in soils to prevent the cultivation of new lands within PA buffer zones currently under forest cover. These activities are in line with GEF guidelines for the LULUCF sector under the CCM-5 Objective for climate change mitigation. Thus, to finance these activities, $1,310,000 USD CCM-5 funds allocation was transferred from project

	Component 2 to Component 1. Since the 12 MUPAs and their buffer zones are integral parts of the four prioritized landscapes (i.e., biological corridors), the expected global environmental benefits will still be delivered (improved carbon stocks), and ecosystem connectivity will be enhanced.
New financial resources available for PA management derived from government and private funds (i.e., PAs visitors' entry fees – Law 200/2012), REDD+ incentives, and funds leveraged by MUPA management partners (NGOs, private sectors, local governments), among other sources.	*New financial resources available for PA management derived from government and private funds (i.e., PAs visitors' entry fees – Law 807/2012), and funds leveraged by MUPA management partners (NGOs, private sectors, local governments), among other sources.* A clarification was made that the law that is related to the PA visitor entry fees, which the project will implement to support the MUPAs' financial sustainability, is not Law 200/2012 (as was initially stated in the PIF) but rather Law 807/2012. In addition, REDD+ incentives will not be included as part of the new financial resources available for PA management since carbon credits derived from the GEF-funded ENDE-REDD+ pilot project will not be sold in the carbon market in accordance with the policies of the government of Nicaragua.
PIF Outputs (Component 2)	Project Document Outputs (Component 2)
Financial mechanism for the wider landscape in place	*Performance-based compensation mechanism for the wider landscape in place* Performance-based compensation as part of the GEF-funded ENDE-REDD+ pilot project will not come from the sale of carbon credits in the market. Instead, compensations will be made through FONADEFO, which is a financial mechanism administered by INAFOR that provides resources for the following: a) support forestry programs and projects for SFM, b) increase economic development, c) conserve natural resources, d) develop markets for PES, and e) protect the environment. Performance-based compensation to the GEF-funded ENDE/REDD+ pilot project's local beneficiaries (landowners, including women) will include a forest conservation incentive, including production inputs or plant material, technical assistance and training, and the cost of monitoring and follow-up, among other non-monetary benefits.

A.7. Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks: NA

A.8. Coordination with other relevant GEF financed initiatives: NA

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation:

2. During the PPG phase of the project, key national and local stakeholders participated in planning and project design workshops and several smaller focus group sessions and meetings. Other participants included the project team, UNDP CO, and staff from the MARENA. Descriptions of the PPG phase participatory process are presented below.

3. Project Results Framework Workshop. The Results Framework Workshop was held from June 24-25, 2014, in the city of Managua. The objectives of this workshop were: a) to define the Results Framework, including the revised project outputs, indicators, baseline information, goals, verification mechanisms, and assumptions; b) to develop the

preliminary definition of the project's activities for each outcome/output; c) to define a preliminary budget for the project, including the co-financing; and d) to update the PPG phase Work Plan.

4. The participants in the PPG Phase Inception Workshop included staff from MARENA, UNDP CO, and the PPG project team.

Stakeholder Participation Plan for the Project Implementation Phase

5. Objectives of the Stakeholder Participation Plan: The creation of the stakeholder participation plan had the following objectives: a) to validate with local stakeholders, the proposed project activities, including the results framework; b) to identify the basic roles and responsibilities of the main participants in the project; c) 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 d) to identify key instances in the project cycle where stakeholder involvement would occur. The ultimate purpose of the stakeholder participation plan will be the long-term sustainability of the project outcomes, based on transparency and the effective participation of the key stakeholders.

6. During the PPG phase, multiple stakeholders were involved in the project design process, including local governments (municipal environmental units, members of municipal councils, and Deputy Mayors), local offices of government agencies (Farming and Forestry Ministry [MAGFOR], MARENA, National Institute of Technology [INATEC], Ministry of Families, Community, Co-operatives and the Associative Economy, Ministry of Health, National Water Authority, and Nicaraguan Institute for Farming Technology), universities, agriculture and cattle-ranching sectors, rural teachers, local NGOs, and 16 community organizations. The participants came from the core and buffer zones of the 12 MUPAs and from within the four biological corridors that are prioritized by the project. Their knowledge about local environmental and social factors aided the identification of activities that will contribute to the consolidation of the biological corridors and the effective management of the MUPAs.

Summary of Stakeholder Roles in Project Implementation:

Stakeholders	Project Implementation Role	Role in relation to Components
Ministry of Environment and Natural Resources (MARENA)	MARENA manages the NSPA and will guide and provide support for all actions related to SFM, biodiversity conservation, PA management, reduction of land degradation, and CC mitigation (Components 1 and 2). It is the project's Executing Entity. MARENA's Local Territorial Delegations are the governing bodies of the PAs at the local level. The Local Territorial Delegations of Rivas, Jinotega, Boaco, Chontales, and Chinandega will play a central role in the development and implementation of the planning, management, monitoring, and enforcement frameworks for the 12 MUPAS prioritized by the project (Component 1). These MUPAs will benefit through training, equipment, and the implementation of information management tools for improving MUPA management effectiveness.	C1 and C2
Municipalities (15)	The municipalities (Wiwili, El Cua, Somotillo, Villanueva, Morazán, El Viejo, San José, Camoapa, Boaco, Santa Lucía, Comalapa, Juigalpa, Cuapa, Moyogalpa, and Altagracia) will actively participate in the planning and management of the MUPAs and their associated biological corridors (Component 1); these efforts will bring local benefits through biodiversity conservation and a sustainable flow of goods and services. The municipalities will be direct beneficiaries of the project in terms of receiving training in REDD+, SFM, SLM, and biodiversity conservation. By project's end, the municipalities will be equipped with the technical tools (GIS-mapping tool and monitoring and enforcement system) to support decision-making and the assessment of SFM, SLM, and biodiversity conservation in dry and humid forest landscapes (Component 2).	C1 and C2
Civil Society Organizations	The CSOs include Family, Community, and Life Cabinets, which play a key role in the monitoring and control of PAs and their buffer zones, and serve as	C1

(CSOs)	liaisons between the PA authorities and community members (Component 1). In addition, NGOs such as the Centro de Entendimiento con la Naturaleza (CEN) provide support to PA management and may be part of multi-sectoral collaborative agreements for the shared management of MUPAs (Component 1).	
Local communities, including farmers	Local communities living within the prioritized landscapes will actively participate in the development and updating of the MUPAs' management plans, as well as in defining procedures, roles, and responsibilities for monitoring, surveillance, and enforcement of sustainable off-takes for forest products, and land use prescriptions for grazing, agriculture, and other acceptable production activities (Component 1). In addition, through Component 2, local communities (including men and women farmers) will implement BMPs to improve soil productivity, maintain forest coverage, and conserve biodiversity, including the implementation of sustainable agroforestry and silvopastoral systems. The local communities will be the beneficiaries of training, technical assistance, and performance-based compensation as a result of the implementation of a GEF-funded ENDE-REDD+ pilot project.	C1 and C2
Universities	Universities involved with the project include the Universidad Centroamericana of Nicaragua (UCA), National Autonomous University of Nicaragua (UNAN), and the National Agrarian University (UNA). These universities will play a central role in strengthening the capacity of MARENA's staff, including the Local Territorial Delegations (Rivas, Jinotega, Boaco, Chontales, and Chinandega) and PA staff, in planning, management, financial sustainability, and monitoring of PAs and biodiversity conservation (Component 1). In addition, the universities will provide technical support to the municipalities for the development of municipal-level planning, monitoring and enforcement systems to facilitate the assessment of SFM, SLM and biodiversity benefits and the GEF-funded ENDE-REDD+ pilot project MRV system (Component 2).	C1 and C2
Private sectors	The private sectors include cooperatives or producer associations (agriculture and cattle-ranching) and tourism businesses associated with the PAs. These groups will be part of the multi-sectoral collaborative agreements and management committees that supervise biodiversity conservation, support the effective management of the MUPAs considering the wider landscape, and ensure compliance with the sustainable use of forest products and off-takes and the use of biodiversity-friendly production methods (Component 1).	C1
Attorney General's Office, the National Police, and the Army	These control and enforcement agencies will protect and provide support for the actions of government agencies and will investigate violations of environmental laws and regulations. The Army is the main provider of logistics for fire suppression operations. These agencies will provide support for the enforcement of sustainable off-takes for forest products, and land use prescriptions for grazing, agriculture, and other acceptable production activities in the MUPAs (Component 1). Additionally, these agencies will participate in the development of an operational handbook for the prevention and control of environmental violations in MUPAs.	C1
Farming and Forestry Ministry (MAGFOR) and the National Forestry Institute (INAFOR)	The coordination of actions with MAGFOR and INAFOR will promote SFM and SLM and improve the management effectiveness of buffer zones of MUPAs (Component 2). As part of the institutional framework for the readiness and implementation of the ENDE-REDD+, MAGFOR/INAFOR will play a central role in providing technical support for implementation and monitoring of the GEF-funded ENDE-REDD+ pilot project (Component 2). In addition, performance-based compensation, as part of the GEF-funded	C2

	ENDE-REDD+ pilot project, will be made through FONADEFO, which is a financial mechanism administered by INAFOR for fundraising and management of financial resources to support forestry programs and projects to promote SFM, increase economic development, conservation of natural resources, develop markets for PES, and the protection of the environment.	

7. Participation Mechanisms: Three key phases for stakeholders' participation have been identified for the implementation phase of the project: planning, implementation, and evaluation. **Project planning** will include annual meetings with key stakeholders (local communities, municipal authorities, private sectors, etc.) during which annual goals will be set for each component of the project. These annual planning meetings will also serve to specify the activities that are to be funded through each co-financing source. **Project implementation** will take place according to the annual plans that are approved by the SC, which will be formed by the following agencies: MARENA, MARENA's Territorial Delegations in Jinotega, Boaco, Chontales, Rivas, and Chinandega, and the UNDP CO. The UNDP CO will be the Executing Agency. Local stakeholders (e.g., municipalities; Family, Community, and Life Cabinets; and members of collaborative management committees) will influence the project through their participation in the implementation of specific activities. **Project evaluation** will occur annually with the participation of key stakeholders at the end of each planning year and previous to defining the annual plan for the following year of project implementation. Also, mid-term and final evaluations will be carried out as part of the project cycle. Due to the independent nature of these evaluations, they will be key moments during the project's life when stakeholders can express their views, concerns, and assess whether the project's outcomes are being achieved and if necessary, define the course of correction.

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

8. The majority of the population residing in the dry region of Nicaragua is economically disadvantaged, particularly the rural communities where 63.3% are classified as impoverished. The project will benefit approximately 1,500 families, 250 of whom have women as heads of households in the MUPA landscapes. This will be achieved through: a) the equitable distribution of benefits through FONADEFO, which are derived from performance-based compensation associated with a GEF-funded ENDE/REDD+ pilot project); the training of local community members, including women, in the implementation of ENDE-REDD+ practices, sustainable forest and land management, and conservation and sustainable use of biodiversity; c) improved agroecological conditions in MUPA landscapes (including 2,500 ha of sustainable agroforestry and silvopastoral systems) that will help to increase productivity, restore degraded soils, and regulate local water flows while at the same time improving the livelihood for farmers and their families; and d) the restoration and enhancement of 2,000 ha of tropical forest with native species that will serve as energy and timber sources for local use and income generation. In the PIF it was reported that there were 25 families from indigenous communities living in the prioritized landscapes; however, during the local consultation process of the PPG, which included interviews and meetings with municipal environmental units, members of municipal councils, deputy mayors of the 16 municipalities, representatives from the local offices of government agencies (e.g., MAGFOR, MARENA, INATEC, ANA, Ministry of Families, Community, Co-operatives and the Associative Economy, Ministry of Health, and INTA), farmers, local NGOs, and 16 community organizations, it was confirmed that there are no members of indigenous communities living the 12 MUPAs or their surrounding landscapes.

9. Members from at least 30 communities and 15 local government authorities will benefit from training for the implementation of landscape management tools (i.e., agroforestry and silvopastoral systems) in the prioritized tropical dry forest and humid/semi-humid forest corridors. Through the protection and improvement of tropical forest cover and the promotion of activities geared towards implementing land use best practices, the project will help to reduce the vulnerability of local communities to extreme natural events that are related to climate change and variability. Finally, the development of sustainable management plans for the tropical dry forest area in 10 watersheds will help to reverse the population's current and future deficit of available water and improve the economy of the Pacific region of Nicaragua. The local communities whose vulnerability to extreme events will be reduced, and the residents of the 10 watersheds whose water supply will be sustained include rural and urban mestizo communities (up to 776,050 men and 636,950 women) who live in the 15 municipalities that overlap with the four biological corridors and 10 watersheds included in the project.

B.3. Explain how cost-effectiveness is reflected in the project design:

10. The multifocal GEF strategy for strengthening the management effectiveness of MUPAs and the sustainable use of dry and humid forests in selected landscapes in western and north-central Nicaragua to ensure the flow of multiple ecosystem services will be more cost-effective in the short and long terms than the alternative approach, in which a weak institutional framework and limited planning and management capacities will prevail, thereby preventing the delivery of global environmental benefits. In line with the GEF Council's guidance on assessing the cost-effectiveness of projects (Cost-Effectiveness Analysis in GEF Projects, GEF/C.25/11, April 29, 2005), a qualitative approach to identifying the alternative with the best value and feasibility for achieving the project objective was used.

11. A strategy to improve management in order to increase the conservation, sustainable use of biodiversity, and maintenance of the ecosystem services of 12 existing MUPAs (Component 1) is likely to be far more cost-effective in the long term than the alternative approach that relies on a limited institutional and individual capacity for effective MUPA management and for reducing current threats to biodiversity. If this project is not implemented, the scenario that will prevail is one where the expansion of agriculture, cattle-ranching, and other non-sustainable land use practices will continue to contribute to the loss and degradation of the tropical dry and tropical humid forest ecosystems within the PAs. Additionally, the financial sustainability of the MUPAs will continue to lag behind in conservation and management needs and the MUPAs will continue to rely mostly on limited government funding. By strengthening the institutional capacity of MARENA at the national (Headquarters) and local levels (Territorial Delegations) through capacity-building for MUPA management and implementation of planning, monitoring, and enforcement strategies and tools to reduce threats (illegal logging, trade of vulnerable and endangered species, uncontrolled slash-and-burn adaptation), the GEF alternative will remove the barriers that limit effective MUPA management and the conservation of globally important biodiversity.

12. The return on investment of the GEF alternative with regard to improved MUPA management includes strengthening of procedures, roles, and responsibilities for surveillance and monitoring of sustainable uses and limits to natural resources extraction within the MUPAs, as well the establishment of multi-sectorial collaborative agreement that will sustain stakeholder participation in MUPA management. This strategy will reduce potential conflicts with MUPA users, which may prove to be costly in terms of the effort that will be required to overcome them, thereby undermining management effectiveness. In addition, the use of multiple tools and strategies to improve MUPA management will provide lessons learned and best practices for future management approaches, which may lead to cost savings throughout the NSPA. The implementation of an information system for sustainable use and management and conservation in MUPAs that will facilitate monitoring of threats to biodiversity will be cost-efficient since it will be articulated with the SINIA-MARENA and the National Biodiversity Information System, making use of already established protocols for data-gathering, database development, data processing, and reporting. This constitutes a lower investment than if the information system for sustainable use and management and conservation in MUPAs were to be developed outside of the already established national information systems environment.

13. The project's approach to the financial sustainability of the MUPAs will include securing new financial support from different sources including government and private funds, and funds leveraged by MUPA management partners. Government funding will include the implementation of Law 807/2012 regarding PAs visitors' entry fees, which will increase MUPA revenues from tourism. The project will build on the country's increasing tourism industry to attract more visitors to the MUPAs, and will develop the administrative procedures to ensure a more effective reinvestment of visitor revenues and related fees to help cover the management costs. Currently, MARENA is not taking advantage of these financial mechanisms to support MUPA management, or they are inefficiently implemented such as in the case of PA entry fees. Without the project, it is very likely that will this will continue to be the case with limited biodiversity conservation benefits.

14. The strategy to deliver multiple global environmental benefits through SFM and SLM outside MUPAs (Component 2), rather than the alternative ("business as usual"), will ensure the effective cooperation between national environmental authorities, local environmental authorities, local communities, and farm owners, generating benefits regarding biodiversity, forest, and soil conservation, and climate change mitigation. The return on investment includes the avoided deforestation of tropical humid forest to be protected through a GEF-funded ENDE-REDD+ pilot project during a 5-year period (30,000 ha), which otherwise would have been lost given that the alternate scenario does not consider effective mechanisms to reduce deforestation. In addition, the alternate scenario does not consider the development of land use planning strategies at the landscape and farm levels to address non-sustainable forest and land

management in the prioritized landscapes and to guarantee the flow of ecosystem services, including improved ecosystem connectivity, reduction of GHG, stable carbon stocks, stabilization and conservation soils, reduction of erosion, water regulation and storage, and improved quality of life for the local communities and famers. The GEF-funded ENDE-REDD+ pilot project, to be implemented through Component 2, will employ principles and procedures that are being defined in the country within the National Strategy for Avoided Deforestation (ENDE) context as outlined in Nicaragua's R-PP, including the financial mechanism to be administered by FONADEFO; thus, contributing to national efforts counted towards reducing deforestation. In this context, the GEF-funded ENDE-REDD+ pilot project (nested within ENDE) has been conceived, in addition to delivering benefits locally, as an specific GEF investment that will generate lessons learned and tools that will contribute to the implementation of ENDE in other landscapes around the country in the near future.

C. DESCRIBE THE BUDGETED M &E PLAN:

15. Project monitoring and evaluation (M&E) will be conducted in accordance with the established UNDP and GEF procedures and will be provided by the project team and the UNDP-CO with support from the UNDP/GEF RCU in Panama City. The Project Results Framework in Annex A provides performance and impact indicators for project implementation along with their corresponding means of verification. The M&E plan includes an inception report, project implementation reviews, annual review reports, mid-term and final evaluations, and audits. The following sections outline the principle components of the M&E plan and indicative cost estimates related to M&E activities. The project's M&E plan will be presented and finalized in the Project Inception Report following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

Project Inception Phase

16. A **Project Inception Workshop** (IW) will be held within the first three (3) months of project start-up with the full project team, relevant Government of Nicaragua counterparts, co-financing partners, the UNDP-CO, and representation from the UNDP-GEF RCU, as well as UNDP-GEF headquarters as appropriate.

17. A fundamental objective of this IW will be to help the project team to understand and take ownership of the project's goal and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the Project Results Framework and GEF Tracking Tools (BD, LD, CCM, and SFM/REDD+). This will include reviewing the results framework (indicators, means of verification, and assumptions), imparting additional detail as needed, and on the basis of this exercise, finalizing the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project.

18. Additionally, the purpose and objective of the IW will be to: a) introduce project staff to the UNDP-GEF team that will support the project during its implementation, namely the CO and responsible RCU staff; b) detail the roles, support services, and complementary responsibilities of UNDP-CO and RCU staff in relation to the project team; c) provide a detailed overview of UNDP-GEF reporting and M&E requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Project Report (APR), as well as Mid-term and Final evaluations. Equally, the IW will provide an opportunity to inform the project team on UNDP project-related budgetary planning, budget reviews including arrangements for annual audit, and mandatory budget re-phasings.

19. The IW will also provide an opportunity for all parties to understand their roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines and conflict resolution mechanisms. The Terms of Reference (ToR) for project staff and decision-making structures will be discussed, as needed, in order to clarify each party's responsibilities during the project's implementation phase. The IW will also be used to plan and schedule the Tripartite Committee (TC) Reviews.

Monitoring Responsibilities and Events

20. A detailed schedule of project review meetings will be developed by the project management in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: a) tentative timeframes for TC Reviews, Steering Committee (or relevant advisory and/or coordination mechanisms); and b) project-related M&E activities.

21. **Day-to-day monitoring** of implementation progress will be the responsibility of the TPC based on the project's AWP and its indicators, with support of the M&E Expert of the Project. The TPC will inform the UNDP-CO of any

delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion. The TPC will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the IW with support from UNDP-CO and assisted by the UNDP-GEF RCU. Specific targets for the first-year implementation progress indicators together with their means of verification will be developed at this workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the AWP. Targets and indicators for subsequent years will be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

22. Measurement of impact indicators related to global benefits will occur according to the schedules defined through specific studies that are to form part of the project's activities and specified in the Project Results Framework.

23. **Periodic monitoring** of implementation progress will be undertaken by the UNDP CO through quarterly meetings with the project implementation team, or more frequently as deemed necessary. This will allow parties to take stock of and to troubleshoot any problems pertaining to the project in a timely fashion to ensure the timely implementation of project activities. The UNDP CO and UNDP-GEF RCU, as appropriate, will conduct yearly visits to the project's field sites, or more often based on an agreed upon schedule to be detailed in the project's Inception Report and AWPs to assess first-hand project progress. Any other member of the Steering Committee can also take part in these trips, as decided by the Steering Committee. A Field Visit Report will be prepared by the UNDP CO and circulated no less than one month after the visit to the project team, all Steering Committee members, and UNDP-GEF.

24. **Annual monitoring** will occur through the TC Reviews. This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to TC review at least once every year. The first such meeting will be held within the first twelve (12) months of the start of full implementation. The project proponent will prepare an APR and submit it to UNDP CO and the UNDP-GEF regional office at least two weeks prior to the TC for review and comments.

25. The APR will be used as one of the basic documents for discussions in the TC. The TPC will present the APR to the TC, highlighting policy issues and recommendations for the decision of the TC participants. The TPC will also inform the participants of any agreement reached by stakeholders during the APR preparation on how to resolve operational issues. Separate reviews of each project component may also be conducted if necessary. The TC has the authority to suspend disbursement if project performance benchmarks are not met. Benchmarks will be developed at the IW, based on delivery rates and qualitative assessments of achievements of outputs.

26. The **Terminal TC Review** is held in the last month of project operations. The TPC is responsible for preparing the Terminal Report and submitting it to UNDP-CO and to UNDP-GEF RCU. It shall be prepared in draft at least two months in advance of the TC meeting in order to allow review, and will serve as the basis for discussions in the TC meeting. The terminal TC review considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learned can be captured to feed into other projects being implemented.

Project Monitoring Reporting

27. The TC, in conjunction with the UNDP-GEF extended team, will be responsible for the preparation and submission of the following reports that form part of the monitoring process and that are mandatory.

28. A **Project Inception Report** (IR) will be prepared immediately following the IW. It will include a detailed First Year/AWP divided in quarterly timeframes detailing the activities and progress indicators that will guide implementation during the first year of the project. This work plan will include the dates of specific field visits, support missions from the UNDP CO or the RCU or consultants, as well as timeframes for meetings of the project's decision-making structures. The IR will also include the detailed project budget for the first full year of implementation, prepared on the basis of the AWP, and including any M&E requirements to effectively measure project performance during the targeted 12-month timeframe. The IR will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions, and feedback mechanisms of project-related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may affect project implementation. When finalized, the IR will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to the IR's circulation, the UNDP CO and UNDP-GEF's RCU will review the document.

29. The **Annual Project Report** (APR) is a UNDP requirement and part of UNDP CO central oversight, monitoring, and project management. It is a self-assessment report by the project management to the CO and provides input to the country office reporting process and the Results-Oriented Annual Report (ROAR), as well as forming a key input to the TC Review. An APR will be prepared on an annual basis prior to the TC review, to reflect progress achieved in meeting the project's AWP and assess performance of the project in contributing to intended outcomes through outputs and partnership work. The format of the APR is flexible but should include the following sections: a) project risks, issues, and adaptive management; b) project progress against pre-defined indicators and targets, c) outcome performance; and d) lessons learned and best practices.

30. The **Project Implementation Review** (PIR) is an annual monitoring process mandated by the GEF. It has become an essential management and monitoring tool for project managers and offers the main vehicle for extracting lessons from ongoing projects. Once the project has been under implementation for one year, a PIR must be completed by the CO together with the project management. The PIR can be prepared any time during the year and ideally prior to the TC review. The PIR should then be discussed in the TC meeting so that the result would be a PIR that has been agreed upon by the project, the Implementing Partner, UNDP CO, and the RCU in Panama. The individual PIRs are collected, reviewed, and analyzed by the RCU prior to sending them to the focal area clusters at the UNDP-GEF headquarters. In light of the similarities of both APR and PIR, UNDP-GEF has prepared a harmonized format for reference.

31. Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform and the risk log should be regularly updated in ATLAS based on the initial risk analysis included in Annex 8.1.

32. **Specific Thematic Reports** focusing on specific issues or areas of activity will be prepared by the project team when requested by UNDP, UNDP-GEF, or the Implementing Partner. The request for a Thematic Report will be provided to the project team in written form by UNDP and will clearly state the issue or activities that need to be reported on. These reports can be used as a form of lessons learned exercise, specific oversight in key areas, or as troubleshooting exercises to evaluate and overcome obstacles and difficulties encountered. UNDP is requested to minimize its requests for Thematic Reports, and when such are necessary will allow reasonable timeframes for their preparation by the project team.

33. A **Project Terminal Report** will be prepared by the project team during the last three (3) months of the project. This comprehensive report will summarize all activities, achievements, and outputs of the project; lessons learned; objectives met or not achieved; structures and systems implemented, etc.; and will be the definitive statement of the project's activities during its lifetime. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's activities.

34. **Technical Reports** are detailed documents covering specific areas of analysis or scientific specializations within the overall project. As part of the Inception Report, the project team will prepare a draft Reports List detailing the technical reports that are expected to be prepared on key areas of activity during the course of the project, and tentative due dates. Where necessary this Reports List will be revised and updated, and included in subsequent APRs. Technical Reports may also be prepared by external consultants and should be comprehensive and specialized analyses of clearly defined areas of research within the framework of the project and its sites. These technical reports will represent, as appropriate, the project's substantive contribution to specific areas, and will be used in efforts to disseminate relevant information and best practices at local, national, and international levels. Technical Reports have a broader function and the frequency and nature is project-specific.

35. **Project Publications** will form a key method of crystallizing and disseminating the results and achievements of the project. These publications may be scientific or informational texts on the activities and achievements of the project in the form of journal articles or multimedia publications. These publications can be based on Technical Reports, depending upon the relevance and scientific worth of these reports, or may be summaries or compilations of a series of Technical Reports and other research. The project team will determine if any of the Technical Reports merit formal publication, and (in consultation with UNDP, the GoN, and other relevant stakeholder groups) will also plan and produce these publications in a consistent and recognizable format. Project resources will need to be defined and allocated for these activities as appropriate and in a manner commensurate with the project's budget

Independent Evaluation

36. The project will be subjected to at least two independent external evaluations as follows:

37. An independent **Mid-Term Evaluation** will be undertaken at exactly the mid-point of the project lifetime. The Mid-Term Evaluation will determine progress being made towards the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency, and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation, and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, ToR, and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The ToR for this Mid-Term Evaluation will be prepared by the UNDP-CO based on guidance from the UNDP-GEF RCU. The management response of the evaluation will be uploaded to the UNDP corporate systems, in particular the UNDP Evaluation Resource Center (ERC). All GEF Tracking Tools for the project will also be completed during the mid-term evaluation cycle.

38. An independent **Final Evaluation** will take place three months prior to the terminal Steering Committee meeting, and will focus on the same issues as the Mid-Term Evaluation. The Final Evaluation will also look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals. The Final Evaluation should also provide recommendations for follow-up activities and requires a management response which should be uploaded to PIMS and to the UNDP ERC. The ToR for this evaluation will be prepared by the UNDP-CO based on guidance from the UNDP-GEF RCU. All GEF Tracking Tools for the project will also be completed during the final evaluation.

Audit Clause

39. The project will be audited in accordance with the UNDP Financial Regulations and Rules and applicable audit policies

Learning and Knowledge Sharing

40. Results from the project will be disseminated within and beyond the project intervention zone through a number of existing information sharing networks and forums. In addition, the project will participate, as relevant and appropriate, in UNDP-GEF sponsored networks, organized for Senior Personnel working on projects that share common characteristics. UNDP-GEF RCU has established an electronic platform for sharing lessons between the project managers. 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 project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Identify and analyzing lessons learned is an ongoing process, and the need to communicate such lessons as one of the project's central contributions is a requirement to be delivered not less frequently than once every twelve (12) months. UNDP-GEF shall provide a format and assist the project team in categorizing, documenting, and reporting on lessons learned. Specifically, the project will ensure coordination in terms of avoiding overlap, sharing best practices, and generating knowledge products of best practices for SFM, SLM, climate change mitigation, and biodiversity conservation with the current projects of Nicaragua's portfolio.

M&E work plan and budget

Type of M&E activity	Responsible Parties	Budget US$*	Time frame
Inception Workshop	• General Project Coordinator • UNDP CO • UNDP GEF	GEF: $2,500 COF: $2,000	Within first two months of project start-up
Inception Report	• Project Team • UNDP CO	None	Immediately following IW
Measurement of Means of Verification of project results	• UNDP GEF Regional Technical Advisor/Project Coordinator will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members	To be determined during the initial phase of implementation of the project and the IW.	Start, mid-point, and end of project
Measurement of Means of Verification for Project Progress and Performance	• Oversight by General Project Coordinator • Project Team	No separate M&E cost: to be absorbed within salary and travel costs of project staff	Annually prior to ARR/PIR and to the definition of annual

Type of M&E activity	Responsible Parties	Budget US$*		Time frame
(measured on an annual basis)				work plans
APR and PIR	• General Project Coordinator and Team • UNDP-CO • UNDP-GEF	None		Annually
Tripartite Committee Reviews and Reports	• GoN counterparts • UNDP CO • UNDP GEF RCU	None		Annually, upon receipt of APR
Project Board Meetings	• General Project Coordinator • UNCP-CO • GoN representatives	GEF: $2,500 COF: $3,000		Two times per year
Quarterly progress reports	• General Project Coordinator and Team	None		Quarterly
Technical reports	• General Project Coordinator and Team • Hired consultants as needed	GEF: $5,000 COF: $4,000		To be determined by Project Team and UNDP-CO
Mid-term Evaluation	• General Project Coordinator and Team • UNDP- CO • UNDP-GEF RCU • External Consultants (i.e., evaluation team)	GEF: $37,100 COF: $8,000		At the mid-point of project implementation
Final Evaluation	• General Project Coordinator and Team • UNDP- CO • UNDP-GEF RCU • External Consultants (i.e. evaluation team)	GEF: $46,720 COF: $13,000		At least three months before the end of project implementation
Terminal Report	• Project Team • UNDP-CO • Hired consultants as needed	GEF: $2,000 COF: $2,000		At least three months before the end of the project
Lessons learned	• General Project Coordinator and Team • UNDP-GEF RCU (suggested formats for documenting best practices, etc.)	GEF: $5,000 COF: $4,000		Yearly
Audit	• UNDP-CO • General Project Coordinator and Team	GEF: $92,900 ($18,580; 1.5% of annual budget)		Yearly
Visits to field sites	• UNDP-CO • UNDP-GEF RCU (as appropriate) • GoN representatives	No separate M&E cost: paid from IA fees and operational budget		Yearly
TOTAL INDICATIVE COST (*Excluding project team staff time and UNDP staff and travel expenses)		GEF	$193,720	
		COF	$36,000	
		Total	**$229,720**	

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):): (Please attach the Operational Focal Point endorsement letter(s) with this form. For SGP, use this OFP endorsement letter).

NAME	POSITION	MINISTRY	DATE *(MM/dd/yyyy)*
Roberto Araquistain Cisneros	Vice Minister	Ministry of Environment and Natural Resources	01/11/2013

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date *(Month, day, year)*	Project Contact Person	Telephone	Email Address
Adriana Dinu, Executive Coordinator, UNDP-GEF		February 12, 2015	Santiago Carrizosa, Senior Technical Advisor, EBD	+507 302-4510	Santiago.carrizosa@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

	Indicator	Baseline	Targets End of Project	Source of Verification	Risks and Assumptions
Project Objective: Strengthened management effectiveness of the Multiple Use Protected Areas (MUPAs) and the sustainable use of dry and humid forests in the wider landscape in western and north-central Nicaragua to ensure the flow of multiple ecosystem services, ensuring biodiversity conservation, SLM, and climate change mitigation from land use change	Improved management effectiveness of 12 existing MUPAs, as measured by the METT scorecard (BD-1)	– Volcán Cosigüina NR: 53 – Estero Padre Ramos NR: 54 – Estero Real NR: 38 – Reserva Genética Apacunca Genetic Reserve: 35 – Volcán Concepción NR: 45 – Volcán Maderas NR: 32 – Cerro Cumaica - Cerro Alegre NR: 36 – Cerro Mombachito– La Vieja NR: 14 – Sierra Amerrisque NR: 34 – Macizos de Peñas Blancas NR: 40 – Cerro Kilambé NR: 40 – Istmo de Istiam-Peña Inculta NR: 35	– Volcán Cosigüina NR: 58 – Estero Padre Ramos 59 – Estero Real NR: 42 – Apacunca Genetic Reserve: 38 – Volcán Concepción: 50 – Volcán Maderas NR: 35 – Cerro Cumaica - Cerro Alegre NR: 40 – Cerro Mombachito– La Vieja NR: 15 – Sierra Amerrisque NR: 37 – Macizos de Peñas Blancas NR: 44 – Cerro Kilambé NR: 44 – Istmo de Istiam-Peña Inculta NR: 38	– Updated METT scorecards – (Tracking Tool for BD-1) – Project evaluation reports: final and mid-term evaluations	– Continued interest by the Nicaraguan Government (national and local), civil society, and the private sector in improving the management of the MUPAs
	Change in the annual average loss of soil (t/ha/year) in prioritized areas as a result of the implementation of integrated farm management plans in dry lands (LD-3)	– 30.0 t/ha/year	– 24.0 t/ha/year (reduction by 20%)	– Updated Tracking Tool for LD projects – Field verification reports – Project evaluation reports (PIR/APR): mid-term and final evaluations	– Willingness of the national-level decision-makers and local stakeholders to promote and implement best practices for SLM, management in LULUCF/AFOLU, and SFM – Sampling efforts are optimal – Environmental variability (including climate change) is within the normal range
	Carbon reserves resulting from Best Management Practices (BMPs) in LULUCF*/AFOLU, per forest type (CCM-5) *Conserve and improve carbon reserves in the selected forest areas	– Dry forest: 0 tCO_2-e – Humid forest: 0 tCO_2-e	– Dry forest: 83,421 tCO_2-e – Humid forest: 247,916 tCO_2-e	– Field verification and evaluation reports – Updated Tracking Tool for climate change mitigation projects – Project evaluation reports: PIR/APR, mid-term and final evaluations	

<table>
<tr><td></td><td>Avoided emissions (tCO_2-e) from deforestation in a humid, semi-humid, and cloud forest landscape during a 5-year period (SFM/REDD-1)</td><td>– 0 tCO_2-e</td><td>– 137,127 tCO_2-e</td><td>– Updated Tracking Tool for SFM/REDD+ projects
– Carbon flow monitoring system reports</td><td></td></tr>
<tr><td rowspan="8">Outcome 1:
Strengthened capacity and financial sustainability of the MUPAs in dry forest and humid, semi-humid, and cloud forest landscapes of western and north-central Nicaragua</td><td rowspan="8">Change in the capacity of MARENA staff, measured by capacity development indicators (UNDP Capacity Development Scorecard: 30 officials trained, including women)
a. Capacity for participation
b. Capacity for the creation of, access to, and use of information and knowledge
c. Capacity for the development of strategies, policy, and legislation
d. Capacity for management and implementation
e. Capacity for monitoring and evaluation
T = total</td><td><u>MARENA</u>:
a: 100%
b: 100%
c: 78%
d: 83%
e: 83%
T: 81%</td><td><u>MARENA</u>:
a: 100%
b: 100%
c: 90%
d: 90%
e: 90%
T: 90%</td><td rowspan="8">– Updated Capacity Development Scorecard
– Project evaluation reports
– Data bases with records of the training events</td><td rowspan="8">– National technical staff apply their new knowledge and abilities in a satisfactory manner
– There is stability in the human resources within the institution that benefits from the training activities</td></tr>
<tr><td><u>Territorial Delegations</u></td><td><u>Territorial Delegations</u></td></tr>
<tr><td></td><td>Rivas</td><td>Jinotega</td><td>Boaco</td><td>Chontales / Juigalpa</td><td>Chinandega</td><td></td><td>Rivas</td><td>Jinotega</td><td>Boaco</td><td>Chontales / Juigalpa</td><td>Chinandega</td></tr>
<tr><td>a</td><td>67%</td><td>78%</td><td>22%</td><td>44%</td><td>44%</td><td>a</td><td>82%</td><td>93%</td><td>37%</td><td>59%</td><td>59%</td></tr>
<tr><td>b</td><td>53%</td><td>47%</td><td>47%</td><td>47%</td><td>40%</td><td>b</td><td>68%</td><td>62%</td><td>62%</td><td>62%</td><td>55%</td></tr>
<tr><td>c</td><td>67%</td><td>67%</td><td>44%</td><td>67%</td><td>67%</td><td>c</td><td>82%</td><td>82%</td><td>59%</td><td>82%</td><td>82%</td></tr>
<tr><td>d</td><td>67%</td><td>50%</td><td>50%</td><td>50%</td><td>50%</td><td>d</td><td>82%</td><td>65%</td><td>65%</td><td>65%</td><td>65%</td></tr>
<tr><td>e</td><td>67%</td><td>67%</td><td>67%</td><td>67%</td><td>67%</td><td>e</td><td>82%</td><td>82%</td><td>82%</td><td>82%</td><td>82%</td></tr>
<tr><td>T</td><td>62%</td><td>60%</td><td>44%</td><td>53%</td><td>51%</td><td>T</td><td>77%</td><td>75%</td><td>59%</td><td>68%</td><td>66%</td></tr>
<tr><td>Change in the financial gap (USD) to cover the basic management costs for 12 MUPAs as a result of new financial resources after 5 years</td><td>– $1,968,039 USD</td><td>– $610,667 USD</td><td>– Updated Financial Sustainability Scorecard
– Data bases with financial and accounting information from the MUPAs
– Reports/records of income from economic compensation for multiple environmental services related to ENDE-REDD
– Project evaluation</td><td>– Stable national and international economic conditions allow a stable flow of additional financial resources
– Favorable conditions for economic compensation
– Favorable market for sale and purchase of carbon credits</td></tr>
<tr><td>Total budget (USD) per year available for the management of 12 MUPAs by financial source after 5 years</td><td>– National government: $100,861.95
– Local government: $280,282
– Generated revenues (visitors fees): $0
– Private sources (NGO,</td><td>– National government: $121,034 (increase in 20% after 5 years)
– Local government: 336,338 (increase in 20% after 5 years)
– Generated revenues (visitors fees): $300,000 after 5 years</td></tr>
</table>

		private sector, etc.): $7,000	(average of $60,000/year) – Private sources (NGO, private sector, others): $600,000 USD after 5 years (average of $120,000/year)	reports: PIR/APR, mid-term and final evaluations	
	Change in the forested area in the MUPAs (per type of ecosystem) by project end	– Dry forest: 104,233 ha – Humid, semi-humid, and cloud forest: 21,436 ha	– Dry forest: 104,233 ha – Humid, semi-humid, and cloud forest: 21,436 ha	– GIS/Maps – Field verification notes – Technical reports and publications	– Biodiversity monitoring incorporated as part of the MPUA management activities in forest landscapes of the western and north-central regions of Nicaragua – Effective coordination among the national and local authorities and civil society for monitoring and control – Agreement among the governmental, private sector, and civil society stakeholders in the participatory management of the MUPAs
	Change in number of hectares of illegal logging of high-value timber in two (2) MUPAs	– Cerro Kilambé NR: Sweetgum (*Liquidambar styraciflua*) and mahogany (*Swietenia macrophylla*) – Volcán Cosigüina NR: White Mangrove (*Laguncularia racemosa*) (the baseline will be established during the first year of project implementation, the species to be assessed are included)	– Baseline - 10% (deforestation declines each year by 2.5%)	– Monitoring, control, and surveillance reports – Databases on seizures, forfeitures and sanctions	
	Change in the trade of vulnerable or endangered species as measure by number of individuals seized as recorded by PA rangers in each MUPA per year	– Orange-fronted parakeet (*Aratinga canicularis*): 35 individuals seized /year – Pacific parakeet (*Arantinga strenua*): 41 individuals seized /year – Black iguana (*Ctenosauria similis*): 51 individuals seized /year	– Orange-fronted parakeet (*Aratinga canicularis*): 17 individuals seized /year – Pacific parakeet (*Arantinga strenua*): 20 individuals seized /year – Black iguana (*Ctenosauria similis*): 25 individuals seized /year		
	Change in the number of forest fires reported in the dry forest MUPAs	– 109 events/year	– 87 events/year (reduction by 20%)	– Monitoring, control, and surveillance reports – Databases/maps of forest fires	
	Continued presence of indicator species for biological groups (birds and plants)	<u>Dry forest</u> – Birds: 2 species (*Procnias tricarunculata, Calocita formosa)* – Plants: 2 species (*Albizia saman, Laguncularia racemosa)*	<u>Dry forest</u> – Birds: 2 species (*Procnias tricarunculata, Calocita formosa)* – Plants: 2 species (*Albizia saman, Laguncularia racemosa)*	– Monitoring reports/databases – Biological censuses and field notes – Parcels for monitoring forest species	– There are no substantial changes in land use/coverage – Sampling efforts are optimal – Environmental variability is within the normal range

		Humid, semi-humid, and cloud forest – Birds: 2 species *(Pharomachrus mocinno, Vermivora chrysoptera)* – Plants: 2 species (*Quercus pubescens, Swietenia macrophyll)*	Humid, semi-humid, and cloud forest – Birds: 2 species *(Pharomachrus mocinno, Vermivora chrysoptera)* – Plants: 2 species (*Quercus pubescens, Swietenia macrophyll)*		
	Number of hectares in good management practices in LULUCF adopted in buffer zones of 12 MUPAs,	– 0 ha	– X ha, including 2,500 ha in agroforestry and silvopastoral systems (the target will be established during the first year of project implementation)	– Field verification and evaluation reports – Updated Tracking Tool for climate change mitigation projects – Project evaluation reports: PIR/APR, mid-term and final evaluations	– Sampling efforts are optimal – Environmental variability (including climate change) is within the normal range
Outputs: 1.1. P**lanning and monitoring strengthened in 12 MUPAs through:** a) Approved management plans for 12 existing MUPAs, defining conservation measures to address threats; defining sustainable off-take limits and specifying management targets, and indicators of success and needs for delivering PA functions b) Procedures, roles and responsibilities defined for monitoring, surveillance, and enforcement of sustainable off-takes for forest products, and land use prescriptions for grazing, agriculture, and other acceptable production activities. c) Information system for sustainable use and management (forest products, agriculture, and grazing) and conservation in MUPAs strengthens decision-making processes and facilitates compliance and monitoring of threats to BD. **1.2. Management and enforcement framework in place for 12 MUPAs:** a) Capacity built within MARENA to effectively deliver PA management functions across MUPAs in dry forest and humid, semi-humid, and cloud forest landscapes. b) Multi-sectoral collaborative agreements for shared management of MUPAs define access areas for sustainable use of forest products and offtakes, BD-friendly production methods, agreed-to management measures, and monitoring and enforcement mechanisms. c) Strengthening of enforcement (targeting illegal logging, trade of vulnerable and endangered species, uncontrolled slash-and-burn); improved national and local PA authorities' information systems for monitoring threats; protocols for patrolling and reporting malfeasance; capacity to sanction infractions. d) Sustainable production practices to prevent deforestation in the buffer zones of protected areas. **1.3. Finance in place for 12 MUPAs:** a) New financial resources available for PA management derived from government and private funds (i.e., PAs visitors' entry fees – Law 807/2012), and funds leveraged by MUPA management partners (NGOs, private sectors, local governments), among other sources. b) Effective deployment of funds and human resources to address threats to MUPAs. c) Cost-effective administration (including financial management and personnel administration) at MARENA's Headquarters and in Local Territorial Delegations.					
Outcome 2: Multiple global environmental benefits generated through SFM and SLM outside of the MUPAs	Area (ha) of biological corridors consolidated to improve connectivity between existing MUPAs and endangered tropical forest habitat in productive landscapes	– Dry forest: 0 ha – Humid, semi-humid, and cloud forest: 0ha	– Dry forest: 25,000 ha (including 1,000 ha rehabilitated, and 1,250 in agroforestry and silvopastoral systems) – Humid, semi-humid, and cloud forest: 30,000 ha	– GIS: maps showing connectivity and coverage – Field verification reports/notes	– Effective coordination and agreement among national, local, and civil society officials for the development of conservation strategies

			(including 1,000 ha rehabilitated, 1,250 in agroforestry and silvopastoral systems, and 399.55 ha of avoided deforestation)		in landscapes around the MUPAs
	Continued presence of indicator species in the biological corridors	<u>Dry forest</u> – Golden-mantled Howling Monkey (*Alouatta palliata*) – Black Iguana (*Ctenosaura similis*) <u>Humid, semi-humid, and cloud forest</u> – Quetzal (*Pharomachrus mocinno*) – Tapir (*Tapirus bairdi*)	<u>Dry forest</u> – Golden-mantled Howling Monkey (*Alouatta palliata*) – Black Iguana (*Ctenosaura similis*) <u>Humid, semi-humid, and cloud forest</u> – Quetzal (*Pharomachrus mocinno*) – Tapir (*Tapirus bairdi*)	– Monitoring reports/databases – Population censuses and field notes	
	Restored carbon stocks of threatened tropical forests at the end of 5 years *Natural rehabilitation of degraded areas	– Dry forest: 0 tCO_2-eq (0 ha) – Humid, semi-humid, and cloud forest: 0 tCO_2-eq (0 ha)	– Dry forest: 26,862 tCO_2-eq (1,000 ha rehabilitated) – Humid, semi-humid, and cloud forest: 35,816 tCO_2-eq (1,000 ha rehabilitated)	– Field measurements/notes – Carbon flow monitoring reports – Project evaluation reports: PIR/APR, mid-term and final evaluations	– Sampling efforts are optimal
	Flow (m^3/sec) in 10 prioritized watersheds as measured by water gauges to be installed in the prioritized rivers during the first year of the project	1. Istiam River (Basin 69): X 2. Mayales River (Basin 69): X 3.Fonseca River (Basin 69): X 4. Estero Real River (Basin 58): X 5. Tuma River (Basin 55): X 6. Cúa River (Basin 53): X 7. Bocay River (Basin 53): X 8. Aquespalapa River (Basin 58): X 9. Viejo River (Basin 64): X 10. El Obraje River (Basin 64): X (the baseline will be established during the first year of project implementation, the prioritized watersheds are	Target equal to the baseline. 1. Istiam River (Basin 69): X 2. Mayales River (Basin 69): X 3.Fonseca River (Basin 69): X 4. Estero Real River (Basin 58): X 5. Tuma River (Basin 55): X 6. Cúa River (Basin 53): X 7. Bocay River (Basin 53): X 8. Aquespalapa River (Basin 58): X 9. Viejo River (Basin 64): X 10. El Obraje River (Basin 64): X	– Hydrological monitoring reports/databases – Project evaluation reports: PIR/APR – Mid-term and final evaluations	– Sampling efforts are optimal – Environmental variability (including climate change) is within the normal range

		mentioned)			
	Number of hectares protected through REDD+ practices during a 5-year period	– 0	– 30,000 ha (Year 1 – Reference emission levels established –; Year 2 – MRV system in place; Year 5 – Verification of emission reductions)	– Maps showing forest cover, deforestation and degradation, and carbon stocks (just one verification at the end of Year 5) – Field measurements/notes – Carbon flow monitoring reports – Updated tracking tool for SFM/REDD+	– Conditions exist for implementation of ENDE-REDD+ – Maps are optimal
	Avoided deforestation (ha) at the end of the project	– 0	– 399.55 ha		
	Number of sustainable production initiatives (beneficiaries differentiated by gender) that contribute to the reduction of deforestation for the GEF-funded ENDE-REDD+ pilot project.	– 0	– X (target will determined during the first year of project implementation)		
	Change in the capacity of the municipal staff and communities measured by capacity development indicators (UNDP Capacity Development Scorecard: 270 municipal officials and local communities trained, including women) a. Capacity for participation b. Capacity for the creation of, access to, and use of information and knowledge c. Capacity to develop strategies, policies, and legislation d. Capacity for management and implementation e. Capacity for monitoring and evaluation	<u>Municipalities</u> (average for 16 municipalities, individual scores are included in Annex 8.8): a: 43% b: 30% c: 50% d: 52% e: 10% T: 37% <u>Local communities</u> (average for 16 CSOs individual baseline scores are included in Annex 8.8): a: 17% b: 17% c: 31% d: 0% e: 0% T: 15%	<u>Municipalities:</u> a: 53% b: 40% c: 60% d: 62% e: 30% T: 47% <u>Local communities:</u> a: 27% b: 27% c: 41% d: 15% e: 15% T: 30%	– Updated Capacity Development Scorecard – Project evaluation reports – Databases with records of the training events	

	T = Total				

Outputs

2.1. Land use planning, monitoring and enforcement strengthened in landscapes around MUPAs:

a) Strengthened institutional capacity of national and regional officials and field personnel to support the sustainable management and conservation of dry and humid forest production landscapes, the use of SFM/REDD+ methodologies, the quantification, and evaluation of carbon flows, and the development of strategies to conserve biodiversity.

b) Training and logistical support provided to municipal environment authorities, for implementing SFM, SLM, and climate change mitigation measures, as well as their enforcement capabilities: compliance monitoring with land use planning structures; spatial and field surveys and other surveillance measures to assess compliance; and improved policing and capacity to sanction infractions.

c) Municipal-level GIS mapping tool of SFM/SLM and biodiversity benefits guide the development and implementation of land use plans and ecological zoning for the consolidation of biological corridors connecting MUPAs.

d) Municipal-level monitoring and enforcement systems facilitate decision-making and the assessment of SFM, SLM, and biodiversity benefits in dry and humid forest landscapes

2.2. Integrated farm management delivers multiple global environmental benefits:

a) Integrated farm management plans specifying the spatial and temporal arrangements of different land uses across farms in dry and humid forest landscapes allow farmers to improve on-farm sustainability (including the implementation of agroforestry and silvopastoral systems) and improved ecosystem connectivity:

b) Two thousand hectares (2,000) of dry and humid forests set asides enhanced through natural rehabilitation of degraded areas.

2.3. Performance-based compensation mechanism for the wider landscape in place:

a) One performance-based compensation mechanism in MUPA landscapes by means of ENDE-REDD+ provide a utilitarian incentive for the conservation of humid forest blocks covering 30,000 ha.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Respo
Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Reviewer's comments	Responses	Referen
Secretariat Comment at PIF (PFD)/Work Program Inclusion: 2/11/2013		
1. Please explain the methodology used to determine the expected global environmental benefits expected to be achieved by the project, particularly carbon benefits, which are currently listed in the table after paragraph 23.	The methodology for the calculations of the expected carbon-related environmental benefits used as a basis biomass estimates developed by Nicaragua's National Forestry Institute (INAFOR) as part of the National Forestry Inventory (IFN) 2007-2008. According to the MARENA (2013: Readiness Preparation Proposal [R-PP]), the IFN followed guidelines, methods, and standard parameters suggested by the Intergovernmental Panel on Climate Change (IPCC) and regional sources. Thus, the values of carbon stocks in forests (standing biomass, close forests) of the project areas are the following: a) 93.6 tons of carbon per hectare (tC/ha) for humid forests and b) 32.7 tC/ha for the dry forests. For modified and open forests, 50% of these values were used based on expert opinion. The above information was used by the PPG team to estimate the following: a) carbon reserves (tCO_2-e)* resulting from best management practices (BMPs) in the four prioritized forest landscapes (3 dry forest landscapes and one humid forest landscape); b) avoided emissions (tCO_2-e) from deforestation in a 30,000-ha humid, semi-humid, and cloud forest landscape during a 5-year period; and c) tCO_2-e sequestered through forest rehabilitation (natural regeneration of 2,000 ha of degraded areas, and 2,500 ha of agroforestry and silvopastoral systems) over a 5-year period. *tC x (44/12)	Project Docum 3.1. Increment Analysis.
2. Please include the necessary tracking tools for CEO Endorsement.	As required by the GEF, all the necessary tracking tools are included as part of the CEO Endorsement Request: BD-1; LD-3, SFM/REDD-1, and CCM-5.	Separate Exce
3. The final results framework should include SMART indicators related to the main Aichi Targets that this project is expected to contribute towards-which are targets 5, 7, 11, 12, 14, and 15.	As suggested, SMART indicators related to the main Aichi Targets that this project is expected to contribute towards (5, 7, 11, 12, 14, and 15) are included in the Project Results Framework.	Annex A: Proj Results Frame
4. The project lists slash and burn agriculture as a significant threat to dry and wet tropical forests in the country, but there is little discussion of how the project will create alternatives to the rural poor so that they will have incentives to adopt more sustainable practices. Training and the performance-based compensation mechanism (which will be deployed over only 30,000 ha) are not likely to make a sufficient difference. The full project proposal should explain how the project will foster sustainable alternatives.	The project will implement alternative sustainable production practices (new production methods, inputs, and knowledge for implementing sustainable agriculture, and agroforestry and silvopastoral systems) for the rural poor and will serve as an incentive for the adoption of environmentally friendly practices. The alternative sustainable production practices will be implemented in the buffer zones of the project's 12 MUPAs and at the farm level in production dry and humid forest landscapes within four biological corridors. These will include agroforestry and silvopastoral systems in at least 2,500 ha, and other activities that mix enhanced forest cover with production activities, following MARENA's Environmental Rehabilitation Systems Program (ERSP) protocols and guidelines. The ERSP was developed by MARENA as part of the Social Environment for Forestry Development Projects (POSAF I	Project Docum Section 2.4. Pr objective, outc and outputs/ac

	and POSAF II) that was implemented between 2002 and 2012 with funding from the EuropeAid Cooperation Office (EuropeAID). It includes five categories (eco-forestry coffee, agroforestry systems, silvopastoral systems, natural regeneration management, and forest management) and 21 different BMPs for soil, water, and ecosystem conservation,	
5. Note: In the CEO request, make sure that "SFM" is spelled out as "Sustainable Forest Management" rather than "Sustainable Forestry Management."	Thank you for your comment. "SFM" was spelled out as suggested: "Sustainable Forest Management."	CEO Endorsement Request Project Document
Compilation of Comments Submitted by Council Members on the April 2013 GEF Intersessional Work Program		
Germany's Comments		
The expected outcomes seem to be ambitious due to the broad geographic and thematic scope of the proposed project and due to the limited capacities of the executing agency MARENA in some areas. We recommend strengthening management effectiveness of the protected areas by involvement of local and especially indigenous stakeholders and institutions.	Thank you for the comment. The management effectiveness of the PAs will be strengthened through the involvement of local communities. This will include the following: a) developing and updating the management plans with the participation of local stakeholders, which include family, community, women's associations, and municipal authorities; b) establishing organizational arrangements for the implementation of the management plans (establishment of committees and partnerships) with the participation of municipal authorities and local stakeholders; c) consulting with local stakeholders for the their input and feedback to ensure that procedures for land use prescriptions for the different production activities within the PAs are defined jointly between PA authorities, local communities, and farmers; d) establishing and implementing 12 multi-sectoral collaborative agreements for shared PA management; and e) local stakeholders participating in the prevention and control of threats, including forest fires and the training of municipal fires brigades using a farmer-to-farmer methodology. During the local consultation process of the PPG, which included interviews and meetings with municipal authorities of 16 municipalities, as well as local offices of government agencies, farmers, local NGOs, and 16 community organizations, it was confirmed that there are no members of indigenous communities living the 12 MUPAs or their surrounding landscapes. Thus, indigenous communities will not participate in PA management.	Project Document: Section 2.4. Project objective, outcomes, and outputs/activities (description of activities for Output 1.1 – Planning and monitoring strengthened in 12 MUPAs, and Output 1.2 – Management and enforcement framework in place for 12 MUPAs; Section 2.8. Sustainability (Social sustainability) (Paragraph 154)
USA's Comments		
This appears to be an excellent project and is greatly needed given the environmental pressures on the forests of the Atlantic Coast and North of Nicaragua, which are primarily caused by ever expanding cattle farming and the illegal timber trade. We would recommend that this project place a particular emphasis on Bosawas UNESCO Biosphere Reserve given its ecological importance to the region	Thank you for your comment. As suggested, one of the four prioritized sites for project implementation is located in the Bosawas UNESCO Biosphere Reserve (western buffer zone, Department of Jinotega). The site is the Peñas Blancas—Kilambé Corridor, which includes the Macizos de Peñas Blancas Nature Reserve (11,308 ha) and the Cerro Kilambé Nature Reserve (10,128 ha). Project activities will contribute to the protection and sustainable use of humid, semi-humid, and cloud forests and biodiversity of global importance, including the implementation of a 30,0000-ha GEF-funded SFM/REDD+ pilot project.	Project Document: 1.1. Context and global significance: Environmental context – Areas prioritized by the project (Paragraph 5)
STAP Scientific and Technical screening of the Project Identification Form (PIF). Date of screening: March 08, 2013		

1. STAP appreciates the description of the incremental reasoning provided in section B.2, including specifying a timeline when data will be collected (component 1). STAP believes there are a number of ways the incremental reasoning could be strengthened further, including the following: a) specify what methods will be used to measure and monitor the defined global environmental benefits on ecosystem connectivity (described in paragraph 23); b) specify the indicators for each benefit in the full proposal; and, c) provide references (published, or rigorous unpublished documents) to support the baseline narrative	a) Ecological connectivity between the MUPAs and the surrounding landscape will be improved following guidelines for science-based designs (such as IUCN, CBD, and others)*; a management framework for monitoring, surveillance, and enforcement; and guidelines for allowable production activities within and between the PAs. Through Component 2, the project will put into place spatial and field-based tools (GIS mapping tool, data from forest permanent sample plots, and monitoring of the presence of indicator species in the biological corridors) that will enable the Environmental Management Units (EMUs) of the 15 municipalities with jurisdictions over the four prioritized biological corridors connecting the 12 project MUPAs to assess improvements in ecosystem connectivity as a result of the development and implementation of environmentally friendly land use plans for productive landscapes (including watershed- and farm-level planning) and ecological zoning. More specifically, this will include the rehabilitation of degraded areas through natural regeneration and the establishment of agroforestry and silvopastoral systems are included in a 25,000-ha production landscapes that include forest remnants and where watershed management plans (dry forest landscapes) and farm management plans (dry forest and humid forest landscapes) will be implemented. The GIS municipal-level mapping tool and related databases will be linked to the National Environmental Information System (SINIA) and will follow its standards for data management so that the information can be shared efficiently and serve to evaluate national SFM, SLM, and biodiversity conservation indicators. Project resources will be used to train EMU and SINIA staff in data-gathering, database management, and reporting. b) Specific indicators for each benefit are included in the Project Results Framework. c) References of published or unpublished documents that adhere to rigorous academic and scientific standards are provided in the Project Document to support the narrative. *Canet-Desanti, L. 2007. Herramientas para el diseño, gestión y monitoreo de Corredores Biológicos en Costa Rica. Tesis Magister Sc. Centro Agronómico Tropical de Investigación y Enseñanza. Turrialba, Costa Rica. 217 p. Canet-Desanti, L., and B. Finegan. 2010. Bases de Conocimiento para la Gestión de Corredores Biológicos en Costa Rica. Mesoamericana 14 (3):11-24. IUCN. Connectivity Conservation: International Experience in Planning, Establishment and Management of Biodiversity Corridors. Background paper. 18 pages. Available at: http://cmsdata.iucn.org/downloads/070723_bci_international_report_final.pdf Bennett, G., and Mulongoy, K.J. (2006). Review of Experience with Ecological Networks, Corridors, and Buffer Zones. Secretariat of the Convention on Biological Diversity, Montreal, Technical Series No. 23, 100 pages.	Project Document: Section 1 – Situation Analysis; Section 2 – Strategy; and Section 3 – Strategic Results Framework and GEF Increment
2. STAP is pleased that UNDP will hire a gender and indigenous specialist to	The final project design has incorporated gender into each component, including indicators to evaluate the equitable	Project Document: Section 2.4. Project

ensure the interventions are based thoroughly on their knowledge and properly address development needs while simultaneously targeting biodiversity conservation, sustainable land use and forest management. To this effect, STAP encourages the project developers to comprehensively integrate gender approaches in each component, as well as elements that capture effectively indigenous population's perspectives.	distribution of the project's benefits. It should be noted that during the local consultation process performed for the PPG (which included interviews and meetings with municipal authorities of 15 municipalities, as well as local offices of government agencies, farmers, local NGOs, and 16 community organizations) it was confirmed that there are no members of indigenous communities living in the 12 MUPAs or their surrounding landscapes. Thus, indigenous communities will not participate in PA management.	objective, outcomes, and outputs/activities; and Section 3.2 – Project Results Framework
3. STAP wonders whether UNDP could define further how it will achieve the connectivity between the protected areas and their wider landscape in order to achieve the proposed global environmental outcomes. At the moment, this appears to be defined minimally in component 2. By strengthening this aspect further, the proposal's scientific rationale could be reinforced. One approach that UNDP may wish to consider is that of multifunctional landscapes, including protected areas. This approach is detailed in Dewi, S. et al. "Protected areas within multifunctional landscapes: Squeezing out intermediate land use intensities in the tropics?" Land Use Policy 30 (2013). The paper discusses the temporal scales of land-use change inside and outside four protected areas in the tropics, and the multifunctionality of the different landscapes.	Please see response to Comment 1 (a). Also, this approach has been applied in the final project design as part of the strategy to overcome deforestation, land degradation, and threats to biodiversity through strengthened MUPAs management that conserves core areas nested in a wider landscape where multiple environmental benefits are delivered by sustainable forest and land management in the western and north-central regions of Nicaragua.	Project Document: Section 1.3. Long-term solution; Section 2.4. Project objective, outcomes, and outputs/activities
4. Additionally, the paper presents a useful framework to analyze trade-offs between conservation objectives and development from land-based activities, and ways to promote the multifunctionality of landscapes (Figure 11). Thus, STAP encourages UNDP also to consider an approach that analyzes the various trade-offs between the proposed global environmental outcomes (biodiversity conservation, sustainable land management, and climate change mitigation from land use change).	Thank you for your recommendation. As part of the assessment of project benefits through municipal-level monitoring systems (Component 2), the project will put be able to evaluate trade-offs between the following: 1) biodiversity conservation through enhanced connectivity between MUPAs and forest patches in the surrounding production landscape; 2) sustainable land management (silvopastoral and agroforestry, integrated farm management plans and watershed management plans); and 3) climate change mitigation from land use change. Similarly, through Component 1, the project will monitor biodiversity conservation benefits in core zones and PA buffers through spatial and field assessments to estimate benefits. These analyses will also help to assess trade-offs and "leakages" to non-intervention areas within the prioritized landscapes. This includes the assessment of leakage of threats from the ENDE-REDD+ pilot project area to non-ENDE-REDD+ forests within the Peñas Blancas–Kilambé Corridor in north-central Nicaragua.	Project Document: Section 2.4. Project objective, outcomes, and outputs/activities
5. Under component 2, STAP encourages UNDP to consider farmers' knowledge and local experiences for	Thank your for the recommendation and guidance. As suggested by STAP, the project will make use of farmers' knowledge and local experiences in the development of	Project Document: Section 2.4. Project objective, outcomes,

the development of monitoring systems for integrated land management. This includes making accessible monitoring systems that are farmer-friendly and monitor rigorously the impacts of land management on soil quality. Providing land managers these tools can strengthen their ability to identify appropriate land management practices. To this effect, UNDP may wish to rely on the following resource that outlines the use of bioindicators for evaluating the impacts of land management on soil quality â€“ Rousseau, L. et al "Soil microfauna as indicators of soil quality and land use impacts in smallholder agroecosystems of western Nicaragua". Ecological Indicators 27 (2013).	integrated farm management plans and for monitoring related activities, including the implementation of sustainable agroforestry and silvopastoral systems. As was pointed out, the use of bioindicators for evaluating the impacts of land management on soil quality has been incorporated into the project design.	and outputs/activities
6. The proposal appears to assume that carbon market funding will be sustained at a level that is possible to fund payment for ecosystem services. Nonetheless, this may not be the case. Thus, STAP suggests defining this risk in section B.4, as well as measures to address it.	The mitigation strategy to address the risk that carbon market funding may not be sustained at a level that is possible to fund payment for ecosystem services has been built in the to the final project design; thus the risk no longer exists. Performance-based compensations as part of the GEF-funded ENDE-REDD+ pilot project will not come from the sale of carbon credits in the market. These compensations will be made through FONADEFO, a financial mechanism administered by INAFOR that provides resources to: a) support forestry programs and projects for SFM, b) increase economic development, c) conserve natural resources, d) develop markets for PES, and e) protect the environment. FONADEFO is funded through government budget allocations, national and international grants, and national and international cooperation agreements, 50% of INAFOR's forestry-related revenues, and loans with multilateral agencies. FONADEFO's funds will be used to sustain the funding of the PES.	Project Document: Section 2.4. Project objective, outcomes, and outputs/activities
7. In section B.5, STAP suggests adding a column to the table that indicates the specific role of each stakeholder in relation to the component(s).	As per the STAP suggestion, a column has been to the table that indicates the specific role of each stakeholder in relation to the component(s).	

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS[6]

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF: 80,000			
Project Preparation Activities Implemented	***GEF/LDCF/SCCF/NPIF Amount ($)***		
	Budgeted Amount	***Amount Spent Todate***	***Amount Committed***
1. Baseline for SFM/REDD+, SLM, CC, LD, and BD proposed actions in the project's pilot areas	30,500	6,345.91	27,100.92
2. Assessment of project socioeconomic benefits and capacity needs of national and local stakeholders	11,200	7,715.46	4,950.00
3. Final preparation of the project proposal, including feasibility analysis and budget	38,300	19,314.25	14,573.46
Total	**80,000**	**33,375.62**	**46,624.38**

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used**):** NA

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

[6] If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.