



## Global Environment Facility

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June 1, 2009

Dear Council Member,

UNDP as the Implementing Agency for the project entitled: *Venezuela - Strengthening the Financial Sustainability and Operational Effectiveness of the Venezuelan National Parks System*, has submitted the attached proposed project document for CEO endorsement prior to final Agency approval of the project document in accordance with UNDP's procedures.

The Secretariat has reviewed the project document. It is consistent with the project concept approved by the Council in April 2008 and the proposed project remains consistent with the Instrument and GEF policies and procedures. The attached explanation prepared by UNDP satisfactorily details how Council's comments and those of the STAP have been addressed.

We have today posted the proposed project document on the GEF website at [www.TheGEF.org](http://www.TheGEF.org) for your information. We would welcome any comments you may wish to provide by June 26, 2009 before I endorse the project. You may send your comments to [gcoordination@TheGEF.org](mailto:gcoordination@TheGEF.org).

If you do not have access to the Web, you may request the local field office of UNDP or the World Bank to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

Sincerely,

A handwritten signature in black ink, appearing to read "Monique Barbut", with a stylized flourish at the end.

Monique Barbut  
Chief Executive Officer and Chairperson

Attachment: Project Document

cc: Alternates, GEF Agencies, STAP, Trustee



**REQUEST FOR CEO ENDORSEMENT/APPROVAL**  
**PROJECT TYPE: Full-sized Project**  
**THE GEF TRUST FUND**

**Submission Date: May 5, 2009**

**PART I: PROJECT INFORMATION**

**GEFSEC PROJECT ID:** 3609

**GEF AGENCY PROJECT ID:** 4151

**COUNTRY(IES):** Venezuela

**PROJECT TITLE:** Strengthening the financial sustainability and operational effectiveness of the Venezuelan National Parks System

**GEF AGENCY(IES):** UNDP

**OTHER EXECUTING PARTNER(S):** INPARQUES (Ministry of Popular Power for the Environment)

**GEF FOCAL AREA(S):** Biodiversity

**GEF-4 STRATEGIC PROGRAM(S):** SO1, SP1/SP3

**NAME OF PARENT PROGRAM/UMBRELLA PROJECT:** NA

Expected Calendar (mm/dd/yy)	
Milestones	Dates
Work Program (for FSPs only)	04-08-2008
Agency Approval date	07-31-2009
Implementation Start	09-30-2009
Mid-term Evaluation (if planned)	02-28-2012
Project Closing Date	07-30-2014

**A. PROJECT FRAMEWORK**

<b>Project Objective:</b> By June 2014, Venezuela has implemented an efficient operational and financial framework ensuring long term sustainability of key protected areas (PAs) across the country								
Project Components	TA or STA <sup>2</sup>	Expected Outcomes	Expected Outputs	GEF Financing <sup>1</sup>		Co-Financing <sup>1</sup>		Total (\$) c=a+ b
				(\$ a)	%	(\$ b)	%	
1. Increased support from the Government for the VNPS	TA	<ul style="list-style-type: none"> <li>- Increase of 50% in annual Government contribution to VPS, from \$107,267,740 in 2008 to \$160,901,610 in 2014</li> <li>- Increase of 442,217 ha in the total area of legally declared PAs (from 20,017,317ha in 2009 to 20,459,533ha in 2014), through the declaration of 4 new areas connecting existing PAs and improving efficiency and economies of scale.</li> </ul>	<ul style="list-style-type: none"> <li>- Economic valuations of the goods and services provided by PAs</li> <li>- Management information systems to inform decision makers on the costs and benefits of biodiversity conservation</li> <li>- National and local programme for raising awareness on PAs</li> <li>- Reforms to legal instruments to support the financing of key PAs</li> <li>- Legal declaration of PAs required to increase cost-effectiveness</li> </ul>	1,661,126	71	663,811	29	2,324,937
2. Increased operational effectiveness of PA management and cost effectiveness of resources invested	TA	<ul style="list-style-type: none"> <li>- Increase in the average total score for National Parks, using the METT scorecard, from 36.5/93 in 2009 to 68.5/93 in 2014.</li> <li>- 100% increase in the level of financial execution by INPARQUES, from \$45,840,547</li> </ul>	<ul style="list-style-type: none"> <li>- Revised operational framework to achieve cost-efficient benefits and optimize use of available funds</li> <li>- Reformed institutional structures in INPARQUES</li> <li>- Strategic financial plans for INPARQUES</li> <li>- Harmonized operational standards for</li> </ul>	2,892,065	17	14,601,955	83	17,494,020

		in 2008 to \$91,681,094 in 2014	<ul style="list-style-type: none"> <li>- PAs</li> <li>- Management plans and financial strategies for key PAs</li> <li>- INPARQUES offices and staff with capacities to undertake new roles and operate effectively</li> <li>- Long term training programme for VPS staff, and associated monitoring programme</li> <li>- Mechanism for ongoing systematization and dissemination of lessons learnt</li> <li>- Design for Financial Sustainability Fund</li> </ul>					
3. Diversification of the income available for PA management	TA	<ul style="list-style-type: none"> <li>- VPS income from productive sectors increases from 0% to 9% of total</li> <li>- 50% increase in income generated by PAs, from \$1,892,881 (2008 figure) to \$2,839,322 in 2014</li> </ul>	<ul style="list-style-type: none"> <li>- Schemes for income generation, validated in key pilot areas</li> <li>- Mechanisms for income generation replicated throughout the VPS</li> <li>- Guidelines and training programmes to optimize the contribution of development initiatives to PAs</li> <li>- Permanent working groups with productive sector associations</li> <li>- Long term investment plans and strategies, with productive sector actors</li> </ul>	1,314,734	24	4,066,300	76	5,381,034
4. Co-management arrangements to underwrite PA management costs	TA	50% of the area of the VPS (10 million ha) with active participation of the population, through Social Conservation Councils, managed by indigenous communities or with Little Park Ranger programmes	<ul style="list-style-type: none"> <li>- Strategies for buffer zone management, incorporated into local development plans</li> <li>- Governance framework for joint management of PAs, income generation and equitable sharing of benefits</li> <li>- Social Conservation Councils (COSOCOs) capable of participating in joint PA management</li> </ul>	681,041	28	1,763,555	72	2,444,596
5. Project management				626,900	24	2,019,379	76	2,646,279
<b>Total Project Costs</b>				<b>7,175,866</b>	<b>24</b>	<b>23,115,000</b>	<b>76</b>	<b>30,290,866</b>

<sup>1</sup> List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

<sup>2</sup> TA = Technical Assistance; STA = Scientific & Technical Analysis.

## B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT

<i>Name of Co-financier (source)</i>	<i>Classification</i>	<i>Type</i>	<i>Project</i>	<i>%*</i>
Ministry of Environment	Nat'l Gov't	Grant	18,145,000	78.5
INPARQUES	Nat'l Gov't	In kind	2,500,000	10.8

AECID	Bilat. Agency	Grant	1,950,000	8.4
UNDP	Impl. Agency	In kind	520,000	2.3
<b>Total Co-financing</b>			23,115,000	100%

\* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

### C. FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	<i>Project Preparation a</i>	<i>Project b</i>	<i>Total c = a + b</i>	<i>Agency Fee</i>	<i>For comparison: GEF and Co- financing at PIF</i>
GEF financing	93,400	7,175,866	7,269,266	726,927	7,179,327
Co-financing	140,000	23,115,000	23,255,000		16,500,000
<b>Total</b>	233,400	30,290,866	30,524,266	726,927	23,679,327

### D. GEF RESOURCES REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)<sup>1</sup>

<sup>1</sup> No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

<sup>2</sup> Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

### E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person weeks</i>	<i>GEF amount(\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
<i>Local consultants*</i>	3,627	2,720,000	2,000,000	4,720,000
<i>International consultants*</i>	261.8	654,560	0	654,560
<b>Total</b>	3,888.8	3,374,560	2,000,000	5,374,560

\* Details provided in Annex C.

**F. PROJECT MANAGEMENT BUDGET/COST**

<i>Cost Items</i>	<i>Total Estimated person weeks</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
<i>Local consultants (project coordinator)</i>	260	0	250,000	250,000
<i>International consultants*</i>	25.2	63,000	0	63,000
<i>Office facilities, equipment, vehicles and communications*</i>		58,000	0	58,000
<i>Travel*</i>		242,600	0	242,600
<i>Others**</i>		263,300	2,019,379	2,282,679
<b>Total</b>	285.2	626,900	2,269,379	2,896,279

\* Details provided in Annex C.

\*\*\$43,750 for audit, \$53,000 for materials and goods, \$34,000 for supplies, \$5,300 for rental and maintenance of premises, \$5,000 for rental and maintenance of information and technology equipment, \$96,000 for rental and maintenance of other equipment, \$6,250 for audiovisual and print costs and 20,000 for miscellaneous expenses (insurance, storage).

**G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT?** yes  no

**H. DESCRIBE THE BUDGETED M & E PLAN:**

1. Monitoring and evaluation of the project will be adapted from procedures established by UNDP and GEF for Full Size Projects and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from UNDP-GEF. The main components of project M&E will be the following:

- Inception workshop.
- Day to day monitoring of implementation progress by the Project Coordinator, based on the project’s Annual Work Plan and its indicators.
- Periodic monitoring of implementation progress by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary.
- Annual Monitoring through Tripartite Programme/Project Review (TPR) *meetings*, which will occur at least once every year.
- External evaluations in years 3 and 5.
- Terminal tripartite review, in the last month of the project period.

**PART II: PROJECT JUSTIFICATION:**

**A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:**

2. Venezuela is one of seventeen megadiverse countries in the world, due largely to its position at the intersection of the Amazon, Andes, Caribbean and Guyanese biogeographic regions. 22% of the country is included within the Venezuelan Parks System (VPS), meaning that this has a vital role to play in conserving globally important BD. Management of the VPS is the responsibility of INPARQUES, an institute within the Ministry of Environment. PAs are subject to diverse threats that reflect the enormous range of ecological, productive and social conditions covered by the VPS. These threats include agriculture, which is expanding into PAs due in part to initiatives to reduce the country’s dependence on petroleum revenues; forest clearance, as a result of commercial timber harvesting and to demonstrate occupancy; urban and industrial growth, and associated encroachment and pollution; unplanned and illegal exploitation of aquatic fauna; fishing with inappropriate gear; illegal hunting and trade of terrestrial fauna; major infrastructure works; mining activity; and biopiracy.

3. The principal underlying problem which prevents these threats being adequately countered is the limited level of financial resources available for PA management, meaning that INPARQUES does not have access to the staff, equipment and logistical support it needs. The long term solution to the problems affecting the VPS would involve INPARQUES receiving additional funding from diverse sources, having durable capacities to execute the funding to which it has access in an opportune, effective and efficient manner, and collaborating with institutional and local stakeholders in the management and protection of PAs.

4. INPARQUES is not at present able to reach this situation due to the existence of a number of barriers: PAs receive inadequate prioritization by the Government despite the large proportion of national territory that they cover and their contribution of economic and social development; INPARQUES has limited operational and administrative capacities for the opportune, effective and efficient execution of its resources; the institution depends too much on central Government funding, which is vulnerable to variations in the global economy; and inadequate linkages exist between INPARQUES and other PA stakeholders to enable the required collaboration in the management and protection of PAs.

5. Initiatives carried out to date have been insufficient to remove these barriers. To date, INPARQUES has prepared Zoning Plans and Use Regulations (equivalent to PA management plans) for 25 of the 64 PAs within the VPS, and a further 6 are under preparation, however these are limited in scope and utility in the face of the complexity and evolving nature of conditions affecting the VPS and do not allow programmatic planning or effective monitoring and evaluation of progress. INPARQUES has also carried out a number of analyses of strategies for institutional restructuring; these constitute an important foundation for the restructuring proposed under the present project, but have largely remained on paper due to the existence of inadequate mechanisms for institutional learning and decision-making. INPARQUES has advanced with the development of relations with local communities located in or adjacent to national parks, however these types of arrangements are limited in number and scale and in general the strategy of working with joint Government-community initiatives in support of PA management is not yet in the mainstream of PA practice, and the true economic and social values of the areas within the VPS still remain to be fully appreciated by the public. INPARQUES has developed proposals for alliances aimed at consolidating the management of the areas for which it is responsible, through the establishment of coordinated programmes and low impact projects, however, these lack an overall integrated vision and strategy reflecting the aims of INPARQUES and the respective roles and capacities of the different institutions involved.

6. Under the baseline (without project) situation, therefore, INPARQUES would continue to experience a major continuing budgetary shortfall for the foreseeable future, although the actual magnitude of funding gap would not be clear due to the limited capacities for financial analysis in the institution. The institution would continue to execute only a small proportion of the funds actually available to it. The funds available to it would continue to be dominated by budgetary allocations from central Government, which are vulnerable to annual fluctuations and also pose administrative problems for timely execution. Limited advantage would be taken of the potential for productive sectors to contribute to meeting the costs of PA management, or for PAs to generate income, themselves. As a result, PAs would continue to be grossly understaffed and to lack the forms of concrete investment in infrastructure and capacities required to achieve operational or financial sustainability. As a consequence, they would continue to be exposed to diverse and major threats, resulting in the loss of global values (in the areas of biodiversity and climate change) and of environmental and economic benefits for the national population.

7. Under the GEF alternative, the capacities of INPARQUES to execute funds would be increased, through administrative and operational strengthening: this would result in major increases in its ability to operate even if the funding sources themselves remained stable. In parallel, the amount of funds provided to INPARQUES would be increased, as a result of raised awareness in the Government of the contribution that PAs make to economic and social wellbeing, alliances with productive sectors, especially those that receive benefits from PAs, and increased capacities to generate income from the PAs themselves. At the same time, the cost side of the ledger would be addressed by streamlining institutional structures and processes in INPARQUES, linking a number of currently dispersed PAs, and developing further the incipient arrangements between INPARQUES and local communities for collaboration in the management and protection of PAs.

8. Global benefits resulting from this support will be in the form of lasting improvements in the sustainability of the system and the protection of its constituent PAs, which are of major global significance. These cover a wide range of ecosystems including high altitude moorland (páramo), montane forests, humid lowland forests, tropical dry forests, mangroves and coral reefs. The specific impacts of the project on the financial situation of INPARQUES would be as follows:

- 1) From 2010 on (Project Year 1), the capacity of INPARQUES to execute the funds available would increase, reaching an expected 2.4 times the current execution level by the end of 2014 (project end) and continuing to increase at a steady annual rate beyond that point.
- 2) The financial resources received by INPARQUES would increase at a rate that would allow them to at least equal the capacity of financial execution of the institution. This increase would occur from approximately 2013

on (Project Year 4), as a result of the project's initiatives aimed at increasing political will for investing in PAs and at realizing the potential of alternative income sources.

- 3) Total budgetary needs would also increase from around 2010 on (Project Year 1), in part due to the costs associated with the institutional capacity development to be carried out through the project, however this would be offset by increases in administrative and operational efficiency.
- 4) On the basis of the above assumptions, the funding gap would be reduced to 0 around the year 2015.

**B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL AND/OR REGIONAL PRIORITIES/PLANS:**

9. Venezuela ratified the United Nations Convention on Biological Diversity (UNCBD) on 13<sup>th</sup> September 1994. The State of Venezuela gives an important role to National Parks, Natural Monuments, Wildlife Refuges, Biosphere Reserve, Forest Reserves and other natural protected areas. Projected increases in Government support to the VPS are in line with the recognition of the importance of PAs in the Constitution and in the National Social Development Plan. Support by the project to co-management arrangements is in line with the principles of social inclusion, community participation and shared responsibility, which are also stated in the Constitution and have been expressed in practice through the development of mechanisms for social participation at a number of levels, including in relation to PAs. The emphasis of the project on enlisting support from productive sectors in order to achieve income diversification is in line with the social and environmental responsibility programmes of State-owned industries, principally the oil company PDVSA. The project is fully consistent with the country's National Biodiversity Strategy and Action Plan (NBSAP), which recognizes the importance of in situ conservation in PAs as a cornerstone strategy, promotes the sustainable use of natural resources, proposes the strengthening of institutions responsible for BD conservation and aims to generate finance for BD conservation (through the creation for a national fund for financing the NBSAP and the development of mechanisms and projects for capturing funds from national, regional and multilateral sources).

**C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:**

10. The project will contribute to Strategic Objective 1 of the GEF, "To Catalyze Sustainability of Protected Area Systems", and specifically Strategic Priority 1, "Sustainable Financing of Protected Area Systems at the National Level", as it will enable INPARQUES, in association with other institutional partners, to implement an efficient operational and financial framework to ensure long term sustainability of key PA systems across the country. The project will also contribute incidentally to SP3 (Strengthening Terrestrial Protected Area Networks) as it will support the expansion of the country's PA estate to include new areas prioritized by INPARQUES, although the main motivation for doing this will be to contribute to the financial and operational sustainability of the VPS.

**D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES.**

11. GEF resources consist of a donation which will be used in a one-off manner to create lasting capacities.

**E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:**

12. This project would draw lessons on PA management strategies from the ongoing GEF/UNDP project "Conservation and Sustainable Use of Biodiversity in the Orinoco Delta Biosphere Reserve" (GEF ID 3). It would also complement that project, together with the proposed GEF/IBRD project (GEF 2013) "Expanding Partnerships for the National Parks System" (if it is implemented, as it is currently on hold), and the GEF/UNDP project "Strengthening the Venezuelan Protected Areas system in marine and coastal areas", by promoting the financial and operational sustainability of PAs at a systemic level, within the context of the VPS. Coordination with these projects would be facilitated by the fact that MPPA would be directly involved in all three (in the case of the projects 3 and 2013, through INPARQUES). Technical coordination with these two projects would be facilitated through an advisory committee that exists in INPARQUES, in which the staff involved in the development of the present project are represented. Coordination with the project "Strengthening the Venezuelan Protected Areas system in marine and coastal areas" would be facilitated by the fact that MPPA would also be a member of the steering committee of the present project. The GEF/UNDP project "Biodiversity Conservation in the Productive Landscape of the Venezuelan Andes" (GEF 2120) and the regional GEF/UNEP project "Conservation of the Biodiversity of the Paramo in the Northern and Central Andes" (GEF 1918) are both focused on BD conservation in productive landscapes. The biological sustainability of such actions in productive landscapes is maximized by the presence of financially sustainable PAs within the overall landscape of which they form a part.

13. The project would also coordinate with, and learn lessons from, the FGEF/INPARQUES/Nature Conservancy project that is currently working with indigenous communities in Canaima National Park, particularly with regards to how to relate with and involve indigenous communities and organizations in PA management.

14. The project would also build upon and complement the work of the Small Grants Programme. In particular, the first outcome of the fourth operational phase of the SGP is “Sustainable community protected area governance approaches recognized, strengthened, and adopted by national partners, protected area systems, and multilateral processes”, which is highly compatible with the proposed project’s attention to joint management of PAs. Specifically, SGP has supported COSOCOs which would constitute the main point of contact between the present project and local stakeholders.

**F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :**

15. INPARQUES has invested to date in the preparation of management plans (which are limited in scope and do not allow programmatic planning or effective monitoring and evaluation of progress), on developing proposals for the improvement of institutional effectiveness (which have failed to be implemented due to a vicious circle of institutional inertia), to developing relations with local communities (which are still largely at an incipient stage) and on developing relations with other institutions (without an overall integrated vision and strategy).

16. Under the baseline (without project) situation, INPARQUES would continue to experience a major continuing budgetary shortfall for the foreseeable future, although the actual magnitude of funding gap would not be clear due to the limited capacities for financial analysis in the institution. The institution would continue to execute only a small proportion of the funds actually available to it. The funds available to it would continue to be dominated by budgetary allocations from central Government, which are vulnerable to annual fluctuations and also pose administrative problems for timely execution. Limited advantage would be taken of the potential for productive sectors to contribute to meeting the costs of PA management, or for PAs to generate income, themselves. As a result, PAs would continue to be grossly understaffed and to lack the forms of concrete investment in infrastructure and capacities required to achieve operational or financial sustainability. As a consequence, they would continue to be exposed to diverse and major threats, resulting in the loss of global values (in the areas of biodiversity and climate change) and of environmental and economic benefits for the national population.

17. Under the GEF alternative, the capacities of INPARQUES to execute funds would be increased, through administrative and operational strengthening: this would result in major increases in its ability to operate even if the funding sources themselves remained stable. In parallel, the amount of funds provided to INPARQUES would be increased, as a result of raised awareness in the Government of the contribution that PAs make to economic and social wellbeing, alliances with productive sectors, especially those that receive benefits from PAs, and increased capacities to generate income from the PAs themselves. At the same time, the cost side of the ledger would be addressed by streamlining institutional structures and processes in INPARQUES, linking a number of currently dispersed PAs, and developing further the incipient arrangements between INPARQUES and local communities for collaboration in the management and protection of PAs

**G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES:**

Risk	Severity	Risk mitigation measures
Reduction in Government and private sector support to conservation areas, for example as a result of fluctuations in economic conditions and commodity prices at national and global levels.	Low	The project will include measures to maintain and increase public awareness of the importance of PAs for national development, and will promote public/private partnerships in support of PA management. In addition, the project would reduce vulnerability to such fluctuations by diversifying income sources and by supporting the design of a fund capable of buffering annual variations in income flow. In the short term, fluctuations in income would be of limited significance given that the amount of funds that INPARQUES executes is well below the amount that is actually available.
Staffing instability in INPARQUES and key partner institutions	Low	The project will focus on developing and institutionalizing lasting mechanisms which are resilient to staff changes, such as long term plans for financial sustainability at systemic and PA levels. Staffing instability is at present largely due to low salaries and limited opportunities for institutional development: as more income becomes accessible to the institution, as a result of the project’s actions, this situation will change.

Increases in threats to PAs due to economic or demographic trends or growth in sector activity	Medium	The institutional partnerships to be developed through the project, especially those at high level under Component 4, will promote awareness in other ministries and institutions of the threats posed to PAs by such trends and policies, and facilitate the joint identification of mitigation measures. This will be complemented by the involvement of communities in PA management and conservation, in particular through Social Conservation Councils (COSOCOs).
Climate change	Low	Certain climate change scenarios may result in increased threats to PAs, such as sea level rise in coastal areas, coral bleaching in marine areas, reduced glacier runoff in mountain areas and increased fire occurrence in forest areas. The actions of the project to improve the financial and operational sustainability of the system will lead to increased human and technical capacities to develop and implement measures to address such threats.

**H. EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:**

18. The cost-effectiveness of the project is maximized by the fact that it will simultaneously increase the funds available to the VPS and improve the effectiveness of the way in which those funds are used. Through the highly targeted one-off investment of just over \$7 million of GEF project implementation funds, by the end of the project it is expected that the VPS would have an additional \$103,491,183 available to it in real terms<sup>1</sup>, allowing it to meet approximately 95% of financial needs; and co-management mechanisms will be functioning over an estimated 50% of the total estate (10 million ha)

19. The cost of doing nothing (the business as usual scenario) would be the loss of major areas of natural ecosystems and major declines in the conservation status of key species. Project intervention to avoid this scenario being realized is particularly opportune at the moment as it coincides with Government initiatives to promote economic development in zones which at present are under-utilized in productive terms, many of which are adjacent to PAs; this corresponds closely with the Government’s commitment to balancing economic and social development with environmental sustainability.

20. Analyses carried out during the PPG phase made it clear that capacities within INPARQUES to generate reliable financial analyses were inadequate to allow the level of quantitative comparison of the cost-effectiveness of different project strategies that was foreseen in the PPG document. The strengthening of such capacities would be a high priority for action early on during the implementation phase of the project. It is, however, possible to produce a qualitative comparison of these options, as follows:

- 1) Focus on protected or productive landscapes. The fact that the greatest proportion of the country’s endemic and endangered BD is located in PAs (especially National Parks and Natural Monuments) makes the promotion of the sustainability of this PA estate the most effective option for conserving this BD.
- 2) Focus on policy and incentive factors underlying PA threats. The decision to prioritize PA strengthening, as opposed to the policy and incentive factors that underlie the threats affecting PAs, is based on a number of factors. Firstly, a large proportion of the threats that affect PAs (particularly agriculture, ranching, timber extraction and illegal mining) are motivated largely by markets that are unlikely to go away in the short term and are therefore likely to be relatively insensitive to policy and incentive frameworks (although the incentives framework related to threats and alternatives in production systems in the Andes is currently being addressed by the project “Biodiversity Conservation in the Productive Landscape of the Venezuelan Andes” (GEF ID 2120)). Secondly, other factors, such as the pursuit of economic diversification to reduce dependence on the petroleum sector, depend on macroeconomic and macropolitical factors that are likely to be relatively immune to arguments concerning the importance of conserving BD and would not therefore be adequately addressed by an emphasis on policy and incentive structures. Thirdly, in the absence of a solid and sustainable institutional framework for PA management and protection, a focus on policies and incentives alone would leave BD exposed to variations in the external factors (such as changes in Government development priorities and global commodity prices) to which policy and incentive frameworks tend to be vulnerable.

<sup>1</sup> Predicted 2014 execution level of \$149,331,730 minus 2008 level of \$45,840,547 (see Project Document Figure 2)

- 3) Expansion of protected area estate. At this time, an SP2/SP3 approach would result in an ineffective use of the GEF funds that would be required to be invested, given that financial and operational conditions do not exist in INPARQUES or partners to protect or manage such areas effectively: new PAs would be added to the list of ‘paper parks’ in the country. The decision not to include La Paragua as a new PA under the current project was taken for this reason, given its magnitude and complexity. The limited new areas that are proposed to be added under the present project have been carefully selected on the basis of their potential to improve cost-effectiveness by linking currently dispersed existing PAs.
- 4) Lobbying for increased Government contributions. PPG studies provided qualitative indications that Government funding of PAs is currently limited by the inadequate appreciation of PA benefits by decision makers, however there is uncertainty regarding the quantitative impacts that could be generated by increasing awareness, in terms of increase budgetary allocation. Awareness raising is therefore included as only one of a suite of complementary project strategies; as discussed below, attention would first be focused on increasing capacities in INPARQUES for executing the resources that it currently has available.
- 5) Strengthening of capacities in INPARQUES for financial execution. This is a key element of the project strategy: even if total income supply remained constant at the 2008 level of \$38,333,092, improved capacity for financial execution could result in up to a 225% increase in actual availability of funds<sup>2</sup>.
- 6) Strengthening of capacities for generation of income by PAs, from existing sources. At present, PA generated income only accounts for around 1.7% of total income supply, so increases in income from current sources would have a relatively small proportionate affect on the overall financial situation.
- 7) Realization of the potential of new income sources. There is the potential for currently unrealized sources, such as donations from industry and others in recognition of the environmental benefits that they receive from PAs, to make a major difference to the overall funding supply.
- 8) Establishment of a Financial Sustainability Fund. Interest from a trust fund, with the levels of potential capital investment that have been identified to date (which, even if the GEF project contributed \$1 million, would probably be below a total of \$5 million), would make a relatively small impact on the overall funding situation of the VPS, in the order of several hundreds of thousands of dollars per year (compared to a total funding gap currently estimated at \$69,289,353). GEF funds would be more usefully invested in the development of lasting capacities for financial execution, cost effective management and income diversification.

### **PART III: INSTITUTIONAL COORDINATION AND SUPPORT**

#### **A. INSTITUTIONAL ARRANGEMENT:**

21. UNDP will be the sole Implementing Agency of this project.

#### **B. PROJECT IMPLEMENTATION ARRANGEMENT:**

22. The project would be executed by INPARQUES, the entity (attached to the Ministry of Environment) responsible for the management of the Venezuelan Parks System. It would be intimately inserted into the structure of INPARQUES, with the aim of maximizing institutional ownership. All project staff would be employees of INPARQUES, supported by specialist consultants who would provide new inputs and value added. A Project Steering Committee would be responsible for overall project oversight: this would include representatives of UNDP and the Ministry of Environment, as well as some or all of the following: the Ministry of Planning and Development, the Ministry of Finance, the Ministry of Foreign Affairs and a representative of grassroots Social Conservation Councils. The project would also be supported by a Technical and Operational Committee, and representation of local stakeholders would be ensured through their participation in Social Conservation Councils.

### **PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:**

23. The overall logic of components in the PIF is closely reflected by that of the outcomes in the current logical framework.

<sup>2</sup> [(Predicted 2014 execution – 2008 execution)/2008 execution] x 100

24. The target for the additional area to be added to the PA estate has been reduced from 3.5 million ha to 442,217 ha. This is because (subject to further study in the course of the system-wide financial analysis and planning to be carried out at the beginning of the project) the proposal to establish the new La Paragua National Park through the project will not now be carried through, as discussions with INPARQUES staff during the PPG phase revealed that this area is complex and conflictive, with a high requirement for funding investment (beyond that originally estimated in the PIF) and high risk of failure, which would have negative implications for the project as a whole. This scaling down is in accordance with the STAP reviewer's comment regarding the possibly over-ambitious nature of the project as proposed in the PIF. The project will instead focus on PAs which have real potential to contribute to increasing cost-effectiveness and acting as pilots, while at the same time posing minimum risks to the project. This is in line with the fact that this is an SP1, rather than an SP2 or SP3 project and therefore does not seek to expand PA coverage as an end in itself.

25. The target for the increase to be achieved in Government budget assignation to INPARQUES has been revised from \$42 million (from \$58 million to \$100 million), as proposed in the PIF, to \$53,633,870 (from \$107,267,740 to \$160,901,610). This is due to the emergence of new figures during the PPG phase for 2008, which revealed a higher level of baseline funding assignation than previously.

26. Confirmed co-financing is now is \$2.18 million greater than that originally estimated in the PIF.

27. The Financial Sustainability Fund suggested in the PIF will not be supported through the project. PPG studies showed that the current funding gap of the VPS is large (see SECTION II **Error! Reference source not found.**) and that the income potentially generated by this fund would not make a sufficiently significant impact on this gap to justify the added complexity it would imply for the project.

**PART V: AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Yannick Glemarec UNDP/GEF Executive Coordinator	<i>Y. Glemarec</i>	May 5, 2009	Lyes Ferroukhi Regional Technical Advisor, BD- LD, UNDP/GEF	+507 3024576	<a href="mailto:lyes.ferroukhi@undp.org">lyes.ferroukhi@undp.org</a>

## ANNEX A: PROJECT RESULTS FRAMEWORK

Vertical logic	Indicators	Baseline value		Target value (year 5)		Sources of verification	Risks
<b>Goal:</b> Conservation of globally important biodiversity in Venezuela, in accordance with principles of sustainable endogenous development							
<b>Objective:</b> By June 2014, Venezuela has implemented an efficient operational and financial framework ensuring long term sustainability of key protected areas (PAs) across the country	Reduction in the gap between income (total, including Government recurrent budget, PA income and other sources) and needs	Annual needs (a)	\$115,129,900	Annual needs (a)	\$155,938,772	INPARQUES financial information system	Increases in threats affecting PAs due to economic, demographic or climate trends, or increases in productive sector activities  Reduction in Government commitment to conservation  Instability of personnel in INPARQUES or key partner institutions
		Annual income		Annual income			
		Government recurrent budget	\$107,267,740	Government recurrent budget	\$134,398,557		
		PA income	\$1,892,881	PA income	\$14,933,173		
		Others sources	Not available	Others sources	\$14,933,173		
		Total (b)	\$109,160,121	Total (b)	\$149,331,730		
		Executed amount	\$45,840,547	Executed amount	\$149,331,730		
		Gap (a-b)	\$69,289,353	Gap (a-b)	\$6,607,042		
		% $[(a-b)/a] \times 100$	39.8%	% $[(a-b)/a] \times 100$	4.2%		
	Increase in the total rating of the VPS achieved according to the UNDP Capacity Development Scorecard	Total score 36	Total score 72		Increase in the total rating of the VPS achieved according to the UNDP Capacity Development Scorecard		
<b>Outcome 1.</b> Increased Government support to the VPS	Increase in Government contributions to the operating costs of the VPS	\$107,267,740 in 2008		\$160,901,610 in year 2014 (50% above current level)		Increase in Government contributions to the operating costs of the VPS	Reduction in Government commitment to conservation
	Increase in PA coverage through the declaration of new connectivity zones	Current total area of PAs: <b>20,017,316ha</b>		Total area of PAs: <b>20,459,533ha</b> , through the declaration of 4 new areas, covering a total of <b>442,217 ha</b> , connecting existing PAs and improving efficiency and economies of scale.		Increase in PA coverage through the declaration of new connectivity zones	
<b>Output 1.1:</b> Economic valuations of the goods and services provided by PAs							
<b>Output 1.2:</b> Management information systems to inform decision makers on the goods and services provided by PAs							
<b>Output 1.3:</b> National and local programme for raising awareness on PAs							
<b>Output 1.4:</b> Reforms to legal and policy instruments to support the financing of key PAs							
<b>Output 1.5:</b> Legal declaration of PAs required to increase cost-effectiveness							
<b>Outcome 2.</b> Increased operational effectiveness of PA management and	Increases in average METT scores for management effectiveness of	Average total score for National Parks: <b>36.5/93</b>		Total score: <b>68.5/93</b>		Expert meetings	Instability of personnel in INPARQUES or key partner institutions

Vertical logic	Indicators	Baseline value		Target value (year 5)		Sources of verification	Risks
cost effectiveness of resources invested	PAs throughout the VPS						
	Increase in the level of execution of financial resources received by INPARQUES	\$45,840,547 executed in 2008 (42% of total income)		\$91,681,094 executed in 2014 (double the current level)		INPARQUES financial information system	
<b>Output 2.1:</b> Revised operational framework to achieve cost-efficient benefits and optimize use of available funds							
<b>Output 2.2:</b> Reformed institutional structures for the coordination of responsibilities and resources for PA management							
<b>Output 2.3:</b> Strategic financial plans for INPARQUES							
<b>Output 2.4:</b> Harmonized operational standards for key categories of PAs and for the assignation of financial and human resources							
<b>Output 2.5:</b> Management plans and financial strategies for key PAs							
<b>Output 2.6:</b> INPARQUES offices with capacities to undertake new roles and operate effectively							
<b>Output 2.7:</b> PA managers with capacities for cost-effective management							
<b>Output 2.8:</b> Long term training programme for VPS staff							
<b>Output 2.9:</b> Monitoring programme to measure the effectiveness of staff training							
<b>Output 2.10:</b> Mechanism for ongoing systematization and dissemination of lessons learnt							
<b>Output 2.11:</b> Consolidated and equipped offices for new groupings of PAs							
<b>Output 2.12:</b> Design of Financial Sustainability Fund							
<b>Outcome 3.</b> Diversification of the income available for PA management	Proportion of VPS income that comes from productive sectors	Not available		9%		INPARQUES financial information system	Reduction in commitment by Government and productive sectors to conservation
	Proportion of income generated by VPS, by sources	<b>Source</b>	<b>\$</b>	<b>Source</b>	<b>\$</b>	INPARQUES financial information system	Resistance by the Government to mechanisms for the generation of income from PAs.  Instability of personnel in INPARQUES or key partner institutions
		Ticket sales	488,117	Ticket sales	3,850,816		
		Concessions	343,077	Concessions	2,706,577		
		Permits	135,320	Permits	1,067,556		
		Telecommunications infrastructure	727,742	Telecommunications infrastructure	5,741,247		
		Various income	198,625	Various income	1,566,977		
		<b>Total</b>	<b>1,892,881</b>	<b>Total</b>	<b>14,933,173</b>		
% of total	1.7%	% of total	9%				
<b>Output 3.1:</b> Schemes for income generation, validated in key pilot areas							
<b>Output 3.2:</b> Mechanisms for income generation replicated throughout the VPS							
<b>Output 3.3:</b> Guidelines and training programmes to optimize the contribution of development initiatives to PAs							
<b>Output 3.4:</b> Permanent working groups with productive sector associations							
<b>Output 3.5:</b> Long term investment plans and strategies, with productive sector actors							
<b>Outcome 4.</b> Co-management	% of the area of the VPS with	<b>Form of participation</b>	<b>Area (ha)</b>	<b>Form of participation</b>	<b>Area (ha)</b>	Interviews with PA managers	Reduction in Government and/or

Vertical logic	Indicators	Baseline value		Target value (year 5)		Sources of verification	Risks
arrangements to underwrite PA management costs.	active participation of the population in the management of PAs	Social Conservation Councils (COSOCOs)	701,915	Social Conservation Councils (COSOCOs)	10,000,000	and members of COSOCOs	community commitment to conservation
		Managed by indigenous communities	3,000,000	Managed by indigenous communities	3,000,000		
		Little Park Ranger (Guardaparquitos) programme	121,000	Little Park Ranger (Guardaparquitos) programme	121,000		
		<b>Total</b>	<b>3,822,915</b>	<b>Total</b>			
		<b>% of PA estate</b>		<b>% of PA estate</b>			
<b>Output 4.1:</b> Strategies for buffer zone management, incorporated into local development plans							
<b>Output 4.2:</b> Governance framework for joint management of PAs, income generation and equitable sharing of benefits							
<b>Output 4.3:</b> Social Conservation Councils (COSOCOs) capable of participating in joint PA management							
<b>Resultado 5.</b> Monitoring, learning, adaptive feedback & evaluation	Numbers of annual work plans and budgets and PIRs which adequately take into account the results of monitoring and evaluation	0		4 AWPBs 4 PIRs		Review of AWPBs and PIRs	
	Numbers of documents on lessons learnt produced and disseminated within the GEF system	0		2 by the end of year 3		Review of documents	
<b>Output 5.1:</b> System for monitoring and evaluation of project indicators							

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

**GEF Secretariat Review At PIF/Work Program Inclusion**

Comments	Responses at time of PIF presentation	Responses at time of CEO endorsement request
<p>Please rewrite the project objective which is remarkably unambitious for an investment of this size and given the ambitious nature of each supporting component. Clearly after a US\$23 million investment, by 2014 the project has to achieve more than the design and initial implementation of an efficient and operational framework.</p>	<p>The project objective was reworded in the PIF as follows: “By June 2014, Venezuela has implemented an efficient operational and financial framework ensuring long term sustainability of key protected areas (PAs) across the country”. This rewording is intended to convey that the efficient operational and financial framework will actually be under full implementation by the end of the project and will have delivered a concrete change in the form of long term sustainability (rather than just having started this process as could have been understood with the previous wording).</p>	<p>This modified objective is maintained in the Project Document.</p>
<p>Please specify how the project is aligned with the NBSAP.</p>	<p>The following text was added to paragraph 17 of the PIF: “The project is fully consistent with the country’s National Biodiversity Strategy and Action Plan (NBSAP), which recognizes the importance of <i>in situ</i> conservation in PAs as a cornerstone strategy, promotes the sustainable use of natural resources, proposes the strengthening of the institutions responsible for biodiversity conservation and aims to generate finance for biodiversity conservation (through the creation for a national fund for financing the NBSAP and the development of mechanisms and projects for capturing funds from national, regional and multilateral sources).”</p>	<p>More detailed reference to the NBSAP is now included in Part II of the Project Document.</p>
<p>The PIF notes the projects that are being executed in Venezuela and identifies complementarity. Please clarify the coordination mechanism that will be used to ensure complementarity with all ongoing projects. In particular, we would like to know how UNDP will coordinate with the WB project--currently on hold-- which is focused on comanagement and financial sustainability at the site level. Please note that it does not matter if all other investments are site specific and the proposed PIF is taking a systems approach--this is all the more reason that there should be structured coordination mechanisms described in the PIF.</p>	<p>The following text was added to paragraph 19 of the PIF: “Coordination with these two projects will be facilitated by the fact that INPARQUES is, or would be, directly involved in all three. Specifically, technical coordination would be facilitated through an advisory committee that exists in INPARQUES, in which the staffs involved in the development of the present project are represented.”</p>	<p>The additional text included in the PIF has now been included in the CEO Endorsement Request.</p>
<p>...the PIF presents a justification for the investment's cost-effectiveness, however, we find the cost/hectare analysis to be misleading, unless the project will assess the improved management of each hectare of the system.</p>	<p>The cost-effectiveness of the project is maximized by the fact that it will simultaneously increase the funding available to the VNPS and improve the effectiveness of the way in which that funding is used. In order to improve clarity, the reference to costs per hectare was</p>	<p>The discussion of cost effectiveness has been expanded in the Project Document, to include a qualitative comparison of the implications of six different strategies.</p>

<p>Please clarify. The approach of the project on its own is a cost-effective investment towards improving management of the system, and perhaps a better analysis would have been to demonstrate how the investment will reduce the funding gap over time in a cost-effective way, as opposed to using a cost/hectare for PA management to demonstrate cost-effectiveness.</p>	<p>removed from paragraph 21 of the PIF, and additional text was added to the first sentence of that paragraph, so that it started off as follows: “Through the highly targeted one-off investment of just over \$7 million of GEF project implementation funds, an additional \$42 million will be dedicated annually by the Government to the VNPS;”</p>	
<p>Please clarify and improve this section and discuss the approach that the project will take during project preparation to demonstrate and analyze cost-effectiveness.</p>	<p>Additional text was added to paragraph 21 of the PIF on cost-effectiveness, as follows: “Project preparation activities will include detailed analyses and negotiations aimed at confirming cost-effectiveness calculations, in terms of the magnitude of the increases in VNPS funding which will be achieved through the project and the quantitative increases in the area of the PA estate and its operational effectiveness.”</p>	<p>Comparisons have been included in the Project Document of the proportional impact that could be generated, in terms of the reduction of the funding gap of the VPS, by the alternatives of improving financial execution, increasing PA income generation, and establishing a trust fund. More qualitative comparisons have also been made of three other options.</p>
<p>Risks are identified and appropriate mitigation strategies developed. At the time of CEO endorsement these should be developed more fully and take into account the complexity of the intervention strategy.</p>		<p>The risk analysis table has been expanded as suggested.</p>
<p>Please clarify UNDP's cofinancing contribution, will there be any additional in-kind cofinancing provided in addition to the UNDP grant. If so, please quantify.</p>	<p>In addition to the \$50,000 cash co-financing to be provided by the Country Office, UNDP will provide \$520,000 in kind co-financing, as follows:</p> <ol style="list-style-type: none"> <li>1) TOTAL Project (private sector gas and oil company), which supports sustainability and social development in the Mariusa National Park in the Orinoco Delta. UNDP contribution over the period of overlap with the GEF project will be \$300,000.</li> <li>2) BANMUJER Bank Project, which aims to incorporate women in productive processes, including in the Macanao and Paria National Parks. UNDP contribution: \$100,000.</li> <li>3) Direct technical support: 1 gender specialist, 1 specialist in sustainable human development and 2 environmental specialists (all funded through UNDP's own resources, rather than GEF fee) throughout the duration of the PPG and the project. Total: \$120,000.</li> </ol>	<p>This co-financing commitment by UNDP is confirmed in the CEO Endorsement Request and supported by a co-financing letter.</p>

### French Council Member At PIF/Work Program Inclusion

Comments	Responses in the PIF	Responses at time of CEO endorsement request
<p>The PIF mentions the importance of involving local communities, while INPARQUES</p>	<p>Paragraph 16 of the PIF states that: “Collaboration with local communities, through co-management</p>	<p>The main channel for representation of all local stakeholders, including indigenous people, will be through the Social Conservation</p>

<p>(National Parks Institute) appears to be the main public organization involved. When it comes to indigenous population, the PIF should clearly state, who are going to be the main partners involved, whether governmental, NGO</p>	<p>agreements, will be supported by strengthening local management committees (Councils for National Park Protection) in issues such as planning, collaborative decision-making and the identification of conservation-friendly development options.”</p>	<p>Councils (COSOCOs) which are currently being established in all PAs with significant human presence. Existing indigenous organizations, particularly in the southern states of Bolívar and Amazonas, would be represented in the COSOCOs and would also relate directly with project staff. See Project Document, Section IV Part X (Stakeholder Involvement Plan)</p>
<p>Coordination with the existing project supporting Venezuelan national parks should be sought to ensure consistency between the tools and management methods that will be developed with GEF support. The FGEF, in relation with Inparques and The Nature Conservancy, is currently supporting a project in Venezuela focused on Canaima National Park and its indigenous communities.</p>	<p>None.</p>	<p>The Canaima project is now in the process of finalization. At the beginning of the proposed project INPARQUES would review lessons learnt from that project with regards to how to relate with and involve indigenous communities and organizations in PA management.</p>

## STAP comments at PIF/Work Program Inclusion

Reviewer's comments	Response
<p>Clearly more guards and staff with better training are better than fewer such guards, but the PIF does not clearly explain why funds would not be better invested in altering the policies and incentive structures that lead to the threats listed in II.A.3. Arguing that the system is funded at only 15% of the “budget needed” is not an adequate justification, particularly given the relationship between conservation impacts and “full funding” has no empirical basis.</p>	<p>A full solution in the long term to the loss of biodiversity in PAs would involve both approaches: increasing capacities to defend PAs against threats and reducing those threats at source by addressing the underlying policies and threats. In the immediate term it is necessary to decide on which of these two approaches to focus. The decision to prioritize PA strengthening, through this proposal, is based on a number of factors. Firstly, a large proportion of the threats that affect PAs (particularly agriculture, ranching, timber extraction and illegal mining) are motivated largely by markets that are unlikely to go away in the short term and are therefore likely to be relatively insensitive to policy and incentive frameworks (the PIF probably overstated the importance of policy and incentive frameworks in relation to these threats and the threat section in paragraph 5 of the Project Document has now been modified accordingly). That being said, the incentives framework related to threats and alternatives in production systems in the Andes is currently being addressed by the project “Biodiversity Conservation in the Productive Landscape of the Venezuelan Andes” (GEF ID 2120). Secondly, other factors, such as the pursuit of economic diversification to reduce dependence on the petroleum sector, depend on macroeconomic and macropolitical factors that, as the reviewer points out, are likely to be relatively immune to arguments concerning the importance of conserving BD and would not therefore be adequately addressed by an emphasis on policy and incentive structures. Thirdly, in the absence of a solid and sustainable institutional framework for PA management and protection, a focus on policies and incentives alone would leave BD exposed to variations in the external factors (such as changes in Government development priorities and global commodity prices) to which policy and incentive frameworks tend to be vulnerable. These arguments are reflected in the discussion of alternatives in paragraph 60 of the Project Document.</p>
<p>The proposal raises a hypothesis, often repeated in conservation circles, that an important reason why PAs are underfunded is because “decision-makers are not aware of the full magnitude of the benefits currently and potentially delivered by PAs.” Thus a solution to the funding deficit is to increase their awareness. Although there are anecdotes to support this hypothesis, there is no clear evidence from either developed or developing nations that conducting valuation studies and passing this information on to decision-makers increases funding for environmental protection. STAP would encourage the proposal proponents to think creatively about ways to test this hypothesis rather than assume it is true.</p>	<p>The emphasis in the PIF on increasing Government financial contributions to INPARQUES, as a result of increased awareness of the magnitude of the benefits currently and potentially delivered by PAs, has been reduced in the Project Document, on the basis of the results of PPG studies which showed that a greater proportional impact could be achieved in the short and medium term by increasing the levels of execution of the funds currently allocated. This is explained in paragraph 36, in relation to Outcome 1: “Given that there is uncertainty regarding the precise magnitude of the increased budgetary allocation that will result from this strategy, it will be backed up by a suite of complementary options described under the other outcomes of the project” and discussed in the section on alternatives considered, in paragraph 60 of the Project Document: “PPG studies provided qualitative indications that Government funding of PAs is currently limited by the inadequate appreciation of PA benefits by decision makers, however there is uncertainty regarding the quantitative impacts that could be generated by increasing awareness, in terms of increase budgetary allocation. Awareness raising is therefore included as only one of a suite of complementary project strategies; as discussed below, attention would first be focused on increasing capacities in INPARQUES for executing the resources that it currently has available.” It is also explained, in relation to Outcome 1, that the hoped for increase in Government contributions is not purely financial, but also consists in the investment of effort in the modification of legal and policy instruments and the declaration of new PAs.</p>
<p>One important point raised in the PIF and of great relevance to the GEF is that the current allocation of PA funds does not reflect the global value of PAs (II.A.7), but rather emphasizes the PAs role in the economic development. However, the PIF does not identify how</p>	<p>The Project Document now explains that the distribution of funds throughout the VPS will be based on a process of strategic financial analysis and planning. This will take into account a number of factors, including the magnitude and complexity of threats, current levels of staffing and infrastructure and the combination of local, national and global values represented in each area. Given the principle of GEF</p>

<p>this situation will be changed through GEF investments, unless somehow capacity building will change the current incentive structure of the Venezuelan government with regard to PA funding allocations.</p>	<p>that its investments must respect national development priorities, the final level of funding assignation to each PA will in reality represent a compromise between local, national and global considerations; the project will help to ensure that this compromise is reached in an objective manner.</p>
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**ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF RESOURCES**

<i>Position Titles</i>	<i>\$/ person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
<b>For Project Management</b>			
<i>International</i>			
Project evaluation specialists	2500	25.2	- Mid-term and final external evaluations of project
<b>For Technical Assistance</b>			
<i>Local</i>			
1. Specialist in strategic planning, policy formulation, institutional planning and negotiation	750	213	<ul style="list-style-type: none"> <li>- Review and validation of a national vision for protected areas</li> <li>- Updating and definition of public policy for the VPS.</li> <li>- Development of strategic map and management plan for INPARQUES, by areas</li> <li>- Formulation of realistic policy for the generation of PA income</li> <li>- Establishment of financial objectives and alternatives for the generation of income</li> <li>- Awareness raising on the importance of PA for security, protection of water sources, energy generation, biodiversity etc.</li> </ul>
2. Specialist (or team) in awareness raising campaigns, participation and community training	750	47	<ul style="list-style-type: none"> <li>- Design of media campaigns aimed at raising awareness on PAs</li> <li>- Consolidation of alliances with key actors</li> <li>- Formulation and dissemination of lessons learnt</li> </ul>
3. Specialist in definition and quantification of services provided by PAs	750	27	<ul style="list-style-type: none"> <li>- Evaluation, definition and/or estimation of services provided by PAs</li> </ul>
4. Specialist in land use planning, regional planning and/or natural resource/PA management planning	750	27	<ul style="list-style-type: none"> <li>- Definition of limits for recreation areas in PAs</li> <li>- Definition of uses that may be subject to concessions</li> </ul>
5. Information systems consultant	750	40	<ul style="list-style-type: none"> <li>- Formulation of an integrated information management project for decision making</li> <li>- Development and implantation of technological modernization initiatives that permit communication and integration with regional offices.</li> </ul>
6. Specialist in remote sensing and monitoring	750	27	<ul style="list-style-type: none"> <li>- Implantation of remote monitoring systems that permit the reduction of supervision costs in remote areas.</li> </ul>
7. Judicial consultant	750	153	<ul style="list-style-type: none"> <li>- Drafting of proposals of decrees</li> <li>- Remission of drafts to General Procurator of the Republic and to the Presidency</li> <li>- Drafting of resolutions for the preparation of plans for development, administration and management of Recreation Parks</li> </ul>
8. Facilitator/consultant of public consultation processes	750	27	<ul style="list-style-type: none"> <li>- Review, analysis and public and interinstitutional consultation of draft decrees</li> </ul>
9. GIS/remote sensing specialist	750	140	<ul style="list-style-type: none"> <li>- Rationalization of the boundaries of National Parks, Natural Monuments and Recreational Parks</li> </ul>
10. Organizational consultant.	750	400	<ul style="list-style-type: none"> <li>- Development and application of a programme of organizational restructuring and a strategic map and management plan, eliminating duplications of functions, optimizing the size of the organization and defining resource needs</li> <li>- Determination of the ideal size and makeup of each dependency</li> <li>- Integrated development of management units and personnel administration systems</li> <li>- Logical and physical design of internal management units</li> <li>- Identification of new areas to be incorporated or strengthened by the organization</li> </ul>

<i>Position Titles</i>	<i>\$/ person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
11.Multidisciplinary team of geographer, biologist and administrador economist	750	87	- Application of models in pilot cases
12.Human resources consultant	750	300	- Development of descriptions of posts - Development of technical abilities for administrators, personal abilities and cultural change in staff - Cost analysis for each of the suggested activities - Development and implementation of a training programme for personnel - Development and implementation of a system of monitoring and control to guarantee the effectiveness of staff training
13.PA management and financing specialist(s)	750	1533	- Realization of a detailed cost/benefit study of each of the financial options suggested - Updating of management plan models and financial development plans for key areas - Development of a system of financial sustainability - Final selection, delimitation and planning of pilot areas and projects - Development of proposals for socioproductive inclusion programmes - Development of proposals for voluntary contributions to park management by local communities - Application of pilot schemes to validate resource generation options - Introduction of a programme of cultural change in accordance with the new philosophy of optimizing the contribution of development funds to the management of PAs. - Programmes of technical assistance, training and management of ecotourism services - Generation of agreement with key institutional stakeholders and environmental NGOs - Programmes for awareness raising and training of conservationists, focusing on the strategic importance of the participation of national, regional and local institutions. - Seminars, forums, congresses and dissemination/training events
14.Specialist in buffer zone management	750	87	- Evaluation of requirements, strategies and management proposals for buffer zones - Application in pilot projects
15.Specialist in productive and livelihood systems	750	98	- Programmes of socio-productive inclusion in PA management - Promotion of mechanisms for voluntary contributions to park management by local communities
16.Specialist in technical assistance and local participation in joint management of PAs	750	107	- Development and application of programme of technical assistance and training to PA communities.
17. Specialist in basic services and social wellbeing of rural communities	750	107	- Participatory characterization of PA communities and their needs - Development of proposals for improvement of living conditions in PA communities
18.Team of consultants to develop and implement an integrated programme for joint management of PAs	750	207	- Development and implementation of training and technical assistance plans
<b><i>International</i></b>			
1. Specialist in quantification and valuation of environmental services of protected areas	2,500	25	- Valuation studies of environmental services provided by protected areas - Training of INPARQUES and national consultants
2. Specialist in information systems	2,500	8	- Design and establishment of an integrated information management system for decision makers

<i>Position Titles</i>	<i>\$/person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
3. Specialist in remote monitoring.	2,500	20	- Design and establishment of system of remote monitoring of environmental conditions of PAs
4. Specialists in public policy, strategic planning and participatory planning	2,500	10	- Formulation of a strategy for awareness raising of the value of PAs.
5. Corporate image consultant	2,500	5	- Formulation of a strategy for promotion of the institutional image of INPARQUES
6. Organizational consultant	2,500	20	- Formulation of a programme of organizational restructuring for INPARQUES
7. Human resources consultant	2,500	28	- Development and establishment of a training programme for INPARQUES staff
8. Financial sustainability consultant	2,500	100	- Development of a system of financial sustainability - Support to the development of financial management plans for PAs - Development and detailed evaluation of alternative strategies and mechanisms for income generation - Development of plans for socio-productive and sustainable joint management of PAs
9. Specialist in buffer zone management	2,500	28	- Support to the development of financial management plans for PAs - Evaluation of requirements, strategies and proposals for buffer zone management
10. Specialist in livelihood and production systems in PAs	2,500	8	- Promotion of community participation in PA management
11. Training team for co management	2,500	10	- Development and application of a training programme on joint PA management, awareness and participation on local communities.
<b>Justification for Travel:</b> Travel of international consultants to Venezuela, and national travel for international and national consultants to PA sites.			

## **ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS**

### **A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.**

28. The studies foreseen in the PPG document have been undertaken. Although the limited availability of information and analytical capacities in INPARQUES has presented a challenge, the aims of the PPG phase have in general terms been met. The most significant outputs of the PPG phase have been the following:

1. Legal and political viability of options for diversifying PA income confirmed, proportional potential contribution to reduction of the VPS funding gap calculated and pilot sites identified: more detailed feasibility studies would be carried out early on during the implementation phase.
2. Institutional structure and operations of INPARQUES analysed, weaknesses identified and concrete proposals for restructuring developed, subject to detailed validation during the implementation phase.
3. Modifications to legal and policy framework and corresponding strategies developed
4. Expansions of PA estate identified.
5. Institutional implementation arrangements defined.
6. Detailed budget developed for project implementation.

### **B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:**

- 1) Discussions regarding proposed expansions of the PA estate suggest that it would be overly ambitious to include in the project the declaration of the proposed La Paragua National Park, given its size, complexity and conflictive nature. Although this will reduce the total area of new PAs to be established, it will not affect the achievement of the project objective.

- 2) Data on the financial status of the VPS show that in the short term the priority is to improve effectiveness and financial execution capacity in INPARQUES. Only once this has been achieved will improvements in income generation have a significant effect.
- 3) Initial indications of the magnitude of the financial gap of the VPS suggest that it would not be cost-effective in the short term to establish a Trust Fund, relative to other options such as improving operation and administrative effectiveness, financial execution capacity, and income generation by PAs.

**C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:**

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF Amount (\$)</i>				<i>Co-financing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent to date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
Confirmation of options for diversifying PA income sources, and selection of pilot sites	Completed	17,200	2,399.98	14,800.02	0	24,200
Definition of strategies for institutional strengthening and partnerships	Completed	16,600	5,000.00	11,600.00	0	24,200
Definition of strategies for strengthening legal, strategic and operational frameworks	Completed	8,600	1,999.90	6,600.10	0	24,200
Definition of investments required for the establishment of new PAs	Completed	8,600	3,499.95	5,100.05	0	24,200
Project scoping and definition	Completed	42,400	25,068.35	17,331.65	0	43,200
<b>Total</b>		93,400	37,968.18	55,431.82	0	140,000

\* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee. N/A

**ANNEX E: CALENDAR OF EXPECTED REFLOWS**

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

N/A



## UNDP Project Document

Government of Venezuela

United Nations Development Programme

4151 Strengthening the financial sustainability and operational effectiveness of the Venezuelan Parks System

### **Brief description**

This 5 year project will strengthen the operational and financial sustainability of the 20 million hectare Venezuelan Parks System. It will focus on increasing Government support to protected areas, increasing the operational and administrative capacities of the National Parks Institute, diversifying income sources and promoting alliances with other PA stakeholders. Pilots will be established of joint management with local stakeholders, and of alternative income generation sources for PAs, and a number of new areas will be declared to establish links between currently dispersed PAs and thereby promote cost-effectiveness.

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### Acronyms

ABRAE	Areas Under Special Management Regimes
AECID	Spanish Agency for International Cooperation and Development
APR	Annual Project Review
BD	Biodiversity
CO	Country Office
COSOCO	Social Conservation Council
FSP	Full Sized Project
INPARQUES	National Institute of Parks
INTI	National Institute of Lands
IR	Inception Report
IW	Inception Workshop
M&E	Monitoring and evaluation
METT	Management Effectiveness Tracking Tool
MPD	Ministry of Planning and Development
MPPA	Ministry of Popular Power for the Environment
MSP	Medium Sized Project
NBSAP	National Biodiversity Strategy and Action Plan
NEX	National Execution
NM	Natural Monument
NP	National Park
NPD	National Project Director
NPC	National Project Coordinator
PA	Protected area
PDVSA	Petroleum of Venezuela
PIR	Project Implementation Review
PIU	Project Implementation Unit
PSC	Project Steering Committee
PPG	Project Preparation Grant
RCU	Regional Coordination Unit
RP	Recreational Park
SP	Strategic Programme
TPR	Tripartite Review
VPS	Venezuelan Parks System

## SECTION I. Elaboration of the Narrative

### PART I. Situation Analysis

#### *Context and global significance*

##### Biodiversity

1. Venezuela is one of seventeen megadiverse countries in the world, due largely to its position at the intersection of the Amazon, Andes, Caribbean and Guyanese biogeographic regions. It ranks fourth worldwide in terms of amphibian diversity, sixth in terms of birds, eighth in terms of mammals and higher plants and ninth in terms of reptiles. The number of species of dicotyledonous plants in the country is estimated to be half the world total, and there are 14,292 known angiosperm species and an estimated 100,000 coleopteran species. Endemism levels are very high, particularly in the case of birds, mammals and invertebrates. The principal centres of endemism are the Andes and Coastal Ranges, the Perijá Mountains and the Guyana Massif: National Parks and Natural Monuments contain a large proportion of such centres of endemism compared to other categories of protected areas (PAs).

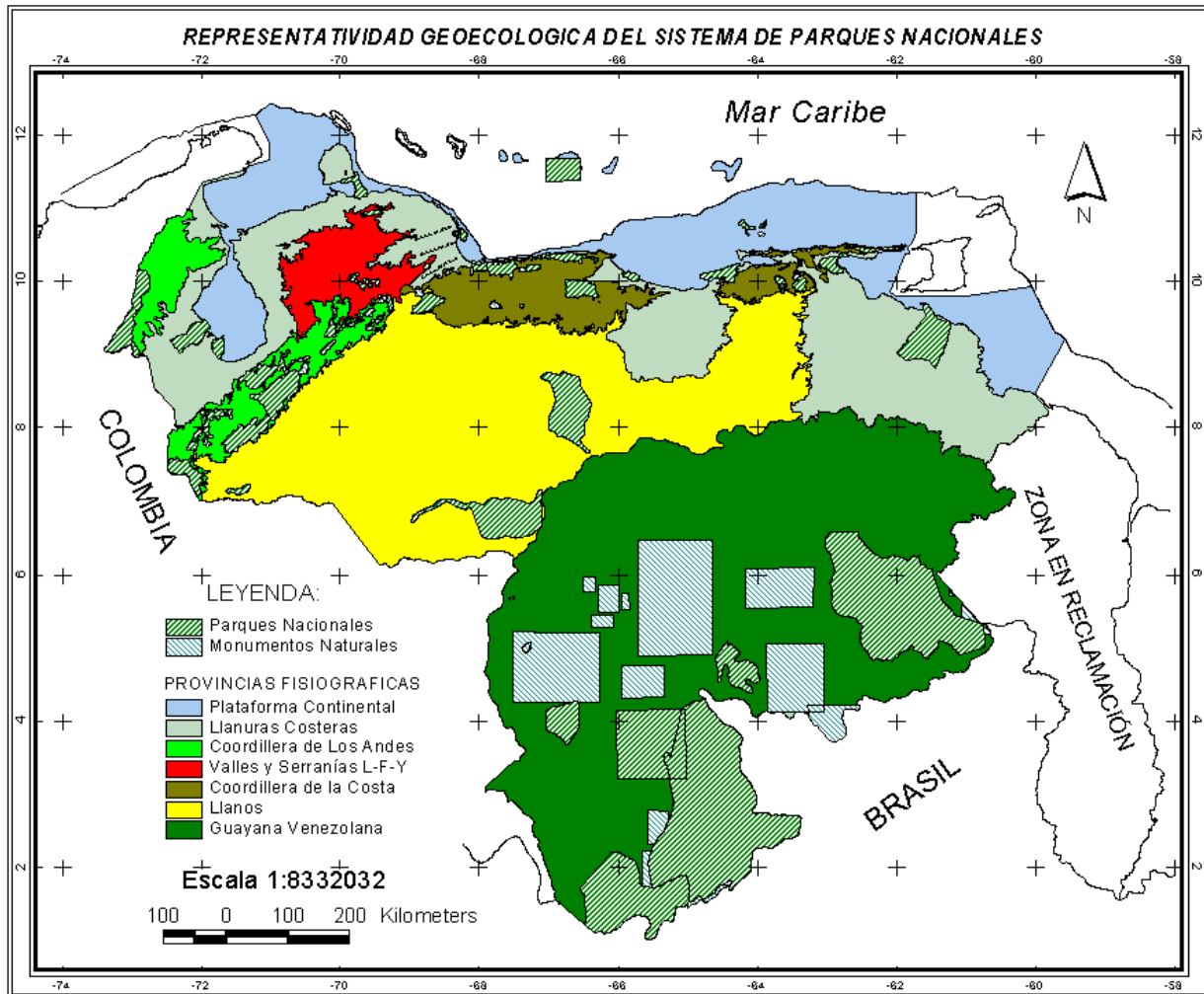
##### Protected Areas

2. Areas Under Special Management Regimes (ABRAEs) cover 67% of the country. There is a wide range of ABRAE categories ranging from those which focus principally on economic development to those aimed at strict protection. The Venezuelan Parks System (VPS) is composed of National Parks, Natural Monuments and Recreational Parks. The first two of these categories cover 20 million ha, or 22% of national territory. The coverage by the VPS of the six physiographic regions that have been defined in the country is shown in Table 1 and Figure 1.

**Table 1. Coverage of the VPS (excluding recreational parks) by physiographic provinces**

Physiographic Provinces	% of province included in National Parks or Natural Monuments
I. Marine and Coastal	4.30
II. Coast Range	13.56
III. Falcón-Lara-Yaracuy Valleys and Hills	3.66
IV. Andes Range	27.40
V. Llanos	7.13
VI. Venezuelan Guayana region	22.51

**Figure 1. Coverage of the VPS (excluding Recreational Parks) by physiographic provinces**



3. The number, area and objectives of the three forms of protected area that make up the VPS are shown in Table 2.

**Table 2. Protected area categories within the VPS**

Category	Number	Area	Objectives
National Parks	43	13,311,304	IUCN Category II: Ecosystem conservation
Natural Monuments	36	6,706,012	IUCN Category III: Conservation of natural features
Recreational Parks	110	286,020	IUCN Category V: Recreation, environmental education, provision of environmental services to urban areas, buffering of pressures affecting national parks.

4. The Ministry of Popular Power for the Environment (MPPA) is responsible for the designation and management of ABRAEs. Specifically, the VPS is the responsibility of INPARQUES, an institute within the MPPA. Given its wide geographical coverage, INPARQUES is divided into 13 Regional Directorates headed by Regional Superintendents; these are in turn subdivided into Regional Coordination Directorates.

### *Threats*

5. PAs in Venezuela encapsulate an enormous range of ecological, productive and social conditions, and the threats which affect them are similarly diverse. Agricultural activities are leading to the clearance of forest, although the significance of this process, the mechanisms involved and the underlying factors vary in different parts of the country. In the Andes, for example, the conversion of natural and coffee forests to sun coffee, ranching and market vegetables is motivated largely by the demand for the products of these sectors, couple with limited technical and marketing capacities to change practices. In the tropical broadleaved forests of the south of the country, by contrast, limited governance conditions are more of an issue. A compounding factor is the need to reduce the country's dependence on petroleum revenues, which is giving increased importance to the agricultural sector, leading in turn to increased competition for land between conservation and production and a corresponding advance of the agricultural frontier into PAs. Urban growth is leading to increasing encroachment on natural ecosystems in many PAs and, coupled with industrial and agricultural development, to increased problems of pollution by solid and liquid wastes, with severe implications for aquatic ecosystems. Deforestation is also caused by commercial timber harvesting, motivated again by a combination of market demand and limited governance. Unplanned and illegal exploitation of aquatic fauna for illicit export to neighbouring Caribbean island states is affecting populations of sea cucumbers (*Holoturoideos* or *Equinodermos*) and queen conch (*Strombus gigas*). Fishing with inappropriate gear is also affecting aquatic fauna, and terrestrial fauna is affected by illegal hunting (for consumption and sale to restaurants and butchers) and the illegal pet trade, which is focused principally on parrots, macaws and primates. Major infrastructure works are affecting some PAs, although INPARQUES is promoting environmental mitigation measures in coordination with other institutions. South of the Orinoco River, PAs face threats from mining activity, largely by small scale illegal operators, control of which is hindered by conflicts of roles between institutions and the logistical and procedural difficulties of applying regulation in this area. The BD of certain PAs, particularly those to the south of the Orinoco river, is also affected by biopiracy carried out with commercial or research objectives by unauthorized external actors. This undermines co-management arrangements with indigenous people as it reduces their degree of control over the BD in their lands and habitats.

### *The underlying problem*

6. The principal underlying problem which prevents these threats being adequately countered is the limited level of financial resources available for PA management, meaning that INPARQUES does not have access to the staff, equipment and logistical support it needs. At present, INPARQUES has only 383 park guards, 209 technicians and 52 professionals distributed across a total of 14,737,918 ha of National Parks and Monuments; 11 PAs, with a combined area of 5,621,000 ha (38% of the total) have no on-site personnel (see SECTION IV PART V). This problem is particularly acute in the southern States of Amazonas and Bolívar, where massive tracts of tropical rainforest are located: here there are 8 PAs, covering a total of 9,211,815 ha, which have no staff.

**Table 3. Summary of staffing situation of INPARQUES by location**

	Central office	Field	Total
<b>Permanent staff</b>	499	903	<b>1,402</b>
<b>Temporary contracts</b>	220	251	<b>471</b>
<b>Totals</b>	<b>719</b>	<b>1,154</b>	<b>1,873</b>

7. Under the baseline situation, INPARQUES would probably continue to receive an annual total income close to the 2008 figure of \$109,160,121 (see Table 4) (in reality this figure is likely to be subject to significant annual variations, depending, for example, on variations in global prices of petroleum). The actual realizable income available to INPARQUES (that which is actually executed) is in fact only around \$46 million (see Table 4). This is close to the minimum level of funding required for basic functioning of

the system (\$52,230,402/year), but less than half the optimum level estimated as required to achieve full and lasting operational effectiveness of the system (\$115,129,900)<sup>1</sup>.

**Table 4. Summary of financial situation of INPARQUES<sup>2</sup>**

	<b>Annual average 1999-2008 (\$)</b>	<b>2008 (\$)</b>
1. Budget request to central Government	40,934,783	136,119,679
2. Budget allocation from central Government	36,802,195 (90% of that requested)	107,267,740 (79% of that requested)
3. Income generated by INPARQUES	1,530,897	1,892,881
4. Income from other sources (donations)	Data not available	0
5. Total available (2+3+4)	38,332,092*	109,160,121
6. Budget executed	21,702,590 (57%* of that available)	45,840,547 (42% of that available)
7. Estimated needs (basic scenario)		50,230,402
8. Estimated needs (optimum scenario)		115,129,900
9. Funding gap (8-6)		69,289,353

\*Approximate: do not take into account the total amount of donations received by INPARQUES over the 1999-2008 period, which is not available (but is reportedly minimal).

#### *Long term solution*

8. The long term solution to the problems affecting the VPS would involve INPARQUES receiving additional funding from diverse sources, having durable capacities to execute the funding to which it has access in an opportune, effective and efficient manner, and collaborating with institutional and local stakeholders in the management and protection of PAs.

#### *Barriers*

##### **1. Inadequate prioritization of PAs by the Government**

9. Although ample policy support exists for the VPS, most decision-makers are not aware of the full magnitude of the benefits currently and potentially delivered by PAs. As a result, funding of the VPS is still well below that required for the investment plans of INPARQUES to be fully implemented, and progress in developing and consolidating the regulatory framework required for the improvement of the financial sustainability of the system is slow. There is also much potential for other institutions of Government to contribute to PA management, in recognition of their importance for their institutional goals, however the realization of this potential is limited by the inadequate development of mechanisms for inter-institutional coordination. Awareness of PA importance is also limited at local level: this is another obstacle to achieving increased financial and legislative support, given the major role which local communities now play in determining Government policies and investments.

##### **2. Limited operational and administrative capacities in INPARQUES**

10. The imbalance between funding needs and income is exacerbated by the inefficient and in effective use of the funds that are available. Over the last 10 years INPARQUES has only managed to execute 57% of the total funding available to it (see Table 4), due largely to its limited institutional capacity to develop,

<sup>1</sup> Source: Informe Subregional Aplicación de la Ficha de Sostenibilidad Financiera del Sistema de Áreas Naturales Protegidas en Sudamérica, 2009. The Nature Conservancy – UNDP (Draft). Giving the paucity of information and analytical capacity in INPARQUES at present regarding operational needs, the projected optimum level of funding is extrapolated from analyses carried out in Paraguay, Ecuador and Peru. This estimate would be validated through processes of financial analysis and strategic financial planning that would be carried out during the implementation phase of the project, and for which the project would develop capacities within INPARQUES.

<sup>2</sup> See SECTION IV PART VI for detail

implement and supervise the implementation of plans for infrastructural development and the expansion of staffing levels, but also to the way that annual Government funding allocations are disbursed (a large proportion is retained until the end of the year and then needs to be executed in an unrealistically short time period). These problems exist at central level, due largely to the inefficient structure of INPARQUES, and at local level, due to the limited development of capacities and tools for effective and cost-efficient management.

11. The current official structure of INPARQUES dates from 1992. PPG studies found, however, that in practice the institution functions with a structure rather different to that which was formally approved. Many key professional posts (around 60% of the total) are filled through temporary contracts rather than as part of a formal staffing structure, due to differences between their roles and those which are formally provided for in the institutional structure. This situation results in reduced staff motivation, given that members of the formal structure at times receive orders from people on temporary contracts with whom they have no formal relations of hierarchy, while those on temporary contracts lack job security and benefits. Limited clarity of staffing structures and roles also leads to duplication of responsibilities and sluggish institutional responses, while the limited existence of formal career tracks and benefits leads to high levels of desertion and difficulties in recruiting high quality staff.

**Table 5. Summary of staffing situation of INPARQUES by staff type**

	<b>Professional and administrative</b>	<b>Labourers</b>	<b>Total</b>
<b>Permanent staff</b>	325	1,077	<b>1,402</b>
<b>Temporary contracts</b>	352	119	<b>471</b>
<b>Totals</b>	<b>677</b>	<b>1,196</b>	<b>1,873</b>

**Table 6. Summary of staffing situation of INPARQUES by location**

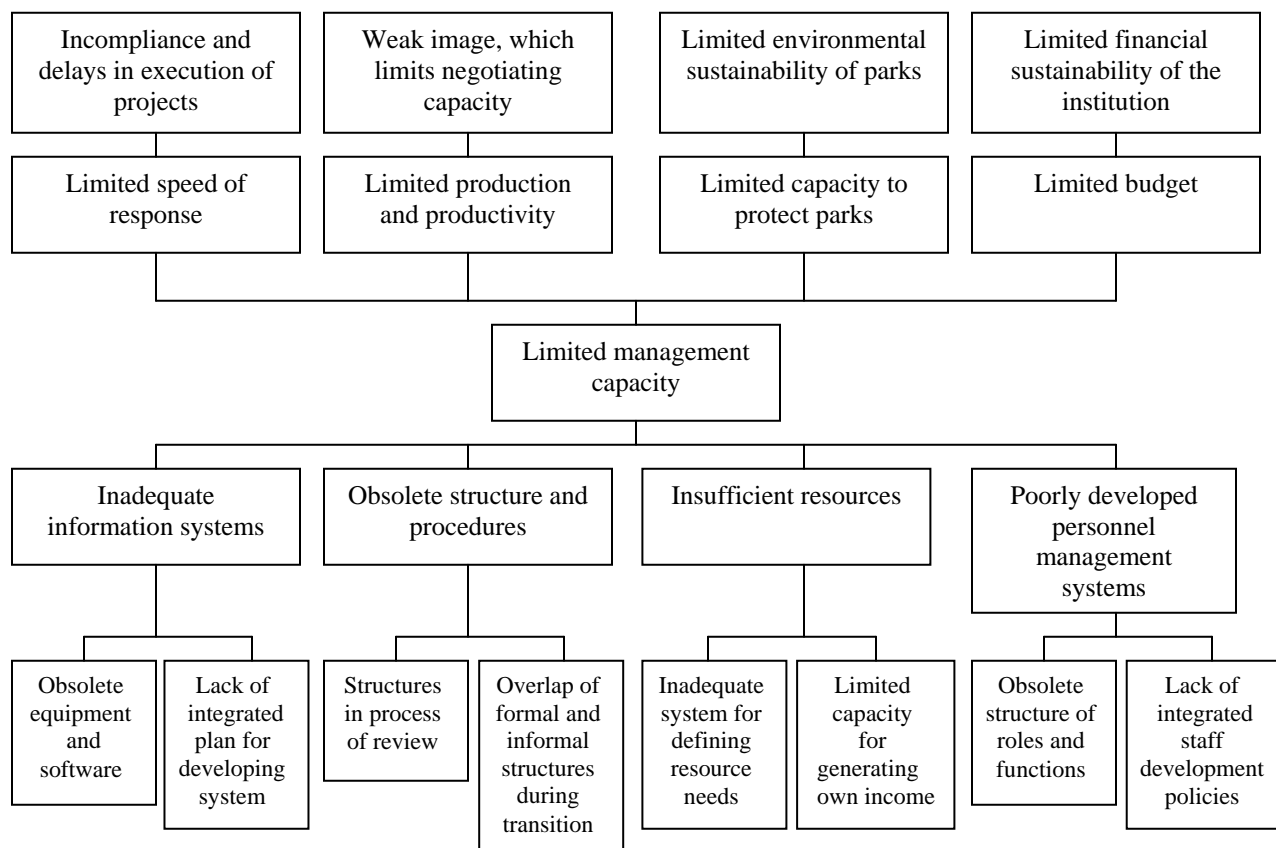
	<b>Central office</b>	<b>Field</b>	<b>Total</b>
<b>Permanent staff</b>	499	903	<b>1,402</b>
<b>Temporary contracts</b>	220	251	<b>471</b>
<b>Totals</b>	<b>719</b>	<b>1,154</b>	<b>1,873</b>

12. This situation is exacerbated by the inadequate development of the information management system of INPARQUES. Much of the information that is held is outdated and not easily accessible or efficiently interchanged, a situation which constitutes a barrier to effective and appropriate decision-making. Effective decision-making is further hindered by the absence of appropriate impact indicators: at present, efficiency is principally judged in terms of levels of financial execution.

13. Capacities of PA staff members are limited in certain key areas such as accounting, reporting, revenue capture and threat management strategies. Effective PA management is also hindered by the limited access of staff to information on issues such as the true nature and magnitude of threats, management options and partnership opportunities. Cost-efficiency is further limited by the dispersion of the PA estate in areas such as the Andes, which limits connectivity and therefore the effectiveness of conservation, and increases costs per area due to limited economies of scale. Inefficiency in the use of funds also stems from short-term and piecemeal financial planning of the VPS, giving inadequate priority to investments in infrastructure and equipment needed to achieve long term sustainability. Financial allocations to different PAs in the VPS do not reflect their relative global value: at present, budget is preferentially allocated to those PAs which are of greatest importance to the economy and development of the regions in which they lie, while a number of large parks, which have major global value but generate little revenue or economic activity (such as those in the Amazon region), are seriously under-funded.

14. The current situation of INPARQUES is summarized in the form of the problem tree presented in Figure 2.

**Figure 2. Problem tree for INPARQUES, developed in workshops with INPARQUES staff**



### 3. Excessive dependence on central Government funding

15. Over the last 10 years, approximately 96% of the total funds available to the VPS<sup>3</sup> have come from the central Government (see Table 4). This situation exposes the VPS to possible fluctuations in budgetary allocations, in response for example to changes in global commodity prices; in addition, the timing of the disbursement of Government funds makes it difficult to execute them in a timely manner.

16. Although PAs generate many benefits of commercial importance, few of the recipients of those benefits who have capacity to pay (such as commercial water users and tourism operators) contribute to the costs of PA management. This situation results in part from the limited development of functioning mechanisms to collect contributions and channel them to the VPS. There is also great potential to collect income from major industries such as oil, gas and mining, however the realization of this potential is at present limited by the limited development of channels for negotiating and planning such contributions in a way that responds to the needs of the VPS. The contribution of productive activities such as tourism is also limited by the inadequate development of infrastructure and human capacities for ecotourism development in PAs, limited concrete experiences of channeling income from such source to PA management at a site specific level, and the risk that poorly planned and executed tourism lead to negative impacts on biodiversity in the absence of norms on best practice. This also limits opportunities for successful co-management, as explained below under Barrier 4.

### 4. Inadequate linkages between INPARQUES and other PA stakeholders

<sup>3</sup> Not counting donations, a figure for which is not available from INPARQUES, but which is minimal.

17. At present INPARQUES shoulders an excessive proportion of the burden of PA management and does not take adequate advantage of the potential of other entities and stakeholders to contribute to PA sustainability. Local communities have particular potential in this regard, given their experience of natural resource management and the importance of PAs for their livelihoods. Effective participation of local communities is also hindered by inadequate knowledge and experience of opportunities for productive activities with potential to contribute to PA sustainability, such as community-based ecotourism and the sustainable harvesting and marketing of non-timber forest products. The importance of PA co-management still remains to be reflected adequately in local development plans which determine the nature of the institutional support provided to local communities. INPARQUES has proposed the establishment of strategic alliances with other institutions to consolidate its management in the areas which make up the VPS. However mechanisms and policies to support and formalize such inter-institutional collaboration remain to be developed.

*Stakeholder analysis*

18. Within the Government, the principal stakeholder in the project is National Parks Institute INPARQUES, an autonomous institute attached to the Ministry of Popular Power for the Environment (MPPA). The MPPA is the lead institution of the environment sector and is also home to the GEF operational focal point. INPARQUES has responsibility for managing National Parks, Natural Monuments and Recreational Parks, and would be the executing agency of the project. The Ministry of Planning and Development (MPD) is responsible for the macro level planning of Government initiatives and for promoting inter-institutional accords, and therefore has an important role to play in ensuring that the project is adequately inserted into the policy and institutional framework of the country. The Ministry of Tourism is the head of the tourism sector and would need to be involved in any initiatives to promote the generation of PA income through tourism development. The National Institute of Lands (INTI) is responsible for formalizing land tenure and therefore has an important role to play in defining the limits of PAs, especially the new ones that it is proposed to establish under the project. The National Guard has an important role to play in the supervision and control of protected areas.

19. State water and electricity companies are beneficiaries of protected areas, by virtue of the hydrological flows that are generated and stabilized by intact PAs in upper watersheds draining into the reservoirs that they manage. Telecommunications companies need to place aerials on mountain tops, many of which are located in PAs. These actors therefore all constitute potential contributors to the costs of PA management in recognition of these benefits that they receive.

20. State and Municipal Governments are responsible for formulating and applying development plans and would therefore require to be involved in initiatives to incorporate PA conservation objectives into such plans. They are also important channels for Government investments in local communities and therefore would have an important role to play in support of PA co-management arrangements, which may involve promoting the social and infrastructural conditions of communities living in or around PAs.

21. Local communities themselves are also of major relevance to the project, given their potential to generate impacts on the conditions of PAs or, conversely, to contribute to their protection and management. Of particular importance are the Social Conservation Councils (COSOCOs) whose formation is being supported in PAs throughout the country as a mechanism for local participation and representation in PA management. Cooperatives and Social Production Enterprises, made up of producers from local communities, also have the potential to carry out concrete conservation activities and also to apply agricultural and other production activities that are compatible with PA conservation.

**Table 7. Summary of project stakeholders**

<b>Stakeholder</b>	<b>Relevance and relation to project</b>
Ministry of Environment (MPPA)	Regulatory and planning entity
INPARQUES	Project executor

Ministry of Planning and Development	Establishment of inter-institutional accords
Ministry of Tourism	Promotion and development of ecotourism
National Lands Institute (INTI)	Definition of protected area boundaries
National Guard	Supervision and control of protected areas
State water companies	Recipient of hydrological services from catchments contained in protected areas (potential source of payments)
State electricity companies	
Public and private telecommunications companies	Concessions for establishment of infrastructure in protected areas (source of payments)
State-owned petroleum company (PDVSA)	Source of corporate responsibility funds for protected areas
State Governments	Park co-management
Municipal Governments	Public services and co-management
Community Councils	Representation of local communities in local development and co-management
Universities	Research and training
NGOs (The Nature Conservancy, Bioparques, Tierra Viva, Provita, Fundación La Salle etc.)	Park oversight, research, conservation, relations with local communities

### *Baseline analysis*

22. Preparation of management plans. To date, Zoning Plans and Use Regulations (equivalent to PA management plans) have been developed for 25 of the 64 PAs within the VPS. These PA planning instruments are limited in scope and utility in the face of the complexity and evolving nature of conditions affecting the VPS and its constituent areas. They do not allow programmatic planning or effective monitoring and evaluation of progress, which are essential elements of adaptive management on which PA functionality depends. Management plans are currently in the process of being prepared for the following parks:

- Las Marites, Nueva Esparta (agreement with PDVSA)
- Mochima, Anzoátegui (agreement with PDVSA)
- Juan C. Falcón and Médanos de Coro (agreement with Cuba)
- Turuépano-Paria, Sucre (agreement with Araucaria – AECID)
- Guatopo (loan from CAF)
- Morrocoy y Henry Pittier (proposed)

23. Improvement of institutional effectiveness. INPARQUES has in recent years carried out a number of analyses of strategies for institutional restructuring. While these have largely remained on paper due to the existence of inadequate mechanisms for institutional learning and decision-making, they constitute an important foundation for the restructuring proposed under the present project. Recently INPARQUES has commenced a process of improvement of its institutional information system, through the development of an open access software platform, with the support of the Ministry of Science and Technology. This forms part of a major initiative of INPARQUES to develop, implant and update geographical information systems.

24. Relations with local communities. Recently, INPARQUES has advanced with the development of relations with local communities located in or adjacent to national parks, for example the Community Forests of Mocaz village in the Sierra Nevada and the Local Park Rangers Programme in the Tacarigua Lagoon. However these types of arrangement are limited in number and scale and in general the strategy of working with joint Government-community initiatives in support of PA management is not yet in the mainstream of PA practice, and the true economic and social values of the areas within the VPS still remain to be fully appreciated by the public. While the Government, through INPARQUES, has promoted the establishment of Social Conservation Councils, such mechanisms for public participation are mostly new and in many cases lack the capacities, tools and experience needed to function effectively. In reflection of its modified policies regarding such relations, INPARQUES has commenced a process of

socialization of the national parks system. In Recreational Parks, actions taken which have contributed to the development of constructive relations have included events to provide local people with identity cards, primary health care and recreational events.

**Table 8. Protected areas with arrangements for community participation in management at present**

Protected area name	Area (ha)
<b>Social Conservation Councils (COSOCOs)</b>	
Médanos de Coro	91,280
Sierra de San Luís	20,000
Cueva de la Quebrada del Toro	4,885
Aguaro Guariquito	585,750
<b>Managed by indigenous communities</b>	
Canaima	3,000,000
<b>Little park rangers (Guardaparquitos)</b>	
Laguna de Tacarigua	39,100
El Ávila	81,900
<b>Total</b>	<b>3,822,915</b>

25. Institutional relations. INPARQUES has developed proposals for alliances aimed at consolidating the management of the areas for which it is responsible, through the establishment of coordinated programmes and low impact projects. However, these lack an overall integrated vision and strategy reflecting the aims of INPARQUES and the respective roles and capacities of the different institutions involved.

## **PART II. Strategy**

### *Institutional, sectoral and policy context*

26. The State of Venezuela gives an important role to National Parks, Natural Monuments, Wildlife Refuges, Biosphere Reserve, Forest Reserves and other natural protected areas. The fundamental policy instrument of relevance to the project is the First Socialist Plan for the Economic and Social Development of the Nation 2007-2013 (the Simon Bolívar National Project), which recognizes the country's exceptionally high levels of biodiversity and the importance of these for the country's development, and the role of protected areas as one element of de-concentrated territorial development. The Plan includes as one of its strategies and policies the conservation and preservation of natural environments. The project is fully consistent with the country's National Biodiversity Strategy and Action Plan (NBSAP), which recognizes the importance of *in situ* conservation in PAs as a cornerstone strategy, promotes the sustainable use of natural resources, proposes the strengthening of institutions responsible for BD conservation and aims to generate finance for BD conservation (through the creation for a national fund for financing the NBSAP and the development of mechanisms and projects for capturing funds from national, regional and multilateral sources). The concept of collaborative management of PAs is in line with the principles of social inclusion, community participation and shared responsibility, which are also stated in the Constitution and have been expressed in practice through the development of mechanisms for social participation at a number of levels, including in relation to PAs.

27. INPARQUES, an autonomous dependency of the MPPA, is the lead institution in relation to the administration of national parks, natural monuments and recreational parks, and the integrated development of the National Parks System. INPARQUES is responsible for the development of norms for activities carried out within parks and for the development, in coordination with other dependencies of the MPPA, of proposals for regulations for the use and conservation of the parks in accordance with the

Forestry, Soils and Water Law and the Organic Law for the Environment. INPARQUES is also responsible for determining charges for services, as appropriate, and for cooperating with State and Municipal Governments and other actors, including the promotion of the development of state and municipal parks.

28. The generation of income through concessions in National Parks, Natural Monuments and Recreation Areas is provided for by Regulations<sup>4</sup>. Decree 276 also allows visitor fees to be levied by INPARQUES in National Parks and Natural Monuments, in accordance with the provisions of Zoning Plans and Use Regulations for each PA, while Decree 2817 allows INPARQUES to charge fees in Recreational Parks. The Water Law provides for payments by the beneficiaries of concessions, assignments and licenses for water use, in support of the catchment area that provides the resource: this income enters into the National Fund for Integrated Water Management and is to be used to finance the costs of formulation and execution of integrated water management plans, including watershed management and conservation activities.

#### *Project Rationale*

29. INPARQUES has invested to date in the preparation of management plans (which are limited in scope and do not allow programmatic planning or effective monitoring and evaluation of progress), on developing proposals for the improvement of institutional effectiveness (which have failed to be implemented due to a vicious circle of institutional inertia), to developing relations with local communities (which are still largely at an incipient stage) and on developing relations with other institutions (without an overall integrated vision and strategy).

30. Under the baseline (without project) situation, INPARQUES would continue to experience a major continuing budgetary shortfall for the foreseeable future, although the actual magnitude of funding gap would not be clear due to the limited capacities for financial analysis in the institution. The institution would continue to execute only a small proportion of the funds actually available to it. The funds available to it would continue to be dominated by budgetary allocations from central Government, which are vulnerable to annual fluctuations and also pose administrative problems for timely execution. Limited advantage would be taken of the potential for productive sectors to contribute to meeting the costs of PA management, or for PAs to generate income, themselves. As a result, PAs would continue to be grossly understaffed and to lack the forms of concrete investment in infrastructure and capacities required to achieve operational or financial sustainability. As a consequence, they would continue to be exposed to diverse and major threats, resulting in the loss of global values (in the areas of biodiversity and climate change) and of environmental and economic benefits for the national population.

31. Under the GEF alternative, the capacities of INPARQUES to execute funds would be increased, through administrative and operational strengthening: this would result in major increases in its ability to operate even if the funding sources themselves remained stable. In parallel, the amount of funds provided to INPARQUES would be increased, as a result of raised awareness in the Government of the contribution that PAs make to economic and social wellbeing, alliances with productive sectors, especially those that receive benefits from PAs, and increased capacities to generate income from the PAs themselves. At the same time, the cost side of the ledger would be addressed by streamlining institutional structures and processes in INPARQUES, linking a number of currently dispersed PAs, and developing further the incipient arrangements between INPARQUES and local communities for collaboration in the management and protection of PAs.

#### *Coordination with related initiatives*

32. This project would draw lessons on PA management strategies from the ongoing GEF/UNDP project “Conservation and Sustainable Use of Biodiversity in the Orinoco Delta Biosphere Reserve” (GEF ID 3).

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<sup>4</sup> Decree 276 of 1989 (Partial Regulation of the Organic Law on the Administration and Management of National Parks and Natural Monuments) and Decree 2817 of 1998 (Partial Regulation of the Law for the National Parks Institute for the Administration of Parks for Open Air Recreation and Intensive Use).

It would also complement that project, together with the proposed GEF/IBRD project (GEF 2013) “Expanding Partnerships for the National Parks System” (if it is implemented, as it is currently on hold), and the GEF/UNDP project “Strengthening the Venezuelan Protected Areas system in marine and coastal areas”, by promoting the financial and operational sustainability of PAs at a systemic level, within the context of the VPS. Coordination with these projects would be facilitated by the fact that MPPA would be directly involved in all three (in the case of the projects 3 and 2013, through INPARQUES). Technical coordination with these two projects would be facilitated through an advisory committee that exists in INPARQUES, in which the staff involved in the development of the present project is represented. Coordination with the project “Strengthening the Venezuelan Protected Areas system in marine and coastal areas” would be facilitated by the fact that MPPA would also be a member of the steering committee of the present project. The GEF/UNDP project “Biodiversity Conservation in the Productive Landscape of the Venezuelan Andes” (GEF 2120) and the regional GEF/UNEP project “Conservation of the Biodiversity of the Paramo in the Northern and Central Andes” (GEF 1918) are both focused on BD conservation in productive landscapes. The biological sustainability of such actions in productive landscapes is maximized by the presence of financially sustainable PAs within the overall landscape of which they form a part.

33. The project would also build upon and complement the work of the Small Grants Programme. In particular, the first outcome of the fourth operational phase of the SGP is “Sustainable community protected area governance approaches recognized, strengthened, and adopted by national partners, protected area systems, and multilateral processes”, which is highly compatible with the proposed project’s attention to joint management of PAs. Specifically, SGP has supported COSOCOs which would constitute the main point of contact between the present project and local stakeholders.

#### *Policy Conformity*

34. The project will contribute to Strategic Objective 1 of the GEF, “To Catalyze Sustainability of Protected Area Systems”, and specifically Strategic Priority 1, “Sustainable Financing of Protected Area Systems at the National Level”, as it will enable INPARQUES, in association with other institutional partners, to implement an efficient operational and financial framework to ensure long term sustainability of key PA systems across the country. The project will also contribute incidentally to SP3 (Strengthening Terrestrial Protected Area Networks) as it will support the expansion of the country’s PA estate to include new areas prioritized by INPARQUES, although the main motivation for doing this will be to contribute to the financial and operational sustainability of the VPS.

#### *Project Goal, Objective, Outcomes and Outputs/activities*

35. The project will remove these barriers by developing the capacities and mechanisms which are required to increase and diversify funding for the VPS, to ensure that the best use is made of the resources available, and to realize the potential of local communities to participate in PA management. It will also lead to an increase in the area of the national PA estate in order to improve economies of scale and to develop models of income generation, which will incidentally contribute to the ecosystem coverage of the VPS

#### **Outcome 1: Increased support from the Government for the VPS**

36. The project will seek to motivate increases in Government contributions to the VPS by supporting the mainstreaming of PA issues into development planning processes, leading to increased recognition of the importance of PAs as instruments for sustainable and equitable national development. Given that there is uncertainty regarding the precise magnitude of the increased budgetary allocation that will result from this strategy, it will be backed up by a suite of complementary options described under the other outcomes of the project.

37. In support of this outcome, the project will carry out economic and social valuations of goods and services provided by PAs, resulting in concrete evidence of the major returns achievable from increased

investment. Currently dispersed information on the PA estate and its social, economic and environmental importance will be consolidated in an accessible format through a PA information management system to be administered by INPARQUES. The channeling to decision makers of such information, including the results of social and economic valuations, will be facilitated through a dissemination and awareness raising strategy. This strategy will also target local populations, who will be able to influence decision-making on the basis of this awareness through the extensive participation mechanisms provided for by the Government. Support will be provided to the development of policies and agreements governing relations between INPARQUES and other Government institutions, leading to increased and enhanced contributions by them to PA costs in reflection of the importance of PAs to their institutional goals.

38. INPARQUES will also develop proposals for modification of regulations related to the VPS, in reflection of increased Government support. Proposals of specific modifications to the policy environment which will be sought with support from the project are shown in Table 9.

**Table 9. Priority modifications of policy and legal instruments to be promoted with project support**

Issue	Actions Required
Administration of patrimony and public services inherent in the management PAs	Reform of Decree 276 of 1989, to include a special procedure distinct from that of open bidding (for example direct assignment) for the allocation of concessions for the provision of public services related to the administration and management of NPs and NMs, by those holding rights over installations acquired prior to the declaration of the NP or NM, such as lodgings or restaurants, as well as for the provision of public services by indigenous and autochthonous peoples in these areas.
Fees for entry into NPs, NMs and RPs	Reform of Decree 276 of 1989 to establish a more expedited process for fixing entry fees into NPs and NMs than the current one that is related to the Zoning and Use Plans and Regulations.
Charges for the emission of authorizations and permits in NPs and NMs	Reform of the Decree with Range, Value and Force of Law of Fiscal Stamps to incorporate expressly charges for the emission of permits and authorizations emitted by INPARQUES. In these payment concepts should be included, in addition to charges of fees for the provision of authorizations and approvals for the occupation of land and use of resources in NPs and NMs, charges related to authorizations emitted by INPARQUES for the realization of activities such as sport fishing, overnight stays, scientific research, events, filming and other similar activities, as well as for the development of public service projects not inherent in the management of NPs, NMs and RPs, such as electrical transmission lines, gas or oil pipelines, roads, railways and radio or television aerials, for which INPARQUES currently charges without an adequate legal basis.
Contributions for the use of water resources	For the scenarios foreseen in the Water Law to be put into practice, it is necessary to carry out a series of actions provided for in the instrument that are still pending: <ul style="list-style-type: none"> <li>- A Regulation to the Law must be produced and approved, in which mechanisms for charging for the use of water are expressly provided for, principally in relation to large scale users such as hydroelectric companies and water companies.</li> <li>- Implementation of the National Fund for Integrated Water Management.</li> <li>- Creation of Catchment Councils for the major water producing basins that are centred on NPs and NPs, with the potential to generate significant resources for the development of conservation and sustainable development programmes.</li> </ul>
Contributions for the use of biological diversity	Review of the terms under which access contracts are entered into, in order to identify opportunities to contribute to the conservation and management of NPs and NMs.

Issue	Actions Required
Valuation of biological diversity.	Identification of mechanisms for the valuation of biological diversity in NPs and NMs and definition of needs for reforms or updating of the corresponding legal instruments..

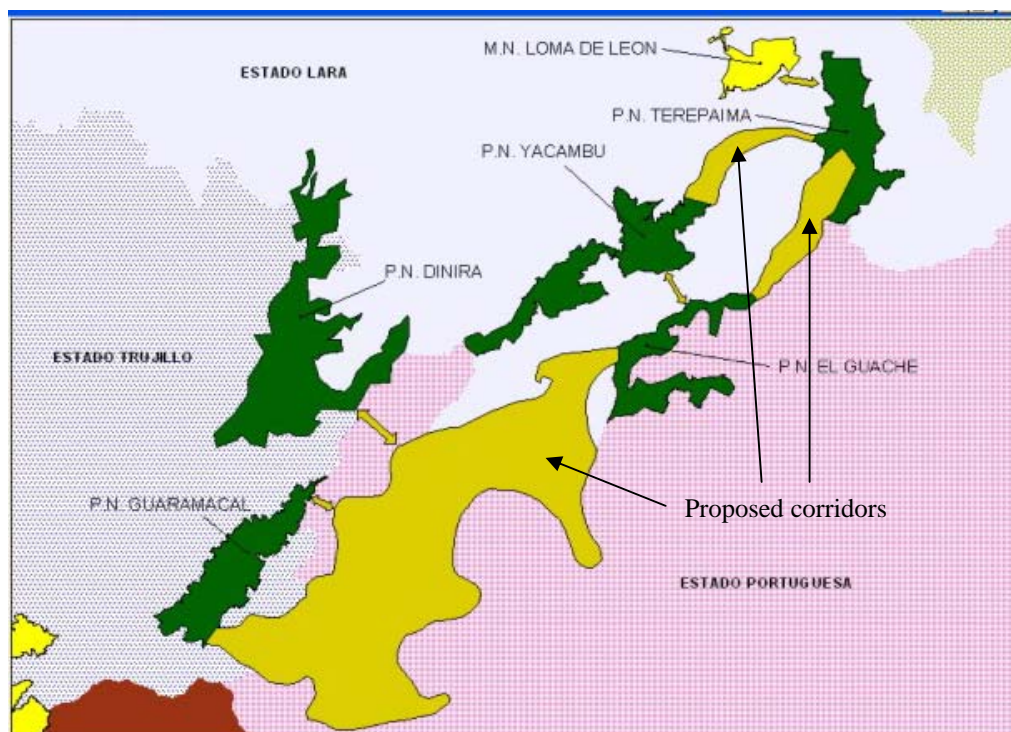
39. In addition, detailed proposals and feasibility studies for expanding the PA estate will be developed (on the basis of detailed negotiations with local stakeholders), and would be presented to Government, resulting in Government support for the legal declaration of new areas. As explained in Table 10, these additions would consist of connections between dispersed existing PAs, resulting in the establishment of larger scale consolidated management units with associated economies of scale. In the case of proposals 1, 2 and 3 in Table 10, the result would be a single conservation corridor stretching for much of the length of the Venezuelan Andes. These additions would also increase opportunities for the eventual establishment of schemes for the payment of environmental services by the water and electricity companies that manage the reservoirs into which much of the additional area would drain. In addition to financial benefits, these proposals would contribute significantly to biological connectivity, which would be of major benefit to endangered species such as the Andean spectacled bear (*Tremarctos ornatus*).

**Table 10. Summary of proposed additions to PA estate<sup>5</sup>**

Proposal	Additional area (ha)	Objective/Justification
1. Establishment of connection between existing Yacambú and Terepaima NPs	12,000	<ul style="list-style-type: none"> <li>• Joining two adjacent but currently unconnected PAs would lead to increased management effectiveness and reduced costs per unit area</li> <li>• The corridor would ensure biological connectivity between two areas of montane forest</li> <li>• The fact that the areas drain into the Dos Bocas reservoir would eventually provide the opportunity to generate payments for environmental services</li> <li>• FUDENA, together with local Community Planning Councils in the area, have developed proposals for sustainable productive activities in the area that have the potential to contribute to countering threats affecting the PAs</li> </ul>
2. Establishment of Sierra de Calderas NP, linking Guacamacal and Sierra Nevada NPs	78,382	<ul style="list-style-type: none"> <li>• Joining two adjacent but currently unconnected PAs would lead to increased management effectiveness and reduced costs per unit area.</li> <li>• The corridor would ensure biological connectivity between two areas of montane forest</li> </ul>
3. Establishment of Pueblos del Sur NP, as an extension of the existing Sierra Nevada NP	136,568	<ul style="list-style-type: none"> <li>• The expansion would eventually permit the Pilot for Uribante Caparo hydroelectric reservoir</li> <li>• Biological connectivity between two areas of montane forest</li> <li>• Increased coverage of montane forest</li> </ul>
4. Establishment of Serranía del Bachiller NP, linking Guatopo and Tacarigua Lagoon NPs	215,267	<ul style="list-style-type: none"> <li>• Joining two adjacent but currently unconnected PAs would lead to increased management effectiveness and reduced costs per unit area.</li> <li>• Biological connectivity</li> <li>• Expansion would ensure increased protection of water sources of importance to the population of Caracas and potentially allow income generation through payments for environmental services</li> </ul>
<b>Total:</b>	<b>442,217</b>	

<sup>5</sup> Analyses carried out during the PPG with INPARQUES indicate that the suggestion in the PIF to include the 3,318,739ha La Paragua area as a national park requires more detailed on the ground analysis and negotiation, that was beyond the scope of the PPG phase, due to the scale and complexity of this area and the existence of numerous conflictive local stakeholders.

**Figure 3. Proposed new PAs in the Andes range, connecting and consolidating existing areas**



**Outcome 2: Increased operational effectiveness of PA management and cost effectiveness of resources invested**

40. The project will improve the efficiency and effectiveness of the management of the VPS and of individual PAs, and of the funds available for PA management, and will also lead to a sustained increase in the level of execution of the funds available. This will be largely achieved through the strengthening of the capacities of INPARQUES, in a number of areas.

41. The institution will be restructured in order to improve efficiency, for example through reducing duplications of roles between different posts and departments, optimizing the size of the institution and its constituent parts and ensuring that resources are tailored to needs. Initial proposals for this restructuring were developed during the PPG phase in association with INPARQUES staff and these will be further elaborated and confirmed during the implementation phase. The project will provide a key opportunity to overcome the institutional inertia that has hindered previous attempts at restructuring: advantage will also be taken of the opportunity for local stakeholders to support such moves, through periodic national and regional assemblies of the Social Conservation Councils (COSOCOs) in which they are represented.

42. Management plans of selected PAs will be reviewed and modified, with the participation of local communities, in order to maximize the relevance of management prescriptions and associated provisions for funding and staffing which they contain. These plans will be supported by the development of PA financial management plans, which will identify funding needs, potential income sources and needs for investment in infrastructure and staffing in order to maximize income generation. Operational and administrative effectiveness would also be promoted by developing harmonized criteria and norms for the management of different PA categories.

43. The project will support the development of an Integrated Environmental Management System for the VPS, as a central element of cost-efficient and effective PA management, together with the required

training. This will include standardized procedures for developing Management Plans and Annual Work Plans, and for the application of programmes for monitoring management effectiveness.

44. The project will support processes of long-term strategic financial planning of the VPS, enabling the identification of investments necessary for achieving financial sustainability. These will go beyond the payment of recurrent salaries of PA personnel, and may include the establishment of infrastructure for monitoring and control, visitor facilities, training and education, research and community participation. Financial planning will also take into account the relative global values of different PAs within the VPS, ensuring that funding goes to those PAs with greatest needs and values.

45. PA staff will be trained in methods of cost effective management, covering issues such as accounting, reporting, revenue capture and threat management strategies. This will be carried out by strengthening the syllabus of the INPARQUES training school, and establishing a system for the provision of on the job training by distance to park staff, including the provision of the required hardware and software.

46. Detailed analyses of staffing requirements will be carried out across the whole VPS, building on the overall analyses carried out during the PPG phase (see PART V), and a plan will be developed for the reassignment and training of personnel as necessary, taking into account the magnitude and complexity of different PAs, the nature and magnitude of threats in different areas, and priority actions (research, planning, regulation, community relations etc.) specified in PA management plans. This will lead to increased effectiveness and maximize the efficiency of the use of the funds available for PA staff (whose salaries will be covered by Government funds). The project will also support the development of a management information system for the VPS, to facilitate effective planning and monitoring<sup>6</sup>.

47. Realization of the potential for synergies between PAs, leading to the cost-effective achievement of regional conservation goals, will be promoted through the development of regional groupings of PAs with similar characteristics, and the formulation of shared norms, criteria and strategies; specifically, a network of PAs will be created in each of the country's six physiographic provinces. The project will also support the establishment of management infrastructure and mechanisms for the consolidated and cost-efficient management of the new PAs which will result from the legal declarations achieved under Component 1.

48. The project will also support the design of a Financial Sustainability Fund<sup>7</sup>. This fund would be actually established in the case of major donations being received by the VPS (for example, from water or electricity companies in recognition of the benefits that PAs generate for their operations, or from the corporate responsibility programmes of other industries). The project would support detailed analyses of the different options available for the functioning of this fund, including its management as a Trust Fund (with fixed capital that would generate a steady but limited flow of income from interest) and an exhaustible fund from which the initial capital would be progressively and rationally disbursed.

### **Outcome 3: Generation of income from non Government sources**

49. The project will assist in diversifying the income sources of the VPS. Opportunities for generating income include donations from tourism, oil, gas and mining industries; payments for the commercial use of natural benefits generated by the VPS; concessions; environmental taxes; payments for commercial use of the image of the VPS and PAs; fines for transgressions of environmental law, and payments from tourists. Action plans for the promotion of alternative income sources will be developed, including provision for coordination between institutions and communities in their planning and management, and the participatory development of norms and criteria which recognize the potential of some income sources to generate negative impacts. Long term investment plans will be developed in association with major

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<sup>6</sup> This system would focus on information related to management effectiveness, and would therefore be different to the system proposed under Outcome 1 which would focus on information on PA conditions.

<sup>7</sup> The magnitude of the financial gap faced by the VPS, relative to the income potentially generated by a Trust Fund from the level of capital possibly available at present (including a possible GEF contribution), mean that the project will limit itself to designing this fund, rather than actually establishing a Financial Sustainability Trust Fund.

productive sectors, the application of which will be supported by permanent working groups with productive sector associations, in order to facilitate the identification of strategies for generating and sharing income from these sectors, and for developing conservation-friendly practices in these sectors.

50. The project would also support the capacities of local communities to negotiate income and other resources for the management and conservation of the PAs in or around which they live, for example from Government initiatives such as the Tree Mission (Misión Árbol). The COSOCOs would play a key role in defining and articulating community needs in this regard.

51. Options for generating income from tourism and recreational use, as well as from corporate responsibility and environmental mitigation programmes of private and State-owned industry, will be piloted in the Paria Peninsula National Park (see Table 12), in association with the AECID-funded Araucaria project: this NP is the site of a proposed gas pipeline and is also likely to be affected by a significant influx of population to neighbouring areas associated with a proposed gas terminal, a situation which will lead to major demands for tourism and recreation. This pilot will be backed up by mechanisms for replicating lessons learnt elsewhere in the VPS, summarized in paragraph 67.

**Outcome 4: Joint management to offset PA management costs**

52. The project will support the development of partnerships between INPARQUES and other entities with potential to contribute to PA management. This will yield benefits for the VPS as it will take advantage of the abilities and experience of diverse institutional and local stakeholders, thereby increasing the effectiveness of PA management, and will also reduce the burden of costs and responsibilities currently shouldered by INPARQUES. It will also benefit local stakeholders by enabling them to participate in a real sense in decisions on PA management which have the potential to affect their interests.

**Table 11. Summary of key institutional partners**

Institution	Form of collaboration
State Governments	Investments in social and infrastructural development in PA communities
Municipal Government	
CORPOELEC	Concrete investments in protected area management and conservation of watersheds draining into hydroelectric reservoirs
Ministry of Popular Power for Agriculture and Lands (MAT)	Support to productive alternatives
Ministry of Popular Power for Communal Affairs	Support to community participation in PA management, rural finance for productive alternatives and organization of production cooperatives

53. Such participation by local and regional Governments, NGOs and community organizations will be promoted through the provision of support to the incorporation of PA conservation and buffer zone management strategies into local development plans, focusing on their importance for environmental service provision, employment opportunities and income generation. Collaboration with local communities, through co-management agreements, will be supported by strengthening Social Conservation Councils (COSOCOs) in issues such as planning, collaborative decision-making and the identification of conservation-friendly development options. Co-management will also be backed up by the development of PA control and oversight plans, which will identify the most cost-effective arrangements for sharing responsibilities between the Government and local communities. In addition to organization, regulation and planning, which are essential elements of co-management, the project will (in association with co-financiers) support the development of alternative income sources and production systems for local people living in PA buffer zones, in order to increase their commitment to co-management and reduce the pressures which they place on the PAs.

54. Models of collaborative management, incorporating these structures and mechanisms, will be validated and promoted through pilot experiences at sites throughout the PA estate, focused especially on areas with a significant existing baseline of community organization and commitment and based on detailed and highly participatory processes of problem analysis and planning. These pilots are summarized in Table 12. In parallel, the project will support the development of mechanisms for the dissemination of lessons learnt in these pilots, both vertically (through Government institutions, NGOs and cooperation agencies) and horizontally (through farmer to farmer and community to community networks). Training in co-management issues will also be provided to INPARQUES staff.

**Table 12. Summary of pilots**

<b>Pilot</b>	<b>Focus</b>
Paria Peninsula NP	<ul style="list-style-type: none"> <li>• Pilot of income generation from recreation, tourism and corporate responsibility/environmental mitigation funds</li> <li>• Pilot of integration of productive activities with park management</li> </ul>
Laguna de Tacarigua NP	<ul style="list-style-type: none"> <li>• Educational Programmes including “Guardaparquitos” (little park rangers) based on the message “By Protecting we learn to Teach”</li> </ul>
Natural monuments in Guarico State (Morros de San Juan and Cerro Platillón)	<ul style="list-style-type: none"> <li>• “Give a Hand to your Environment” programme, including co-management projects with educational institutions and foundations and private enterprise in collection and management of solid wastes and awareness raising of local communities associated with the PAs</li> </ul>
Laguna de Urao NM	<ul style="list-style-type: none"> <li>• Water Quality Recuperation Project in which awareness raising and participation by local communities, research institutions and the State Government has led to improved management of liquid wastes and reductions in the water pollution affecting the PA.</li> </ul>
Sierra Nevada NP	<ul style="list-style-type: none"> <li>• Environmental Management in Micro-Watersheds, involving the organization of local communities in Conservation Committees, associated with environmental education and the participation of research and local development institutions, resulting in reforestation and the installation of micro- water treatment plants.</li> </ul>
San Esteban NP	<ul style="list-style-type: none"> <li>• Pilot for co-management. Negotiations are well advanced between local communities and INPARQUES</li> </ul>

*Project Indicators, Risks and Assumptions*

**Table 13. Summary of risks and corresponding mitigation measures**

<b>Risk</b>	<b>Severity</b>	<b>Risk mitigation measures</b>
Reduction in Government and private sector support to conservation areas, for example as a result of fluctuations in economic conditions and commodity prices at national and global levels.	Low	The project will include measures to maintain and increase public awareness of the importance of PAs for national development, and will promote public/private partnerships in support of PA management. In addition, the project would reduce vulnerability to such fluctuations by diversifying income sources and by supporting the design of a fund capable of buffering annual variations in income flow. In the short term, fluctuations in income would be of limited significance given that the amount of funds that INPARQUES executes is well below the amount that is actually available.
Staffing instability in INPARQUES and key partner institutions	Low	The project will focus on developing and institutionalizing lasting mechanisms which are resilient to staff changes, such as long term plans for financial sustainability at systemic and PA levels. Staffing instability is at present largely due to low salaries and limited opportunities for institutional development: as more income becomes accessible to the institution, as a result of the project’s actions, this situation will change.
Increases in threats to PAs	Medium	The institutional partnerships to be developed through the project,

due to economic or demographic trends or growth in sector activity		especially those at high level under Component 4, will promote awareness in other ministries and institutions of the threats posed to PAs by such trends and policies, and facilitate the joint identification of mitigation measures. This will be complemented by the involvement of communities in PA management and conservation, in particular through Social Conservation Councils (COSOCOs).
Climate change	Low	Certain climate change scenarios may result in increased threats to PAs, such as sea level rise in coastal areas, coral bleaching in marine areas, reduced glacier runoff in mountain areas and increased fire occurrence in forest areas. The actions of the project to improve the financial and operational sustainability of the system will lead to increased human and technical capacities to develop and implement measures to address such threats.

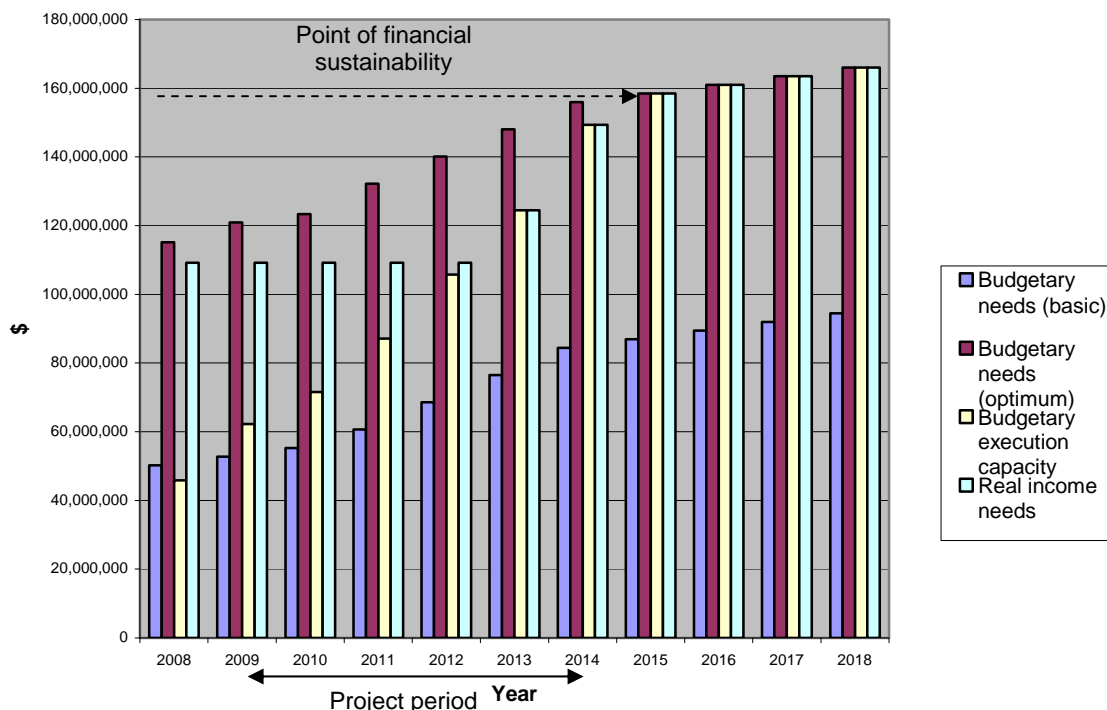
*Incremental reasoning and expected global, national and local benefits*

55. Under the baseline situation, globally important BD in Venezuela will not be adequately safeguarded against multiple threats, due to the inadequate and unstable funding of INPARQUES. GEF incremental support, in association with major public and private co-financing, will focus on improving the efficiency of the use of the available funds and promoting the generation of additional funds for the VPS, through targeted capacity building, the improvement of planning and management mechanisms and the promotion of strategic partnerships between institutional partners and with local stakeholders. Global benefits resulting from this support will be in the form of lasting improvements in the sustainability of the system and the protection of its constituent PAs, which are of major global significance (see paragraph 1). These cover a wide range of ecosystems including high altitude moorland (páramo), montane forests, humid lowland forests, tropical dry forests, mangroves and coral reefs.

56. The specific projected impacts of the project on the financial situation of INPARQUES are shown in Figure 4. The assumptions inherent in Figure 4 are as follows:

- 1) Under the baseline scenario, basic and optimum budgetary needs would increase by steady annual increments equivalent to 5% of the 2008 level, as a result of inflation.
- 2) Over the project period (2009-2014), basic and optimum budgetary needs would increase by additional steady annual increments equivalent to 5% of the 2010 level, as a result of the increased personnel, equipment and other costs associated with the development of long term financial and operational capacities in INPARQUES.
- 3) From 2009-2010 on (Project Year 1), as a result of project actions, it is expected that the capacity of INPARQUES to execute the funds available would increase in steady annual increments, equal to 40% of the current level of execution. By mid 2014 (project end) the execution level would therefore reach 2.4 times the current level. Once the level of execution capacity reaches the optimum level of budgetary needs, it would only need to increase at the same rate as the budgetary needs.
- 4) Growth in total income from all sources is assumed to be able to at least keep pace with growth in capacity for financial execution, at least from 2013 on (Project Year 4), as a result of the project's initiatives aimed at increasing political will for investing in PAs and at realizing the potential of alternative income sources.
- 5) It is also assumed in SECTION IV PART VII that the project would result in donations and PA income generation making increased proportional contributions to overall PA income than at present, with a ratio between Government budget, donations and PA generation of 80:10:10 as opposed to the current

**Figure 4. Projection of overall financial situation of INPARQUES (official exchange rate = USD1: Bs. 2.15)<sup>8</sup>**



57. On the basis of the above assumptions, financial sustainability (defined as the point at which the funding gap would be reduced to zero) would be reached by around the year 2015 (Project Year +1).

#### *Cost-effectiveness*

58. The cost-effectiveness of the project is maximized by the fact that it will simultaneously increase the funds available to the VPS and improve the effectiveness of the way in which those funds are used. Through the highly targeted one-off investment of just over \$7 million of GEF project implementation funds, by the end of the project it is expected that the VPS would have an additional \$103,491,183 available to it in real terms<sup>9</sup>, allowing it to meet approximately 95% of financial needs; and co-management mechanisms will be functioning over an estimated 50% of the total estate (10 million ha).

59. The cost of doing nothing (the business as usual scenario) would be the loss of major areas of natural ecosystems and major declines in the conservation status of key species. Project intervention to avoid this scenario being realized is particularly opportune at the moment as it coincides with Government initiatives to promote economic development in zones which at present are under-utilized in productive terms, many of which are adjacent to PAs; this corresponds closely with the Government's commitment to balancing economic and social development with environmental sustainability.

<sup>8</sup> "Real income needs" in the graph is defined as the amount of income that the VPS would require in order to generate increases in real (i.e. executed) income. This figure remains constant until 2012 as the limiting factor up until that time is the amount of funds that INPARQUES is able to actually execute – there is no sense in generating increased income that the institution is unable to execute. From 2013 on, real income needs increase in line with increase in execution capacity.

<sup>9</sup> Predicted 2014 execution level of \$149,331,730 minus 2008 level of \$45,840,547 (see Figure 2)

60. Analyses carried out during the PPG phase made it clear that capacities within INPARQUES to generate reliable financial analyses were inadequate to allow the level of quantitative comparison of the cost-effectiveness of different project strategies that was foreseen in the PPG document. The strengthening of such capacities would be a high priority for action early on during the implementation phase of the project. It is, however, possible to produce a qualitative comparison of these options, as follows:

- 1) Focus on protected or productive landscapes. The fact that the greatest proportion of the country's endemic and endangered BD is located in PAs (especially National Parks and Natural Monuments) makes the promotion of the sustainability of this PA estate the most effective option for conserving this BD.
- 2) Focus on policy and incentive factors underlying PA threats. The decision to prioritize PA strengthening, as opposed to the policy and incentive factors that underlie the threats affecting PAs, is based on a number of factors. Firstly, a large proportion of the threats that affect PAs (particularly agriculture, ranching, timber extraction and illegal mining) are motivated largely by markets that are unlikely to go away in the short term and are therefore likely to be relatively insensitive to policy and incentive frameworks (although the incentives framework related to threats and alternatives in production systems in the Andes is currently being addressed by the project "Biodiversity Conservation in the Productive Landscape of the Venezuelan Andes" (GEF ID 2120)). Secondly, other factors, such as the pursuit of economic diversification to reduce dependence on the petroleum sector, depend on macroeconomic and macropolitical factors that are likely to be relatively immune to arguments concerning the importance of conserving BD and would not therefore be adequately addressed by an emphasis on policy and incentive structures. Thirdly, in the absence of a solid and sustainable institutional framework for PA management and protection, a focus on policies and incentives alone would leave BD exposed to variations in the external factors (such as changes in Government development priorities and global commodity prices) to which policy and incentive frameworks tend to be vulnerable.
- 3) Expansion of protected area estate. At this time, an SP2/SP3 approach would result in an ineffective use of the GEF funds that would be required to be invested, given that financial and operational conditions do not exist in INPARQUES or partners to protect or manage such areas effectively: new PAs would be added to the list of 'paper parks' in the country. The decision not to include La Paragua as a new PA under the current project was taken for this reason, given its magnitude and complexity. The limited new areas that are proposed to be added under the present project have been carefully selected on the basis of their potential to improve cost-effectiveness by linking currently dispersed existing PAs.
- 4) Lobbying for increased Government contributions. PPG studies provided qualitative indications that Government funding of PAs is currently limited by the inadequate appreciation of PA benefits by decision makers, however there is uncertainty regarding the quantitative impacts that could be generated by increasing awareness, in terms of increase budgetary allocation. Awareness raising is therefore included as only one of a suite of complementary project strategies; as discussed below, attention would first be focused on increasing capacities in INPARQUES for executing the resources that it currently has available.
- 5) Strengthening of capacities in INPARQUES for financial execution. This is a key element of the project strategy: even if total income supply remained constant at the 2008 level of \$38,333,092, improved capacity for financial execution could result in up to a 225% increase in actual availability of funds<sup>10</sup>.

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<sup>10</sup> [(Predicted 2014 execution – 2008 execution)/2008 execution] x 100

- 6) Strengthening of capacities for generation of income by PAs, from existing sources. At present, PA generated income only accounts for around 1.7% of total income supply, so increases in income from current sources would have a relatively small proportionate affect on the overall financial situation.
- 7) Realization of the potential of new income sources. There is the potential for currently unrealized sources, such as donations from industry and others in recognition of the environmental benefits that they receive from PAs, to make a major difference to the overall funding supply.
- 8) Establishment of a Financial Sustainability Fund. Interest from a trust fund, with the levels of potential capital investment that have been identified to date (which, even if the GEF project contributed \$1 million, would probably be below a total of \$5 million), would make a relatively small impact on the overall funding situation of the VPS, in the order of several hundreds of thousands of dollars per year (compared to a total funding gap currently estimated at \$69,289,353). GEF funds would be more usefully invested in the development of lasting capacities for financial execution, cost effective management and income diversification.

#### *Country Ownership, Country Eligibility and Country Drivenness*

61. Venezuela ratified the United Nations Convention on Biological Diversity (UNCBD) on 13<sup>th</sup> September 1994. The State of Venezuela gives an important role to National Parks, Natural Monuments, Wildlife Refuges, Biosphere Reserve, Forest Reserves and other natural protected areas. Projected increases in Government support to the VPS are in line with the recognition of the importance of PAs in the Constitution and in the National Social Development Plan. Support by the project to co-management arrangements is in line with the principles of social inclusion, community participation and shared responsibility, which are also stated in the Constitution and have been expressed in practice through the development of mechanisms for social participation at a number of levels, including in relation to PAs. The emphasis of the project on enlisting support from productive sectors in order to achieve income diversification is in line with the social and environmental responsibility programmes of State-owned industries, principally the oil company PDVSA. The project is fully consistent with the country's National Biodiversity Strategy and Action Plan (NBSAP), which recognizes the importance of in situ conservation in PAs as a cornerstone strategy, promotes the sustainable use of natural resources, proposes the strengthening of institutions responsible for BD conservation and aims to generate finance for BD conservation (through the creation for a national fund for financing the NBSAP and the development of mechanisms and projects for capturing funds from national, regional and multilateral sources).

#### *Sustainability*

62. Financial sustainability: this is the principal focus of the project and will be ensured through a two-pronged approach: on the one hand, increasing the long term supply of funds through lasting commitments from the Government and the private sector and increased capacities in INPARQUES to lobby for such funds; and on the other, making the best use of the funds available through increasing capacities to execute the funds received, improving institutional efficiency and taking advantage of synergies in order to reduce costs.

63. Institutional sustainability: an aspect of the project design that would make a major contribution to the sustainability of its impacts on national institutions is the fact that it would be directly inserted into the existing organizational structure of INPARQUES (see PART II) rather than, as has been the case with some donor-funded projects in the past, functioning autonomously. This would maximize the probability of institutional learning and commitment.

64. Social sustainability: the project will include a focus on the development of arrangements for full and genuine local participation in the management of PAs, for example through Local Councils for Community Participation, in order to ensure that the proposals develop receive the support of local people and are compatible with their needs and aspirations for social and economic development.

65. Environmental sustainability: the proposals for modification of park boundaries and mechanisms for revenue generation and local participation will be subject to review and continued monitoring by INPARQUES biologists in order to ensure that financial sustainability is not pursued at the cost of environmental sustainability.

#### *Replicability*

66. The project will generate lessons on the effectiveness of strategies for strengthening the financial sustainability of protected areas systems, which will have the potential to be replicated, with case-specific adaptations, to national and sub-national systems of protected areas throughout the Latin America and Caribbean region, and beyond. Specific funds are set aside in the project's monitoring and evaluation budget (Table 14) for the systematization of such lessons, which will be disseminated through the GEF and UNDP systems.

67. An important element of project design will also be the establishment of pilots of strategies for the management of parks in collaboration with local communities. The utility of these pilots will depend on the existence of effective mechanisms for the systematization and dissemination of lessons learnt there, to the rest of the VPS. This will be achieved through the establishment of formalized monitoring procedures in each pilot and periodic workshops involving local and institutional stakeholders, the results of which will in turn be fed into national level fora throughout the life of the project, and included in publications to be produced with project funds.

### **PART III. Management Arrangements**

68. The Project will be executed under NEX modality, according to the standards and regulations for UNDP cooperation in Venezuela. The Project Execution Agency will be the National Parks Institute (INPARQUES), an autonomous institute of the Ministry of Popular Power for the Environment (MPPA). The project would be under the overall leadership of a National Project Director (NPD), who would be the General Director of INPARQUES and would be responsible for orienting and advising the Project Implementation Unit (PIU).

69. Implementation of the project will be carried out under the general guidance of a Project Steering Committee (PSC), specifically formed for this purpose. The composition, responsibilities and rules of operation of the PSC will be confirmed during its first meeting. The PSC would definitely include the Ministry of Environment (as sector head and entity to which the executing agency INPARQUES is attached), and UNDP (as Implementing Agency), and in addition some or all of the following: the Ministry of Planning and Development (MPD), the Ministry of Finance and the Ministry of Foreign Affairs. It is expected that the PSC would meet at least two times per year and in addition could be convened extraordinarily by the Chair, on the request of individual members. Additional mechanisms for ensuring the participation of key stakeholders are proposed in SECTION II PART X.

70. In order to maximize project appropriation by the Executing Agency, the Project Implementation Unit would be inserted directly into the institutional structure of INPARQUES and would be composed entirely of members of INPARQUES, whose salaries would be co-financed by the Government. The PIU would be headed by a National Project Coordinator (NPC) who would be responsible for day to day oversight of the project as well as relations between INPARQUES and UNDP. The NPC would be the signing authority of requests to UNDP for disbursements of project funds. The PIU would consist of three thematic sub-divisions: 1) VPS Management, 2) Income and Financial Sustainability and 3) Institutional Strengthening, inserted respectively into the Directorates of National Parks, Income Generation, and Planning and Budgets of INPARQUES. Further divisions within each of these areas would be linked to each of the other Directorates of INPARQUES as shown in the organigram proposed in PART II.

71. In addition to the specific positions underlined above, a series of sub-contracts will be necessary in order to ensure and complement the technical capacity of the members of the PIU. These contracts will be entered into in accordance with the guidelines of UNDP and terms of reference defined by the NPD,

during the first month of the implementation phase or annually, in accordance with the project's work plan.

## **PART IV. Monitoring and Evaluation Plan and Budget**

72. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from UNDP/GEF. The Logical Framework Matrix in Annex 1 provides *performance* and *impact* indicators for project implementation along with their corresponding *means of verification*. These will form the basis on which the project's Monitoring and Evaluation system will be built.

73. The following sections outline the principle components of the Monitoring and Evaluation Plan and indicative cost estimates related to M&E activities. The project's Monitoring and Evaluation Plan will be presented and finalized at the Project's Inception Report following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

### **1. MONITORING AND REPORTING**

#### **1.1. Project Inception Phase**

74. A Project Inception Workshop will be conducted with the full project team, relevant government counterparts, co-financing partners, the UNDP-CO and representation from the UNDP-GEF Regional Coordinating Unit, as well as UNDP-GEF (HQs) as appropriate.

75. A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goals and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the project's logframe matrix. This will include reviewing the logframe (indicators, means of verification, assumptions), imparting additional detail as needed, and on the basis of this exercise finalize the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project.

76. Additionally, the purpose and objective of the Inception Workshop (IW) will be to: (i) introduce project staff with the UNDP-GEF *expanded team* which will support the project during its implementation, namely the CO and responsible Regional Coordinating Unit staff; (ii) detail the roles, support services and complementary responsibilities of UNDP-CO and RCU staff vis à vis the project team; (iii) provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Project Report (APR), Tripartite Review Meetings, 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, and mandatory budget rephasings.

77. 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 for project staff and decision-making structures will be discussed again, as needed, in order to clarify for all, each party's responsibilities during the project's implementation phase.

#### **1.2. Monitoring responsibilities and events**

78. A detailed schedule of project reviews 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: (i) tentative time frames for Tripartite Reviews,

Steering Committee Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

79. *Day to day monitoring of implementation progress* will be the responsibility of the Project Coordinator, Director or CTA (depending on the established project structure) based on the project's Annual Work Plan and its indicators. The Project Team 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.

80. The Project Coordinator and the Project GEF Technical Advisor will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the Inception Workshop with support from UNDP-CO and assisted by the UNDP-GEF Regional Coordinating Unit.. 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 Annual Work Plan. The local implementing agencies will also take part in the Inception Workshop in which a common vision of overall project goals will be established. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

81. Measurement of impact indicators related to global benefits will occur according to the schedules defined in the Inception Workshop and tentatively outlined in the indicative Impact Measurement Template at the end of this Annex. The measurement, of these will be undertaken through subcontracts or retainers with relevant institutions (e.g. vegetation cover via analysis of satellite imagery, or populations of key species through inventories) or through specific studies that are to form part of the projects activities (e.g. measurement carbon benefits from improved efficiency of ovens or through surveys for capacity building efforts) or periodic sampling such as with sedimentation.

82. *Periodic monitoring of implementation progress* will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

83. UNDP Country Offices and UNDP-GEF RCUs as appropriate, will conduct yearly visits to projects that have field sites, or more often based on an agreed upon schedule to be detailed in the project's Inception Report / Annual Work Plan to assess first hand project progress. Any other member of the Steering Committee can also accompany, as decided by the SC. A Field Visit Report will be prepared by the CO and circulated no less than one month after the visit to the project team, all SC members, and UNDP-GEF.

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

85. The APR will be used as one of the basic documents for discussions in the TPR meeting. The project proponent will present the APR to the TPR, highlighting policy issues and recommendations for the decision of the TPR participants. The project proponent also informs 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.

#### ***Terminal Tripartite Review (TTR)***

86. The terminal tripartite review is held in the last month of project operations. The project proponent is responsible for preparing the Terminal Report and submitting it to UNDP-CO and LAC-GEF's Regional

Coordinating Unit. It shall be prepared in draft at least two months in advance of the TTR in order to allow review, and will serve as the basis for discussions in the TTR. The terminal tripartite 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 learnt can be captured to feed into other projects under implementation of formulation.

87. The TPR has the authority to suspend disbursement if project performance benchmarks are not met. Benchmarks will be developed at the Inception Workshop, based on delivery rates, and qualitative assessments of achievements of outputs.

### 1.3. Project Monitoring Reporting

88. The Project Coordinator 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. Items (a) through (f) are mandatory and strictly related to monitoring, while (g) through (h) have a broader function and the frequency and nature is project specific to be defined throughout implementation.

#### **(a) Inception Report (IR)**

89. A Project Inception Report will be prepared immediately following the Inception Workshop. It will include a detailed First Year/ Annual Work Plan divided in quarterly time-frames detailing the activities and progress indicators that will guide implementation during the first year of the project. This Work Plan would include the dates of specific field visits, support missions from the UNDP-CO or the Regional Coordinating Unit (RCU) or consultants, as well as time-frames for meetings of the project's decision making structures. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time-frame.

90. The Inception Report 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 effect project implementation.

91. When finalized the report 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 this circulation of the IR, the UNDP Country Office and UNDP-GEF's Regional Coordinating Unit will review the document.

#### **(b) Annual Project Report (APR)**

92. The APR is a UNDP requirement and part of UNDP's Country Office central oversight, monitoring and project management. It is a self -assessment report by project management to the CO and provides input to the country office reporting process and the ROAR, as well as forming a key input to the Tripartite Project Review. An APR will be prepared on an annual basis prior to the Tripartite Project Review, to reflect progress achieved in meeting the project's Annual Work Plan and assess performance of the project in contributing to intended outcomes through outputs and partnership work.

93. The format of the APR is flexible but should include the following:

- An analysis of project performance over the reporting period, including outputs produced and, where possible, information on the status of the outcome
- The constraints experienced in the progress towards results and the reasons for these
- The three (at most) major constraints to achievement of results
- AWP, CAE and other expenditure reports (ERP generated)
- Lessons learned

- Clear recommendations for future orientation in addressing key problems in lack of progress

*(c) Project Implementation Review (PIR)*

94. The 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 a year, a Project Implementation Report must be completed by the CO together with the project. The PIR can be prepared any time during the year (July-June) and ideally prior to the TPR. The PIR should then be discussed in the TPR so that the result would be a PIR that has been agreed upon by the project, the executing agency, UNDP CO and the concerned RC.

95. The individual PIRs are collected, reviewed and analyzed by the RCs prior to sending them to the focal area clusters at the UNDP/GEF headquarters. The focal area clusters supported by the UNDP/GEF M&E Unit analyze the PIRs by focal area, theme and region for common issues/results and lessons. The TAs and PTAs play a key role in this consolidating analysis.

96. The focal area PIRs are then discussed in the GEF Interagency Focal Area Task Forces in or around November each year and consolidated reports by focal area are collated by the GEF Independent M&E Unit based on the Task Force findings.

97. The GEF M&E Unit provides the scope and content of the PIR. In light of the similarities of both APR and PIR, UNDP/GEF has prepared a harmonized format for reference.

*(d) Quarterly Progress Reports*

98. Short reports outlining main updates in project progress will be provided quarterly to the local UNDP Country Office and the UNDP-GEF regional office by the project team. See format attached.

*(e) Periodic Thematic Reports*

99. As and when called for by UNDP, UNDP-GEF or the Implementing Partner, the project team will prepare Specific Thematic Reports, focusing on specific issues or areas of activity. 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 learnt 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.

*(f) Project Terminal Report*

100. During the last three months of the project the project team will prepare the Project Terminal Report. This comprehensive report will summarize all activities, achievements and outputs of the Project, lessons learnt, 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.

*(g) Technical Reports*

101. 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, 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.

(h) ***Project Publications***

102. 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, multimedia publications, etc. These publications can be based on Technical Reports, depending upon the relevance, scientific worth, etc. 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 will also (in consultation with UNDP, the government and other relevant stakeholder groups) 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.

**2. INDEPENDENT EVALUATION**

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

(a) ***Mid-term Evaluation***

104. An independent Mid-Term Evaluation will be undertaken at the end of the second year of implementation. 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, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

(b) ***Final Evaluation***

105. An independent Final Evaluation will take place three months prior to the terminal tripartite review 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. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

**Audit Clause**

106. The Government will provide the Resident Representative with certified periodic financial statements, and with an annual audit of the financial statements relating to the status of UNDP (including GEF) funds according to the established procedures set out in the Programming and Finance manuals. The Audit will be conducted by the legally recognized auditor of the Government, or by a commercial auditor engaged by the Government.

**3. LEARNING AND KNOWLEDGE SHARING**

107. 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 shall establish a number of networks, such as Integrated Ecosystem Management, eco-tourism, co-management, etc, that will largely function on the basis of an electronic platform.
- ◆ 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.

108. 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 on-going 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 12 months. UNDP/GEF shall provide a format and assist the project team in categorizing, documenting and reporting on lessons learned. To this end a percentage of project resources will need to be allocated for these activities.

**Table 14. Indicative Monitoring and Evaluation Work plan and corresponding Budget**

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team Staff time</i>	Time frame
Inception Workshop	<ul style="list-style-type: none"> <li>▪ Project Coordinator</li> <li>▪ UNDP CO</li> <li>▪ UNDP GEF</li> </ul>	7,800	Within first two months of project start up
Inception Report	<ul style="list-style-type: none"> <li>▪ Project Team</li> <li>▪ UNDP CO</li> </ul>	None	Immediately following IW
Measurement of Means of Verification for Project Purpose Indicators	<ul style="list-style-type: none"> <li>▪ Project Coordinator will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members</li> </ul>	To be finalized in Inception Phase and Workshop. Indicative cost 9,000	Start, mid and end of project
Measurement of Means of Verification for Project Progress and Performance (measured on an annual basis)	<ul style="list-style-type: none"> <li>▪ Oversight by Project GEF Technical Advisor and Project Coordinator</li> <li>▪ Measurements by regional field officers and local IAs</li> </ul>	To be determined as part of the Annual Work Plan's preparation. Indicative cost 15,000	Annually prior to APR/PIR and to the definition of annual work plans
APR and PIR	<ul style="list-style-type: none"> <li>▪ Project Team</li> <li>▪ UNDP-CO</li> <li>▪ UNDP-GEF</li> </ul>	None	Annually
TPR and TPR report	<ul style="list-style-type: none"> <li>▪ Government Counterparts</li> <li>▪ UNDP CO</li> <li>▪ Project team</li> <li>▪ UNDP-GEF Regional Coordinating Unit</li> </ul>	None	Every year, upon receipt of APR
Steering Committee Meetings	<ul style="list-style-type: none"> <li>▪ Project Coordinator</li> <li>▪ UNDP CO</li> </ul>	None	Following Project IW and subsequently at least once a year
Periodic status reports	<ul style="list-style-type: none"> <li>▪ Project team</li> </ul>	3,750	To be determined by Project team and UNDP CO
Technical reports	<ul style="list-style-type: none"> <li>▪ Project team</li> <li>▪ Hired consultants as needed</li> </ul>	2,500	To be determined by Project Team and UNDP-CO
Mid-term External Evaluation	<ul style="list-style-type: none"> <li>▪ Project team</li> <li>▪ UNDP- CO</li> <li>▪ UNDP-GEF Regional Coordinating Unit</li> <li>▪ External Consultants (i.e. evaluation team)</li> </ul>	34,250	At the mid-point of project implementation.
Final External Evaluation	<ul style="list-style-type: none"> <li>▪ Project team,</li> <li>▪ UNDP-CO</li> <li>▪ UNDP-GEF Regional Coordinating Unit</li> <li>▪ External Consultants (i.e. evaluation team)</li> </ul>	43,850	At the end of project implementation

Terminal Report	<ul style="list-style-type: none"> <li>▪ Project team</li> <li>▪ UNDP-CO</li> <li>▪ External Consultant</li> </ul>	None	At least one month before the end of the project
Lessons learned	<ul style="list-style-type: none"> <li>▪ Project team</li> <li>▪ UNDP-GEF Regional Coordinating Unit (suggested formats for documenting best practices, etc)</li> </ul>	24,000	Yearly
Audit	<ul style="list-style-type: none"> <li>▪ UNDP-CO</li> <li>▪ Project team</li> </ul>	18,750	Yearly
Visits to field sites (UNDP staff travel costs to be charged to IA fees)	<ul style="list-style-type: none"> <li>▪ UNDP Country Office</li> <li>▪ UNDP-GEF Regional Coordinating Unit (as appropriate)</li> <li>▪ Government representatives</li> </ul>	10,000	Yearly
<b>TOTAL INDICATIVE COST</b> <i>Excluding project team staff time and UNDP staff and travel expenses</i>		US\$ 168,900	

**Table 15. Impact Measurement Template**

Key Impact Indicator	Target (Year 5)		Means of Verification	Sampling frequency	Location
Reduction in the gap between income (total, including Government recurrent budget, PA income and other sources) and needs	Annual needs (a)	\$155,938,772	Reduction in the gap between income (total, including Government recurrent budget, PA income and other sources) and needs	Yearly	Caracas
	Annual income:				
	Government recurrent budget (80%)	\$134,398,557			
	PA income (10%)	\$14,933,173			
	Others sources (10%)	\$14,933,173			
	Total (b)	\$149,331,730			
	Executed income	\$149,331,730			
	Gap (a-b)	\$6,607,042			
	% $[(a-b)/a] \times 100$	4.2%			
Increase in the total rating of the VPS achieved according to the UNDP Capacity Development Scorecard	Total score 72		Increase in the total rating of the VPS achieved according to the UNDP Capacity Development Scorecard	Yearly	Caracas
Increase in Government contributions to the operating costs of the VPS	<b>\$160,901,610</b> in year 2014 (50% above current level)		Increase in Government contributions to the operating costs of the VPS	Yearly	Caracas
Increase in PA coverage through the declaration of new connectivity zones	Total area of PAs: 20,745,553ha, through the declaration of <b>4</b> new areas, covering a total of <b>442,217</b> ha, connecting existing PAs and improving efficiency and economies of scale.		Increase in PA coverage through the declaration of new connectivity zones	Yearly	Caracas
Increases in average METT scores for management effectiveness of PAs throughout the VPS	Total score: <b>68.5/93</b>		Expert meetings	Yearly	Caracas

Increase in the level of execution of financial resources received by INPARQUES	\$91,681,094 executed in 2014 (double the current level)		INPARQUES financial information system	Yearly	Caracas
Proportion of VPS income that comes from productive sectors	%		INPARQUES financial information system	Yearly	Caracas
Proportion of income generated by VPS, by sources	<b>Source</b>	<b>\$</b>	INPARQUES financial information system	Yearly	Caracas
	Ticket sales	3,850,816			
	Concessions	2,706,577			
	Permits	1,067,556			
	Telecommunications infrastructure	5,741,247			
	Various income	1,566,977			
	<b>Total</b>	<b>14,933,173</b>			
% of total	10				
% of the area of the VPS with active participation of the population in the management of PAs	<b>Form of participation</b>	<b>Area (ha)</b>	Interviews with PA managers and members of COSOCOs	Mid term and final review	Selected Pas nationwide
	Social Conservation Councils (COSOCOs)	10,000,000			
	Managed by indigenous communities	3,000,000			
	Little Park Ranger (Guardaparquitos) programme	121,000			
	<b>Total</b>	<b>13,121,000</b>			
	% of PA estate	65			

## PART V. Legal Context

109. This Project Document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement between the Government of Venezuela and the United Nations Development Programme, signed by the parties on 22<sup>nd</sup> February 2008. The host country implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government co-operating agency described in that Agreement.

110. The UNDP Resident Representative in Tegucigalpa is authorized to effect in writing the following types of revision to this Project Document, provided that he/she has verified the agreement thereto by the UNDP-GEF Unit and is assured that the other signatories to the Project Document have no objection to the proposed changes:

- a) Revision of, or addition to, any of the annexes to the Project Document;
- b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of the inputs already agreed to or by cost increases due to inflation;
- c) Mandatory annual revisions which re-phase the delivery of agreed project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility; and
- d) Inclusion of additional annexes and attachments only as set out here in this Project Document

## SECTION II. STRATEGIC RESULTS FRAMEWORK (SRF) AND GEF INCREMENT

Vertical logic	Indicators	Baseline value		Target value (year 5)		Sources of verification	Risks
<b>Goal:</b> Conservation of globally important biodiversity in Venezuela, in accordance with principles of sustainable endogenous development							
<b>Objective:</b> By June 2014, Venezuela has implemented an efficient operational and financial framework ensuring long term sustainability of key protected areas (PAs) across the country	Reduction in the gap between income (total, including Government recurrent budget, PA income and other sources) and needs	Annual needs (a)	\$115,129,900	Annual needs (a)	\$155,938,772	INPARQUES financial information system	Increases in threats affecting PAs due to economic, demographic or climate trends, or increases in productive sector activities  Reduction in Government commitment to conservation
		Annual income		Annual income			
		Government recurrent budget	\$107,267,740	Government recurrent budget	\$134,398,557		
		PA income	\$1,892,881	PA income	\$14,933,173		
		Others sources	Not available	Others sources	\$14,933,173		
		Total (b)	\$109,160,121	Total (b)	\$149,331,730		
		Executed amount	\$45,840,547	Executed amount	\$149,331,730		
		Gap (a-b)	\$69,289,353	Gap (a-b)	\$6,607,042		
	% $[(a-b)/a] \times 100$	39.8%	% $[(a-b)/a] \times 100$	4.2%			
	Increase in the total rating of the VPS achieved according to the UNDP Capacity Development Scorecard	Total score 36		Total score 72		Increase in the total rating of the VPS achieved according to the UNDP Capacity Development Scorecard	Instability of personnel in INPARQUES or key partner institutions
<b>Outcome 1.</b> Increased Government support to the VPS	Increase in Government contributions to the operating costs of the VPS	\$107,267,740 in 2008		\$160,901,610 in year 2014 (50% above current level)		Increase in Government contributions to the operating costs of the VPS	Reduction in Government commitment to conservation
	Increase in PA coverage through the declaration of new connectivity zones	Current total area of PAs: <b>20,303,336ha</b>		Total area of PAs: <b>20,745,553ha</b> , through the declaration of <b>4</b> new areas, covering a total of <b>442,217</b> ha, connecting existing PAs and improving efficiency and economies of scale.		Increase in PA coverage through the declaration of new connectivity zones	
<b>Output 1.1:</b> Economic valuations of the goods and services provided by PAs							
<b>Output 1.2:</b> Management information systems to inform decision makers on the goods and services provided by PAs							
<b>Output 1.3:</b> National and local programme for raising awareness on PAs							

Vertical logic	Indicators	Baseline value		Target value (year 5)		Sources of verification	Risks
<b>Output 1.4:</b> Reforms to legal and policy instruments to support the financing of key PAs							
<b>Output 1.5:</b> Legal declaration of PAs required to increase cost-effectiveness							
<b>Outcome 2.</b> Increased operational effectiveness of PA management and cost effectiveness of resources invested	Increases in average METT scores for management effectiveness of PAs throughout the VPS	Average total score for National Parks: <b>36.5/93</b>		Total score: <b>68.5/93</b>		Expert meetings	Instability of personnel in INPARQUES or key partner institutions
	Increase in the level of execution of financial resources received by INPARQUES	<b>\$45,840,547</b> executed in 2008 (42% of total income)		<b>\$91,681,094</b> executed in 2014 (double the current level)		INPARQUES financial information system	
<b>Output 2.1:</b> Revised operational framework to achieve cost-efficient benefits and optimize use of available funds							
<b>Output 2.2:</b> Reformed institutional structures for the coordination of responsibilities and resources for PA management							
<b>Output 2.3:</b> Strategic financial plans for INPARQUES							
<b>Output 2.4:</b> Harmonized operational standards for key categories of PAs and for the assignation of financial and human resources							
<b>Output 2.5:</b> Management plans and financial strategies for key PAs							
<b>Output 2.6:</b> INPARQUES offices with capacities to undertake new roles and operate effectively							
<b>Output 2.7:</b> PA managers with capacities for cost-effective management							
<b>Output 2.8:</b> Long term training programme for VPS staff							
<b>Output 2.9:</b> Monitoring programme to measure the effectiveness of staff training							
<b>Output 2.10:</b> Mechanism for ongoing systematization and dissemination of lessons learnt							
<b>Output 2.11:</b> Consolidated and equipped offices for new groupings of PAs							
<b>Output 2.12:</b> Design of Financial Sustainability Fund							
<b>Outcome 3.</b> Diversification of the income available for PA management	Proportion of VPS income that comes from productive sectors	Not available		9%		INPARQUES financial information system	Reduction in commitment by Government and productive sectors to conservation
	Proportion of income generated by VPS, by sources	<b>Source</b>	<b>\$</b>	<b>Source</b>	<b>\$</b>	INPARQUES financial information system	Resistance by the Government to mechanisms for the generation of income from PAs.
		Ticket sales	488,117	Ticket sales	3,850,816		
		Concessions	343,077	Concessions	2,706,577		
		Permits	135,320	Permits	1,067,556		
Telecommunications	727,742	Telecommunications	5,741,247				

Vertical logic	Indicators	Baseline value		Target value (year 5)		Sources of verification	Risks
		infrastructure		infrastructure			Instability of personnel in INPARQUES or key partner institutions
		Various income	198,625	Various income	1,566,977		
		<b>Total</b>	<b>1,892,881</b>	<b>Total</b>	<b>14,933,173</b>		
		% of total	1.7%	% of total	9%		
<b>Output 3.1:</b> Schemes for income generation, validated in key pilot areas							
<b>Output 3.2:</b> Mechanisms for income generation replicated throughout the VPS							
<b>Output 3.3:</b> Guidelines and training programmes to optimize the contribution of development initiatives to PAs							
<b>Output 3.4:</b> Permanent working groups with productive sector associations							
<b>Output 3.5:</b> Long term investment plans and strategies, with productive sector actors							
<b>Outcome 4.</b> Co-management arrangements to underwrite PA management costs.	% of the area of the VPS with active participation of the population in the management of PAs	<b>Form of participation</b>	<b>Area (ha)</b>	<b>Form of participation</b>	<b>Area (ha)</b>	Interviews with PA managers and members of COSOCOs	Reduction in Government and/or community commitment to conservation
		Social Conservation Councils (COSOCOs)	701,915	Social Conservation Councils (COSOCOs)	10,000,000		
		Managed by indigenous communities	3,000,000	Managed by indigenous communities	3,000,000		
		Little Park Ranger (Guardaparquitos) programme	121,000	Little Park Ranger (Guardaparquitos) programme	121,000		
		<b>Total</b>	<b>3,822,915</b>	<b>Total</b>			
		<b>% of PA estate</b>		<b>% of PA estate</b>			
<b>Output 4.1:</b> Strategies for buffer zone management, incorporated into local development plans							
<b>Output 4.2:</b> Governance framework for joint management of PAs, income generation and equitable sharing of benefits							
<b>Output 4.3:</b> Social Conservation Councils (COSOCOs) capable of participating in joint PA management							
<b>Result 5.</b> Monitoring, learning, adaptive feedback & evaluation	Numbers of annual work plans and budgets and PIRs which adequately take into account the results of monitoring and evaluation	0		4 AWPBs 4 PIRs		Review of AWPBs and PIRs	
	Numbers of documents on lessons learnt	0		2 by the end of year 3		Review of documents	

Vertical logic	Indicators	Baseline value	Target value (year 5)	Sources of verification	Risks
	produced and disseminated within the GEF system				
<b>Output 5.1:</b> System for monitoring and evaluation of project indicators					

### SECTION III. TOTAL BUDGET AND WORKPLAN

<b>Award ID:</b>	00048789
<b>Award Title:</b>	GEF-PIMS 4151-BD FSP Strengthening Venezuela's NPAS
<b>Business Unit:</b>	VEN10
<b>Project ID:</b>	00059073
<b>Project Title:</b>	Strengthening the financial sustainability and operational effectiveness of the Venezuelan Parks System
<b>Implementing Partner (Executing Agency)</b>	INPARQUES

#### Summary Atlas budget by component

GEF Outcome/Atlas Activity	Responsible party	Source of funds	Atlas Budgetary Account Code	ERP/ATLAS Budget Description/ Input	Year 1	Year 2	Year 3	Year 4	Year 5	Total	
					US\$	US\$	US\$	US\$	US\$	US\$	
1		GEF	1. International Consultants		71200	32,000	100,000	12,000	-	25,560	169,560
			2. Local Consultants		71300	140,000	65,000	70,000	75,000	70,000	420,000
			3. Contractual Services - Individ		71400	-	50,000	50,000	50,000	-	150,000
			4. Travel		71600	65,000	80,000	75,000	110,000	90,000	420,000
			5. Contractual Services- Companies		72100	50,000	-	-	-	-	50,000
			6. Equipment and Furniture		72200	25,000	25,000	-	-	-	50,000
			7. Materials and Goods		72300	33,800	16,200	7,600	7,600	4,400	69,600
			8. Communication and Audiovisual Equipment		72400	3,440	4,300	2,640	2,500	1,911	14,791
			9. Supplies		72500	3,492	3,405	2,173	2,451	1,919	13,440
			10. Information Technology Equipmt		72800	2,911	255,322	2,194	2,476	1,938	264,841
			11. Rental & Maintenance- Premises		73100	6,240	7,760	2,080	2,880	3,080	22,040
			12. Audio Visual&Print Prod		74200						

GEF Outcome/Atlas Activity	Responsible party	Source of funds	Atlas Budgetary Account Code	ERP/ATLAS Budget Description/ Input	Year 1	Year 2	Year 3	Year 4	Year 5	Total
					US\$	US\$	US\$	US\$	US\$	US\$
			Costs		12,000	-	-	-	-	12,000
			13. Miscellaneous Expenses	74500	4,254	-	-	-	600	4,854
			<b>Total Outcome Cost</b>		378,137	606,987	223,687	252,907	199,408	1,661,126
2		GEF	14. International Consultants	71200	50,000	45,000	-	50,000	-	145,000
			15. Local Consultants	71300	226,000	246,000	206,000	166,000	201,000	1,045,000
			16. Contractual Services - Individ	71400	100,000	100,000	50,000	50,000	50,000	350,000
			17. Travel	71600	120,000	155,000	210,000	270,000	240,000	995,000
			18. Contractual Services- Companies	72100	60,000	-	-	-	-	60,000
			19. Equipment and Furniture	72200	63,500	-	-	-	-	63,500
			20. Materials and Goods	72300	43,900	4,100	-	6,800	-	54,800
			21. Communication and Audiovisual Equipment	72400	7,520	7,820	5,120	5,320	5,020	30,800
			22. Supplies	72500	6,709	5,579	4,711	5,481	4,960	27,440
			23. Information Technology Equipmt	72800	6,776	5,635	4,758	5,536	5,010	27,715
			24. Rental & Maintenance- Premises	73100	37,300	1,200	-	3,840	-	42,340
			25. Rental & Maint of Info Tech Eq	73300	7,217	5,703	4,806	5,630	5,060	28,416
			26. Rental & Maint of Other Equip	73400	10,000	-	-	-	-	10,000
			27. Miscellaneous Expenses	74500	11,454	-	-	600	-	12,054
			<b>Total</b>							

GEF Outcome/Atlas Activity	Responsible party	Source of funds	Atlas Budgetary Account Code	ERP/ATLAS Budget Description/ Input	Year 1	Year 2	Year 3	Year 4	Year 5	Total
					US\$	US\$	US\$	US\$	US\$	US\$
	<b>Outcome Cost</b>				750,376	576,037	485,395	569,207	511,050	2,892,065
3		GEF	28. International Consultants	71200	100,000	195,000	-	-	-	295,000
			29. Local Consultants	71300	100,000	140,000	130,000	180,000	200,000	750,000
			30. Travel	71600	40,000	110,000	5,000	-	10,000	165,000
			31. Materials and Goods	72300	10,350	13,900	800	800	800	26,650
			32. Communication and Audiovisual Equipment	72400	4,000	6,700	2,600	3,600	4,000	20,900
			33. Supplies	72500	2,544	4,656	1,384	1,844	2,148	12,576
			34. Information Technology Equipmt	72800	2,569	4,703	1,398	1,862	2,169	12,701
			35. Rental & Maintenance-Premises	73100	8,590	9,340	320	320	320	18,890
			36. Rental & Maint of Info Tech Eq	73300	2,681	4,843	1,415	1,884	2,194	13,017
				<b>Total Outcome Cost</b>				270,734	489,142	142,917
4		GEF	37. International Consultants	71200	20,000	-	25,000	-	-	45,000
			38. Local Consultants	71300	20,000	310,000	75,000	50,000	50,000	505,000
			39. Travel	71600	-	40,000	-	-	-	40,000
			40. Equipment and Furniture	72200	11,000	-	-	-	-	11,000
			41. Materials and Goods	72300	27,000	11,600	4,000	-	-	42,600
			42. Communication and Audiovisual Equipment	72400	800	6,200	2,000	1,000	1,000	11,000

GEF Outcome/Atlas Activity	Responsible party	Source of funds	Atlas Budgetary Account Code	ERP/ATLAS Budget Description/ Input	Year 1	Year 2	Year 3	Year 4	Year 5	Total
					US\$	US\$	US\$	US\$	US\$	US\$
			43. Supplies	72500	788	3,678	1,060	510	510	6,546
			44. Information Technology Equipmt	72800	797	3,715	1,071	515	515	6,613
			45. Rental & Maintenance-Premises	73100	-	4,940	1,600	-	-	6,540
			46. Rental & Maint of Info Tech Eq	73300	804	3,801	1,097	520	520	6,742
			<b>Total Outcome Cost</b>		81,189	383,934	110,828	52,545	52,545	681,041
PM		GEF	47. International Consultants	71200	-	-	28,000	-	35,000	63,000
			48. Travel	71600	47,700	47,700	49,950	47,700	49,550	242,600
			49. Contractual Services-Companies	72100	8,750	8,750	8,750	8,750	8,750	43,750
			50. Equipment and Furniture	72200	13,500	5,000	7,500	-	-	26,000
			51. Materials and Goods	72300	13,800	5,800	13,800	5,800	13,800	53,000
			52. Communication and Audiovisual Equipment	72400	14,400	4,400	4,400	4,400	4,400	32,000
			53. Supplies	72500	9,600	4,600	7,600	4,600	7,600	34,000
			54. Rental & Maintenance-Premises	73100	1,300	1,000	1,000	1,000	1,000	5,300
			55. Rental & Maint of Info Tech Eq	73300	1,000	1,000	1,000	1,000	1,000	5,000
			56. Rental & Maint of Other Equip	73400	19,000	17,000	20,000	17,000	23,000	96,000
			57. Audio Visual&Print Prod Costs	74200	1,250	1,250	1,250	1,250	1,250	6,250
			58. Miscellaneous Expenses	74500	6,400	2,900	3,900	2,900	3,900	20,000

GEF Outcome/Atlas Activity	Responsible party	Source of funds	Atlas Budgetary Account Code	ERP/ATLAS Budget Description/ Input	Year 1	Year 2	Year 3	Year 4	Year 5	Total
					US\$	US\$	US\$	US\$	US\$	US\$
	<b>Total</b>				136,700	99,400	147,150	94,400	149,250	626,900
	<b>Totals by financing source</b>	GEF			1,617,136	2,155,500	1,109,977	1,159,369	1,133,884	7,175,866
					7,400,659	7,271,376	4,813,448	2,825,142	804,375	23,115,000
<b>Totals</b>					<b>9,017,795</b>	<b>9,426,876</b>	<b>5,923,425</b>	<b>3,984,511</b>	<b>1,938,259</b>	<b>30,290,866</b>

### Total Atlas budget by category

Atlas Budgetary Account Code	ERP/ATLAS Budget Description/ Input	Year 1	Year 2	Year 3	Year 4	Year 5	Total
		US\$	US\$	US\$	US\$	US\$	US\$
International Consultants	71200	202,000	340,000	65,000	50,000	60,560	717,560
Local Consultants	71300	486,000	761,000	481,000	471,000	521,000	2,720,000
Contractual Services - Individ	71400	100,000	150,000	100,000	100,000	50,000	500,000
Travel	71600	272,700	432,700	339,950	427,700	389,550	1,862,600
Contractual Services- Companies	72100	118,750	8,750	8,750	8,750	8,750	153,750
Equipment and Furniture	72200	113,000	30,000	7,500	-	-	150,500
Materials and Goods	72300	128,850	51,600	26,200	21,000	19,000	246,650
Communication and Audiovisual Equipment	72400	30,160	29,420	16,760	16,820	16,331	109,491
Supplies	72500	23,133	21,918	16,928	14,886	17,137	94,002
Grants	72600	-	-	-	-	-	-

Information Technology Equipmt	72800	13,053	269,375	9,421	10,389	9,632	311,870
Rental & Maintenance-Premises	73100	53,430	24,240	5,000	8,040	4,400	95,110
Premises alterations	73200	-	-	-	-	-	-
Rental & Maint of Info Tech Eq	73300	11,702	15,347	8,318	9,034	8,774	53,175
Rental & Maint of Other Equip	73400	29,000	17,000	20,000	17,000	23,000	106,000
Professional Services	74100	-	-	-	-	-	-
Audio Visual&Print Prod Costs	74200	13,250	1,250	1,250	1,250	1,250	18,250
Miscellaneous Expenses	74500	22,108	2,900	3,900	3,500	4,500	36,908
Facilities & Administration	75100	-	-	-	-	-	-
<b>Totals</b>		<b>1,617,136</b>	<b>2,155,500</b>	<b>1,109,977</b>	<b>1,159,369</b>	<b>1,133,884</b>	<b>7,175,866</b>

### Budget notes

Component		Category	Atlas code	Notes
1	1	International Consultants	71200	Environmental valuations: 67.82 weeks, to advice on complex issues such as valuation of environmental services, policies for the sustainable generation of income from protected areas and systems for remote monitoring of parks.
	2	National Consultants	71300	560 weeks of national consultants for the formulation and validation of public policies, public consultations for the validation of plans and policies, completion of diagnoses, making operational the proposals made by the international consultants and the beginning of the process of developing modifications of the legal framework required to put financial sustainability into practice.
	3	Travel	71600	Internal travel of project staff to field sites and of stakeholders to workshops and visiting PAs. The project area is very large and includes large numbers of stakeholders. In order to minimize costs the travel budgeted under this component will be by bus or by plane for visiting selected locations.
	4	Contractual Services-	72100	To develop information systems, robotic surveillance and meteorological systems, overseas

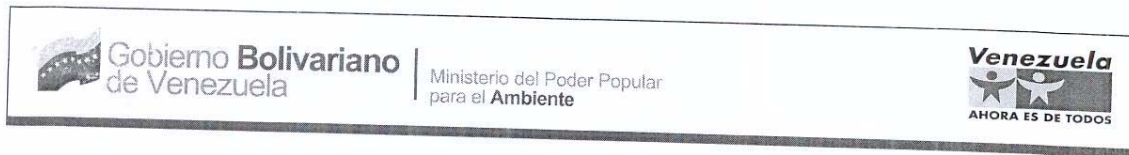
Component		Category	Atlas code	Notes
		Companies		processing of samples, acquisition of satellite imagery and processing software.
	5	Materials and Goods	72300	Food and consumables for expeditions to confirm biological values of PAs and inform management planning
	6	Communication and Audiovisual Equipment	72400	Digital and video cameras and associated consumables, editing equipment for systematization and awareness raising purposes
	7	Supplies	72500	Office supplies for SNPV offices.
	8	Information Technology Equipmt	72800	Computing equipment for PA offices, with corresponding office and GIS software, and equipment and software for remote monitoring of environmental conditions in PAs.
	9	Rental & Maintenance-Premises	73100	Hire of facilities for events and workshops
	10	Rental & Maint of Info Tech Eq	73300	Maintenance of computing equipment
	11	Rental & Maint of Other Equip	73400	Hire of cars and boats (for visiting islands, lakes and rivers), fuel
	12	Audio Visual&Print Prod Costs	74200	Design and printing costs
	13	Miscellaneous Expenses	74500	Insurance
2	14	International Consultants	71200	Financial Strategies for PAs Specialist: 58 weeks to provide advice on effective Financial Strategies of PAs within the framework of a sustainable financial SNPV
	15	National Consultants	71300	1,393 consultant weeks focused on organizational restructuring, development and implementation of financial and management plans for PAs, diffusion of lessons learnt.
	16	Contractual Services - Individual	71400	Long term consulting services in specialized themes including the development of management and financial plans for PAs
	17	Travel	71600	Internal travel of project staff to field sites and of stakeholders to workshops and visiting PAs. The project area is very large and includes large numbers of stakeholders. In order to minimize costs the travel budgeted under this component will be by bus or by plane for visiting selected locations.
	18	Contractual Services-Companies	72100	Financial plans for every PA of the SNPV and their application in pilots
	19	Equipment and Furniture	72200	Boats (for islands, rivers, lakes) and 2 4x4 vehicles essential for PA staff mobilization, furniture and solar panels for regional PA offices
	20	Materials and Goods	72300	Food and consumables for workshops, financial and biological monitoring activities
	21	Communication and Audiovisual Equipment	72400	Radios for coordination and safety purposes
	22	Supplies	72500	Office equipment and field supplies for workshops and biological monitoring activities
	23	Information Technology Equipmt	72800	Computing equipment and software
	24	Rental & Maintenance-Premises	73100	Hire of facilities for events and workshops
	25	Rental & Maint of Info Tech Eq	73300	Maintenance of computing equipment

Component		Category	Atlas code	Notes
	26	Rental & Maint of Other Equip	73400	Rental and fuel for boats and vehicles
	27	Miscellaneous Expenses	74500	Insurance
3	28	International Consultants	71200	98 consultant weeks focused on the identification and promotion of strategies for PA income diversification
	29	National Consultants	71300	100 consultant weeks focused on the design of schemes and mechanisms for the generation of income, training programmes for INPARQUES personnel, communities and institutions, formulation of plans for joint management and financial management of PAs.
	30	Travel	71600	Internal travel of project staff and consultants to field sites and of stakeholders to workshops
	31	Materials and Goods	72300	Food and consumables for training and awareness raising workshops
	32	Communication and Audiovisual Equipment	72400	Radios for coordination and safety purposes
	33	Supplies	72500	Stationery supplies for workshops and courses
	34	Information Technology Equipmt	72800	Computing equipment and software, and laboratory equipment
	35	Rental & Maintenance-Premises	73100	Hire of facilities for events and workshops
	36	Rental & Maint of Info Tech Eq	73300	Maintenance of computing equipment
4	37	International Consultants	71200	18 weeks International consultants for: international experiences with governance frameworks for PA management, income generation for equitable sharing of benefits and definition of an institutional model that allows the regulation and control of socioeconomic activities and the development of human settlements.
	38	National Consultants	71300	673.3 consultant weeks for design of operational units, definition of resource requirements, cost and financial requirement studies, design of system for financial sustainability.
	39	Travel	71600	Internal travel of project staff and consultants to field sites and of stakeholders to workshops
	41	Materials and Goods	72300	Food and consumables for training and awareness raising workshops.
	42	Communication and Audiovisual Equipment	72400	Digital cameras for systematization and awareness raising purposes, radios for coordination and safety purposes, internet connection service
	43	Supplies	72500	Office supplies
	44	Information Technology Equipmt	72800	Computing equipment
	45	Rental & Maintenance-Premises	73100	Upgrading of offices
	46	Rental & Maint of Info Tech Eq	73300	Maintenance of computing equipment
5 Project Management	47	International Consultants	71200	25.2 weeks International consultants for Monitoring, adaptive feedback & evaluation of Program outcomes and results
	48	Travel	71600	International and national travel of international consultants for external evaluations
	49	Contracted services	72100	Audit

<b>Component</b>		<b>Category</b>	<b>Atlas code</b>	<b>Notes</b>
	50	Equipment and Furniture	72200	1 4x4 vehicle and furniture for main project office
	51	Materials and Goods	72300	Food and supplies for inception, monitoring and evaluation activities.
	52	Communication and Audiovisual Equipment	72400	Digital cameras for systematization and awareness raising purposes, radios for coordination and safety purposes, internet connection service
	53	Supplies	72500	Office supplies
	54	Rental & Maintenance-Premises	73100	Facilities for events and workshops (inception workshop, monitoring, external evaluations)
	55	Rental & Maint of Info Tech Eq	73300	Maintenance of computing equipment
	56	Rental & Maint of Other Equip	73400	Rental, maintenance and fuel for vehicles
	57	Audio Visual&Print Prod Costs	74200	Design and printing of project reports and information materials
	58	Miscellaneous Expenses	74500	Insurance, storage

## SECTION IV. ADDITIONAL INFORMATION

### PART I. Endorsement letter



Yannick Glemarec  
UNDP GEF Executive Coordinator  
New York

212-906-6998

Oficio

Nº 013

Fecha: 18 ENE. 2008

Endorsement for project: *Strengthening the financial sustainability and operational effectiveness of the Venezuelan National Parks System*

In my capacity as GEF Technical Focal Point for the República Bolivariana de Venezuela, I confirm that the above project proposal (a) is in accordance with the government's national priorities and the commitments made by the República Bolivariana de Venezuela under the relevant global environmental conventions and (b) has been discussed with relevant stakeholders, including the global environmental convention focal points, in accordance with GEF's policy on public involvement.

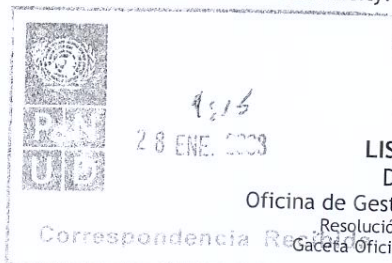
Accordingly, I am pleased to endorse the preparation of the above project proposal with the support of UNDP. If approved, the proposal will be prepared and implemented by Instituto Nacional de Parques (INPARQUES) (Ministry of Popular Power for the Environment).

Further, I request UNDP to provide a copy of the project document for information of this office before it is submitted to the GEF Secretariat for CEO endorsement.

I understand that the total GEF financing being requested for this project is \$8.000.000, inclusive of project preparation grant (PPG), and Agency fee (10%) to UNDP for project cycle management services associated with this project.

I consent to the utilization of the following indicative allocations available to República Bolivariana de Venezuela in GEF-4 under the GEF Resource Allocation Framework to cover the GEF project preparation and implementation as well as the associated Agency fees for this project.

RAF allocation for Biodiversity: \$16.7 million



Sincerely,

LISSETT HERNANDEZ  
Directora General

Oficina de Gestión y Cooperación Internacional

Resolución N° 115 de fecha 16-10-2007  
Gaceta Oficial N° 38790 de fecha 16 -10-2007



*Gestión ambiental compartida*

Despacho del Viceministro para América del Norte y Asuntos Multilaterales

**URGENTE**

I.DVANAM Nº 000024

Caracas, 17 ENE 2008

Señor  
**John Hough**  
Coordinador Ejecutivo a.i  
PNUD/GEF

**Asunto: Endoso del Proyecto sobre Áreas Protegidas.**

Tengo el agrado de dirigirme a usted, en ocasión de hacer referencia a la Solicitud de país del Proyecto sobre Áreas Protegidas, elaborado por el Instituto Nacional de Parques (INPARQUES). Al respecto, le confirmo que la solicitud para el financiamiento de la propuesta de proyecto en cuestión coincide con las prioridades e intereses del Gobierno Nacional, con respecto a las áreas naturales protegidas y los compromisos internacionales acordados por la República Bolivariana de Venezuela; y que la misma ha sido discutida con las partes relevantes, incluyendo el punto focal técnico, conforme con las políticas del GEF en cuanto a participación pública.

Por consiguiente, actuando en mi rol de Punto Focal Político para el Fondo para el Medio Ambiente Mundial (FMAM/GEF) en la República Bolivariana de Venezuela, le manifiesto la decisión del Gobierno Nacional de endosar en anuencia la presente solicitud de financiamiento.

Sin otro particular, aprovecho la ocasión para agradecerle por su colaboración y manifestarle las seguridades de mi más alta estima y distinguida consideración.

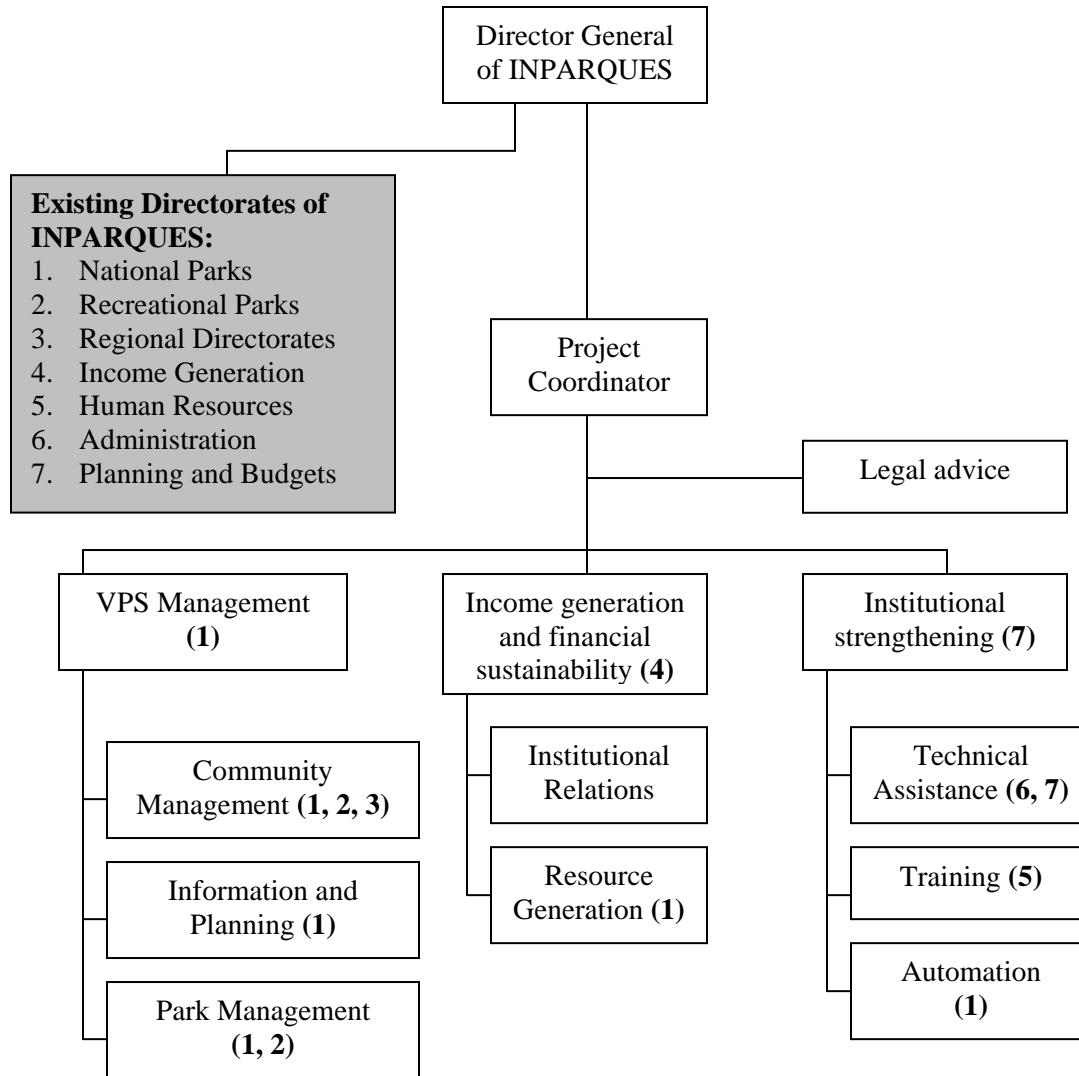


**Embajador Jorge Valero**  
**Viceministro para América del Norte y**  
**Asuntos Multilaterales**

cc: Punto Focal Técnico Ministerio del Poder Popular para el Ambiente  
Representante Residente del PNUD en Venezuela

## PART II. Organigram of Project

*Note:* locations of project divisions within the structure of INPARQUES are shown in parentheses.



### **PART III. Terms of References for key project staff and main sub-contracts**

#### **Project Coordinator**

Under the overall supervision of the National Project Director (NPD, the General Director of INPARQUES), the Coordinator would have the following responsibilities:

- Coordination of project actions, in compliance with Annual Work Plans and Budgets (APWBs).
- Supervision of the activities of the technical members of the Project Implementation Unit (PIU), thereby ensuring their relevance, effectiveness and efficiency.
- Preparation of terms of reference for external consultants contracted by the project, supervision and coordination of their work, and review and approval of their products.
- Ensuring that the project is implemented with the full participation of local actors and that functioning mechanisms exist that ensure that their interests are taken into account, communicated and reflected in the implementation of the project.
- Promotion of the coordinated participation of Government institutions and NGOs, at central and local levels, in project implementation.
- Realization of continuous and periodic monitoring of project impacts, in relation to the achievements foreseen in the APWBs and the impacts foreseen in the project results framework.
- In communication with the NPD, ensuring that the project is implemented in accordance with the policies and plans of INPARQUES, as Executing Agency.
- In communication with the Programme Official of UNDP, ensuring that the project is implemented in accordance with the United Nations Development Assistance Framework (UNDAF) in Venezuela.
- Identification and promotion opportunities for actions by other agencies of the UN system in the project areas.
- Ensuring that a cross-cutting gender focus is incorporated into the actions of the project.
- Together with UNDP, preparation of Periodic Implementation Reports (PIRs), detailing project progress, to be presented to GEF.
- Together with UNDP and the project team and in discussion with local stakeholders, preparation of APWBs for approval by the NSC and the GEF.
- With support from the project administrative team, ensuring efficient and transparent execution of financial and physical resources, in conformity with the rules of the Government, GEF and UNDP.
- Design and implementation of professional development plans for the members for the PIU.
- Identification of risks that could affect the achievement of the foreseen impacts of the project, and the definition and application of corresponding mitigation strategies.
- Support to the functioning of the PSC, through the provision of advice and logistics.
- Preparation and oversight of the implementation of the operational manuals for the implementation of the project.
- Organization and support of external evaluations of the project.

## PART IV. Management Effectiveness Tracking Tool

### Section One: Project General Information

1. Project Name: Strengthening the financial sustainability and operational effectiveness of the Venezuelan Parks System
2. Project Type (MSP or FSP): FSP
3. Project ID (GEF):
4. Project ID (IA): 4151
5. Implementing Agency: UNDP
6. Country(ies): Venezuela

Name of reviewers completing tracking tool and completion dates:

	Name	Title	Agency
<b>Work Program Inclusion</b>			
<b>Project Mid-term</b>			
<b>Final Evaluation/project completion</b>			

7, Project duration: *Planned* \_\_\_\_5\_\_ years *Actual* \_\_\_\_\_ years

8, Lead Project Executing Agency (ies): INPARQUES

9, GEF Strategic Program:

X Sustainable Financing of Protected Area Systems at the National Level (SP 1)

Increasing Representation of Effectively Managed Marine PAs in PA Systems (SP 2)

Strengthening Terrestrial PA Networks (SP 3)

10, Project coverage in hectares

Total Extent in hectares of protected areas targeted by the project by biome type	Foreseen at project start	Achievement at Mid-term Evaluation	Achievement at Final Evaluation
Los Llanos	1,228,484		
Guayana Shield	15,693,254		
Islands	24,787		
Lara Falcon hills	66,911		
Andes Range	1,546,628		
Maracaibo Depression	206,186		
Orinoco deltaic plain	332,962		
Coast Range	790,119		
Continental coast	189,759		
Marine	380,442		
<b>Total NPs and NMs</b>	<b>20,459,532</b>		
<b>Total Recreational Parks</b>	<b>286,020</b>		
<b>Total VPS</b>	<b>20,745,552</b>		

GEF-4 Tracking Tool for Biodiversity Focal Area Strategic Objective One:  
Catalyzing Sustainability of Protected Area Systems

**Protected areas that are the target of the GEF intervention.**

Name of Protected Area	Is this a new PA?	Area (ha)	Biogeographic province	Global designation or priority lists	Local Designation of Protected Area	IUCN Category for each Protected Area <sup>11</sup>					
						I	II	III	IV	V	VI
<b>Existing National Parks</b>											
1. Aguaro Guariquito	No	585,750	Los Llanos		National Park		X				
2. San Camilo (Río Viejo)	No	80,000			National Park		X				
3. Santos Luzardo (Capanaparo - Cinaruco)	No	584,368			National Park		X				
4. Canaima	No	3,000,000	Guayana Shield		National Park		X				
5. Jaua Sarisariñama	No	330,000			National Park		X				
6. Duida Marahuaca	No	210,000		Biosphere Reserve	National Park		X				
7. Parima Tapirapecó	No	3,420,000		Biosphere Reserve	National Park		X				
8. Serranía La Neblina	No	1,360,000		Biosphere Reserve	National Park		X				
9. Yapacana	No	320,000		Biosphere Reserve	National Park		X				
10. Cerro Copey Jóvito Villalba	No	7,130	Islands		National Park		X				
11. Laguna de La Restinga	No	18,862		Ramsar Site	National Park		X				
12. Cerro Saroche	No	32,294	Lara Falcon hills		National Park		X				
13. Cueva de la Quebrada del Toro	No	4,885			National Park		X				
14. Juan Crisóstomo Falcón (Sierra de San Luis)	No	20,000			National Park		X				
15. Chorro El Indio	No	75,200	Andes Range		National Park		X				
16. Dinira	No	45,328			National Park		X				
17. El Guache	No	12,200			National Park		X				
18. El Tamá	No	139,000			National Park		X				
19. G. Cruz Carrillo (Guaramacal)	No	21,000			National Park		X				

11

- I. Strict Nature Reserve/Wilderness Area: managed mainly for science or wilderness protection
- II. National Park: managed mainly for ecosystem protection and recreation
- III. Natural Monument: managed mainly for conservation of specific natural features
- IV. Habitat/Species Management Area: managed mainly for conservation through management intervention
- V. Protected Landscape/Seascape: managed mainly for landscape/seascape protection and recreation
- VI. Managed Resource Protected Area: managed mainly for the sustainable use of natural ecosystems

GEF-4 Tracking Tool for Biodiversity Focal Area Strategic Objective One:  
Catalyzing Sustainability of Protected Area Systems

Name of Protected Area	Is this a new PA?	Area (ha)	Biogeographic province	Global designation or priority lists	Local Designation of Protected Area	IUCN Category for each Protected Area <sup>11</sup>					
						I	II	III	IV	V	VI
20.G. Juan Pablo Peñaloza (Paramos El Batallón y La Negra)	No	75,200			National Park		X				
21.Sierra de La Culata	No	200,400			National Park		X				
22.Sierra Nevada	No	276,446			National Park		X				
23.Tapo Caparo	No	205,000			National Park		X				
24.Terepaima	No	18,650			National Park		X				
25.Yacambú	No	14,580			National Park		X				
26.Ciénaga de Juan Manuel	No	250,000	Maracaibo Depression		National Park		X				
27.Delta del Orinoco (Mariusa)	No	331,000	Orinoco deltaic plain	Biosphere Reserve, Ramsar Site (proposed)	National Park		X				
28.El Ávila	No	81,900	Coast Range		National Park		X				
29.El Guácharo	No	62,700			National Park		X				
30.Gral. Manuel Manrique (Tirgua)	No	91,000			National Park		X				
31.Guatopo	No	122,464			National Park		X				
32.Henri Pittier	No	107,800			National Park		X				
33.Macarao	No	15,000			National Park		X				
34.Península de Paria	No	37,500			National Park		X				
35.San Estebán	No	43,500			National Park		X				
36.Yurubí	No	23,670			National Park		X				
37.Laguna de Tacarigua	No	39,100		Continental coast	Ramsar Site	National Park		X			
38.Mochima	No	94,935			National Park		X				
39.Médanos de Coro	No	91,280			National Park		X				
40.Morrocoy	No	32,090			National Park		X				
41.Turuépano	No	70,000			National Park		X				
42.Los Roques	No	221,120	Marine	Ramsar Site	National Park		X				
43.Perijá	No	295,288	Sierra de Perijá		National Park		X				
<b>Existing Natural Monuments</b>											
1. Abra Rio Frio	No	1,282	Andes range		Natural Monument			X			
2. Chorrera las González	No	126			Natural Monument			X			
3. Laguna de Urao	No	45			Natural Monument			X			
4. Meseta la Galera	No	95			Natural Monument			X			

GEF-4 Tracking Tool for Biodiversity Focal Area Strategic Objective One:  
Catalyzing Sustainability of Protected Area Systems

Name of Protected Area	Is this a new PA?	Area (ha)	Biogeographic province	Global designation or priority lists	Local Designation of Protected Area	IUCN Category for each Protected Area <sup>11</sup>						
						I	II	III	IV	V	VI	
5. Teta de Niquitao	No	18,000			Natural Monument			X				
6. Cadena de 21 Tepuyes	No	1,069,820	Guayana shield		Natural Monument			X				
7. Cerro Autana	No	30			Natural Monument			X				
8. Piedra de la Tortuga	No	1950			Natural Monument			X				
9. Piedra del Cocuy	No	15			Natural Monument			X				
10. Cerro Maria Lionza	No	11,712		Coast range		Natural Monument			X			
11. Cerro Platillón	No	8,000			Natural Monument			X				
12. Cueva de Alfredo Jhan	No	58			Natural Monument			X				
13. Cueva del Guacharo	No	181			Natural Monument			X				
14. Morros de Macabra	No	99			Natural Monument			X				
15. Morros de San Juan	No	2,775			Natural Monument			X				
16. Pico Codazzi	No	11,850			Natural Monument			X				
17. Cerro Mata Siete	No	1,672	Islands			Natural Monument			X			
18. Laguna de las Marites	No	3,674				Natural Monument			X			
19. Tetas de M Guevara	No	1,670				Natural Monument			X			
20. Cerro Santa Ana	No	1,900	Lara- Falcón hills		Natural Monument			X				
21. Lona del león	No	7,275			Natural Monument			X				
<b>Recreational Parks</b>												
110 different parks	No	286,020	Various		Recreational Park					X		
<b>New National Parks</b>												
1. Connection between existing Yacambú and Terepaima NPs	Yes	12,000	Andes range		National Park		X					
2. Sierra de Calderas	Yes	78,382			National Park		X					
3. Pueblos del Sur	Yes	136,568			National Park		X					
4. Serranía del Bachiller	Yes	215,267	Coast range		National Park		X					

GEF-4 Tracking Tool for Biodiversity Focal Area Strategic Objective One:  
Catalyzing Sustainability of Protected Area Systems

**Section Two: World Bank/WWF Site-Level Management Effectiveness Tracking Tool for Protected Areas: Summary of METT scores per protected area<sup>12</sup>**

Issue	Parks with high use intensity close to important urban centres													Parks close to urban centres, with moderate levels of use											
	Henri Pittier	El Ávila	Yurubí	Macarao	Mochima	Laguna de La Restinga	Laguna de Tacarigua	Morrocoy	Chorro El Indio	Sierra de La Culata	Los Roques	Canaima	San Estebán	Sierra Nevada	Guatopo	Yacambú	Médanos de Coro	Cerro Copey Jívito Villalba	El Guácharo	Terepaima	Juan Crisóstomo Falcón (Sierra de San Luis)	G. Cruz Carrillo (Guaramacal)	Turuépano	Ciénaga de Juan Manuel	Gral. Manuel Manrique (Tirgua)
1. Legal status	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
2. PA regulations	1	2	2	1	2	1	1	2	2	2	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1
3. Law enforcement	1	2	2	1	2	1	1	2	2	2	2	1	1	1	1	1	1	1	1	1	1	1	2	1	1
4. PA objectives	2	2	2	2	2	2	2	2	2	2	3	2	1	1	1	2	1	2	2	2	1	2	2	2	1
5. PA design	2	2	3	2	2	2	2	2	2	2	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2
6. PA boundary demarcation	3	3	1	3	3	3	3	3	3	3	3	3	3	3	1	3	3	3	3	3	2	3	3	2	3
7. Management plan	0	0	0	0	0	0	0	0	0	0	2	2	0	0	1	0	0	1	0	0	0	2	2	0	1
8. Regular work plan	0	0	1	1	2	2	2	2	2	2	2	2	1	1	1	2	1	2	1	2	1	2	2	2	2
9. Resource inventory	2	2	1	2	2	2	2	2	2	2	2	2	2	2	1	2	2	2	2	2	1	2	2	1	2
10. Research	1	1	1	1	2	2	2	2	2	1	3	3	2	2	1	2	2	2	2	2	1	2	2	1	2
11. Resource management	1	1	0	1	1	1	2	2	2	1	2	2	1	1	0	2	1	2	2	2	1	2	2	1	2
12. Staff numbers	1	2	2	1	2	2	2	2	2	2	2	1	2	2	1	2	2	2	2	2	2	2	2	2	2
13. Personnel management	1	1	1	1	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1	1	0	1	2	2	1
14. Staff training	1	1	1	1	1	1	1	2	2	1	2	2	2	1	1	2	1	2	2	2	1	2	2	2	2
15. Current budget	1	1	1	1	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1	1	1	1	2	1	1
16. Security of budget	0	0	0	0	1	1	1	1	1	1	2	1	1	1	0	1	1	1	1	1	1	1	1	1	1
17. Management of budget	0	0	0	0	1	0	1	1	1	0	2	1	1	1	1	1	1	1	1	1	1	1	2	2	1
18. Equipment	1	2	0	2	1	2	2	2	2	1	2	2	2	1	1	2	0	2	2	1	0	1	2	2	1
19. Equipment maintenance	0	1	1	1	1	1	1	1	1	1	2	2	1	1	1	2	0	1	1	1	0	1	2	1	1
20. Education and awareness	0	0	0	0	0	0	1	1	1	1	2	1	1	1	1	1	1	1	1	1	1	1	2	2	1

<sup>12</sup> See [http://www.gefweb.org/uploadedFiles/Focal\\_Areas/Biodiversity/Biodiversity\\_GEF\\_SO\\_1\\_Tracking\\_Tool%20GEF-4.doc](http://www.gefweb.org/uploadedFiles/Focal_Areas/Biodiversity/Biodiversity_GEF_SO_1_Tracking_Tool%20GEF-4.doc) for criteria for assignation of scores

GEF-4 Tracking Tool for Biodiversity Focal Area Strategic Objective One:  
Catalyzing Sustainability of Protected Area Systems

Issue	Parks with high use intensity close to important urban centres													Parks close to urban centres, with moderate levels of use												
	Henri Pittier	El Ávila	Yurubí	Macarao	Mochima	Laguna de La Restinga	Laguna de Tacarigua	Morrocoy	Chorro El Indio	Sierra de La Culata	Los Roques	Canaima	San Estebán	Sierra Nevada	Guatopo	Yacambú	Médanos de Coro	Cerro Copey Jívito Villalba	El Guácharo	Terepaima	Juan Crisóstomo Falcón (Sierra de San Luis)	G. Cruz Carrillo (Guaramacal)	Turuépano	Ciénaga de Juan Manuel	Gral. Manuel Manrique (Tirgua)	
programme																										
21. State and commercial neighbors	1	2	1	1	2	2	2	2	1	1	2	2	1	1	1	2	1	1	1	2	1	1	2	2	1	
22. Indigenous people	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
23. Local communities	1	1	1	1	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Additional point:	1	1	1	1	1																					
Additional point:	1	1																								
24. Visitor facilities	1	2	1	2	2	1	2	2	1	1	2	1	1	1		1	1	2	2	1	0	1	2	2	1	
25. Commercial tourism	2	2	1	2	2	1	1	2	1	2	2	2	1	1	1	1	1	1	1	1	1	1	2	2	1	
26. Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
27. Condition assessment	2	2	3	1	2	2	1	2	2	1	2	1	1	2	1	1	1	2	2	2	1	2	2	2	2	
Additional point:		1																								
28. Access assessment	0	0	0	0	0	1	1	1	0	1	2	0	1	1	1	1	1	2	2	2	2	2	2	2	2	
29. Economic benefit assessment	3	3	1	3	2	1	1	3	1	1	3	2	1	1	3	1	1	1	1	1	1	1	1	1	1	
30. Monitoring and evaluation	0	0	1	1	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1	1	1	1	2	1	1	
<b>TOTAL (BASELINE)</b>	33	41	33	37	44	39	42	49	43	39	63	46	38	37	31	43	34	45	43	43	30	44	55	45	42	
<b>TOTAL (TARGET)</b>	64	72	64	68	76	71	74	80	75	71	91	77	70	69	63	75	66	77	64	72	64	68	76	71	74	
<b>TOTAL (POSSIBLE)</b>	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	

GEF-4 Tracking Tool for Biodiversity Focal Area Strategic Objective One:  
Catalyzing Sustainability of Protected Area Systems

Issue	Non-frontier parks with low use intensity										Frontier parks with low use intensity							
	Cueva de la Quebrada del Toro	Aguaro Guariquito	Península de Paria	Santos Luzardo (Capanaparo - Cinaruco)	Dinira	G. Juan Pablo Peñaloza (Paramos El Batallón y La Negra)	Cerro Saroche	San Camilo (Río Viejo)	El Guache	Tapo Caparo	Jaua Sarisariñama	Serranía La Neblina	Yapacana	Duida Marahuaca	Perijá	Parima Tapirapécó	El Tamá	Delta del Orinoco (Mariusa)
1. Legal status	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
2. PA regulations	1	1	1	1	2	1	1	1	1	1	2	1	1	1	1	1	1	1
3. Law enforcement	1	1	0	1	2	0	0	1	1	0	0	1	1	0	1	1	1	1
4. PA objectives	2	2	1	1	2	1	1	1	1	1	1	1	1	0	1	1	1	1
5. PA design	2	2	2	2	3	2	2	2	2	2	1	2	2	2	2	2	2	2
6. PA boundary demarcation	3	3	3	3	3	3	1	2	1	2	1	1	1	1	1	1	1	1
7. Management plan	2	2	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Regular work plan	1	2	1	2	1	1	1	1	1	1	0	1	1	1	1	1	1	1
9. Resource inventory	2	2	2	2	0	2	1	1	1	1	0	1	1	1	1	1	1	1
10. Research	2	2	2	2	1	1	1	1	1	1	0	1	1	1	1	1	1	1
11. Resource management	2	1	1	2	0	0	0	1	1	1	1	0	0	0	1	1	1	1
12. Staff numbers	2	2	1	2	1	1	1	1	1	1	0	1	1	1	1	1	1	1
13. Personnel management	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1
14. Staff training	2	2	2	2	2	1	1	1	1	1	0	1	1	1	1	1	1	1
15. Current budget	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1
16. Security of budget	1	0	0	1	0	0	0	0	0	1	0	1	0	0	0	0	0	0
17. Management of budget	1	1	0	1	1	1	0	0	0	1	0	1	1	1	1	1	1	1
18. Equipment	1	1	1	1	1	0	0	0	0	0	0	0	0	0	1	1	1	1
19. Equipment maintenance	1	1	1	1	1	0	0	0	0	0	0	0	0	0	1	1	1	1
20. Education and awareness programme	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
21. State and commercial neighbors	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
22. Indigenous people	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1
23. Local communities	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1
24. Visitor facilities	1	1	1	1	0	1	1	0	0	0	1	0	0	0	1	1	1	1
25. Commercial tourism	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1

GEF-4 Tracking Tool for Biodiversity Focal Area Strategic Objective One:  
Catalyzing Sustainability of Protected Area Systems

Issue	Non-frontier parks with low use intensity										Frontier parks with low use intensity							
	Cueva de la Quebrada del Toro	Aguaro Guariquito	Península de Paria	Santos Luzardo (Capanaparo - Cinaruco)	Dinira	G. Juan Pablo Peñaloza (Paramos El Batallón y La Negra)	Cerro Saroche	San Camilo (Río Viejo)	El Guache	Tapo Caparo	Jaua Sarisariñama	Serranía La Neblina	Yapacana	Duida Marahuaca	Perijá	Parima Tapirapecó	El Tamá	Delta del Orinoco (Mariusá)
26. Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27. Condition assessment	2	2	1	2	3	1	1	1	0	1	0	2	1	1	0	0	0	0
28. Access assessment	2	1	1	2	2	1	0	2	1	2	0	2	1	1	0	0	0	0
29. Economic benefit assessment	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1
30. Monitoring and evaluation	1	1	1	1	0	1	0	1	1	1	0	1	1	1	0	0	0	0
<b>TOTAL (BASELINE)</b>	43	41	35	43	36	29	23	28	25	29	12	29	26	24	27	27	27	27
<b>TOTAL (TARGET)</b>	75	75	63	76	87	78	74	75	73	67	75	66	61	56	61	58	62	45
<b>TOTAL (POSSIBLE)</b>	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93	93

**PART V. Geographical distribution of personnel within the VPS**

Region	Sub-region	Total PAs		Unstaffed PAs		Number of personnel per sub-region (average area in hectares covered by each person in brackets)			PAs in critical* condition
		Number	Area (ha)	Number	Area (ha)	Professionals	Technicians	Park guards	
Central	Aragua	1	107,800	1	107,800	0	0	0	1
	Carabobo	1	43,500	1		3 (14,500)	7 (6,214)	11 (3,955)	
	Cojedes	1	91,000	1		91,000			
Amazonas	Amazonas	7	5,415,648	6	5,012,800	3 (1,770,842)	5 (1,062,505)	10 (531,253)	4
Bolívar	Bolívar	3	3,796,167	1	330,000	2 (1,898,842)	2 (1,898,842)	15 (253,078)	
Capital	Distrito Federal	4	108,808	0	0	4 (27,202)	3 (36,269)	71 (1,325)	
	Dependencia Federal	1	221,120	0	0	1 (221,120)	1 (221,120)	7 (31,589)	
	Miranda	2	161,564	0	0	2 (80,782)		30 (5,384)	2
North-West Region	Falcón	5	150,195	0	0	4 (75,053)	8 (37,526)	32 (4,694)	2
Guarico Apure	Apure	2	664,364	1	80,000	1 (664,364)	1 (664,364)	2 (332,182)	1
	Guarico	4	668,624	0	0	3 (222,875)	6 (111,437)	18 (37,458)	2
Lara	Lara	5	118,041	0	0	2 (59,021)	3 (39,347)	16 (7,378)	
Andina Mérida-Trujillo	Mérida	6	477,112	0	0	7 (68,159)	129 (3,698)	35 (13,618)	1
	Trujillo	2	39,000	0	0		4 (9,750)	9 (4,334)	1
Monagas Delta	Monagas	2	62,881	0	0	1 (62,881)	5 (12,376)	9 (6,987)	
	Delta Amacuro	1	331,000	0	0	1 (331,000)	6 (55,156)	0	
Nueva Esparta	Nueva Esparta	5	33,010	0	0	4 (8,252)	2 (16,505)	28 (1,072)	

Sucre Anzoátegui	Anzoátegui	1	94,935	0	0	1 (94,935)	2 (47,467)	20 (4,747)	1
	Sucre	2	107,500	0	0	2 (53,750)	1 (107,500)	5 (21,500)	
Táchira		5	495,682	0	0	6 (82,614)	12 (41,307)	17 (29,217)	3
Zulia	Zulia	2	545,228	0	0	4 (136,307)	8 (68,164)	18 (30,290)	2
Yaracuy	Yaracuy	2	35,382	0	0	1 (35,382)	4 (8,845)	30 (1,180)	
<b>Total General</b>		<b>64</b>	<b>13,768,561</b>	<b>11</b>	<b>5,621,000</b>				

\*Critical is defined as situations where the PA is subjected to at least two threats that are frequent and/or widespread

**PART VI. Budgetary Situation of the National Parks System (US\$)**

Year	1. Budget request to central Government	Budget availability				6. Budget executed	7. % executed (6/5 x 100)
		2. Central Government allocation	3. % of request (2/1 x 100)	4. Income generated by INPARQUES	5. Total available (2+4)		
2001	12,803,861	12,449,465	97	1,213,770	13,663,235	9,273,520	68
2002	17,359,701	14,631,147	84	1,151,333	15,782,480	7,208,433	46
2003	14,359,782	16,289,546	113	1,169,341	17,458,887	10,541,771	60
2004	23,735,561	19,500,162	82	1,387,614	20,887,776	14,284,263	68
2005	30,704,277	34,254,795	112	1,476,198	35,730,993	19,418,338	54
2006	40,164,996	42,641,484	106	1,639,481	44,280,966	31,526,893	71
2007	52,230,402	47,383,219	91	2,316,555	49,699,774	35,526,952	71
2008*	136,119,679	107,267,740	79	1,892,881	109,160,621	45,840,547	42
<b>Average</b>	40,934,783	36,802,195	90	1,530,897	38,333,091	21,702,590	57

**Income generated by INPARQUES**

Year	Ticket sales		Concessions		Various income		Permits		Telecommunica tions infrastructure		Vacation plan		Donations		Total
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$
2001	569,683	57	231,255	23	101,168	10	2,816	-	91,256	9	-	-	-	-	996,178
2002	538,629	46	284,618	24	125,545	11	9,990	1	152,959	13	52,496	5	-	-	1,164,237
2003	554,396	50	179,106	16	98,792	9	13,626	1	219,922	20	37,270	3	-	-	1,103,112
2004	533,409	50	122,777	12	79,024	7	9,044	1	227,601	22	40,167	4	45,383	4	1,057,405
2005	804,550	55	247,617	17	149,563	10	11,078	1	243,187	17	-	-	-	-	1,455,995
2006	400,454	24	236,044	14	246,083	15	-	-	751,133	46	-	-	5,768	0	1,639,482
2007	767,760	30	454,610	18	421,361	16	-	-	913,264	36	-	-	-	-	2,556,995
2008*	488,117	26	343,077	18	198,625	10	135,320	7	727,742	38	-	-	-	-	1,892,881
<b>Average</b>	<b>582,125</b>	<b>39</b>	<b>262,388</b>	<b>18</b>	<b>177,520</b>	<b>12</b>	<b>22,734</b>	<b>2</b>	<b>415,883</b>	<b>28</b>	<b>16,242</b>	<b>1</b>	<b>25,576</b>	<b>2</b>	<b>1,483,286</b>

**PART VII. Overall Sustainability of VPS (adapted from Part I of UNDP  
Financial Sustainability Scorecard)**

	<b>Average 2001-2008 (\$)</b>	<b>Year 1 (2008) (\$)</b>	<b>Project end (2014) (\$)</b>	<b>Comments</b>
<b>Financial resources available</b>				
<b>1) Annual budget from central Government assigned to PA management (excluding donor funds and income generated by VPS)</b>				
National Parks and Natural Monuments		74,014,741	92,735,005	
Recreational Parks		33,252,999	41,663,552	
<b>Total</b>	<b>36,802,195</b>	<b>107,267,740</b>	<b>134,398,557</b>	
<b>2) Other annual budget assigned to PA management</b>				
Donations from productive sectors	Not available	0	14,933,173	
<b>Total</b>	<b>36,802,195</b>	<b>0</b>	<b>14,933,173</b>	
<b>3) Total annual revenue generation from PAs</b>				
Ticket sales	582,125	488,117	3,850,816	
Concessions	262,388	343,077	2,706,577	
Permits	22,734	135,320	1,067,556	
Telecommunications infrastructure	415,883	727,742	5,741,247	
Vacation plan	16,242	0	0	
Donations	25,576	0	0	
Various income	177,520	198,625	1,566,977	
<b>Total revenue generation</b>	<b>1,483,286</b>	<b>1,892,881</b>	<b>14,933,173</b>	100% of revenue generated by PAs is retained for reinvestment
<b>Total PA generated revenue available for reinvestment (1+2+3)</b>	<b>38,333,091</b>	<b>109,160,621</b>	<b>\$149,331,730</b>	
Proportion of available revenue actually executed (%)	57	42	100	
<b>TOTAL PA REVENUE ACTUALLY EXECUTED</b>	<b>21,702,590</b>	<b>45,840,547</b>	<b>\$149,331,730</b>	
<b>Financial needs</b>				
A, Estimated financing needs for basic costs and investments to be covered		50,230,402	84,387,075	
B, Estimated financing needs for optimal management costs and investments to be covered		115,129,900	155,938,772	
<b>Financing gap</b>				
A, Financing gap for basic management scenario		4,389,855	-64,944,655	
B, Financing gap for optimal management scenario		69,289,353	6,607,042	

**PART VIII. Elements of the Financing System of the VPS (adapted from Part II of UNDP Financial Sustainability Scorecard)**

Criterion	Year 1 score (2008)
<b>Component 1: Legal, regulatory and institutional framework</b>	
<b>Element 1: Legal, policy and regulatory support for revenue generation by PAs (0=none, 1=some, 2=a few, 3=fully)</b>	
Laws are in place that facilitate PA revenue mechanisms	1
Fiscal instruments exist to promote PA financing	0
<b>Element 2: Legal, policy and regulatory support for revenue sharing within the PA system (0=no, 1=yes but suboptimal, 2=yes, satisfactory, 3=yes, optimal)</b>	
Laws, policies and procedures are in place for PA revenues to be retained within the PA system	2
Laws, policies and procedures are in place for PA revenues to be retained, in part, at site level	0
Laws, policies and procedures are in place for revenue sharing at PA site level with local stakeholders	1
<b>Element 3: Legal and regulatory conditions for establishing endowment or trust funds (0-3)</b>	
A Trust Fund has been established and capitalized to finance the PA system (0=no, 1=established, 2=established with limited capital, 3=established with adequate capital)	0
Trust Funds have been established to finance specific PAs (0=none, 1=some, 2=quite a few, 3=fully)	1
Trust Funds are integrated into the national PA financing systems (0=no, 1=partially, 2=quite well, 3=fully)	3
<b>Element 4: Legal, policy and regulatory support for alternative institutional arrangements to reduce cost burden on Government (0=no, 1=under development, 2=requires improvement, 3=satisfactory)</b>	
There are laws which allow and regulate service concessions in PAs	2
There are laws which allow and regulate PA co-management	1
There are laws which allow and regulate management of PAs by local governments	2
There are laws which allow, promote and regulate private reserves	0
<b>Element 5: National PA financing strategies and policies (0=none, 1=partially, 2=satisfactory, 3=complete)</b>	
Policies in support of complete, standardized and coordinated systems for cost accounting	1
Policy for revenue generation and fee levels across PAs	1
Criteria for allocation of PA budgets to PA sites	1
Safeguards to ensure that revenue generation does not affect conservation objectives of PAs	1
Policy to require PA management plans to include financial data	0
Degree of implementation of national financial policy and adoption of strategies	1
<b>Element 6: Economic valuation of PA systems (0=not begun, 1=in process, 2=complete, 3=under implementation)</b>	
Valuation studies exist on the contribution of PAs to local and national development	1
The economic value of PAs influences decision makers	0
<b>Element 7: Improved Government budgeting for PA systems (0=no, 1=partially, 2=yes)</b>	
Government policy promotes PA budgetary planning based on financial needs stipulated in management plans	0
PA budgets include funds to finance threat reduction strategies	0
Administrative procedures facilitate disbursement	1
Policy of the Treasury towards PA budgeting provides for increased resources in accordance with needs	0
<b>Element 8: Clearly defined institutional responsibilities for PA management and financing (0=none, 1=partial, 2=improving, 3=fully)</b>	
Mandates of institutions regarding PA finance are clear and agreed	2
<b>Element 9: Well defined staff requirements, profiles and incentives at site and system level (0=none, 1=partial, 2=almost there, 3=fully)</b>	

<b>Criterion</b>	<b>Year 1 score (2008)</b>
Sufficient positions for economists and financial planners and analysts in PA authorities to properly manage finances of PA system	1
TORs for PA staff include financial management, cost effectiveness and revenue generation	2
Budgetary incentives motivate PA managers to promote financial sustainability at site level	0
Performance evaluations of PA managers include financial planning, income generation and cost-effectiveness	0
Capacities exist to audit PA finances	0
PA managers are able to budget and plan in the long term	3
<b>Component 2: Business planning and tools for cost-effective management</b>	
<b>Element 1: Site level business planning</b> (0=not begun, 1=early stages, 2=nearly complete, 3=completed)	
PA management plans include conservation objectives, administrative needs and costs based on cost-effectiveness analysis	0
Management plans are used in individual PAs throughout the PA system	1
Business plans based on standard formats and linked to management plans and conservation objectives developed throughout the PA system	1
Business plans are implemented throughout the PA system	0
PA business plans contribute to planning and budget development at system level	0
Costs of implementing business plans are monitored and incorporated into cost-effectiveness guidelines and reports of financial effectiveness	0
<b>Element 2: Systems for monitoring and reporting on financial management performance</b> (0=none, 1=partial, 2=nearly complete, 3=fully completed 0-3)	
A transparent and coordinated cost accounting system is operating for the PA system	0
Revenue tracking systems for each PA are in place and operational	2
System in place to allow accounting results to contribute to planning and budget development at system level	1
<b>Element 3: Systems for monitoring and reporting on financial management performance</b> (0=none, 1=partial, 2=nearly complete, 3=fully completed)	
All PA revenues and expenditures are fully and accurately reported and tracked by Government and are made transparent	3
Financial income from tourism investments are measured and reported, whenever possible	1
A monitoring and reporting system is functioning to show how and why funds are assigned to individual PAs and to the central PA authority	1
A monitoring and evaluation system exists to show how effectively PAs use the available funds	1
<b>Element 4: Methods for allocating funds across individual PA sites</b> (0=no, 1=yes)	
The budget of the national system is assigned to individual PAs based on appropriate and agreed criteria	0
Funds gathered by co-managed PAs do not lead to reductions in assignments of Government budget when funding gaps still exist	1
<b>Element 5: Training and support networks to enable PA managers to operate more cost-effectively</b> (0=none, 1=partial, 2=almost complete, 3=complete)	
Guidance on cost cost-effective management developed and being used by PA managers	1
Networks exist between individual PAs so that PA managers can share information on costs, practices and impacts	1
Operational and investment cost comparisons between PA sites complete, available and being used to track PA manager performance	1
Monitoring and learning systems of cost-effectiveness are in place and feed into management policy and planning	0
PA site managers are trained in financial management and cost-effective management	1

<b>Criterion</b>	<b>Year 1 score (2008)</b>
The PA financing system allows PAs to share the costs of shared activities between each other and with headquarters	1
<b>Component 3: Tools for revenue generation</b>	
<b>Element 1: Number and variety of revenue sources used across the PA system (0=none, 1=partial, 2=some, 3=optimal)</b>	
An up-to-date analysis of all revenue options for the country complete and available including feasibility studies	1
There is a diverse set of sources and mechanisms generating funds for the PA system	1
PAs are operating effective revenue mechanisms and generating positive returns	0
PAs allow local communities to generate income, resulting in reduced threats to PAs	2
<b>Element 2: Setting and establishment of user fees across the PA system (0=none, 1=partial, 2=satisfactory, 3=complete)</b>	
A system wide strategy and implementation plan for user fees is complete and adopted by government	1
The national tourism industry and Ministry are supportive and are partners in the PA user fee system and programmes	0
Tourism-related infrastructure investment is proposed and is made for PA sites across the network based on revenue potential, return on investment and level of entrance fees	0
Where tourism is promoted PA managers can demonstrate maximum revenue whilst still meeting PA conservation objectives	0
Non-tourism user fees are applied and generate additional revenue	1
<b>Element 3 - Effective fee collection systems (0=none, 1=partial, 2=complete, 3=operating)</b>	
System-wide guidelines for fee collection are completed and approved by PA authorities	3
Systems for user fee collection implemented effectively in individual PAs	1
Systems for user fee collection are monitored, evaluated and the results are acted upon	1
PA visitors are satisfied with the professionalism of fee collection and with the services provided	1
<b>Element 4: Marketing and communication strategies for revenue generation mechanisms (0=none, 1=partial, 2=satisfactory, 3=complete)</b>	
Public communication and marketing campaigns on tourism fees, conservation taxes etc, are widely disseminated and have high national profile	0
Public communication and marketing campaigns on tourism fees exist in individual PAs	0
<b>Element 5: Operational PES schemes for PAs (0=none, 1=partial, 2=under way, 3=complete)</b>	
A system-wide strategy and implementation plan for PES is complete and adopted by government	1
Pilot PES schemes at select sites are developed	1
Operational performance of pilots is evaluated and reported	0
Scale up of PES across the PA system is underway	0
<b>Element 6: Operational concessions within PAs (0=none, 1=partial, 2=under way, 3=complete)</b>	
A system-wide strategy and implementation plan is complete and adopted by government for concessions	1
Opportunities exist for concessions in pilot sites at the level of individual PAs	2
Operational performance of pilots is evaluated and reported	2
Improvements in concessions are under way across the PA system	2
<b>Element 7: PA training programmes on revenue generation mechanisms (0=none, 1=limited, 2=satisfactory, 3=extensive)</b>	
Training courses are run by the government and other competent organizations for PA managers on revenue mechanisms and financial administration	1

## PART IX. UNDP Capacity Development Scorecard

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
1, Capacity to conceptualize and formulate policies, legislations, strategies and programmes								
	Systemic	The protected area agenda is being effectively championed / driven forward	0 -- There is essentially no protected area agenda; 1 -- There are some persons or institutions actively pursuing a protected area agenda but they have little effect or influence; 2 -- There are a number of protected area champions that drive the protected area agenda, but more is needed; 3 -- There are an adequate number of able "champions" and "leaders" effectively driving forwards a protected area agenda	1	At least one new programme for the generation of income established	Awareness raising campaign for institutional actors regarding the strategic importance of the financial sustainability of INPARQUES for the adequate protection of the VPS	3	INPARQUES has been carrying out a range of initiatives in this regard, although they have failed to be implemented, There are non-legal self-limitations to the implementation of charges, which could be seen as unpopular,
	Systemic	There is a strong and clear legal mandate for the establishment and management of protected areas	0 -- There is no legal framework for protected areas; 1 -- There is a partial legal framework for protected areas but it has many inadequacies; 2 -- There is a reasonable legal framework for protected areas but it has a few weaknesses and gaps; 3 -- There is a strong and clear legal mandate for the establishment and management of protected areas	2	New legal and policy instruments developed and implemented to strengthen capacities for income capture	Definition of creative proposals that allow ideological and semantic barriers to income capture	3	To date approaches have been partial and fragmented, with isolated application and "self-censoring" of measures for charging and other measures such as "environmental services", as these are considered contrary to the political/economic model of the current Government,
	Institutional	There is an institution responsible for protected areas able to strategize and plan (this is 2 issues - needs separating, 1 Systemic, 2 institutional)	0 -- Protected area institutions have no plans or strategies; 1 -- Protected area institutions do have strategies and plans, but these are old and no longer up to date or were prepared in a totally top-down fashion; 2 -- Protected area institutions have some sort of mechanism to update their strategies and plans, but this is irregular or is done in a largely top-down fashion without proper consultation; 3 -- Protected area institutions have relevant strategies and plans, prepared in a participative manner, and regularly updated	1	Coherent overall strategy and plans for management and disbursement of funds appropriately formulated and implemented	Updating/ formulation of management plans for PAs  Development and implementation of integrated plan/strategy for capturing financial resources  Updating and application of charges for concessions, study of the political	3	Current policy is not to charge entry to national and recreational parks (with the exception of Los Roques and Canaima), which in some cases benefits actors who do have capacity to pay,

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
						feasibility of updating and reinstating the system of charges for park entry, with possible differentiation by social sectors		
2, Capacity to implement policies, legislation, strategies and programmes								
	Systemic	There are adequate skills for protected area planning and management	0 -- There is a general lack of planning and management skills; 1-- Some skills exist but in largely insufficient quantities to guarantee effective planning and management; 2 -- Necessary skills for effective protected area management and planning do exist but are stretched and not easily available; 3 -- Adequate quantities of the full range of skills necessary for effective protected area planning and management are easily available	2	It is necessary to develop capacities in INPARQUES at national level and in each of the disconcentrated dependencies,	Recruiting, training and development of personnel and communities linked to PAs,	2	Training should principally be carried out at local level (outside of Caracas)
	Institutional	Protected area institutions are effectively led	0 -- Protected area institutions have a total lack of leadership; 1 -- Protected area institutions exist but leadership is weak and provides little guidance; 2 -- Some protected area institutions have reasonably strong leadership but there is still need for improvement; 3 -- Protected area institutions are effectively led	2	Leadership and management of PAs consolidated	Strengthening of team of Park Superintendents		There are no adequate and updated systems for management to allow effective supervision and support of local units
	Institutional	Protected areas have management plans that are regularly updated, prepared in a participatory manner and comprehensive	0 -- Protected areas have no management plans; 1 -- Some protected areas have up-to-date management plans but they are typically not comprehensive and were not prepared as a participatory process; 2 -- Most Protected Areas have management plans though some are old, not prepared as a participatory process or are less than comprehensive; 3 -- Every protected area has a comprehensive management plan	1	Management plans have been prepared in a participative manner in each PA	Adequate zoning, plans appropriately updated and formulated and vision of financial self-management	3	There is a major delay between the formulation and approval of management plans, however INPARQUES is making major efforts to strengthen these areas

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
			regularly updated, prepared with a participatory approach.					
	Institutional	Human resources are well qualified and motivated	0 -- Human resources are poorly qualified and unmotivated; 1 -- Human resources qualification is spotty, with some well qualified, but many only poorly and in general unmotivated; 2 -- HR in general reasonably qualified, but many lack in motivation, or those that are motivated are not sufficiently qualified; 3 -- Human resources are well qualified and motivated,	1	Trained and motivated personnel	Training of personnel	3	The authorities mention that the personnel is unmotivated and shows limited commitment
	Institutional	Management plans are implemented in a timely manner effectively achieving their objectives	0 -- There is very little implementation of management plans; 1 -- Management plans are poorly implemented and their objectives are rarely met; 2 -- Management plans are usually implemented in a timely manner, though delays typically occur and some objectives are not met; 3 -- Management plans are implemented in a timely manner effectively achieving their objectives	2	PA management plans that have been prepared are implemented	Consolidation of capacity of INPARQUES to manage ecosystems	3	Plans are very variable and have a low level of execution, Recent changes of authorities have led to continuity of policies,
	Institutional	Protected area institutions are able to adequately mobilize sufficient quantity of funding, human and material resources to effectively implement their mandate	0 -- Protected area institutions typically are severely underfunded and have no capacity to mobilize sufficient resources; 1 -- Protected area institutions have some funding and are able to mobilize some human and material resources but not enough to effectively implement their mandate; 2 -- Protected area institutions have reasonable capacity to mobilize funding or other resources but not always in sufficient quantities for fully effective implementation of their mandate; 3 -- Protected area institutions are able to adequately mobilize sufficient quantity of funding, human and material resources to effectively implement their mandate	1	A sustainable financing mechanism is planned for phase 2 (trust fund?)	Establishment and implementation of policies and regulations for fees and fines, Development of long term financing framework,	2/3	The institution does not have sufficient resources to carry out its tasks, There is limited room for manoeuvre due to budgetary limitations and limited availability of other resources,

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
	Institutional	Protected area institutions are effectively managed, efficiently deploying their human, financial and other resources to the best effect	0 -- While the protected area institution exists it has no management; 1 -- Institutional management is largely ineffective and does not deploy efficiently the resources at its disposal; 2 -- The institution is reasonably managed, but not always in a fully effective manner and at times does not deploy its resources in the most efficient way; 3 -- The protected area institution is effectively managed, efficiently deploying its human, financial and other resources to the best effect	2	Units responsible for PAs strengthened and provided with adequate personnel to be able to function effectively,	Institutional strengthening of Regional Directorates, Park Superintendences and other dependences of INPARQUES	3	Local units have major resource limitations in terms of both quality and quantity,
	Institutional	Protected area institutions are highly transparent, fully audited, and publicly accountable	0 -- Protected area institutions totally untransparent, not being held accountable and not audited; 1 -- Protected area institutions are not transparent but are occasionally audited without being held publicly accountable; 2 -- Protected area institutions are regularly audited and there is a fair degree of public accountability but the system is not fully transparent; 3 -- The Protected area institutions are highly transparent, fully audited, and publicly accountable	?	Participation and management oversight committees functioning	Activation of participatory management committees,	2	There are major weaknesses in management oversight of local units
	Institutional	There are legally designated protected area institutions with the authority to carry out their mandate	0 -- There is no lead institution or agency with a clear mandate or responsibility for protected areas; 1 -- There are one or more institutions or agencies dealing with protected areas but roles and responsibilities are unclear and there are gaps and overlaps in the arrangements; 2 -- There are one or more institutions or agencies dealing with protected areas, the responsibilities of each are fairly clearly defined, but there are still some gaps and overlaps; 3 -- Protected Area institutions have clear legal and institutional mandates and the necessary authority to carry this out	2	institutional strengthening of a INPARQUES	Carry out institutional strengthening programmes, Promote a greater delegation of responsibility to local units and communities,	3	Institutional muscle is lacking to enforce compliance with regulations, Many decisions that could be taken at local or regional level are centralized,

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
	Institutional	Protected areas are effectively protected	0 -- No enforcement of regulations is taking place; 1 -- Some enforcement of regulations but largely ineffective and external threats remain active; 2 -- Protected area regulations are regularly enforced but are not fully effective and external threats are reduced but not eliminated; 3 -- Protected Area regulations are highly effectively enforced and all external threats are negated	2	Local management units strengthened with co-management arrangements with local communities,	Strengthening of local management units, Definition of clear mechanisms for operation and delegation,	3	Judicial mechanisms exist but there is institutional weakness, which goes beyond INPARQUES, for the application of controls and sanctions, To guarantee effective control it is necessary to guarantee vigilance, to raise awareness and minimize impunity,
	Individual	Individuals are able to advance and develop professionally	0 -- No career tracks are developed and no training opportunities are provided; 1 -- Career tracks are weak and training possibilities are few and not managed transparently; 2 -- Clear career tracks developed and training available; HR management however has inadequate performance measurement system; 3 -- Individuals are able to advance and develop professionally	2	Clear career tracks that promote the development of key areas for the institution,	Development of career and personnel development systems,	3	Currently the career track system has been changed in the central public administration, making it necessary to develop critical abilities for each post, as well as the adjustment of systems and carrier tracks inside INPARQUES,
	Individual	Individuals are appropriately skilled for their jobs	0 -- Skills of individuals do not match job requirements; 1 -- Individuals have some or poor skills for their jobs; 2 -- Individuals are reasonably skilled but could further improve for optimum match with job requirement; 3 -- Individuals are appropriately skilled for their jobs	2	Management personnel of disconcentrated units trained	Personnel training	3	It is necessary to optimize systems for the recruitment and selection of new personnel, to develop training and career development plans that limit the discrepancy between individual abilities and their posts,
	Individual	Individuals are highly motivated	0 -- No motivation at all; 1 -- Motivation uneven, some are but most are not; 2 -- Many individuals are motivated but not all; 3 -- Individuals are highly motivated	1	Motivated and committed personnel	Programmes of personal development, incentives and performance rewards		In Project design workshops lack of motivation and commitment were stressed,

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
	Individual	There are appropriate systems of training, mentoring, and learning in place to maintain a continuous flow of new staff	0 -- No mechanisms exist; 1 -- Some mechanisms exist but unable to develop enough and unable to provide the full range of skills needed; 2 -- Mechanisms generally exist to develop skilled professionals, but either not enough of them or unable to cover the full range of skills required; 3 -- There are mechanisms for developing adequate numbers of the full range of highly skilled protected area professionals	2	Correspondence between individual capacities and posts	Detection of needs for training and orientation, as well as a systematic process for recruitment and selection, principally in outlying areas		There is no training plan, however personnel members do participate in national and international training activities, sometimes on their own initiative,
3, Capacity to engage and build consensus among all stakeholders								
	Systemic	Protected areas have the political commitment they require	0 -- There is no political will at all, or worse, the prevailing political will runs counter to the interests of protected areas; 1 -- Some political will exists, but is not strong enough to make a difference; 2 -- Reasonable political will exists, but is not always strong enough to fully support protected areas; 3 -- There are very high levels of political will to support protected areas	0	Awareness among decision makers and politicians	Media campaign, Collaboration agreements with other ministries, Awareness raising of decision makers,	3	There is a low level of awareness of parliamentary agents on the strategic importance of PA protection. In addition, PA institutions must compete with others which also have shortcomings and resource needs,
	Systemic	Protected areas have the public support they require	0 -- The public has little interest in protected areas and there is no significant lobby for protected areas; 1 -- There is limited support for protected areas; 2 -- There is general public support for protected areas and there are various lobby groups such as environmental NGOs strongly pushing them; 3 -- There is tremendous public support in the country for protected areas	0	Awareness promoted with media campaigns aimed at the general public Consolidation of alliances with key actors	Media campaign, interministerial accords, establishment of support and adjustment of Government budget	2	There is insufficient awareness in the community in general regarding the importance of PAs. Proposals in the past to increase fee levels have been rejected.
	Institutional	Protected area institutions are mission oriented	0 -- Institutional mission not defined; 1 -- Institutional mission poorly defined and generally not known and internalized at all levels; 2 -- Institutional mission well defined and internalized but not fully embraced; 3 -- Institutional missions are fully internalized and embraced	1	Mission clearly defined, disseminated and shared	Participatory discussion of the mission	3	There is a mission declaration, but this has been changed and people are unaware of the final version.

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
	Institutional	Protected area institutions can establish the partnerships needed to achieve their objectives	0 -- Protected area institutions operate in isolation; 1 -- Some partnerships in place but significant gaps and existing partnerships achieve little; 2 -- Many partnerships in place with a wide range of agencies, NGOs etc, but there are some gaps, partnerships are not always effective and do not always enable efficient achievement of objectives; 3 -- Protected area institutions establish effective partnerships with other agencies and institutions, including provincial and local governments, NGOs and the private sector to enable achievement of objectives in an efficient and effective manner	1	Alliances with other ministries and with NGOs and communities next to PAs		3	Communities that are directly related to PAs need to be converted into PA allies and service providers,
	Individual	Individuals carry appropriate values, integrity and attitudes	0 -- Individuals carry negative attitude; 1 -- Some individuals have notion of appropriate attitudes and display integrity, but most don't; 2 -- Many individuals carry appropriate values and integrity, but not all; 3 -- Individuals carry appropriate values, integrity and attitudes	1		Responsible actors made aware of the importance of BD and PAs	2	Personnel value PAs but do not necessarily have correct attitudes,
4, Capacity to mobilize information and knowledge								
	Systemic	Protected area institutions have the information they need to develop and monitor strategies and action plans for the management of the protected area system	0 -- Information is virtually lacking; 1 -- Some information exists, but is of poor quality, is of limited usefulness, or is very difficult to access; 2 -- Much information is easily available and mostly of good quality, but there remain some gaps in quality, coverage and availability; 3 -- Protected area institutions have the information they need to develop and monitor strategies and action plans for the management of the protected area system	2	Available information utilized and applied in proposals of PAs and their management plans		3	Information does not flow easily

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
	Institutional	Protected area institutions have the information needed to do their work	0 -- Information is virtually lacking; 1 -- Some information exists, but is of poor quality and of limited usefulness and difficult to access; 2 -- Much information is readily available, mostly of good quality, but there remain some gaps both in quality and quantity; 3 -- Adequate quantities of high quality up to date information for protected area planning, management and monitoring is widely and easily available	2	Available information utilized and applied in proposals of PAs and their management plans	Establishment of mechanisms for sharing and coordination of information. Baseline studies of ecological and socioeconomic parameters. Establishment of geographical information systems.	3	There is no adequate system for management control and there are important limitations in monitoring mechanisms in the more isolated parks and also in communications systems. This makes it impossible to gain real-time knowledge of the situation of each PA
	Individual	Individuals working with protected areas work effectively together as a team	0 -- Individuals work in isolation and don't interact; 1 -- Individuals interact in limited way and sometimes in teams but this is rarely effective and functional; 2 -- Individuals interact regularly and form teams, but this is not always fully effective or functional; 3 -- Individuals interact effectively and form functional teams	0			3	There is good willingness for interaction, but limited personnel numbers make team work difficult. Logistical limitations make personnel movement difficult.
5, Capacity to monitor, evaluate, report and learn								
	Systemic	Protected area policy is continually reviewed and updated	0 -- There is no policy or it is old and not reviewed regularly; 1 -- Policy is only reviewed at irregular intervals; 2 -- Policy is reviewed regularly but not annually; 3 -- National protected areas policy is reviewed annually	0	Updated policy produced, together with mechanism for regular updating		2	Work on planning is slow. Many plans are still missing, and updating is even slower.
	Systemic	Society monitors the state of protected areas	0 -- There is no dialogue at all; 1 -- There is some dialogue going on, but not in the wider public and restricted to specialized circles; 2 -- There is a reasonably open public dialogue going on but certain issues remain taboo; 3 -- There is an open and transparent public dialogue about the state of the protected areas	0	Public awareness developed in all levels of society	Media campaign and creation of mechanisms for processing of accusations by distance, with opportune responses.	3	It is necessary to enroll community councils and involve them in co-management programmes.  It is desirable to establish accusation mechanisms in each Regional Directorate and through internet.

Strategic Area of Support	Target for CD	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	Evaluative Comments
	Institutional	Institutions are highly adaptive, responding effectively and immediately to change	0 -- Institutions resist change; 1 -- Institutions do change but only very slowly; 2 -- Institutions tend to adapt in response to change but not always very effectively or with some delay; 3 -- Institutions are highly adaptive, responding effectively and immediately to change	1	An organization with rapid capacity of response	Development of flexible structures and procedures	3	Since 1992 there have been attempts to update the organizational structure, but it has not been possible to achieve the approval of the proposed changes, partly due to staff changes and partly due to ineffective decision making mechanisms.
	Institutional	Institutions have effective internal mechanisms for monitoring, evaluation, reporting and learning	0 -- There are no mechanisms for monitoring, evaluation, reporting or learning; 1 -- There are some mechanisms for monitoring, evaluation, reporting and learning but they are limited and weak; 2 -- Reasonable mechanisms for monitoring, evaluation, reporting and learning are in place but are not as strong or comprehensive as they could be; 3 -- Institutions have effective internal mechanisms for monitoring, evaluation, reporting and learning	1	System for management, internal dissemination, supervision and evaluation systems developed and applied in INPARQUES	Development of system for personnel evaluation. Training of management team. Implantation of effective system for management control based on indicators	3	Monitoring and control mechanisms are inefficient, there are no up to date computerized systems and no culture of monitoring and control that would favor the learning of lessons from the past.
	Individual	Individuals are adaptive and continue to learn	0 -- There is no measurement of performance or adaptive feedback; 1 -- Performance is irregularly and poorly measured and there is little use of feedback; 2 -- There is significant measurement of performance and some feedback but this is not as thorough or comprehensive as it might be; 3 -- Performance is effectively measured and adaptive feedback utilized	1	Personnel updated and competent in key areas	Detection of needs for training. Formulation of integrated plan for training. Provision of training.		There are individual and institutional initiatives to train personnel, but they are not systematic.

## PART X. Stakeholder Involvement Plan

### Stakeholder identification

Stakeholder	Relevance to project	Form of participation
<b>Government</b>		
Ministry of Popular Power for the Environment (MPPA)	Lead institution of the environmental sector. Home to technical focal points of GEF and CBD. Responsible for the management of Areas Under Special Management Regimes (ABRAEs), which include all categories of protected areas	Member of the Project Steering Committee and participation in annual Tripartite Reviews.
Ministry of Planning and Development (MPD)	Source of orientation of processes of institutional restructuring	Probable member of the Project Steering Committee
Ministry of Foreign Affairs	Political Focal Point	Probable member of the Project Steering Committee
INPARQUES	Dependency of MPPA responsible for the management of the Venezuelan Parks System (VPS), which is composed of National Parks and Natural Monuments	Probable member of the Project Technical and Operational Committee.
PDVSA	State-owned oil company with major corporate social and environmental responsibility programmes	Probable member of the Project Technical and Operational Committee.
Ministry of Science and Technology	Currently supporting INPARQUES in the installation of an open access software platform in order to improve its information management system and operational effectiveness	Probable member of the Project Technical and Operational Committee.
MINTUR/INATUR	Responsible for the promotion of tourism, which has potential to act as a source of revenue for the VPS	Probable member of the Project Technical and Operational Committee.
CIARA Foundation	Executor of the GEF Terrandina project, with the potential to contribute to the BD-friendly management of PA buffer zones	Probable member of the Project Technical and Operational Committee.
State Governments	Responsible for regional planning and the channeling of investment initiatives at regional level	Regional representatives of INPARQUES - annual meetings with regional superintendents
Municipal authorities	Responsible for municipal level planning and the channeling of investment initiatives at local level	Regional representatives of INPARQUES - annual meetings with regional superintendents
<b>Local communities</b>		
Social Conservation Committees (COSOCOs)	Mechanisms for community level participation in PA management and conservation activities in general.	Direct relations with INPARQUES staff – six-monthly meetings at regional level and annual meetings at national level
Indigenous organizations	Have a specific role in representing the interests of indigenous communities	Direct relations with INPARQUES staff and participation in COSOCOs
Cooperatives and EPS	BD-friendly productive activities (water, tourism etc.)	Direct relations with INPARQUES staff – annual meetings with regional superintendents

### **Participation mechanisms proposed for the implementation phase**

- 1) Project Steering Committee. Implementation of the project will be carried out under the general guidance of a Project Steering Committee (PSC), specifically formed for this purpose. This would constitute the principal mechanism for Government representation in the management of the project. Given the national, systemic scope of the project, this committee would be composed of Government representatives at ministerial level. The composition, responsibilities and rules of operation of the PSC will be confirmed during its first meeting. The PSC would definitely include the Ministry of Environment (as sector head and entity to which the executing agency INPARQUES is attached), and UNDP (as Implementing Agency), and in addition some or all of the following: the Ministry of Planning and Development (MPD), the Ministry of Finance and the Ministry of Foreign Affairs. It is expected that the PSC would meet at least two times per year and in addition could be convened extraordinarily by the Chair, on the request of individual members.
- 2) Project Technical and Operational Committee. Subject to confirmation at project startup, it is proposed that this committee will provide a channel for inputs on technical and operational issues into project execution, from a wider variety of stakeholders than is possible in the PSC. This committee could include representatives of, for example, INPARQUES, PDVSA, the Ministry of Science and Technology, the Ministry of Tourism and the CIARA Foundation.
- 3) Social Conservation Councils (COSOCOs). These councils, the establishment of which INPARQUES is supporting in PAs nationwide, would provide the principal channel for the representation of stakeholders from local communities in project decision making. The COSOCOs are in regular and direct communication with INPARQUES staff and also meet regionally, with regional superintendents, on a six-monthly basis and annually at national level.

## SIGNATURE PAGE

Country: Venezuela

**UNDAF Outcome(s)/Indicator(s):** Improved environmental quality of ecosystems through the sound management of protected areas and productive ecosystems and strengthened national and local capacities for territorial land use planning and integrated risk management, taking into account natural threats, technologies and displacement.

**Expected Outcome(s)/Indicator (s):** Improved and expanded national capacities for the management of protected areas, hazardous wastes and the sustainable productive use of biodiversity.

**Expected Output(s)/Indicator(s):** Systems designed for the management of protected areas

**Implementing partner:** Ministerio del Poder Popular para el Ambiente (MPPA) – Instituto Nacional de Parques (INPARQUES)  
(designated institution/Executing agency)

**Other Partners:** Agencia Española de Cooperación Internacional y Desarrollo (AECID), Spain

Programme Period: 2009-2014 Programme Component: _____ Project Title: Strengthening the financial sustainability and operational effectiveness of the Venezuelan Parks System Project ID: 00059073 Project Duration: 60 months Implementation Start: June 2009 Implementation completion: July 2014 Management Arrangement: NEX	Total budget: Allocated resources: <ul style="list-style-type: none"><li>• GEF 7,175,866</li><li>• MPPA 18,145,000</li><li>• AECID 1,950,000</li></ul> In kind contributions <ul style="list-style-type: none"><li>• INPARQUES 2,500,000</li><li>• UNDP 520,000</li></ul>
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**Agreed by (Government):** \_\_\_\_\_

**Agreed by (Implementing partner/Executing agency):** \_\_\_\_\_

**Agreed by (UNDP):** \_\_\_\_\_