



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

GEF ID:	4860		
Country/Region:	Paraguay		
Project Title:	Mainstreaming Biodiversity Conservation and Sustainable Land Management into Production Practices in all Bioregions and Biomes		
GEF Agency:	UNDP	GEF Agency Project ID:	4836 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-2; BD-2; LD-3; LD-3; SFM/REDD+-1; SFM/REDD+-1; Project Mana; BD-2;		
Anticipated Financing PPG:	\$0	Project Grant:	\$6,861,817
Co-financing:	\$22,100,000	Total Project Cost:	\$28,961,817
PIF Approval:	April 18, 2012	Council Approval/Expected:	June 01, 2012
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Mohamed Bakarr	Agency Contact Person:	Andrew Bovarnick

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	March 22, 2012 Yes, Paraguay is a Party to the CBD since 1994 and ratified UNCCD in 1997. Cleared	
	2. Has the operational focal point endorsed the project?	March 22, 2012 Yes. Letter from OFP G Torres dated February 24, 2012. Cleared	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	March 22, 2012 Yes. UNDP's competitive advantage is acknowledged for BD and LD technical	

		the country and regionally in PA and NR projects.	
		Cleared	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	March 22, 2012 There is no non-grant instrument. Cleared	
	5. Does the project fit into the Agency's program and staff capacity in the country?	March 22, 2012 Yes. Project is generally aligned with the UNDAF. UNDP has a Paraguay CO with one Program Officer plus support for gender, governance and poverty issues. Cleared	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	March 22, 2012 As at March 22, 2012 STAR allocations remaining to be programmed were: BD \$2.95 million, CC \$2.89 million and LD \$2.81 million. The total request of \$5.5 million (including Agency fees) is therefore within the available STAR resources. Cleared	
	• the focal area allocation?	March 22, 2012 While the total request of \$5.5 million (including Agency fees) is within the available STAR resources, the ID	

		<p>Since Paraguay is not a flexible country, please ensure that the request for LD funds is within the available allocation.</p> <p>April 12, 2012 FA funding requests are now within STAR allocation limits. Cleared.</p>	
	<ul style="list-style-type: none"> the LDCF under the principle of equitable access 	N/a	
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 	N/a	
	<ul style="list-style-type: none"> Nagoya Protocol Investment Fund 	N/a	
	<ul style="list-style-type: none"> focal area set-aside? 	<p>March 26, 2012</p> <p>No focal area set-aside is being requested.</p>	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	<p>March 22, 2012</p> <p>Yes, the project is aligned with the BD and LD frameworks.</p> <p>Cleared</p>	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	<p>March 22, 2012</p> <p>Yes, but only 2 FA objectives are identified - BD2 and LD3. The project also has a significant focus on forests, and elements of the project are in-line with the GEF's SFM/REDD+ Strategy. It would be interesting to explain why the SFM/REDD+ element has not been pursued, or we would welcome a revised PIF which enhances these elements to access the SFM incentive.</p> <p>Please also revise table A to have each FA Outcome on a separate line and with separate Indicative GEF and Co-Financing amounts</p>	

		<p>April 12, 2012</p> <p>SFM elements now incorporated into Component 2. Cleared.</p> <p>Table A still has problems and should be revised. Each Outcome (and corresponding output) must be on a separate line within the table, with GEF and co-financing amounts appropriately allocated.</p> <p>April 16, 2012</p> <p>Table A is now accurately completed.</p> <p>Cleared</p>	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	<p>March 22, 2012</p> <p>Yes, the project is in line with planned national activities for forests, PAs, and for increasing environmental consideration within agriculture. Links with NBSAP and NAP also established.</p> <p>Cleared</p>	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	<p>March 22, 2012</p> <p>Yes, capacity development included for both governmental and NGO groups. Systems and tools prepared will provide ongoing framework for post-project outcomes.</p> <p>Cleared</p>	
	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	<p>March 22, 2012</p> <p>The baseline is well described and highlights the importance of the UPAF and threats from agriculture and unsustainable uses. Ongoing GoP works</p>	

Project Design	<p>and the improvement of clarity on tenure and agricultural production improvements are explained. There are a few inconsistencies that need to be clarified:</p> <ol style="list-style-type: none"> 1) given the importance of forests in the region, please clarify why the existing PAs (which make up on the 5% of the ACUP multiple use landscape) contain less than 8% of the existing forest area. What exactly were the PAs (total 560,405 hectares) designed to protect? 2) The total baseline investment is valued at \$49.7 million, and yet the PIF shows only \$22.1 million. Please clarify if there is any relation between these two numbers, or whether the latter is new money leveraged by the GEF grant. 3) Several of the projects described in the baseline read more like initiatives for coordination by the proposed GEF project; Please clarify exactly how these will be factored into the proposed project design, including planned partnership for delivery of outcomes and outputs. 4) Please clarify the estimated land area to be targeted for effective management through the proposed GEF project. <p>April 12, 2012</p> <ol style="list-style-type: none"> 1) Additional information provided. Cleared. 2) Clarification provided. Cleared. 3) Details of collaboration with National Cadastral Program, MOPC rural electrification project, Commission for Good Agricultural, Livestock and Agro-ecological Production. Paraguav Rural 	
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		<p>Conservation Vision Initiative have been provided. Cleared.</p> <p>4) Project management area identified as 3,174,082 ha. Cleared.</p>	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	<p>March 22, 2012</p> <p>Yes, the project is based on the premise that functionality of the PA system requires a mosaic of compatible land uses to enhance connectivity in the landscapes. There is therefore a need for BD and LD issues to be aligned and integrated in the productive landscapes. The project proposes a dual compliance and incentive approach, strengthening governance and law enforcement as well as promoting improved production practices.</p> <p>Cleared</p>	
	14. Is the project framework sound and sufficiently clear?	<p>March 22, 2012</p> <p>The project components are appropriate and relevant, but the following need to be addressed in the framework:</p> <p>a) Component 2 relies on the development of demand for products from well managed sources. Developing demand and the uptake of standards has proven challenging elsewhere. Please provide a some detail on the activities the project will be undertake to ensure there is market demand for the different</p>	

	<p>b) Please also provide details of how the project will get financial institutions to become involved.</p> <p>c) The transition from unsustainable to improved practices are often only possible over an extended period - are the funds raised in Component 3 being used as a PES? If so please clarify how STAP guidance on PES is being incorporated. Also please expand on the plans to support project margins and guaranteed sales for producers adopting improved standards in B.3 Paragraph 42.</p> <p>d) Use of wood for fuel is mentioned as a driver of forest loss and degrade it is included in Table B but it is not mentioned in Components. Is the project addressing the issue?</p> <p>e) Proportional (%) gains in land use improvements need to be put in the context of actual estimates of land area to be targeted for various outcomes. Please provide this at the outcome levels.</p> <p>April 12, 2012</p> <p>a) Sufficient detail for PIF stage, fuller details of how market demand will be fostered will be expected at CEO Endorsement. Cleared.</p> <p>b) Sufficient detail for PIF stage, details of the FI outreach plan will be expected at CEO Endorsement. Cleared.</p> <p>c) Additional information provided. Cleared.</p> <p>Please address the issues raised about (d) fuelwood as described in para 18, and (e) total land area to be targeted for</p>	
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		<p>relates to data in para 10, Table 1.</p> <p>April 16, 2012</p> <p>The remaining issues have been clarified in the re-submission.</p> <p>Cleared</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>March 22, 2012</p> <p>Note entirely. For BD key expected outcomes are: 918,000 ha forest conserved 10% increase in forest cover outside of PAs 20% increase in capacities to plan, monitor and implement biodiversity activities 20% of production certified 25% increase in area of set asides legally established.</p> <p>However for land under productive use, it is not clear how the proposed proportional gains are determined, including actual targets of land areas to be brought under SLM. Please address.</p> <p>April 12, 2012</p> <p>An estimate of 3.17 million hectares is now included. Please clarify how this estimate relates to the data in para 10, Table 1.</p> <p>April 16, 2012</p> <p>The estimate is now clarified.</p> <p>Cleared</p>	

	16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?	<p>March 22, 2012</p> <p>Yes. Socio-economic benefits include the securing of market share for participating land users and wider improvements through less damaging land husbandry practices. At CEO Endorsement full details of the project's socio-economic benefits are expected including the results of the analysis on gender issues.</p>	
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	<p>March 22, 2012</p> <p>Provision for dialogue included in Component 1. Groups included in the list of stakeholders. At CEO Endorsement clear details of their respective roles will be expected.</p>	
	18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	<p>March 22, 2012</p> <p>Yes, key risks identified and mitigation detailed. These should be further elaborated and clarified at CEO Endorsement.</p>	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>March 22, 2012</p> <p>Please explain a little more how the project is coordinating with Paraguay's UN-REDD efforts, in particular when the project does not seem to have any forest carbon element (i.e. no carbon measurement or monitoring). Please clarify also how some of the "baseline projects" will be coordinated to ensure synergies and efficiency gains during implementation.</p> <p>April 12, 2012 Additional information on UNDP's role in UNREDD and prospective role in</p>	

		details of carbon benefits provided. Cleared.	
	20. Is the project implementation/ execution arrangement adequate?	March 22, 2012 Please provide a little more detail on the execution arrangement in particular field-level operations. April 12, 2012 Additional details provided. Cleared.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	March 22, 2012 Yes, PMC is below 5%. Cleared	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	March 22, 2012 Funding levels appear appropriate, but focal area breakdowns need to be adjusted to reflect consistency with available resources. Please adjust as necessary especially for the LD focal area. April 12, 2012 Figures revised. Cleared.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided	March 22, 2012 Co-financing is at 1:4.42, which is appropriate	

		<p>Cleared</p> <p>April 12, 2012</p> <p>The ratio has changed slightly as a result of the SFM incentive, but still acceptable.</p> <p>Cleared</p>	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>March 22, 2012</p> <p>\$4.7 million cofinance from UNDP is included in the project for REDD+ readiness. But as forest carbon issues are not clearly identified in the PIF, please provide a little more detail on the relevance of this co-finance in the context of this project.</p> <p>April 12, 2012 Additional information provided. Cleared.</p>	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Secretariat	30. Is PIF clearance/approval being recommended?	<p>March 22, 2012</p> <p>The PIF Secretariat has reviewed the PIF and found it to be in line with the PIF guidelines. The PIF Secretariat has recommended the PIF for clearance/approval.</p>	

		<p>recommended. Please address issues and concerns highlighted above.</p> <p>April 12, 2012</p> <p>The PIF is still not ready to be recommended. Please address remaining issues highlighted in #8, #14, and #15.</p> <p>April 16, 2012</p> <p>The PIF is now recommended.</p>	
	31. Items to consider at CEO endorsement/approval.	<p>April 16, 2012</p> <p>Please note the following during project development:</p> <p>1) confirm target areas (hectares) for project implementation and GEBs</p> <p>2) ensure all quantifiable data are generated for TTs (BD, LD, and SFM/REDD+)</p> <p>3) detailed M&E plan including measurement of indicators for targeted GEBs</p>	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	March 22, 2012	
	Additional review (as necessary)	April 12, 2012	
	Additional review (as necessary)	April 16, 2012	
	Additional review (as necessary)		
	Additional review (as necessary)		

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

REQUEST FOR PPG APPROVAL

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

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