



GEF

REQUEST FOR PROJECT PREPARATION GRANT (PPG)

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF TRUST FUND

Submission date: 10 April 2012

GEF PROJECT ID: 4774

GEF AGENCY PROJECT ID: 615424

COUNTRY(IES): Ecuador

PROJECT TITLE: Conservation and Sustainable Use of Biodiversity, Forests, Soil and Water to Achieve the Good Living (Buen Vivir / Sumac Kasay) in the Napo Province

GEF AGENCY(IES): FAO

GEF FOCAL AREA(S): MULTI-FOCAL AREA

A. PROJECT PREPARATION TIMEFRAME

Start date of PPG	May 2012
Completion date of PPG	April 2013

B. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)

Describe the PPG activities and justifications: Project preparation activities will consist of: 1) Multi-stakeholders consultations, including Inception and Completion workshops to ensure involvement of key stakeholders in project design processes and sustain project ownership; 2) Analyzing the policy and institutional framework, assessing 8 Land-Use and Development Plans (LUDPs) in the Napo Province (NP); proposing how to overcome critical gaps and incorporate biodiversity and soil conservation standards into LUDPs; selecting pilot micro-watersheds linked to the Napo River Watershed (NRW) and identifying potential members to integrate the new Roundtable for the Integrated Management of the NRW, based on the ecosystem approach; preparing a draft proposal of Inter-Institutional and Participative Strategic Plan for the NP that mainstream the integrated landscape / watershed management; identifying local communities and relevant stakeholders to participate in the Roundtable for the Co-management of NP Protected Areas and Buffer Zones; and designing the institutional and policy approach for the project; 3) Assessing institutional and political risks and identifying mitigation measures; 4) Identifying local stakeholders, assessing their capacity needs through a Local Stakeholders Workshop, proposing training and TA options for mainstreaming BD and INRM into the participatory land-use planning and management, designing the capacity building & information dissemination approach, and the stakeholders' participation mechanism; 5) Establishing the baseline of biodiversity and INRM, designing the Information System on Biodiversity and Renewable Natural Resources in the Sumaco Biosphere Reserve (SBR)-NP, summarizing recommendations through a Forestry Roundtable & Experts Workshop report, and designing the biodiversity and information system approach; 6) Designing the financial incentive/PES schemes for Integrated Landscape Management (comprising REDD+, *Sociobosque*, the Water Fund, and the Sustainable Development Fund), summarizing recommendations on conservation incentives through an Expert and Stakeholders Workshops report, designing the incentive scheme approach; 7) Identifying good practices of natural resources management (NRM) in livestock, *naranjilla*, and cacao production, eco-tourism opportunities, and selecting pilot areas; preparing proposals of Value Chain Development Plans for sustainable cacao, *naranjilla*, and milk production, and community-based tourism; carrying out a Local Rural Producers, Thematic Roundtables and Decentralized Autonomous Governments (DAGs) Workshop, defining the approach for livestock, *naranjilla*, cacao production, and eco-tourism value chain; 8) Identifying pilot areas for SFM, establishing the deforestation baseline, designing the carbon monitoring system, establishing project targets, summarizing recommendations about SFM through a Forestry Roundtable and Experts Workshop report, and designing the SFM approach for the project; 9) Analyzing and designing the legal timber value chains, proposing options for ecological restoration, designing forest certification schemes, and summarizing recommendations and opportunities for legal timber value chain through a Forestry Roundtable and Experts Workshop report; 10) Assessing environmental, climate and socio-economic risks, and identifying mitigation measures; 11) Assessing and designing alternative biotrade activities; 12) Establishing the GIS system and designing maps for the project implementation; 13) Arrangements for project implementation, M&E and information dissemination; and 14)

Detailed design of project components, including Results Framework, financial plan and detailed budget. Proposed activities #2,3,4 (all partially), 5, 10 (partially), 11 and 12 will be implemented through a Letter of Agreement (LoA) with Ecociencia that will co-finance these activities by \$10,000. Ecociencia has a broad experience in Ecuador in advising local governments (municipalities and provinces) and building capacities for environmental management, in the context of the new institutional and legal framework related to the decentralization to local administration levels (established by the COOTAD¹). Ecociencia has also a track record in developing biotrade opportunities and participatory natural resource management.

In coordination with Ecociencia, some outputs of the proposed activities #2, 3 and 4 will be produced by Ecolex (Environmental Legislation and Governance Corporation) through a LoA. Ecolex is bringing co-financing to these activities by \$10,000. Ecolex is an Ecuadorian NGO with long experience in the participatory management of protected areas and buffer zones in the country, and has been working in the natural reserves and national parks of the Napo Province in the last decade.

Proposed activities #6 and (partially) 7 will be implemented through a LoA with The Nature Conservation (TNC) that will co-finance these activities by \$10,000. TNC has a long experience in developing incentive systems for biodiversity conservation and sustainable livestock management. The use of Letters of Agreements (LoAs) will facilitate the coordination among project preparation activities and will guarantee the coherence in the project components design. Since Ecociencia, Ecolex, and TNC will co-finance through personnel and logistical resources, LoAs with them will increase cost-efficiency. FAO will implement the TCP "*Sustainable and integrated management of the Napo River Watershed, through a participatory and joint approach*" in 2012-2013². TCP resources will contribute to the LoAs with Ecociencia and TNC, to support project preparation activities and reaffirm technical synergies.

The Napo Provincial Government (NPG) will provide substantial co-financing through personnel and financial resources for the stakeholders analysis, studies of conservation incentives and SFM, and timber value chain analysis, and will contract a local project preparation coordinator that will be involved in all project activities that will take place during the PPG phase. GIZ will advise both the NPG and the Ministry of Environment-Regional Branch 2 (MAE-R2) in the implementation of the PPG, and therefore will provide substantial co-financing through personnel and logistical resources to accompany the whole PPG implementation. GIZ will be the responsible actor for the studies on cacao, tourism and timber productive systems. The MAE-R2 will provide substantial co-financing, through personnel, in the biodiversity information system, biotrade and SFM-related activities. The MAE-R2 will provide the infrastructure required for the workshops that will take place during the implementation of this PPG.

List of Proposed Project Preparation Activities	Output of the PPG Activities	Trust Fund	Grant Amount (a)	Co-financing (b)	Total (\$) c = a + b
1. Multi-stakeholders Consultations	1.1 Inception workshop report that summarizes recommendations to be considered in the design of the full project from female and male representatives of local communities, municipal and provincial government institutions, Central Government and local development actors and an agreed work plan for preparation activities (Workshop participants: 40-50 people). 1.2 Completion workshop report that	GEFTF	1,986	15,400	17,386

¹ The Organic Code of Territorial Organization, Autonomy and Decentralization (COOTAD, as known in Spanish) entered into force in October 2010 and assigned these governments more competences in the fields of environmental management and production, as well as territorial and land-use planning.

² As explained in the PIF, FAO will provide co-financing through its TCP "*Sustainable and integrated management of the Napo River Watershed, through a participatory and joint approach*", which will be implemented from May 2012 to December 2013, and will deliver inputs and baseline diagnosis for the proposed GEF-financed project. The TCP will work along with the NPG and other provincial governments of this watershed. Through this TCP project, the agency will provide USD 160 000 of cash co-financing (USD 140,000 for project implementation, and USD 20 000 for full project preparation), and USD 40 000 in-kind (USD 30,000 for project implementation and USD 10,000 for full project preparation).

	summarizes final recommendations and feedback from involved stakeholders (see 1.1) on project components design, results framework, financing sources and budget allocations (40-50 participants).				
Inputs for the design of Component 1					
2. Institutional framework, policy analysis	<p>2.1 Selection and assessment of 8 Land-Use & Development Plans (LUDPs) in the Napo Province (NP) including: i) definition of how many hectares the project will cover; ii) description of critical gaps and constraints to mainstream biodiversity, soil and conservation standards, iii) detailed soil and biodiversity conservation standards that might be incorporated; and iv) 2-3 cost/efficient proposals to mainstream the BD standards into the 8 LUDPs, validated with experts and project stakeholders;</p> <p>2.2 Analysis and identification of legal and policy constraints and potentials that may facilitate or obstacle the implementation of: i) measures that promote the sustainable management of natural resources, both at provincial and national level (COOTAD³, COPFP⁴, among others); and ii) proposal for conservation agreements (with private and community landowners) in buffer zones and ecological corridors;</p> <p>2.3 One (1) cost-efficient proposal for the conservation agreement format to be implemented along with the incentives package (see activity 6);</p> <p>2.4 Revision of the existing management plans in the selected PAs, identification of opportunities and constraints, and design of a cost-efficient proposal for activities to be implemented by the project;</p> <p>2.5 One draft proposal of an Inter-Institutional and Participative Strategic Plan for the NP, that mainstream the concepts of integrated landscape and watershed management, and include spatial design of corridors between protected areas (PAs) and</p>	GEFTF	8,588	15,800	24,388

³ The Organic Code of Territorial Organization, Autonomy and Decentralization (COOTAD, as known in Spanish) entered into force in October 2010 and assigned to the Decentralized Autonomous Governments (DAGs) more competences in the fields of environmental management and production, as well as territorial and land-use planning.

⁴ The Organic Code of Planning and Public Finance (COPFP, as known in Spanish) established in 2011 that the Decentralized Autonomous Governments (DAGs) – Prefectures, Municipalities, Canton Boards – had to formulate their Land Use and Development Plans (LUDPs) in accordance with guidelines provided by the COOTAD and the COPFP.

	<p>forest relic at macro level. The draft proposal will serve as starting point for stakeholders' discussion at the beginning of project implementation;</p> <p>2.6 Design of the local institutional and policy approach for the project, including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the full project document (FPD).</p> <p>2.7 Design of the protect areas and buffer zones co-management approach for the project, including monitoring system, activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the Component 1 in the FPD.</p>				
3. Assessment of institutional and political risks and identification of mitigation measures	3.1 Assessment of political and institutional risks that might prevent the project objectives to be achieved. Design of cost-efficient mitigation measures to reduce risks such as: i) biodiversity conservation and INRM not prioritized at provincial level; ii) public revenues from fossil fuel and mineral extraction are invested elsewhere rather than in support of project priorities; iii) participatory governance, co-management planning and agreed conservation activities in the selected PAs and buffer zones; iv) other risks that might be detected through risk assessment.	GEFTF	1,500	3,600	5,100
4. Identification of criteria and selection of pilot areas and local stakeholders, capacity needs assessment, and proposals of training and technical assistance to mainstream BD and INRM into the participatory land-use planning and management	<p>4.1 Identification of criteria for and selection of Decentralized Autonomous Governments (DAGs) (5 municipalities and 18 villages), local civil society organizations (CSOs) and community leaders that will participate in the implementation of Component 1;</p> <p>4.2 Selection of pilot micro-watershed linked to the Napo River Watershed (NRW), and identification of local stakeholders to participate in the new Roundtable for the Integrated Management of the NRW, based on the ecosystem approach;</p> <p>4.3 Selection of pilot areas of protected</p>	GEFTF	3,500	12,800	16,300

	<p>areas (PAs) and buffer zones located in the NP⁵, to implement participatory planning and joint implementation of conservation activities;</p> <p>4.4 Local Stakeholders Workshop report summarizing capacity needs of local and provincial decision-makers and technical officers from the NPG, selected DAGs, local CSOs, MAE- Regional 2, and community leaders on: i) the principles of conservation and sustainable use of biodiversity and INRM; ii) the principles of sustainable co-managing PAs and buffer zones; iii) the ways of inclusion of BD conservation and INRM into the LUDPs (25 participants);</p> <p>4.5 Based on the information provided by outputs 4.1(stakeholders) and 4.4 (topics), design of 2 cost-efficient capacity development proposals including: i) 20 workshops and curricula; ii) 3-5 courses and curricula that generate specific participants' knowledge; and iii) technical assistance.</p> <p>4.6 Design of the capacity building approach, information dissemination approach and stakeholders' participation mechanisms for the project including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.</p>				
5. Establishment of baseline of biodiversity and INRM for Component 1	<p>5.1 Recollection and systematization of relevant information on biodiversity and renewable natural resources in the Sumaco Biosphere Reserve (SBR) - Napo Province (NP), available at local, national and international level. Identification of information gaps that will be filled in by the Information System on Biodiversity and Renewable Natural Resources in the SBR – NP during project implementation;</p> <p>5.2 Two (2) cost/efficient proposals to design the Information System on</p>	GEFTF	3,000	8,300	11,300

⁵ A large extension of the NP is covered by protected areas (PAs). The intervention area of the proposed project includes 5 protected areas of the National Protected Areas System (SNAP): the Sumaco-Napo-Galeras National Park (NaP), the Cayambe Coca NaP, the Llanganates NaP, the Cotopaxi NaP, and the Antisana Ecological Reserve, covering about 550.000 ha. Another 250.000 has. are covered by Protective Forests and Forest Heritage areas (which are national categories for forest protection, equivalent to nationally recognized protected areas in Ecuador). The Roundtable for Co-Management of Protected Areas and Buffer Zones will join representatives from each of these categories – rural communities and farmers whose livelihoods are linked to the areas - in order to promote co-management planning and sustainable biodiversity uses in all these zones.

	<p>Biodiversity and Renewable Natural Resources in the SBR - NP, which will support the decision-making of Napo Provincial Government (NPG) and the MAE-R2;</p> <p>5.3 Forestry Roundtable & Experts Workshop report that summarize recommendations to be considered in the design of the FPD, and validate proposals designed in 5.2 (10-20 participants);</p> <p>5.4 Design biodiversity and information system approach to be implemented by the project, including monitoring system, activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.</p>				
6. Design of financial incentive schemes for Integrated Landscape Management	<p>6.1 Assessment of incentives for integrated landscape and water management: review of best practices on financial mechanisms for conservation, operative schemes, and analysis of stakeholders' involvement in the implementation of conservation incentives in the NP;</p> <p>6.2 Cost-efficient design and description of 3 incentives schemes – taking into account the comments made by STAP on the PIF regarding PES used as an incentive scheme by CEO Endorsement. The incentives-PES design should promote the introduction of conservation practices into smallholders' production systems⁶ and will be based on the 3 proposals mentioned in the PIF:</p> <p>a) REDD+ to invest in forest conservation measures. Analysis of the <i>Sociobosque</i> incentive. Assessment of <i>Sociobosque</i> as additional incentive to REDD+ and its potential inclusion in the FPD;</p> <p>b) Water Fund (WF), compensation for environmental services by drinking water and hydroelectricity consumers, to be invested in the conservation and integrated management of <i>páramos</i> and catchment areas;</p>	GEFTF	500	18,300	18,800

⁶ As described in the PIF, the design of the three incentive schemes will include: i) the analysis and calculation of potential multiplication effects caused by the implementation of the Funds mentioned under output 6.2,b and c, ii) the design of long-term financial frameworks that include oil/mineral revenues and national incentives for conservation, iii) the design of advisory services for the institutional and organizational conceptualization, and on-the-ground implementation of the funds, iv) the design of specific training for staff of the funds and staff from local governments (NPG and involved municipalities), v) the design of draft templates for long-term conservation agreements as legal documents, vi) the justified selection of 3 pilot areas to validate the funds during project implementation. In addition, the design of WF and SDF will include lessons learned and guidance on the setting-up of trust funds from GIZ and TNC in Ecuador.

	<p>c) Sustainable Development Fund (SDF), to promote value chains;</p> <p>6.3 Analysis and identification of legal and policy constraints and potentials that may facilitate or obstacle the implementation of conservation incentives, both at provincial and national level (COOTAD⁷, COPFP⁸, among others)</p> <p>6.4 Expert and Stakeholders Workshops report that summarize recommendations about conservation incentive schemes to be considered in the design of the FPD, and validate proposals designed in 6.2;</p> <p>6.5 Design of the PES/incentive scheme approach to be implemented by the project, including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.</p>				
Inputs for the design of Component 2					
7. Identification of good practices of natural resources management (NRM) in livestock, <i>naranjilla</i> , and cacao production, eco-tourism opportunities, and selection of pilot areas	<p>7.1 Market analysis for sustainable cacao, livestock, and <i>naranjilla</i> production, and eco-tourism activities in the NP, with a view at the national level;</p> <p>7.2 2-3 cost-efficient proposals of good practices of water, soil and agro-forestry management in cacao, livestock, and <i>naranjilla</i> production to be introduced into traditional production systems - identified in the NP context;</p> <p>7.3 2 cost-efficient proposals for implementing 3 Value Chain Development Plans for cacao, <i>naranjilla</i>, and milk production that consider environmental and social additional values and focus on niche markets. Selection of 400 small- and medium-scale producers in pilot areas;</p> <p>7.4 2 cost-efficient proposals to pilot</p>	GEFTF	6,500	19,400	25,900

⁷ The Organic Code of Territorial Organization, Autonomy and Decentralization (COOTAD, as known in Spanish) entered into force in October 2010 and assigned these governments more competences in the fields of environmental management and production, as well as territorial and land-use planning.

⁸ The Organic Code of Planning and Public Finance (COPFP, as known in Spanish) established in 2011 that the Decentralized Autonomous Governments (DAGs) – Prefectures, Municipalities, Canton Boards – had to formulate their Land Use and Development Plans (LUDPs) in accordance with guidelines provided by the COOTAD and the COPFP itself.

	<p>sustainable community-based tourism as an income alternative to deforestation in pilot areas, including draft conservation agreements to be signed during project implementation;</p> <p>7.5 Local Rural Producers, Thematic Roundtables and DAGs Workshop report that include: i) selection and description of pilot areas in buffer zones of PAs in the NP for Component 2 (2.500 ha for sustainable livestock farming, 2.500 ha for good practices in cacao production in <i>chakras</i>, 1.000 ha for sustainable <i>naranjilla</i> production, 2500 ha for sustainable tourism value chains); ii) analysis and description of traditional production systems applied by small and medium-scale farmers in selected pilot areas; iii) identified social, economic and technical constraints for BD, LD and SFM conservation in those areas; iv) validation of proposals designed in 7.2, 7.3 and 7.4 (30 participants);</p> <p>7.6 Definition of the approach for livestock, <i>naranjilla</i>, cacao, and eco-tourism value chain development to be implemented by the project, including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.</p>				
8. Identification of pilot areas for SFM, establishment of deforestation baseline, carbon monitoring system and project targets	<p>8.1 Selection and description of 50.000 ha. to implement a Sustainable Forest Management (SFM) Strategy, with value chain approach;</p> <p>8.2 Establishment of the baseline deforestation rate, in the pilot areas (50.000 ha.) for SFM activities;</p> <p>8.3 Quantified target project carbon benefits, quantified other GEBs and local socioeconomic benefits in the pilot areas (50.000 ha.);</p> <p>8.4 2-3 cost-efficient proposals to establish a Carbon Sequestration Monitoring System, including: i) assessing if dead mass of litter, woody debris and soil organic matter should be considered; ii) feasibility assessment of human and financial resources available for operating the monitoring system⁹; iii)</p>		500	15,300	15,800

⁹Given that carbon stored in the aboveground living biomass of trees is typically the largest pool.

	<p>assessing the opportunity of applying the FAO Ex Ante Appraisal Carbon-balance Tool, how it will be used as a basis for a monitoring system and describing the set of measurements that are expected;</p>				
	<p>8.5 Forestry Roundtable and Experts Workshop Report that summarizes recommendations about SFM to be considered in the design of the FPD, and validate proposals designed in 8.4 – jointly with output 9.7 (10-20 participants);</p> <p>8.6 Design of the SFM approach for the project including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.</p>				
<p>9. Analysis and design of legal timber value chains, ecological restoration, and forest certification schemes</p>	<p>9.1 Legal timber market analysis to identify special markets that effectively demand certified forest goods, both at national and international level;</p> <p>9.2 Proposal to establish a Control and Monitoring System of Timber Products (with certificate of origin);</p> <p>9.3 2-3 cost-efficient proposals for implementing legal timber value chains in the selected pilot areas (50.000 ha.). The proposals should incorporate inclusive business relations between producers, stimulate well-structured and environmental-friendly enterprises, market-driven certification, incentives schemes set by “price premiums”, and view the integration of local dynamics to bigger markets;</p> <p>9.4 Design of 2 certification schemes for forest products (Forest Gardens and FSC) in 2500 ha. located in 2 pilot areas of the NP;</p> <p>9.5 Identification of 5 pilot areas (2500 ha. in the NP) for ecological restoration - based on criteria of BD conservation and environmental services, threat degree, potential impact for the improvement of living conditions of rural populations, and potential for replication, high potential for biological connectivity, reestablishment of environmental services, and water supply relevance, through GIS analysis. ;</p> <p>9.6 2-3 cost-efficient proposals for piloting ecological restoration with analogue forestry,</p>	<p>GEFTF</p>	<p>500</p>	<p>11,300</p>	<p>11,800</p>

	<p>reforestation, and/or natural regeneration techniques under conservation agreements and incentive schemes. At least 1 pilot is designed for subsistence economy areas, where analogue forestry practices will be disseminated among identified poor rural households;</p> <p>9.7 Forestry Roundtable and Experts Workshop Report that summarize recommendations and opportunities for legal timber value chain, to be considered in the design of the FPD – jointly with output 8.5 (10-20 participants);</p> <p>9.8 Identification of specific measures to be undertaken which will ensure the longevity of the certification and incentives schemes in Component 2;</p> <p>9.9 Co-financing amounts and sources from organizations interested in the certification-related activities in Component 2;</p> <p>9.10 Design of the legal timber value chain approach to be implemented by the project, including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.</p>				
<p>10. Environmental, climate and socio-economic risk assessment, and identification of mitigation measures</p>	<p>10.1 Assessment of environmental and climate risks that might prevent the project objectives to be achieved. Design of cost-efficient mitigation measures to reduce risks of CC and variability impacts on key ecosystems in landscapes, and in agriculture/livestock production (e.g. water availability), and further environmental risks;</p> <p>10.2 Assessment of socio-economic risks that might prevent the project objectives to be achieved such as the land owners resistance to adopt sustainable production practices, and further risks to be detected. Design of cost-efficient mitigation measures such as: i) including the communities in demonstrative piloting and planning process; ii) analyze the socio-cultural features of stakeholders involved, and recommend actions to include them into the design of project activities; iii) provide guidance on inclusion of socio-cultural particularities into the training curriculum, mainstreaming the</p>	<p>GEFTF</p>	<p>600</p>	<p>5,000</p>	<p>5,600</p>

	gender perspective, among other measures.				
Inputs for the design of Component 3					
11. Assessment and design of alternative biotrade activities	<p>11.1 Selection of SBR buffer and transition zones in the biological corridors of the NP for the implementation of Component 3;</p> <p>11.2 Review of experiences of small-scale biotrade initiatives to find value chains bottlenecks, and 2/3 cost/efficient proposals that overcome economic and social constraints;</p> <p>11.3 Review on potential alternative land use in the Amazon region, and best practices in the development of new value chains, and identified social, economic and technical constraints and potentials for alternative land use;</p> <p>11.4 Identification and description of value chains of biotrade products in the NP(e.g.: <i>guayusa</i>¹⁰, Amazonian fruits, medicinal plants and non-timber forest species), taking guidance from the Biotrade Initiative (CBD/UNCTAD);</p> <p>11.5 2-3 cost-efficient proposals to pilot and develop 5 biotrade value chains in NP (including production, harvest, post-harvest, certification, commercialization partnership with companies, and transformation), validated with local stakeholders. Identification of 200 producers and 100 female heads-of- household. 2 pilot value chains are gender-focused to improve the income level of women;</p> <p>11.6 Identifying 3 adequate certification schemes for bio-products to be supported by the project (e.g: fair trade, organic products, certificate of origin) with market-oriented perspective that support SLM practices among small- and medium-scale farmers at local level, including the technical assistant approach to facilitate farmers certification. Selection of pilot areas (2500 ha in the NP). Selection of 20 associations of small-scale rural producers and female producers that will receive incentives.</p> <p>11.7 Identification of specific measures to be undertaken which will ensure the longevity of the certification and incentives schemes in</p>	GEFTF	5,150	9,400	14,550

¹⁰ *Guayusa* is an aromatic and medicinal shrub of the same kind of holly, native from the Ecuadorian Amazon.

	Component 3; 11.8 Design of the biotrade approach for the project including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.				
Inputs for the design of Component 4					
12. GIS system	12.1 Establish the GIS system for the project implementation; 12.2 Design of the maps to be integrated into the FPD and project implementation (identifying biodiversity hot spots, protected areas, pilot areas, among others).	GEFTF	250	7,300	7,550
13. Project implementation, M&E and information dissemination	13.1 Fiduciary Risk Assessment of the national executing partner (NPG) 13.2 Proposal for project monitoring system operative including methodologies, roles and responsibilities for data collection for output and outcome indicators; 13.3 Project results, lessons learned and 'best practices' publication and communication strategy 13.4 Proposal on institutional arrangements, defining specific roles and responsibilities of project partners for project implementation.	GEFTF	6,500	23,300	29,800
14. Final design of project components, Results Framework, financial plan and detailed budget and work plan	14.1 Detailed component description, budget by financier, and results Framework with clear measurable outputs and outcomes including their baseline.	GEFTF	15,471	44,800	60,271
Total Project Preparation Financing			54,545	210,000	264,545

C. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)

	Project Preparation	Agency Fee
Grant Amount	54,545	5,455
Co-financing	210,000	
Total		5,455

D. PPG REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

Trust Fund	GEF Agency	Focal Area	Country Name/ Global	(in \$)		
				PPG (a)	Agency Fee (b)	Total c = a + b
GEFTF	FAO	BD	Ecuador	29,234	2,923	32,157
GEFTF	FAO	LD	Ecuador	11,675	1,168	12,843
GEFTF	FAO	MFA	Ecuador	13,636	1,364	15,000
Total PPG Amount				54,545	5,455	60,000

E. PPG BUDGET


Cost Items	Total Estimated Person Weeks for Grant (PW)	Grant Amount (\$)	Co-financing (\$)	Total (\$)
Local consultants *	3	3,000	58,000	61,000
International consultants*	9.11	13,087	90,000	103,087
Letters of Agreement (LoAs)		28,088	50,000	78,088
Travel		3,000	3,500	6,500
Workshops		4,486	3,500	7,986
Others		2,884	5,000	7,884
Total PPG Budget		54,545	210,000	264,545

* An Annex A for Consultant cost details should be prepared first before completing this table. See Annex A for required detailed information.

F. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF LDCF/SCCF Trust Fund criteria for project identification and preparation.

for

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
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Annex A

Consultants Financed by the Project Preparation Grant (PPG)

Type of Consultant	Position / Titles	\$/ Person Week	Estimated PWs	Tasks to be performed
Local	LoA for Proposed Activities 2, 3 and 4 (all partially), 5, 10 (partially), 11 and 12	Lump sum: \$13,000		<p>In coordination with the Napo Provincial Government (NPG) and Ministry of Environment-Regional branch 2 (MAE-R2) - national executing partners-, GIZ, and FAO (that will provide USD 13,000 to this LoA), the Organization will be responsible for carry on the following activities:</p> <ol style="list-style-type: none"> 1. To analyse the policy and institutional framework, by: <ol style="list-style-type: none"> a) Selecting and assessing 8 LUDPs in the NP, including the information detailed in 2.1 and validate it with experts and project stakeholders; b) Analyzing and identifying legal and policy constraints and potentials that may facilitate or obstacle the implementation of measures that promote the sustainable management of natural resources, both at provincial and national level (see 2.2); c) Selecting pilot micro-watersheds linked to the Napo River Watershed (NRW), and identify local stakeholders to participate in the new Roundtable for the Integrated Management of the NRW, based on the ecosystem approach; d) Preparing one draft proposal of Inter-Institutional and Participative Strategic Plan for the NP, that mainstream the concepts of integrated landscape and watershed management, and include spatial design of corridors between protected areas (PAs) and forest relic at macro level, as described in 2.5; 2. To design the institutional and policy approach for the project, including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the full project document (FPD); 3. To assess political and institutional risks that might prevent the project objectives to be achieved. Design of cost-efficient mitigation measures to reduce risks such as: <ol style="list-style-type: none"> i) biodiversity conservation and INRM not prioritized at provincial level; ii) public revenues from fossil fuel and mineral extraction are invested elsewhere rather than in support of project priorities; iii) other risks that might be detected through risk assessment; 4. To identify local stakeholders, assess capacity needs, and propose training and TA that mainstream BD and INRM into the LUDPs, by: <ol style="list-style-type: none"> a) Selecting Decentralized Autonomous Governments (DAGs) (5 municipalities and 18 villages), local civil society organizations (CSOs) and community leaders that will participate in the implementation of

			<p>Component 1;</p> <ul style="list-style-type: none"> b) Preparing, facilitating and reporting on the Local Stakeholders Workshop (25 participants). Summarize capacity needs of local and provincial decision-makers and technical officers from the NPG, selected DAGs, local CSOs and community leaders, as described in 4.4; c) Preparing 2 cost/efficient proposals to design workshops, courses and technical assistance as described in 4.5; <p>5. To establish the capacity building approach, information dissemination approach and stakeholders' participation mechanisms, for the project including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD;</p> <p>6. To establish the baseline of biodiversity and INRM for Component 1, by:</p> <ul style="list-style-type: none"> a) Recollecting and systematizing relevant information on biodiversity and renewable natural resources in the SBR- Napo Province (NP), available at local, national and international level. b) Identifying information gaps that will be filled in by the Information System on Biodiversity and Renewable Natural Resources in the SBR – NP during project implementation; c) Preparing 2 cost/efficient proposals to design the Information System on Biodiversity and Renewable Natural Resources in the Sumaco Biosphere Reserve (SBR) - NP, as described in 5.2; d) Preparing, facilitating and reporting on the Forestry Roundtable & Experts Workshop (10-20 participants), summarizing recommendations to be considered in the design of the FPD, and validate proposals designed in 5.2; <p>7. To design the biodiversity and information system approach for the project, including monitoring system, activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD;</p> <p>8. To assess and design alternative biotrade activities, by:</p> <ul style="list-style-type: none"> a) Selecting SBR buffer and transition zones in the biological corridors of the NP, to implement Component 3; b) Reviewing experiences of small-scale biotrade initiatives to find value chains bottlenecks, and preparing 2-3 cost/efficient proposals that overcome economic and social constraints; c) Reviewing potential alternative land use in the Amazon region, and best practices in the development of new value chains, and identified social, economic and technical constraints and potentials for alternative land use; d) Identifying and describing value chains of biotrade products, as set in 11.4; e) Preparing 2-3 cost/efficient proposals to pilot and
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Local	LoA for Proposed Activities 2,3 and 4 (all partially),	Lump sum: \$9,088	<p>In coordination with the Napo Provincial Government (NPG) and MAE-R2 - national executing partners-, GIZ, and FAO, the Organization will be responsible for carry on the following activities:</p> <ol style="list-style-type: none"> To select pilot areas in protected areas (PAs) and buffer zones located in the NP¹¹, to implement participatory planning and joint implementation of conservation activities; To review the existing management plans in the selected PAs, identify opportunities and constraints, and design a cost-efficient proposal for activities to be implemented by the project; To define selection criteria, and identify local communities and relevant stakeholders that will participate in the Roundtable for the Co-management of NP Protected Areas and Buffer Zones – to be created and made operative during project implementation; To analyse policy risks that might obstacle the implementation of participatory governance, co-management planning and agreed conservation activities in the selected PAs and buffer zones, and design mitigation measures to reduce those risks; To analyze the legal and policy opportunities and constraints for conservation agreements (with private and community landowners) in buffer zones and ecological corridors; To prepare one (1) cost-efficient proposal for the

¹¹ A large extension of the NP is covered by protected areas (PAs). The intervention area of the proposed project includes 5 protected areas of the National Protected Areas System (SNAP): the Sumaco-Napo-Galeras National Park (NaP), the Cayambe Coca NaP, the Llanganates NaP, the Cotopaxi NaP, and the Antisana Ecological Reserve, covering about 550.000 ha. Another 250.000 has. are covered by Protective Forests and Forest Heritage areas (which are national categories for forest protection, equivalent to nationally recognized protected areas in Ecuador). The Roundtable for Co-Management of Protected Areas and Buffer Zones will join representatives from each of these categories – rural communities and farmers whose livelihoods are linked to the areas - in order to promote co-management planning and sustainable biodiversity uses in all these zones.

			<p>conservation agreement format to be implemented along with the incentives package (see PPG activity #6);</p> <ol style="list-style-type: none"> 7. In coordination with the organization/institution responsible for preparing, facilitating and reporting on the Local Stakeholders Workshop (see PPG activity #4): <ol style="list-style-type: none"> a. To prepare contents for project workshops, trainings and technical assistance that will address the sustainable co-management of PAs and buffer zones; b. To prepare the capacity needs assessment of those local stakeholders on sustainable co-management of PAs and buffer zones; 8. To design the protected areas and buffer zones co-management approach for the project, including monitoring system, activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the Component 1 in the FPD.
International	LoA for proposed activities 6 and (partially) 7	Lump sum: \$6,000	<p>In coordination with the Napo Provincial Government (NPG) and Ministry of Environment-Regional branch 2 (MAE-R2) - national executing partners-, GIZ, and FAO (that will provide USD 7,000 to this LoA), the Organization will be responsible for carry on the following activities:</p> <ol style="list-style-type: none"> 1. To design financial incentive schemes for Integrated Landscape Management, by: <ol style="list-style-type: none"> a) Assessing incentives for integrated landscape and water management: reviewing of best practices on financial mechanisms for conservation, operative schemes, and analysing stakeholders' involvement in the implementation of conservation incentives in the NP; b) Designing 2 Cost/efficient proposals for each of the 3 incentive/PES schemes to promote the introduction of conservation practices into smallholders' production systems, as described in 6.2 and footnote #6; c) Analysing and identifying legal and policy constraints and potentials that may facilitate or obstacle the implementation of conservation incentives, both at provincial and national level, as described in 6.3; d) Preparing, facilitating and reporting on Expert and Stakeholders Workshops, summarizing recommendations about conservation incentive schemes to be considered in the design of the FPD, and validate proposals designed in 6.2; 2. To establish the incentive schemes/PES approach for the project, including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD; 3. To identify good practices of NRM in livestock and <i>naranjilla</i> production, and select pilot areas, by:

				<ul style="list-style-type: none"> a) Elaborating a market analysis for sustainable livestock, and <i>naranjilla</i> production in the NP, with a view at the national level; b) Preparing 2-3 cost/efficient proposals of good practices of water, soil and agro-forestry management in livestock, and <i>naranjilla</i> production to be introduced into traditional production systems - identified in the NP context; c) Preparing 2 cost-efficient proposals for implementing 2 Value Chain Development Plans for <i>naranjilla</i> and milk production, as described in 7.3; d) Along with the project executing partners, co-preparing and co-facilitating the Local Rural Producers, Thematic Roundtables and DAGs Workshop (30 participants), and reporting outputs related to livestock and <i>naranjilla</i> production, as described in 7.5; <p>4. To establish the approach for livestock and <i>naranjilla</i> production for the project, including activities to be financed, detailed budget, and Results Framework with outcome and output indicators and the related baseline, as input for the design of the FPD.</p>
National	Fiduciary Risk Assessment Specialist	1000	3	In coordination with the Napo Provincial Government (NPG) the FAO Representation in Ecuador, and the FAO-GEF Unit, the consultant will be responsible for assessing the fiduciary standards of the national executing partner (NPG), to identify potential its fiduciary risks and to design mitigation measures to reduce those risks.
International	Project Design Technical Specialist (PDTS)	2000	5	<p>In coordination with the Napo Provincial Government (NPG) and MAE-R2 - national executing partners-, GIZ, the FAO Representation in Ecuador, and the FAO-GEF Unit, the consultant will be responsible for detailed design of project components, budget, project Results Framework, project risk management framework, and institutional arrangement for project execution. In order to achieve this objective and taking into account any GEFSEC reviews and STAP comments, the consultant will develop tasks as follows:</p> <ul style="list-style-type: none"> a) collect inputs and baseline information provided by the project executing partners and organizations involved through LoAs, and incorporate them in a justified detailed design of project components, project Results Framework with clear output and outcome indicators, and related baseline project risk management framework; b) design the project monitoring system operative; c) design the systematic and on-progress information provision in meeting project outcome and output targets; d) design a cost/efficient proposal to collect and publish project-related “best-practices” and “lessons-learned”, and for information dissemination, to be included into the FPD,

				<ul style="list-style-type: none"> e) propose the final institutional arrangement for project execution; f) collect unit costs and develop the detailed project budget by co-financier; g) complete the BD, LD, and SFM/REDD+ tracking tool forms that will be submitted jointly with the full project document for CEO Endorsement; h) complete any further documentation that may be required by GEF and/or FAO to submit the full project document for CEO Endorsement.
International	Financial management/ project analyst	750	4.116	In coordination with the NPG and the MAE-R2 - national executing partners-, the FAO Representation in Ecuador, the FAO-GEF Unit, and the PDTS, the consultant will be responsible for filling-in and monitoring the financial sections of any documentation required by GEF and/or FAO to obtain the GEF agency clearance and the GEF CEO Endorsement.