

United Nations Development Programme

Country: Costa Rica



PROJECT DOCUMENT

Project Title: Fifth Operational Phase of the GEF Small Grants Programme in Costa Rica	
UNDAF Outcomes: This project Objective is aligned with 3 Country Programme Outcomes as defined in CPAP: i. Outcome 2.1: Strengthened technical, strategic and territorial planning capacities of the environmental sector. ii. Outcome 3.1: Improved mechanisms for the prevention, adaptation and mitigation of climate change of all relevant national and local institutions. iii. Outcome 5.1: Created national and local capacities for disaster risk management.	
UNDP Strategic Plan Environment and Sustainable Development <u>Primary Outcome:</u> Expanding access to environmental and energy services for the poor. UNDP Strategic Plan <u>Secondary Outcome:</u> Mainstreaming environment and energy	
Expected CP Outcome(s): <u>Strategic Line IV:</u> Environment, Energy and Risk Management.	
Expected CPAP Output: Helping to strengthen institutions and build the capacity of relevant entities in the environmental and energy sectors (ROAR: Outcome 16)	
Implementing Partner:	UNOPS
Brief Description: <p>The long/term Objective of the project is “to secure Global environmental benefits through community-based initiatives and actions that address habitat fragmentation and enhance ecological connectivity in twelve biological corridors linking eight Protected Areas and their buffer zones”. This will be achieved through four Outcomes: 1) Community-based actions that mainstream biodiversity conservation and sustainable use into production landscapes to reduce habitat fragmentation in key biological corridors and PA buffer zones; 2) Community-based actions that reduce green-house gas emissions and increase carbon stocks; 3) Conservation of productive lands and restoration of degraded land to contribute to sustainability and improved local livelihoods; and 4) Knowledge management and capacity development of community groups and members for replication and up-scaling.</p> <p>Over a 4-year period, the project will support some 160 community-based initiatives in the selected buffer zones and biological corridors in collaboration with a large number of partners including national government entities, local governments, national NGOs, UNDP, the private sector, academia and other institutions. The project will be implemented by UNDP and executed by UNOPS using the existing mechanism of the GEF Small Grants Programme (SGP) in Costa Rica, including grant approval by the National Steering Committee and day-to-day management by the Country Programme Team under the leadership of the National Coordinator (Country Programme Manager).</p>	

Programme Period:	4 years	Total resources required	\$9,023,148
Atlas Award ID:	00062064	Total allocated resources:	\$4,398,148
Project ID:	00079305	• Regular	\$0
PIMS #	4560	• Other:	
		• GEF	\$4,398,148
Start date:	July 1 st 2011	Total Parallel financing	\$ 4,625,000
End Date:	June 30 2015	○ Cash	\$ 2,125,000
Management Arrangements	UNOPS execution	○ Government In-kind	\$ 638,400
PAC Meeting Date	12/08/2011	○ Others In-kind	\$ 1,861,600

Agreed by UNOPS:

Kristen K. W. Vobly

Date/Month/Year

Agreed by UNDP:

[Signature]

Date/Month/Year



Agreed by Government:

[Signature]

Date/Month/Year



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Acronyms / Abbreviations

ACICAFOC	Framers and Indigenous Coordinating Association of Central America
ACTUAR	Costa Rican Community-based Rural Tourism Association
APR	Annual Project Report
APR/PIR	Annual Project Review/Project Implementation Review
ASADA	Community-based Associations for Water Administration
ASIREA	Association for the Sustainable Development of the Atlantic Region
AyA	National Water Utility (Water and Sewerage)
BAC	Budget Account Classification Code
BC	Biological Corridor
BCNP	Biological Corridors National Program
BD	Biodiversity
BIOMARCC	Marine and coastal biodiversity, capacity development and adaptation to climate change
BTOR	Back-to-office report
BUN-CA	The Central America Energy Network Foundation
C	Carbon
CADETI	Advisory Commission on Land Degradation
CBD	Convention of Biological Diversity
CBO	Community-Based Organization
CCF	Country Cooperation Framework
CCM	Climate Change Mitigation
CD	Capacity Development
CEPF	Critical Ecosystem Partnership Fund
CO	Country Office
CO2	Carbon Dioxide
COA	Chart of Account (ATLAS)
COB	Country Operating Budget
CONAI	National Commission of Indigenous Affairs
CONIFOR	Costa Rican National Commission Against Wildfires
CP	Country Program
CPAP	Country Program Action Plan
CPD	Country Program Document Framework
CPMT	Central Programme Management Team
CPS	Country Programme Strategy
COP	Conference of the Parties
CRUSA	Foundation for Development
DARAO	Department of Accreditation and Registry in Organic Agriculture
EE	Energy Efficiency
EEG	UNDP Energy and Environment Group

ERC	Evaluation Resource Center
ESPP	Environmental Services Payments Program
FIDERPAC	Integral Foundation for the Rural Development of the Central Pacific
FONAFIFO	National Forest Financing Fund
FSP	Full Size Project
GEF	Global Environment Facility
GHG	Greenhouse Gases
GoCR	Government of Costa Rica
Ha	Hectare
IAIG	Internal Audit and Investigation Group
ICE	Costa Rican Institute of Electricity
ICT	Cost Rican Institute of Tourism
IDB	Inter-American Development Bank
INA	National Learning Institute
INBio	National Institute for Biodiversity
IOV	Inter-office Voucher
IPCC	Intergovernmental Panel on Climate Change
ISV-CR	International Student Volunteer-Costa Rica
IUCN	The World Conservation Union
IUCN-DPCL	The World Conservation Union partnership with The Dhamra Port Company Limited (DPCL), a joint venture of Tata Steel and L&T.
IW	International Waters
kWh	Kilowatt-hour
LAC	Latin American and the Caribbean
LC	Local Councils
LD	Land Degradation
LULUCF	Land Use, Land Use Change, and Forestry
MAG	Ministry of Agriculture
MDG	Millennium Development Goals
MINAET	Ministry of Environment, Energy, and Telecommunications
M&E	Monitoring and Evaluation
MNI	<i>Mesa Nacional Indigena</i>
MOA	Memorandum of Agreement
MOD	Miscellaneous Obligation Document
MSP	Medium-Sized Project
NAP	National Action Plan on Land Degradation
NBSAP	National Biodiversity Strategy and Action Plan
NCCS	National Climate Change Strategy
NGO	Non-government Organization
NP	National Park
NDP	National Development Plan

NSC	National Steering Committee
OP	Operational Programme
PA	Protected Area
PAC	Project Approval Committee
PES	Payments for Environmental Services
PIF	Project Identification Form
PIR	Project Implementation Review
PMU	Program Management Unit
PO	Purchase Order (ATLAS)
POPs	Persistent Organic Pollutants
PPR	Project Progress Reports
QPR	Quarterly Project Review
RCU	Regional Coordination Unit for LAC
RE	Renewable Energy
REQ	Requisition (ATLAS)
ROAR	Results-Oriented Annual Report
R-PP	REDD-Readiness Preparation Proposal
RR	Resident Representative
RTA	Regional Technical Advisor
SBAA	Standard Basic Assistance Agreement
SINAC	National System of Conservation Areas
SGP	GEF Small Grants Programme
SLM	Sustainable Land Management
SMART	Specific, measurable, attainable, realistic and time-bound
SME	Small and Medium Enterprises
SOPs	Standard Operating Procedures
STA	Senior Technical Advisor
STAR	System for Transparent Allocation of Resources
TOR	Terms of Reference
UCR	University of Costa Rica
UN	United Nations
UNA	National University (<i>Universidad Nacional</i>)
UNCCD	United Nations Convention to Combat Desertification
UNDAF	UN Development Assistance Framework
UNDP	United Nations Development Programme
UNED	Distance Learning University
UNFCCC	United Nations Framework Convention on Climate Change
UNOPS	United Nations Office for Project Services
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries

SECTION A: ELABORATION OF THE NARRATIVE

PART A.1 SITUATION ANALYSIS

1.1 Context and Global Significance

1. With just 51,100 km² of land area (0.03% of the world) and 589,000 km² of territorial sea, Costa Rica is considered one of the 20 most bio-diverse countries in the world. Its geographical position in the tropics, its two coasts and its mountain systems generate numerous and a wide variety of microclimates that explain this natural wealth in both species and ecosystems. The more than 500,000 species found in this small country represent nearly 4% of the estimated total number of species worldwide.
2. To protect this wealth of global importance, the country has allocated over 25% of its territory to be protected under different categories of Protected Areas. This effort is extended with the support of private initiatives that establish private reserves dedicated mainly to ecotourism and research. This is a conservation effort that few countries in the world have made and in which Costa Rica has invested substantial resources for the wellbeing of present and future generations.
3. For the last 10 years, Government and non-governmental organizations active in biodiversity conservation in Costa Rica, have been engaged in an ambitious two-phase program known as GRUAS I & II, to identify and define a national network of biological corridors to improve the ecological connectivity among national protected areas and between these and PA of neighbouring countries. Through the Mesoamerican Biological Corridor Project, the GEF was instrumental in helping establish the basis for the biological corridor system in Costa Rica. The studies under GRUAS were completed in 2009, at a very detailed geographical scale, with participation of national and local actors including government institutions, CBO, NGO, and academic institutions. GRUAS I & II was the basis for selecting the biological corridors and protected areas' buffer zones where SGP will focus its work in the next four years. The project will concentrate its activities around eight PA out of 169 existing in the country. The project will also target 12 biological corridors linking these areas among themselves and with others. It should be noted that so far Costa Rica has officially registered 37 biological corridors.
4. The areas selected for SGP's project interventions include the five largest undisturbed blocks of forest in Costa Rica, composed of rain forests, dry forests, *páramo*, mangrove and wetlands, where the most important Protected Areas of Costa Rica are found. These areas harbour species of endangered fauna, which in turn are very good indicators of ecosystem health: the Ocelot (*Leopardus tigrinus* and *Leopardus pardalis*), Causel (*Leopardus wiedii*), Puma yaguarondi (*Leo Brenner*), *Puma concolor*, Danta (*Tapirus bairdii*), Chanco de Monte (*Tayassu tajacu*) and the Manatee (*Trichechus manatus*). The three Biosphere Reserves and the World Heritage Sites of the country are found among the 8 selected PAs. The table below shows the protected areas and biological corridors involved, and Annex A provides an overview of the biodiversity in each PA.

Table 1. Selected Protected Areas and Biological Corridors for SGP intervention in GEF-5

Protected Areas	PA (ha)	Biological Corridors	BC (ha)
Parque Internacional La Amistad	193,929	Talamanca Caribe	47,000
NP Chirripo	50,150	Cordillera Volcanica Central-Talamanca	114,617
NP Tapanti-Macizo de la Muerte	58,323	Montes del Aguacate (including Jesus Maria Watershed)	70,600

NP Palo Verde	16,804	Amistosa	115,809
NP Braulio Carrillo	47,580	Paso de la Danta	80,000
NP Corcovado	55,000	Paso de las Lapas	
Guanacaste Conservation Area	110,000	Diria	180,000
Barra del Colorado Wildlife Refuge	92,000	San Juan-La Selva	246,208
		Pájaro Campana	66,416
		Colorado Tortuguero	130,000
		Ruta Los Malekus	144,726
		Miravalles-Santa Rosa	42,053
Total Area (hectares)	623,786		1,237,429

5. All twenty-four indigenous peoples' territories existing in the country overlap with the selected biological corridors, encompassing 338,000 hectares, the equivalent of more than 25% of the 1,237,000 hectares covered by these biological corridors. For example, four indigenous territories on the Atlantic side and 3 indigenous territories on the Pacific side surround "La Amistad" International Park. The Talamanca-Caribe corridor includes the Talamanca Bribri, Talamanca Cabecar, Talamanca Keköldi, and Tayni indigenous territories.
6. There are a number of previous GEF initiatives that have contributed to advancing ecosystem conservation in these areas. The GEF "Ecomarket Project" allowed extending payment for ecosystem services (PES) to indigenous territories and communities in biological corridors. Other previous GEF initiatives are Conservation International's Critical Ecosystem Partnership Fund activities in Costa Rica, and ACICAFOC, which supported integrated ecosystem management actions in Tortuguero, La Amistad, Osa, Corcovado and Chirripó National Parks. Prior GEF investment in Costa Rica's protected areas has been concentrated in La Amistad, Chirripó and Corcovado NP, specifically in infrastructure and equipment, and in the establishment of trust funds in Chirripó and Corcovado to finance conservation activities in buffer zones.
7. The contribution of Costa Rica to the total global GHG emissions is very low (less than 0.1%), however, the country made a commitment to become Carbon-neutral by 2021. The country's decision to avoid net carbon emissions has led to the preparation of an integrated National Climate Change Strategy (NCCS) for achieving a C-neutral economy by 2021, which will include actions on mitigation and adaptation to climate change. The mitigation strategy will have a three-pronged approach: 1) GHG emissions reduction by sources; 2) capture and storage of CO₂; and 3) carbon market development. The new Government (2010) of Costa Rica will deploy domestic and international financial resources for the implementation of the NCCS, however, specific activities and amounts are yet to be determined. The SGP country team is regularly monitoring NCCS design progress to create co-financing opportunities for SGP CC interventions. It is also monitoring progress of activities related to Costa Rica's participation in UN-REDD and in the Forest Carbon Partnership Facility with a view to ensure complementarity with SGP CC initiatives and to leverage these investments if they take place in the same geographic areas of project intervention. SGP will participate in the Government-led initiative for developing a method for measuring carbon stocks, which has been considered part of the baseline for this project. It will also build on the capacity building, technology transfer, public awareness, behavioural change, and education initiatives being designed for REDD+. Prior GEF CC investments in Costa Rica¹, in particular the "National Off-grid Electrification Program Based on Renewable Energy Sources, Phase I" project implemented between 2002 and 2009, have helped create an enabling environment for investments in renewable

¹ Other GEF funded CC projects in Costa Rica include: Building National Capacity to Develop Policy Options for Greenhouse Gas Emissions Reductions and Sink Enhancements (1996); Tejona Wind Power (2002); and Second National Communication to the United Nations Framework Convention on Climate Change (2004). Costa Rica also participated in a number of early regional and global CC GEF-funded projects.

energy for off-grid areas. SGP RE interventions will help expedite the uptake of RE technologies in the focus geographical areas, taking advantage of the favourable policy and regulatory conditions established by the GEF FSP.

1.2 Threats and barriers

1.2.1 Threats and barriers to biodiversity conservation and sustainable use

8. GRUAS I & II carried out an in-depth analysis of the current status of biodiversity and threats to each of the PA and biological corridors in Costa Rica. The main common threat is the existing fragmentation of ecosystems due to historic forest clearing to expand the agricultural frontier, to changes to monoculture crops of agricultural systems that maintained forest cover, commercial timber extraction, and other agricultural and land use practices that do not take into account biodiversity and carbon stocks. Although Costa Rica has been successful in halting deforestation nationally there are still areas where land use change and forest ecosystem degradation are happening. For example, pineapple monoculture has increased by 20,000 hectares between 2008 and 2010. There is also concern for expanding mining operations in the northern part of the country. Forest fires are also an important cause of concern for several protected areas. Land degradation is a further driver of biodiversity loss in most biological corridors. Indeed, land degradation is affecting Diria, Paso de la Danta, Paso de las Lapas, San Juan-La Selva, Pajaro Campana and Colorado-Tortuguero biological corridors in various degrees. The Jesus Maria watershed located in the biological corridor of “Montes de Aguacate” is the most degraded watershed in the country. Climate change will exacerbate ecosystem degradation in areas where soil erosion and other land degradation processes are already present. While Costa Rica has made notable progress in most aspects measured by the Human Development Index², poverty in the rural areas is still a major factor of environmental degradation. Rural poverty was estimated to be 19.2% and extreme poverty 5.3% in 2009.
9. Despite Costa Rica’s strong commitment towards the protection and sustainable use of its natural base and its previous investments in biodiversity conservation, a number of barriers still need to be addressed to enable communities contribute more effectively to address the threats:
 - Lack of legislation regulating land use and activities in buffer zones. In the absence of these laws, local communities living around protected areas manage their farms and conduct other economic activities without due consideration of the effects these may have on ecosystems and species.
 - Insufficient capacity at community level for land use planning in buffer zones and corridors. Even if communities are willing to mainstream biodiversity in their land use decisions, they do not have the information, tools and resources to undertake adequate land use planning. This is often compounded by weak institutional presence in these areas and, therefore, unavailability of technical assistance from government entities for many communities.
 - Weak governance mechanisms for the implementation of biological corridor management plans. While community participation has been an important consideration in the BC management plans and communities are part of Local Councils for biological corridors, their enhanced participation in and contribution to the operation of the Councils is an essential ingredient for the successful implementation of the plans. Local leaders that represent communities in the Councils lack financial support and technical resources to reach out to the rest of the population within the corridors.

² Between 1980 and 2007 Costa Rica's HDI rose by 0.42% annually from 0.763 to 0.854 today.

- Lack of information, skills and knowledge on agricultural production technologies that help maintain ecological connectivity, such as agro-forestry and organic agriculture.
- Absence of economic incentives for changing unsustainable community practices and /or lack of knowledge about incentive mechanisms such as payments for environmental services that exist in Costa Rica. Costa Rica is a pioneering country concerning incentive mechanisms to help maintain environmental services but, in spite of the positive track record, there are still many communities that have not been able to benefit from these financial incentives. While SGP's previous efforts to enable indigenous peoples receive PES have been successful, coverage to a significant number of indigenous communities has yet to be achieved.
- Low public awareness of the need to conserve critical areas to maintain ecosystem services.

1.2.2 Barriers to achieve national Carbon neutral targets in rural areas

10. Of the total annual GHG emissions of the country (8,779 million tons of CO₂ e per year) the agriculture and livestock sector accounts for half of total emissions, that is, 4,603 million tons. In particular, slash-and-burn agriculture is still widespread in some regions of Costa Rica, including those targeted by this project. The use of fuelwood for meeting household energy needs as well as those of rural agro-processing enterprises represents another source of GHG emissions at community level. There are about 50,000 households located in buffer zones and biological corridors without access to the public electricity grid. Forest fires in the country are a significant contributor to GHG emissions and a threat to ecosystems. Such wild fires occur because of lack of fire management in slash-and-burn agriculture and as a result of other anthropogenic causes. Although in accordance with the Costa Rican National Commission Against Wildfires (CONIFOR) fire occurrence has been down to 13,900 hectares per year in the last three years from 32,500 hectares, it still represents an average emission per year of 1.9 million tons of CO₂ equivalent. Land use change from forest use to agricultural use, and from integrated agricultural systems to monoculture crops is affecting at least 25,000 hectares per year.
11. The following barriers have been identified to address climate change mitigation at community level in rural areas:
 - Weak access to information at community level on government policies and regulations on climate change;
 - Absence of viable alternatives to unsustainable land use change for poor rural communities;
 - Lack of access to clean and efficient rural energy technologies;
 - Deficient access to credits for clean technology investment in rural areas. There are not enough lines of credit for it and / or the communities are unaware of the existence of the few ones available.
 - Lack of skills and know-how to phase-out slash-and-burn practices in agriculture.
 - Lack of equipment and financial and technical resources by many communities adjacent to PA to prevent and combat in a timely manner forest fires.

1.2.3 Community barriers to adopt sustainable land management approaches

12. Unsustainable agricultural production practices have made the Jesus Maria Basin (with an extension of 37,000 ha) one of the most degraded watersheds in the country according to the CADETI Advisory Commission on Land Degradation. Livestock and agricultural activities in areas with steep slopes and poor vegetation cover have led to its deterioration. The watershed area requires immediate changes in production systems and improved management of small-scale

livestock activities to arrest soil erosion and further degradation, and to start recovering its soil productivity. To achieve this, the following barriers at the community level need to be overcome:

- Limited capacity of local communities to participate in watershed management bodies and for sustainable land management (SLM) policy advocacy at the local level.
- Lack of knowledge and skills to apply sustainable land management methods to their farms;
- Insufficient information on and difficulty to access technologies for soil and water conservation and to benefit from financial resources available for SLM in various government and non-government programs.

1.3 Long-term Solution / Project Approach

13. Addressing habitat fragmentation that is threatening the sustainability of the National Protected Areas System of Costa Rica requires full participation of farmer and indigenous communities inhabiting PA buffer zones and biological corridors to mainstream biodiversity conservation and sustainable use throughout the production landscape of the country. A mosaic of land uses and community practices that provide sustainable livelihoods compatible with ecosystem conservation needs to be established at scale to trigger larger positive impacts and help restore ecological connectivity. Meeting the C-Neutrality target in Costa Rica and arresting land degradation in priority areas, also require the full engagement of communities in the rural areas. This SGP project will therefore address biodiversity conservation and sustainable use at the landscape level, including land use, land use change and forestry, by continuing to apply an ecosystem focus when programming community interventions for sustainable land and resource use leading to global environmental benefits.
14. All project-funded initiatives will take place in the selected 12 biological corridors and 8 PA buffer zones to achieve synergies between the three focal areas. As mentioned in paragraph 4, the rationale for the selection of these areas is that they link up the largest 5 undisturbed primary forests in Costa Rica. Such forests are the habitat of the largest felines in the country among a wide array of fauna species.
15. Over the last 17 years, SGP Costa Rica has developed significant experience in working with local communities to conserve and sustainably use biodiversity in fragile ecosystems in PA buffer zones and biological corridors, including by supporting the establishment of new community-managed protected areas. Over 80% of the more than 500 previous initiatives financed by SGP in the country are located in biological corridors and PA buffer zones in various regions of Costa Rica. While these efforts have been successful, there is a need to consolidate previous work by targeting a limited number of areas and by strengthening the enabling environment and governance mechanisms that enhance community participation in sustainable ecosystem management and stewardship of biological resources. This project will also emphasize replication and up-scaling within the selected geographical areas.
16. As demonstrated by country program evaluations and by the catalogue of biodiversity products from Latin America and the Caribbean recently launched by SGP at the CBD COP in Nagoya, SGP Costa Rica has considerable experience in supporting communities to develop and implement successful sustainable production initiatives. Organic production of bananas, coffee, cocoa, and medicinal plants, organic apiculture, and sustainable production and harvesting of plant and animal species for the food and handicraft industries are important tools for mainstreaming biodiversity conservation in rural landscapes within biological corridor areas. With SGP support, Costa Rica has transformed sustainable rural community tourism into a fast-growing and successful economic activity that enables communities to earn a living while conserving biodiversity. In addition to

helping individual farmers and communities to produce and sell biodiversity-friendly goods and services, SGP Costa Rica has helped establish several umbrella organizations such as the Organic Coffee Producers and the Community Tourism Association to further strengthen the capacities of its members and represent small-holders interests nationally. All the above biodiversity-friendly products have markets in expansion nationally and internationally, and experience demonstrates that indeed, sustainable livelihood activities generate both socio economic benefits and biodiversity benefits. For example, during SGP's 4th Operational Phase (OP4-), 23 communities received funding for sustainable production ventures, generating 171 permanent jobs and incomes ranging from \$1,500 to \$11,000 annually, while also meeting the conservation objectives of the projects. On the other hand, SGP has also learnt about the causes for failure of community and NGO initiatives and these lessons will be taken into consideration for grant selection and in the monitoring of grants during project implementation to maintain or increase the rate of success of SGP-funded interventions, which is about 90%.

17. In the biodiversity focal area the project will support community-based interventions that help establish a mosaic of land uses that integrate biodiversity conservation and sustainable use within the biological corridors. It will also support enabling activities such as strengthening community participation in local governance mechanisms for biological corridors, training and land use planning, and also investments in biodiversity friendly practices within the production landscape. Among others, the project will fund:
 - Training of community leaders for managing sustainably the territory of biological corridors and for their effective participation in Local Councils.
 - Community-based local management plans for sustainable land use that takes into account biodiversity.
 - Enhanced connectivity in the existing biological corridors through reforestation, agro-forestry, natural regeneration, and new community-owned and managed conservation areas.
 - Community enhanced access to existing financial incentives for the conservation and protection of forests, water, and biodiversity (PES and other schemes).
 - Sustainable production initiatives that provide alternatives to unsustainable practices. These include, among others, community rural tourism, responsible fisheries, sustainable harvest of medicinal plants, organic agriculture and beekeeping.
 - Community networks to facilitate access to markets and to contribute to the development of policies and norms that further enable sustainable livelihood options.
 - Environmental education initiatives at local level.

18. In the climate change focal area the project will be focused on:
 - Disseminating the C-Neutral national strategy among rural communities.
 - Promoting the use of appropriate technologies in agricultural production processes that contribute to the C-Neutral Strategy of the country.
 - Demonstration projects using renewable energy and fuel-efficient technologies (biogas digesters, solar cookers, improved stoves and ovens, solar panels, among others). Annex B provides further information on RE and EE technologies that will be promoted by SGP and the estimated Carbon benefits.
 - Promotion of investments in low energy technologies for coffee production processes (solar coffee drying, waste management, production of organic fertilizer, etc.).
 - Promotion of energy efficient technologies for rural productive activities taking place in buffer zones of PA (organic agriculture, Rural Community Tourism, and other sustainable production activities).
 - Promotion of lines of micro-credit for clean technology investments, particularly for community-based renewable energy and energy efficient systems in off-grid areas. For this

purpose, SGP will partner with cooperatives and other financial organizations and projects that have demonstrated interest in lending for small-scale renewable energy and energy efficiency projects and that will manage the credit lines (among others, Agri-Cooperative, Alianza Cooperative, Fundecooperación, CAMBIO, ARECA). Financial resources for the credit will be contributed by SGP partners, while SGP will allocate GEF resources to support technical assistance and capacity building for communities and local NGOs.

- Training and strengthening of voluntary forest brigades at community level, in buffer zones of PA vulnerable to forest fires, for the prevention and timely control of forest fires. The target is to avoid wildfires in at least 350 hectares in biological corridors and PA buffer zones during the life of the project (approximately 87.5 hectares annually as indicated in Annex B).
 - Reforestation and forest enrichment of degraded forests with native species to increase carbon stocks in biological corridors and PA buffer zones. It is estimated that SGP interventions will maintain existing native forests within an area of 60,000 hectares and increase carbon stocks by reforesting 2,300 hectares within the same area. During the early stages of project implementation SGP will utilize the IPCC Good Practice Guidance for LULUCF to establish precise baseline values to measure the CO₂ benefits to be generated by the project. Figures provided are tentative given that the 60,000 ha have different land uses (agricultural, natural forest, grassland) and rates of land use change and the extension of each land use will only be known when grant proposals are approved by the NSC.
19. In the land degradation focal area SGP will be working in the Cantons of Esparza, San Mateo and Orotina, where the main communities within the Jesus Maria river basin are located in an extension of 29,000 ha. The following activities will be supported:
- Applied participatory research on SLM with support from national, regional and local relevant government and non-government organizations
 - Community-based activities on natural regeneration, reforestation, and erosion control in degraded areas. As a policy SGP Costa Rica uses native species for all agroforestry and reforestation activities (see Annex C for the list of species that will be used)
 - Community-based actions establishing agroforestry systems, rainwater harvesting, organic agriculture, agro-ecological farms and similar practices.
 - Dissemination of the National Action Plan on Land Degradation in the watershed area.
 - Capacities development for local communities in watershed management.
 - Strategic partnerships between communities and government institutions, academia and others for the constitution of a Local Committee for watershed management.
 - Strengthening of ASADAS (Community-based Associations for Water Administration) for enhanced community governance of water resources and for policy advocacy and participation in decision-making processes at the local and regional levels.
20. An important component of the project is community capacity development and knowledge management. This includes activities to support stakeholder networks (among community groups producing similar products and services) to participate in the development of relevant policies and legislation and facilitate access to markets; to up-scale results in fire management, agro-tourism and eco-tourism, and organic farm production, and to link-up stakeholder networks that currently operate in an isolated manner. Systematization of experiences and lessons learned through SGP initiatives and dissemination of knowledge are also a key component of the project for achieving replication of successful interventions and for up-scaling eco-friendly practices and businesses.

1.4

Stakeholder and Baseline Analysis

1.4.1 Stakeholder analysis

21. GEF/SGP-CR has formed mutually beneficial long-standing relationships with national and community level initiatives and partners (public and private sector), and will continue to seek synergies in the coming operational phase. Local communities located in the buffer zones of the selected PAs and biological corridors are the most important partners for SGP. Of these, the population in 24 indigenous territories, some 63,876 people, accounts for approximately 1.7% of the total population. SGP-CR coordinates with the associations that serve as Local Government within indigenous territories, recognized by indigenous law as the organizations responsible for internal and external affairs of the community. SGP also coordinates at the national level with CONAI- the National Commission of Indigenous Affairs and the *Mesa Nacional Indígena*. It should be noted that SGP-CR has worked in 22 of the 24 indigenous territories in previous program phases.
22. The main project stakeholders and partners and their roles are presented in the table below.

Table 2: SGP Stakeholders and Partners

Institution/stakeholder	Role/type of coordination
Ministry of the Environment (MINAET) - National System of Conservation Areas (SINAC), Biological Corridors National Program	This is the office, within SINAC, responsible for implementation of the Biological Corridors System, where SGP funded activities will be located. SGP grant activities will be coordinated with them. The Biological Corridors National Program will also provide co-financing and technical assistance to SGP grantees.
MINAET - CADETI-Advisory Commission on Land Degradation	This organization is the national focal point for Land Degradation, and is the organization with which SGP will coordinating actions on sustainable land management.
National Biodiversity Institute (INBio)	INBio is a key national biodiversity research and policy institution and it also implements projects. It is an SGP partner, providing co-financing, technical assistance and applied research support to grantees. INBio also works on climate change issues, in particular on ecosystems-based adaptation.
State Universities: University of Costa Rica, National University, and Distance Learning University	These organizations are key SGP partners as they carry out research on SGP-related subjects and locations throughout the country. They are also active in providing training at the local level on subjects relevant to SGP and its grantees.
Costa Rica Organic Production Movement (MAOCO)	SGP and MAOCO have a very well established partnership jointly funding many community-based initiatives related to organic production, pesticides use reduction, land conservation, etc.
National Network of Biological Corridors	This is a network of organizations (Governmental, NGOs, CBO, etc.) active on different aspects of conservation and sustainable use of resources in the officially designated biological corridors of the country. It is basically a coordination structure, but different joint initiatives, co-financing, technical assistance and training actions are implemented by SGP with this Network partners.
“Marine and coastal biodiversity, capacity development and adaptation to climate change (BIOMARCC)” initiative	BIOMARCC is part of the "Costa Rica Forever" initiative and is co-funded by the German Government. BIOMARCC has interventions in critical coastal zones where SGP has been active supporting local fishing communities, and therefore, collaboration between the two programmes has already taken place. Examples

	of this collaboration are the implementation of pilot projects aimed at supporting sustainable fishing practices, oyster harvesting, and mangrove conservation. Under this SGP/FSP collaboration with BIOMARCC is particularly relevant to the coastal areas of targeted biological corridors, such as Talamanca-Caribe, Paso de la Danta, and AMISTOSA.
IUCN	IUCN is a member of the SGP NSC. SGP will coordinate actions with three IUCN initiatives: IUCN-DPCL Partnership Promoting Sustainable Environmental Alliances, Environmental Law Fund, and a recent project on watersheds and micro-watersheds, in Sixaola bi-national watershed, with German funds.
National Commission of Indigenous Affairs (CONAI), Mesa Nacional Indigena and National Indigenous Board	CONAI and MNI are members of the SGP NSC, and are responsible for carrying out the technical analysis of project proposals to be implemented in indigenous territories. SGP actions with indigenous development associations are coordinated with CONAI.

1.4.2 Baseline analysis

23. The main baseline investments and activities in Costa Rica relevant to this project are those linked with the National Program for Biological Corridors, NAP implementation, and the National Strategy for Carbon Neutrality (Costa Rica planned activities for REDD+, including Carbon monitoring). SGP's initiatives supporting local communities will add value and build on these government led projects. The current baseline scenario would remain the status quo without GEF SGP support as the above-mentioned initiatives do not have the capability to reach out and work with the remote and poor communities in the geographic areas where SGP is focusing on to address global environmental issues in an integrated and sustainable manner.
24. SGP strengthens the capacity of communities and civil society organizations to address environmental issues, increasing knowledge and awareness about environmental threats, and providing financial leverage to overcome short-term decision-making that negatively affects environmental resources. Short-term decision-making is often necessitated in poor regions where individuals have to secure the basic elements for survival on a day-to-day basis, and therefore do not have the possibility to plan for long-term sustainable livelihoods ensuring environmental protection.
25. The baseline scenario without GEF support would therefore see the same level of habitat fragmentation in the 8 PA buffer zones and the 12 biological corridors, the consequence of existing production practices by communities living in these ecosystems. It would also see increasing levels of GHG emissions, mostly the result of forest fires and rural production practices, and further degradation and desertification of productive and non-productive land-use systems. Habitat fragmentation, if not addressed, will continue contributing to loss of ecosystem function and the gradual erosion of the capacity of the entire national system for biodiversity conservation. Many climate change scenarios show increases in average temperatures as well as reduction in rainfall, including larger variations in temperatures and changes in the rainfall distribution along the year. The initial analysis of potential implications for biodiversity (see Costa Rica Second National Communication to the UNFCCC) shows that a national biodiversity conservation system heavily fragmented will not be resilient to those changes and that many wild species of plant and animals will be lost, particularly the endemic ones that are more vulnerable to habitat modification. Therefore, the prospects of the baseline scenario are significantly high losses of the investment made for several decades to protect biodiversity in Costa Rica.

26. In Costa Rica, efforts to address global environmental challenges in an innovative and community-driven manner are underfunded by orders of magnitude in relation to the potential need. Previous GEF biodiversity investments in Costa Rica have been deployed in a limited number of PAs and have been mostly directed towards PA infrastructure. SGP has built on pioneer PES work funded by previous GEF projects (by enabling indigenous people to access PES mechanisms) and is ensuring that lessons learnt through CEPF initiatives in Costa Rica are applied in SGP projects. However, there is a major gap in supporting communities across production landscapes in biological corridors that this project intends to fill. On the other hand, without SGP there will be limited monitoring and reporting on environmental conservation efforts and environmental trends in targeted areas and communities. Monitoring and evaluation is critical for data collection on environmental and socio-economic trends and documenting and disseminating good practices.
27. This SGP FSP is expected to catalyze a significant change in relation to the business-as-usual scenario in a focused number of Protected Areas buffer zones and biological corridors highly significant in terms of global environmental benefits. The consolidation of conservation in these territories based on the active involvement of local communities committed to these goals will not only strengthen the situation in the specific areas but will also have a significant demonstration value for all PAs and biological corridors of the National System.
28. Last, it is important to highlight that this integrated strategy focused on key biological corridors will enhance a biodiversity-friendly mosaic of land uses by combining different interventions coherently. Bringing together biodiversity conservation actions with reduction of GHG emissions through renewable energy and energy efficiency, and improvements in local livelihoods, will reduce the pressure on the resource base more efficiently than addressing each of them separately or spreading them over larger and multiple territories.

Table 3: Current Practice versus Alternative Path developed by the Project

Current Practice	Alternative to be put in place by the project and global Benefits
<ul style="list-style-type: none"> • Limited community participation in Local Councils for Biological Corridors (only 3 LCs functioning optimally, only one with an operational plan, many not constituted); • Limited number of indigenous peoples and small farmers benefiting from PES through FONAFIFO in project area; • Forest areas allocated to local communities through the agrarian reform process (area sizes range from 30 to 300 ha each) have not been transferred to the MINAET to enable communities manage them as wildlife conservation areas • Lack of land use regulations in PA buffer zones and biological corridors causes unsustainable resource and land use practices • Poverty in project area, remoteness, and lack of information and know-how hampers communities' ability to switch to more sustainable practices that also 	<p>The project will enable local communities to contribute to the management and conservation of biodiversity in 12 biological corridors and buffers zones connecting 8 PAs by:</p> <ul style="list-style-type: none"> • Developing the capacity of local communities through training and technical assistance to establish 3 Local Councils for biological corridors and strengthen the operation of 7 existing Local Councils through developing their operational plans and implementing them in partnership with national and local organizations and other biological corridor stakeholders; • Mentoring and supporting indigenous peoples and small farmers to access FONAFIFO payments for environmental services (PES); • Supporting local communities to transfer at least 5 communal lands to MINAET to be managed as community conservation areas; • Providing training and technical assistance for the development and implementation of management plans in community lands to substitute for the absence of relevant regulations; • Funding sustainable livelihood activities in production landscapes to address habitat

<p>improve their livelihoods</p>	<p>fragmentation and improve the lives of local communities;</p> <ul style="list-style-type: none"> • Making available technical assistance and business support to enable communities meet national or international standards for certification of production landscapes and practices. <p>Delivers the following global benefits: 180,000 hectares with improved protection and conservation in globally significant ecosystems and improving ecosystem resilience through ecological connectivity. This target represents a coverage of about 15% of the total area within the selected biological corridors.</p>
<ul style="list-style-type: none"> • The energy sector in Costa Rica is a State monopoly vested in the Costa Rican Institute of Electricity (ICE). This entity is responsible for the production and distribution of electricity throughout the country. Although electricity coverage is significant, some remote areas remain without this service. Many rural businesses could improve their productivity through renewable energy and energy efficiency but EE and RE is not promoted or supported by the Institute; • Communities lack information concerning energy efficiency and small-scale renewable energy technologies; • While credit lines for environmentally friendly practices have been established in Costa Rica in the last few years (among others the CAMBio Project of BCIE, Development Fund of the Costa Rica National Bank, Oiko Credit, Fundecooperacion), most remote rural communities are not aware of their existence or cannot meet requirements for the credit. 	<p>The project will demonstrate in rural areas renewable energy and energy efficient practices and will help establish the conditions for their uptake and replication. The project will:</p> <ul style="list-style-type: none"> • Support selected rural businesses to implement energy efficiency practices; • Support rural communities install small-scale renewable energy systems for various end uses (e.g, cooking, heating, lighting) in off-grid areas; • Promote micro-credit with local financial intermediaries to finance sustainable energy interventions at the local level in the target zones • Provide technical assistance and capacity building so that financial partners can offer the most appropriate micro-credit lines • Implement an information system with existing knowledge and experiences in financial opportunities • Develop the mechanisms needed to attain financial and institutional sustainability at the community level <p>Delivers the following global benefit: 15,000 tons of CO2e emissions avoided or reduced during the lifetime of the project through RE and EE adoption by local off-grid communities.</p>
<p>There is a National Programme for wild fire Management in the SINAC as well as a Fire National Strategy. However, SINAS does not have adequate financial and human resources to prevent and manage forest fires in risk areas. Furthermore, the implementation of biological corridors may increase the risk of forest fires in protected areas as it links up forested areas. Volunteer groups to prevent and combat forest fires are emerging, however, while they contribute human resources they do not have adequate skills for this dangerous activity nor do they have the equipment to do so effectively.</p>	<p>SGP will support local communities prevent, control and combat forest fires, particularly in the dry zone of the Pacific region as well as manage, regenerate and reforest biological corridor and PA buffer zones. The project will:</p> <ul style="list-style-type: none"> • Establish and train local fire fighting crews, and co-finance the acquisition of equipment; • Support community volunteer crews to prevent fires and manage forests in various biological corridors; • Awareness-raising and education for the prevention of fire; • Restoration of areas affected by forest fires; • Help phasing out slash-and-burn agricultural

<p>Many forest fires are the result of uncontrolled burning for agricultural purposes or accidental fires.</p>	<p>practices in the most vulnerable areas;</p> <ul style="list-style-type: none"> • Development of a carbon monitoring system to be implemented by local communities with support from relevant institutions present in the project areas; <p>Delivers the following global benefits:</p> <ul style="list-style-type: none"> • 50,000 tons of CO₂e avoided through community forest fire prevention and management (see Annex B for details) and enhanced capacities to implement LULUCF strategies and to monitor carbon stocks; • 60,000 hectares of Carbon stocks maintained through community forest protection actions and 83,237 tCO₂e sequestered in 3 years through reforestation and natural regeneration in 2,300 ha (calculated on the basis of IPCC 2006: 12.06 tCO₂e/ha/year, a conservative estimate for monoculture reforestation).
<p>Unsustainable water and land management leading to land degradation and low yields;</p> <p>The River-basin Commission in the Jesus Maria watershed has not been established. Such Commission is expected to bring together all institutions and water users within the watershed for its sustainable management;</p> <p>The National Action Plan to Combat Land Degradation is not known in the Jesus Maria River basin and therefore is not being implemented.</p> <p>The ASADAS are community-based organizations that administer drinking water resources. These organizations often operate without the know-how to manage water resources in an effective manner.</p>	<p>The project will improve land and water resources management in the Jesus Maria watershed, the most degraded river basin in the Costa Rica. The project will help communities in this watershed contribute to the implementation of the NAP. SGP will:</p> <ul style="list-style-type: none"> • Promote and support integrated farm management, agro-forestry, silvicultural systems and other land use practices that help restore degraded community lands; • Work with the ASADAS and other CBOs to protect water resources for improved community water supply and ecosystem resilience in the watershed; • Help establish the Watershed Commission and develop its capacities to ensure adequate water resources governance; • Provide training and develop the capacities of communities vulnerable to land degradation through strategic partnerships with key institutions including research, agricultural extension, local governments and NGOs. <p>Delivers the following benefits:</p> <ul style="list-style-type: none"> • 29,500 hectares under improved sustainable land management in the most degraded watershed of Costa Rica.
<p>Costa Rica has many innovative and far-reaching environmental policies and regulatory frameworks. These, however, are not known or well understood by local communities.</p> <p>On the other hand, some policies and norms have not been tested on the ground and there is no feedback as to their relevance and effectiveness.</p> <p>Global environmental issues are not well understood by local communities in project areas, except by CBOs that have received SGP support in the past. Most environmental organizations and development partners are working to address local environmental</p>	<p>SGP in Costa Rica will strengthen the capacities of CBOs and local NGOs to contribute to policy and legislation development. It will also enhance the capacity of CBOs to access, generate and use information concerning global environmental issues and potential local solutions. In order to improve the likelihood of up-scaling and replication of successful conservation and livelihood practices, SGP will help establish thematic networks of civil society organizations or at the biological corridor levels. It will also strengthen existing networks such as the Talamanca Indigenous Network, the Wildfires Management Network, the National Biological Corridors Network (National Management Assessment on Biological Corridors), BIOVIDA- Community Leaders for Biodiversity Conservation or the National Rural Community</p>

<p>problems and the linkage with the broader environment is not sufficiently understood. NGO project support is often localized and, while individual interventions may be successful, their impact is often limited. Recently, networks bringing together CBOs and NGOs working in similar areas or objectives have emerged.</p>	<p>Chamber.</p> <p>It will also provide avenues for consultations with the most vulnerable community groups such as small farmers in remote areas and indigenous peoples, concerning policy and regulatory frameworks. SGP will promote peer learning by supporting experience exchange visits and workshops.</p> <p>Knowledge management products will be generated and widely disseminated in project areas and beyond.</p> <p>Communities will also be trained in project development and participatory monitoring techniques to promote transparency, learning and accountability at all levels.</p>
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PART A.2 PROJECT STRATEGY

2.1 Conformity of the project with GEF Policies

29. The objectives and expected outcomes of the SGP in Costa Rica for the 5th Operational Phase build directly on the agreed strategic priorities for GEF-5. Funding for the SGP will be drawn from the biodiversity, climate change and land degradation focal area STAR allocations, and thus SGP will focus on objectives and outcomes consistent with GEF-5 objectives for these focal areas.
30. In the biodiversity focal area, the SGP in Costa Rica will support the second GEF biodiversity objective to *mainstream biodiversity conservation and sustainable use into production landscapes, seascapes and sectors* (BD-2). The project aims at reducing habitat fragmentation in 12 biological corridors that connect 8 protected areas and their buffer zones through community sustainable livelihood initiatives that enhance biodiversity conservation and sustainable use. The project will also have indirect effect in the first GEF biodiversity objective to *improve sustainability of protected area systems* (BD-1) through the establishment of community-conserved areas within the selected corridors, and as a result of civil society and community-based organizations increased capacity to implement conservation actions in line with the conservation objectives of the management plans of the 8 PAs, thus contributing to their long-term sustainability.
31. In the climate change focal area SGP will be consistent with CCM-3 and CCM-5, which are the most relevant in the context of SGP's civil society and community-based focus of the six GEF climate change objectives. Component 2 of the project will promote small-scale investments that demonstrate and accelerate uptake of low carbon solutions that meet community energy needs at the household level and for rural production processes. This includes micro-solar power lamps, biogas digesters, and fuel-efficient kilns, ovens and stoves. In CCM-5, the project will support community-based initiatives that prevent forest fires and land use change in critical biological corridor areas and PA buffer zones, as well as initiatives for the restoration of degraded areas. The Project will develop a system to monitor carbon stocks in the areas of intervention that will be consistent with national carbon monitoring. SGP may use the carbon monitoring tools developed by another GEF project (the Carbon Benefits Project) if these become available at the inception of the project.
32. For the land degradation focal area, SGP Costa Rica will support LD-1 to maintain or improve the flow of agro-ecosystem and forest ecosystem services to sustain community livelihoods. SGP will work with community partners to increase their capacity to contribute to the implementation of the National Action Plan on Land Degradation with emphasis on the Jesus Maria Watershed, which is the most degraded watershed in the country.

33. A cross-cutting objective of the project will continue to be capacity development of community-based and civil society organizations in the corridors and buffer zones targeted, in particular CD-2 and CD-5 objectives, outcomes and outputs. SGP will provide support to communities for engagement through consultative processes at the government and community levels; generation, access and use of information and knowledge to address global environmental issues; implementation of convention guidelines at municipal level; and monitoring and evaluation of environmental impacts and trends. Capacity development, knowledge management and communications are essential for up-scaling and replication of best practices. This is also consistent with GEF's longstanding programmatic support for capacity development, as outlined in GEF-5 programming document.
34. In accordance with the decisions of the GEF-SGP Steering Committee meeting that took place in Washington DC on 3 March 2010³, a maximum of 20% of the STAR allocations may be used to support demand-driven community-based International Waters and POPs project proposals where synergies with the STAR focal areas can be found. Given the latitude inherent in this proviso, it is not possible to select a priori the GEF-5 strategic objectives, outcomes and outputs for the IW and Chemicals focal areas; these will, however, be identified as and when grant proposals in these focal areas are approved by the National Steering Committee. SGP-funded IW and Chemicals proposals will be aligned with the objectives agreed in the above-mentioned Steering Committee, as follows:
- IW Objective: Support transboundary water body management with community-based initiatives.
 - Chemicals Objective: Promote and support phase out of POPs and chemicals of global concern at community level.

2.2 Country Ownership: Country Eligibility and Country Drivenness

2.2.1 Country eligibility

35. Costa Rica is a party to the Convention on Biological Diversity (August 26, 1994), to the United Nations Framework Convention on Climate Change (June 13 1994), and to the United Nations Convention to Combat Desertification (November 3 1997) and is therefore eligible for GEF financing.

2.2.2 Link to national strategies

36. The SGP is directly relevant to, supportive of, and consistent with Costa Rica's national priorities and policies related to global environmental issues and development priorities.
37. In the biodiversity focal area, the SGP responds to Costa Rica's National Biodiversity Strategy and Action Plan (NBSAP) in several key aspects: consolidation of Protected Areas; consolidation of biological corridors; enhancement of ecological connectivity through new Protected Areas within existing corridors; and sustainable use of wild resources.
38. In climate change, the SGP supports the National Climate Change Strategy. SGP grants will contribute to implementing key aspects of this Strategy, particularly, aspects related to reduction of rural emissions of GHG. It is also important to highlight that in June 2007, Costa Rica made a

³ The minutes of the GEF SGP Steering Committee of 3 March 2010 read as follows: "For those countries that are fully dependent on STAR funds, the SGP country programmes can look at links and synergies between the IW and the Chemicals focal areas with those of Biodiversity, Climate Change, and Land Degradation focal areas so that funds can be shared but not to go beyond 20% of their original STAR allocation".

public commitment to become a carbon-neutral country by 2021, the year marking the Bicentennial of its Independence. Since then, several government organizations have prepared and launched activities to meet this ambitious goal, pulling together efforts to reduce carbon emissions, increase energy generation sources not based in fossil fuels (hydro-power, solar, biogas, biofuels, wind and other). The Government expects all investments of country funds (including the GEF STAR allocation to SGP) to contribute to the carbon neutrality goal.

39. Regarding land degradation, Costa Rica has a National Action Plan to combat Land Degradation and a National Land Degradation Commission (CADETI) to implement the Action Plan. SGP activities in this focal area are aligned with the Action Plan concerning soil conservation and restoration, as well as water resources management and conservation. During the preparation of the Strategy a thorough analysis of Costa Rica's degraded areas was performed and these areas were prioritized accordingly. In consultation with CADETI, it was agreed that SGP's land degradation interventions will concentrate in the Jesus Maria watershed, which is not only a highly degraded area but also part of the Montes de Aguacate Biological Corridor, and therefore, important for biodiversity conservation.

2.2.3 Links with UNDAF and with ongoing UNDP and GEF programs and projects

40. The Project is in line with the 2008-2012 UN Development Assistance Framework (UNDAF) agreed between the Government of Costa Rica and the UN System Country Team. It is consistent with the following outcomes: capacity building of local actors for a sustainable development, inclusive and equitable; promotion of effective participation of people in the formulation, implementation and evaluation of public policies; development of analytical skills in social organizations for an informed and sustained public participation; changes in economic and socio-cultural practices in priority groups, in favor of environmental sustainability; and creation and strengthening of social networks that work under the principles of solidarity and respect for human rights.
41. UNDAF is the result of an agreement of the UN System in Costa Rica based on the national priorities and needs, including those defined in the National Development Plan (NDP) 2006-2010 and the country's commitments around the Millennium Development Goals (MDGs), and other international commitments.
42. The Project is fully consistent with three of the main strategic lines of action of UNDP Costa Rica's Country Program Document Framework (CPD): (i) Reducing poverty, inequality and social exclusion, (ii) Environment, energy and risk management, and (iii) Gender equality and equity. SGP supports community-based activities that simultaneously help reduce poverty, promote sustainable use of natural resources and, in general, improve environmental management, which includes energy efficiency, the use of renewable energy and reduction of risks caused by poor management of land and natural resources, such as mudslides in deforested areas.

2.3 Project Goal, Objective, Outcomes, Outputs and Activities

43. The project Goal is to conserve critical ecosystems of Costa Rica and mitigate climate change by supporting the implementation of national policies on biodiversity conservation, sustainable land management and carbon neutrality, while also contributing to communities' sustainable livelihoods.

44. The long-term project **Objective** is to secure global environmental benefits through community-based initiatives and actions that address habitat fragmentation and enhance ecological connectivity in twelve biological corridors linking eight Protected Areas and their buffer zones.
45. The project will achieve global environmental benefits by supporting at least 160 community-based initiatives that will collectively contribute to overcoming organizational and individual capacity barriers to mainstreaming biodiversity conservation and sustainable land management in the production landscape and to mitigate climate change. Individual small grants and other project activities will deliver concrete outputs to achieve 4 interrelated outcomes: (i) Biodiversity conservation and sustainable use mainstreamed into production landscapes in biological corridors and PA buffer zones; (ii) GHG emissions reduced and carbon stocks increased through community-based actions; (iii) Conservation of productive lands and restoration of degraded lands contributing to sustainability and improved local livelihoods; and (iv) Community-based organizations and their members with improved capacities and knowledge management for replication and up-scaling of best practices.
46. To the extent possible the project will take an integrated approach whereby individual activities contribute to deliver more than one outcome, and individual organizations and initiatives link up to achieve economies of scale, learning and replication.

Outcome 1: *Community-based actions mainstream biodiversity conservation and sustainable use into production landscapes in biological corridors and PA buffer zones*

The main indicator target for this outcome is the enhanced protection and conservation of 180,000 hectares in 12 priority biological corridors and buffer zones linking 8 protected areas.

Total Cost: 4,510,379 **GEF Funds: 2,210,379** **Co financing: 2,300,000**

47. The project’s first outcome will be achieved through delivering the following 5 outputs:
 - Output 1.1.1** Local Councils for Biological Corridors effectively promote and manage community initiatives focused on environmentally friendly products and land management for a sustainable use of biodiversity.
48. This output is designed to help overcome governance and capacity barriers for communities to sustainably manage their territories within the 12 biological corridors and the buffer zones of the 8 protected areas. In particular, output activities seek to enable community leaders to participate effectively in Local Councils for Biological Corridors and to become promoters and managers of community-based initiatives compatible with biodiversity conservation and sustainable land management. Local Councils are the on-the-ground operational arms of the Costa Rican National Biological Corridor Program. These are local coalitions composed of interested CBOs and NGOs, representatives from the general public, the private sector, governmental institutions and municipalities whose purpose is the establishment and consolidation of Local Biological Corridors. These instances are recognized as Local Councils for Biological Corridors by the Regional Councils of Conservation Areas.
49. Local Councils are a mechanism established by the Government of Costa Rica for integrating civil society in the formal structures of the SINAC in response to the need to guarantee the long term sustainability of the corridors and as an innovative way to promote and manage community initiatives for the implementation of biological corridors strategic territorial management plans. However, an evaluation carried out by CATIE in 2009 on the functioning of Local Councils found that only 3 of such Councils could be rated as having “optimum management”, only one had a strategic plan, and many Councils have not been constituted.

50. SGP seeks to support the establishment of at least 3 new Local Councils and to strengthen 7 existing Councils so that they overcome organizational and operational weaknesses. The main social benefit from this output is the strengthening of social cohesion in the target areas – an important requirement for ecosystem connectivity –, and increased capacity for sustainable territorial management at the local level.
51. Under this Output the project will:
- Support the creation of 3 new Local Councils (BC Rio Naranjo, Amistosa, and Bosque del Agua).
 - Strengthen 7 existing Local Councils (BC Chorotega-Diría, Ruta los Malekus, Montes del Aguacate, Paso de las Lapas, Pájaro Campana, Paso del Mono Aullador, Colorado Tortuguero)
 - Deliver training to enhance local council capacities for communications, governance, planning, management and entrepreneurial development.
52. In each target area, SGP will make a formal presentation on the scope of the project, the potential role of Local Councils in its implementation to contribute to improving communities' living standards as well as achieving global environmental benefits.

Output 1.1.2 Strategic territorial management plans for buffer zones and important areas within biological corridors formulated and implemented.

53. This project output will help overcome the barrier of lack of capacity at community level for land use planning in buffer zones and corridors. Currently, out of 12 selected BCs, only the “Pajaro Campana” biological corridor has a strategic plan for its management. Furthermore, Costa Rica lacks regulations concerning land use in buffer zones and therefore, there is no guidance for farmers and other local inhabitants of these areas on what economic or recreational activities may be undertaken without detriment to the environment. SGP will support at least 10 initiatives to prepare strategic territorial management plans for the same number of biological corridors or priority areas in buffer zones integrating local stakeholders. These strategic plans will be developed with a strong involvement of Local Councils for Biological Corridors given their central role in promoting and coordinating their implementation. The strategic plans will also guide the implementation of other project outputs and activities within the respective corridors and buffer zones.
54. An important expected result from this output is an integrated sustainable vision with respect to land use and territorial management of communities located within the corridors. The following activities will be implemented:
- Selection of biological corridors that require strategic management plans;
 - Consultations with government, civil society and other stakeholders to define land use and strategic management activities;
 - Design of an adaptive management mechanism for monitoring the implementation of the plans and revise them as the need arises.

Output 1.1.3 New community Protected Areas within biological corridors established and managed.

55. This project output seeks to enable local communities to conserve natural forest patches within the production landscape in biological corridors and buffer zones. The Costa Rican agrarian reform process distributed land to farmers while also leaving aside areas with forest cover for conservation. Such forest-covered areas vary in size from 30 to 300 hectares and are “stepping stones” for achieving ecological connectivity within production landscapes. The Biodiversity Law (Law 7788 of 1998) calls for the transfer of such forest patches from the Institute of Agrarian Development to

the Ministry of Environment, Energy and Telecommunications (MINAET) for their protection. However, MINAET has not been proactive in acquiring these areas in view of the challenge it already faces in managing the existing 160 protected areas of the country. These forest patches are dispersed throughout the landscape, which poses additional management challenges. This is why, in its previous phase, SGP implemented a pilot initiative to support the community of Rojamarca to transfer 100 hectares of forest to MINAET with which they signed an agreement for the protection and conservation of the area. The forest area under this conservation agreement can only be used for sustainable tourism and research under the category of Mixed Wildlife Refuge. By formally transferring the forest areas to MINAET these become part of the SINAC. However, by virtue of the above-mentioned agreement, the community carries out the forest area management.

56. SGP will use this experience to support other communities undertake a similar process, reaching formal agreements with MINAET to conserve and manage these forest areas. A strategic tool for improving the likelihood of sustainability of these conservation initiatives is the implementation of community-managed Sustainable Rural Tourism. Rural Tourism ventures use wildlife refuges as an important attraction for tourists; therefore, communities have an interest in maintaining the ecological integrity of the conservation area and its beauty.
57. Under this output SGP will support communities to establish and manage at least 5 conservation areas, increasing by at least 2,000 hectares community conservation areas within the SINAC. It should be noted that currently there are no such conservation areas within the geographic scope of the project. The main social benefit arising from the implementation of this output is the self-empowerment of communities to manage and maintain in perpetuity these conservation areas and to use them to enhance their livelihoods through sustainable tourism ventures.
58. The proposed activities for this Output include:
 - Development of a strategic alliance with the Costa Rican Network of Nature Reserves (they have 199 members protecting 85,044 ha.) and with ACTUAR to secure long term technical and other support to local communities and facilitate replication and up-scaling;
 - Identify potential forest patches and interested communities;
 - Basic studies to define the baseline for the conservation areas to facilitate monitoring.
 - Development of a Management Plan for each area.
 - Formal establishment of the community protected area within the SINAC.
 - Environmental education⁴.

Output 1.1.4 Community-based reforestation, natural regeneration of forests, and payment for environmental services schemes implemented.

59. This Output will promote the valuation of environmental services provided by conservation areas and local forestry initiatives and enable communities to access existing financial compensation mechanisms.
60. The Payment for Environmental Services Program (ESPP) has been in operation in Costa Rica since 1991. The ESPP is a financial recognition by the State to forest and plantation owners for the environmental services rendered by them, which directly benefit the protection and improvement of the environment. □□ According to Costa Rica's Forestry Law No. 7575, the following

⁴ This includes a wide range of activities, formal and informal, aimed at supporting a deep change in the local peoples' mind with regards to their interaction with their environment. Among others, the project will promote environmental festivals, drawing and singing contests, talks in primary and secondary schools, campaigns of recycling, reforestation, saving water, energy efficiency, and prevention of wildfires, among others.

environmental services are considered: mitigation of climate change by reducing greenhouse gas emissions; protection of water for urban and rural supply or hydroelectric purposes; protection of biodiversity for conservation, for its sustainable use, and for scientific and pharmaceutical uses; research and genetic improvement; protection of ecosystems and life forms, including natural scenic beauty for tourism. The payments for environmental services are channeled through the National Fund for Forestry Financing (FONAFIFO). The funds managed by FONAFIFO are derived from, among others: direct contributions from the Government; grants; loans from international organizations; investment revenues; 40% of the tax revenues on timber products; and forestry bonds.

61. During GEF-4, in collaboration with FONAFIFO, SGP supported 20 indigenous communities to undertake the necessary planning and paperwork to obtain payments for environmental services. During GEF-5 SGP will provide similar support to other indigenous territories and to small farmers in the buffer zones of the PAs and in critical areas within the biological corridors. Payments will be for reforestation, natural regeneration, agroforestry systems, and forest protection aiming at improving the vegetation cover in these areas. Indigenous peoples and small farmers are often scattered in large areas and isolated and would not have access to such payments without SGP's information sharing and support during the application process and beyond.
62. SGP will also make available technical assistance and other support to local communities to ensure the success of their forestry-related activities. In accordance with SGP policy only native species will be planted. The list of potential species to be used is provided in Annex C.
63. PES will complement communities' incomes and help ensure the sustainability of forest management activities. At the same time SGP will strengthen the capacities of local communities for their sustainable development.
64. Under this Output SGP will support at least 10 community-based initiatives. Key output activities are:
 - Jointly with FONAFIFO review the location and status of existing incentive payments within the project geographic areas and develop a strategy for channeling additional incentives to communities located in priority areas within the corridors; this includes the identification of priority sites for intervention;
 - Negotiation and signing of an Agreement between SGP and FONAFIFO during the first year to implement PES in the priority areas selected;
 - Development and implementation of an information campaign in the project geographic areas consistent with activities related with Outcome 4;
 - Review, approval, implementation and evaluation of the 10 project interventions benefiting an equal number of communities. This will increase by 50% the number of communities receiving PES in the project area.

Output 1.1.5 Biodiversity conserved by families living in corridors and PA buffer zones through sustainable livelihoods opportunities (i.e., community rural tourism, organic agriculture, organic honey, medicinal plants, handcraft activities and other sustainable production practices).

65. This output seeks to support communities identify and implement income generating activities that mainstream biodiversity conservation in the production landscape and are compatible with the ecological connectivity objectives of this project. This output will contribute to the implementation of community conservation areas and biological corridors strategic plans. Output activities will help remove the information and know-how barriers that make community adoption of more sustainable practices difficult. As noted in paragraphs 14 and 15 above, SGP has significant experience in

supporting sustainable production activities, including the promotion and marketing of biodiversity-friendly goods and services. Under this output SGP will seek to maximize opportunities for sustainable livelihoods compatible with conservation, and to strengthen the civil society networks and institutions that help achieve economies of scale. Markets for these products and services already exist nationally and internationally (e.g, it has been estimated that the national market for organic products is growing 20% each year). The challenge is to enable target communities to access these markets for their goods and services and to ensure that income-generating activities are carried out in a sustainable manner. SGP will therefore seek to ensure that at least 50% of sustainable livelihood activities supported through this project obtain environmental certification. Certification schemes envisaged for community initiatives are, among others, Organic Production Certification through DAAO, Costa Rican Certification for Sustainable Tourism developed by the Costa Rican Institute of Tourism (ICT), “Blue Flag” ecological certification for beaches and coastal communities, and Fair Trade certification.

66. In addition to the global environmental benefits derived from sustainable production landscapes, this output generates social benefits such as increased family income, enhanced production and marketing skills, as well as improved community organization and social cohesion. Sustainable livelihood activities to be co-funded through CBO and NGO grants are: sustainable rural tourism, organic agriculture, organic honey, medicinal plants, handcraft products, agroforestry, and other sustainable production practices. The proposed activities to deliver this Output will benefit at least 1,000 families. Output activities are:

- Support to CBOs and NGOs to develop and implement at least 50 eligible and viable business proposals that meet environmental and social standards, as well as market requirements and quality standards;
- Support communities obtain the relevant certification;
- Support community-based initiatives link up with specialized networks and organizations that engage in similar activities for technical support, promotional activities and learning.

Outcome 2: *Green-house gas emissions reduced and carbon stocks increased through community-based actions.*

The main indicator targets are:

- 15,000 tCO₂ e avoided in four years through EE and RE activities;
- 12,500 tCO₂ e/year mitigated (approx. 50,000 tCO₂ in 4 years) from avoided forest fires, equivalent to 87.5 ha of forest fires avoided/year (142.78 tCO₂ e/ha)
- 83,237 tCO₂ e sequestered in 3 years through reforestation of 2,300 ha (12.06 tCO₂ e/ha/year) and through the protection of 60,000 ha of native forests.

Total Cost: 1,536,793

GEF Request: 736,793

Co financing: 800,000

67. Costa Rica has decided to become carbon neutral by 2021. This brings up an opportunity for linking this initiative with sustainable, low-carbon rural development. This project outcome will be achieved through delivering a set of 5 Outputs organized in 3 groupings: Three Outputs related to enabling rural communities implement renewable energy and energy efficiency technologies; one Output related to maintaining carbon stocks through fire avoidance and fire management in forests and surrounding areas; and one Output related to the increase of carbon stocks through forest protection, regeneration and reforestation. The interventions to deliver this Outcome will take place in the 12 biological corridors and the buffer zones of the 8 protected areas for achieving synergy

with biodiversity conservation and sustainable land management initiatives. Below is a description of the main activities that will take place to deliver each project output.

Output 2.1.1 Energy efficient technologies in rural production activities in PA buffer zones such as ecotourism facilities, water pumping and crop drying implemented.

68. This Output seeks to integrate climate change mitigation into production activities of rural communities by promoting and implementing clean and efficient energy technologies and practices. The main barrier to be removed under this Output is the lack of access to clean and efficient rural small-scale energy technologies. SGP will both implement a number of demonstration activities and create conditions for the wider adoption of EE in the rural areas.
69. The following activities aim at reducing at least 5,000 tons of GHG emissions from rural production activities by the end of the Project. The activities under this Output are:
 - Preparation of a guide to measure and monitor the Carbon footprint of production activities;
 - Development and approval of 15 community-based interventions such as water pumping, solar drying of organic coffee and organic cocoa, or efficient use of energy in rural tourism facilities activities (e.g., solar water pumping, solar water heating, replacement of incandescent lamps and substitution of inefficient electric engines);
 - Training on best practices towards energy efficiency in small applications for productive uses in rural areas;
 - Technology substitution of conventional forms of non-efficient energy production and heating devices for more efficient ones;
 - Field days and promotion of the same technologies to other communities.
70. These activities should achieve 40% energy consumption reduction in rural hostels; some 150 energy efficient electric engines will be installed (of which 100 through replication) and some 2000 CFL installed of which 1500 through replication.

Output 2.1.2. Small-scale renewable energy systems at community level, including biogas for cooking and heating, solar energy for cooking, and photovoltaic for off-grid areas implemented.

71. The Costa Rican Institute for Electricity has managed to provide electricity coverage in a large proportion of the country. However, there are still a number of remote rural areas that have not been reached by the network and have no prospect of inter-connection in the near future. Small-scale renewable energy systems are viable solutions to reduce the demand for fossil fuels and to reduce the unsustainable use of fuelwood for domestic and productive uses in off-grid communities. Such technologies can also increase production and bring other social and economic benefits to communities in these remote regions.
72. The main barriers to be removed by output 2.1.2 and 2.1.3 activities are the lack of information concerning more sustainable energy production technologies and the lack of funding available to cover the up-front costs to households and communities of switching to more sustainable energy systems. A key social benefit from this Output is that CBOs will meet their energy needs in a sustainable manner and they will start understanding the relation between their production methods and the carbon footprint, and improve their understanding of climate change issues.
73. Outcome activities will aim at reducing at least 10,000 tons of GHG emissions during the lifetime of the project through 10 community-based interventions. This interventions aim at increasing the renewable energy capacity in targeted rural areas as follows: some 300 biodigestors financed by SGP and some 600 installed through replication; 20 solar dryers of which 16 through replication; some 26 micro-hydro schemes of which 20 through replication; and some 15 PV panels of which 10

though replication. The increased heat and electricity to be produced from these renewable energy installations is estimated at 8,054,600 kWh. The following are activities to be undertaken to deliver the output:

- Promotion and information on renewable energy devices for various domestic and production uses.
- Technical assistance and support to the implementation of small-scale renewable energy technologies such as: small-hydro plants, photovoltaic systems, and biomass-to-energy systems.
- Exchange of experiences and promotional activities for wider dissemination of renewable energy technologies in rural areas

Output 2.1.3 Technical assistance and capacity building delivered so that partners can offer micro-credit lines for rural small-scale energy efficiency and renewable energy investments.

74. Identification of credit lines based on a combination of criteria such as people's ability to pay, people's savings and lending approach will be analyzed in collaboration with micro-finance institutions and other rural development organizations, in order to select and disseminate the best credit options for local communities. This approach responds to the fact that there are not enough lines of credit to finance the renewable energy and energy efficiency market niches nor are communities aware of the existence of the few lines of credit available. Information on at least three credit lines will be shared before the Project's completion and interested people in target areas will be supported to obtain the credit. The expectation is that a minimum of 5 loans will be approved before the end of project. Mobilizing fresh finance into the development of emerging markets for renewable and efficient energy technologies is essential to achieve a wider adoption of these technologies. Activities related to Outputs 2.1.1 and 2.1.2 would not be sufficient to achieve the overall emission reduction targets of the project without replication, which in turn is partly dependent on credit availability. The proposed activities for this Output include:

- Promote lines of credit with local financial intermediaries to finance sustainable energy interventions at the local level in the target zones.
- Technical assistance and capacity building so that financial partners can offer the most appropriate micro-credit lines.
- Implement an information system with existing information and experiences in financial opportunities.
- Develop the mechanisms needed to attain financial and institutional sustainability at the community level.

Output 2.2.1 Local community crews trained, equipped and organized for forest fire prevention and management in the buffer zones of Palo Verde, Chirripó, Guanacaste and La Amistad National Parks, and the Diria Biological Corridor.

75. A National Fire Management Strategy was developed in 2006 and since then its implementation has involved different sectors including many communities nationwide supported by the SGP. Community fire management is expected to allow avoiding 50,000 tons of CO₂e during the lifetime of the Project in the following geographic areas: buffer zones of Palo Verde, Chirripó, Guanacaste and La Amistad National Parks, and the Diria Biological Corridor. This represents avoidance of fire in approximately 87 hectares each year (see Annex B).

76. The lack of equipment and financial and technical resources by many communities adjacent to PA and located in the biological corridors is a significant barrier to prevent and combat in a timely manner forest fires. Under this output SGP will support 10 initiatives to organize and prepare forest

fire control crews in the buffers zones of the above-mentioned areas, including local forest rangers. Teams will be equipped with basic fire-fighting equipment and trained, so that they are prepared for the high-risk fire period. Output activities will include capacity building workshops for recognition of fire signals, establishment of practices to routinely assess fire environment indicators, and implementing new techniques and manage equipment for fire fighting. Establishing forest fire-fighter committees help government authorities at all levels to contribute to steer, supervise and monitor forest fire control activities in these remote areas. The following initiatives will be implemented:

- Incremental support to the implementation of the National Wildfire Management Plan, through the strengthening of CONIFOR -National Commission to Combat Wild Fires (1 initiative) – to enable them to work with local communities.
- Dissemination and socialization of the National Strategy on Wildfire Management 2011-2021.
- Preparation and implementation of an Action Plan on Wildfire Management for participating communities.
- Enable a more favorable environment for the implementation of the law on Wildfire Management.
- Strengthening of 4 crews and creation of 5 new ones in Palo Verde and Guanacaste NP buffer zones and in Diria BC.
- Provision of forest fire fighting equipment to 30 crews.
- Capacity building, exchange of experiences, structure formalization and legalization of fire-fighting committees. Train at least 100 volunteers.
- Prevention and mitigation of forest fires.
- Restoration of burnt areas.
- Support an expert on CO2 emissions monitoring.
- Workshop on research needs on fire management.
- Preparation and dissemination of a Practical Manual for the Prevention of Wildfires.

Output 2.3.1 Reforestation and natural regeneration, and forest protection in buffer zones of Palo Verde, Chirripó, Guanacaste and La Amistad National Parks, and the Diria Biological Corridor.

77. This output seeks to increase Carbon stocks in community lands using different approaches to improve the vegetation cover and conserve existing forests. Under this output SGP will support 5 community initiatives in the buffer zones of Palo Verde, Chirripó, Guanacaste and La Amistad National Parks, and the Diria Biological Corridor (same geographic areas indicated in Outcome 2.2.1). SGP aims at sequestering some 83,237 tCO₂e in 3 years through reforestation of 2,300 ha (12.06 tCO₂ e ha/year) and through natural regeneration and protection of 60,000 ha of native forests.
78. The SGP team will participate in the Government-lead initiative for developing a method for measuring carbon stocks. This is a good practice activity under LULUCF that will be coordinated as much as possible with the GEF Carbon Benefits project. Once these methods and tools are adapted to the SGP conditions in Costa Rica, they will be applied to measure impact in all LULUCF activities. The SGP team will be reinforced with an external consultant expert on carbon monitoring who will carry out, among others, the following activities: estimation of CO₂ benefits for the management of 60,000 hectares using IPCC good practice guidance; propose a method for carbon measurement of all relevant SGP projects (including those not directly targeting maintenance and enhancement of carbon stocks and CO₂ emissions reduction); enhance the capacities of the country team to apply the methods and tools developed for monitoring Carbon;

and contribute to training selected community members to contribute to CO2 monitoring. The terms of reference are included in Annex I for further reference.

79. The proposed activities for this Output include:

- Analysis of the proposed project profiles for increasing vegetation cover;
- Design and implementation of local strategies for forest protection;
- Reforestation with native trees and implementation of initiatives for allowing natural regeneration/enrichment in areas affected by forest fires;
- Public awareness and environmental education;
- Help phasing out slash-and-burn agricultural practices in the most vulnerable areas;
- Development of a carbon monitoring system to be implemented by local communities and the SGP country team with support from relevant institutions present in the project areas.

Outcome 3: *Conservation of productive lands and restoration of degraded lands contribute to sustainability and improved local livelihoods.*

The main indicator target is: 29,500 hectares under improved sustainable community land management in the most degraded watershed of Costa Rica

Total Cost:	1,092,794	GEF Request:	532,794	Co-financing:	560,000
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80. Under the GEF Land Degradation Focal Area the project will focus on the most degraded watershed of the country, the Jesus Maria River Basin, which is located in the Central Region of Costa Rica. SGP will work in the Cantons of Esparza, San Mateo and Orotina, where the majority of communities within the Jesus Maria river basin are located.

81. A variety of activities under this FSP will be supported in order to reduce land use pressure, increase biomass coverage, improve water management and enhance community livelihoods. Since 2008, CADETI – the Costa Rica Advisory Commission on Land Degradation, has been proactive in reviewing and revising land degradation policies and promoting action nationwide. CADETI prepared the National Action Plan (NAP) to Combat Desertification that identified the Jesus Maria Watershed as the most deteriorated basin, and selected such basin to implement a pilot experience that could serve as a model for other degraded watersheds of the country. The main challenge now is to have the NAP adopted within the Jesus Maria Watershed and enhance the capacity of local CBOs and community members to fulfill their obligations under the NAP.

82. It is expected that by the end of the Project 29,500 hectares will be under sustainable land and water management and that at least 500 hectares of degraded land would have been restored with sustainable practices including agro-forestry systems, silviculture, organic agriculture, and agro-ecological systems, with a positive impact on the local strategies for crop cultivation and integrated watershed management. By establishing a strategic alliance with CADETI SGP will help create the conditions for replication and up-scaling. The overall scope of the institutional agreement with CADETI is included in Annex D for further reference. CADETI is also a main Project co-financing partner. SGP and CADETI will also collaborate with the Water and Sewerage Utilities (AyA) to help build the capacities of local community water associations (ASADA).

Output 3.1.1 Integrated farm management and sustainable production implemented under criteria of environmental protection, social responsibility and economic efficiency.

83. This output tackles the lack of knowledge and skills to apply sustainable land management methods to farming among poor rural communities. Through 10 different initiatives SGP, in partnership with CADETI, will promote improved agricultural management in 200 hectares. Activities under this

Output, will also contribute to enhancing ecosystem connectivity so that resilience of ecosystems to climate change is improved. Vulnerability assessments on biodiversity, agriculture, and tourism, to better understand the likely impacts of climate change in the basin will be carried out in close cooperation with the Ministry of Agriculture, public universities, and CATIE.

84. The proposed activities for this Output include interventions related to:

- Supplementary climate change vulnerability assessments (Biodiversity, Agriculture, and Tourism) to improve understanding of likely impacts from climate change.
- Identification, approval and implementation of 10 project interventions in farm management and sustainable production with local communities, such as:
 - a. Soil conservation methods that may include agroforestry, contour farming and terracing, hillside ditches, windbreaks, no-till farming, cover crops (to improve soil quality and fertility, manage pests, and other purposes), organic agriculture, and bio-remediation (for example, use of micro-organisms for improving soil fertility);
 - b. Control of river banks as a method for soil conservation;
 - c. Rainwater harvesting methods for dry season crop irrigation.

Output 3.1.2 Community-based reforestation, agro-forestry and silviculture systems implemented to restore degraded land.

85. This output helps address the capacity barriers of communities to restore degraded lands through SLM approaches. The project aims at restoring 300 hectares, particularly those degraded as a consequence of over-grazing, within the basin in order to improve local livelihoods and land productivity. Native trees will be planted for water protection. Among other social benefits, the surrounding peri-urban communities will have access to open natural areas for recreation and enjoyment. The incremental activities under this Output for 10 selected communities will include:

- a. Establishment of agro-pastoral, agro-forestry and silvo-pastoral systems;
- b. 0 grazing system and semi-feedlot systems;
- c. Live fences and live barriers or hedges; and
- d. Restoration of degraded grazing areas

Output 3.2.1 Water resources protection actions and integrated watershed management practices for improved community water supply and ecosystem resilience implemented.

86. SGP will address local water governance and capacity barriers for water management at community level by establishing a partnership with the national water/sewerage utility (AyA), strengthening the functioning of the Community Associations for Water Management (ASADA), directly assisting the communities to protect water sources and undertake other water management activities, and by supporting the preparation of essential technical studies. Under this output SGP aims at enhancing water management in 29,000 hectares within the Jesus Maria basin.

87. Five ASADA groups located in the communities of Llano Brenes, Berlin, La Libertad, Desmontes, Dulce Nombre, Maderal, and Labrador will receive a grant each to work on the following:

- a. Public awareness and environmental education for conservation and protection of the Jesus Maria River basin, and local dissemination of the NAP;
- b. Water protection advocacy at the local level;
- c. Improving water uptake and water retention in the upper watershed and springs;
- d. Promote the design and implementation of innovative strategies for resource mobilization for water conservation and protection (for example, PES associated with reforestation

- activities in the watershed, establishment of a fund for water management through charging a water conservation levy to water users, and others)
- e. Control of surface running water by using proven technologies and best practices.

Output 3.3.1 Local Watershed Commission in the Jesus Maria Watershed established and operating effectively and training and awareness program on the National Action Plan delivered.

88. This output complements the previous one in addressing water governance capacities. The aim is to overcome the limited capacity of local communities to participate in watershed management bodies and for policy advocacy at the local level. In Costa Rica, Local Watershed Commissions composed of all institutions and organizations with a local presence are entrusted with the responsibility for watershed management planning and implementation. ASADAs are also members of the Watershed Commissions. The Jesus Maria Watershed does not yet have a Local Watershed Commission formed and therefore SGP will promote and support its establishment.
89. SGP expects to enhance the capacity of some 2,000 individuals on all aspects of integrated watershed management. Activities related to this output are closely linked to those to be undertaken under Output 3.3.2 (below)

Output 3.3.2 Capacity development program on watershed management delivered to communities vulnerable to land degradation through strategic alliances with key institutions, participatory research, training & exchange of experiences.

90. In partnership with CADETI, at the national and basin levels, SGP will interact with about 40 local leaders in 8 communities vulnerable to land degradation to enhance their capacities for SLM. Under a holistic approach, the SGP will support strategic alliances between communities and key institutions to enable participatory applied research with public universities, deliver training, and exchange of experiences for the implementation of the NAP in the basin. This output is designed to contribute to overcome the institutional capacity barriers for watershed management at the local level. The following activities will be carried out:
- Provide inputs to the design and implementation of CADETI's Annual Work Plan for the next 4 years (2011-2014) to ensure coherence with activities proposed in this project.
 - Identify indicators of land degradation that may be used at community level.
 - Negotiate with the National Meteorological Institute data gathering and monitoring in the Jesus Maria River Basin, including the installation of a meteorological station.
 - Codify and make available SGP experiences and lessons to other stakeholders in the country and with the UNCCD COP.
 - Develop an information system and document the processes within the Basin.

Outcome 4: *Community-based organizations and their members with improved capacities and knowledge management for replication and up-scaling of best practices.*

Total Cost: 731,545

GEF Request: 317,545

Co-financing: 414,000

91. The fourth project outcome addresses cross-cutting capacity development to overcome information, knowledge, organizational and policy barriers to up-scaling and replication of community-based initiatives. This outcome will be achieved through 6 interrelated outputs that will: strengthen the capacities of SGP stakeholders to contribute to policy and legislation development relevant to the thematic priorities of the project (outputs 4.1.1, 4.1.2 and 4.2.1); enhance the capacities of community groups to generate, access and use information on global environmental issues (output 4.2.2); enhance the capacity of the SGP country program to operate an efficient knowledge management system to capture and disseminate good practices and lessons (outputs 4.3.1 and

4.3.2); and improved project monitoring capacities of grantees to help them apply adaptive management techniques that increase the likelihood of successful project implementation (output 4.4.1).

Output 4.1.1 Stakeholder networks established and awareness and understanding of existing policies and national legislation in relation to biological corridors, wildfire management and sustainable production increased through consultations with community members and indigenous peoples leaders.

92. This outputs aims at addressing two issues: Firstly, it will help establish new networks of practitioners addressing similar issues or producing the same goods and services and it will help new community groups become members of existing networks. Linking up individual community groups enable them to have a greater influence with respect to policy development and achieve economies of scale to access training, technical assistance, credit or other services. Umbrella organizations can also provide a number of important services to their members such as promoting individual tourism facilities and services, developing standards for goods and services, etc. Secondly, under this output, SGP will work with at least 5 networks and local CBO leaders to increase their awareness and understanding of existing regulations and policies in relation to, among others, wildfire management, biological corridors, and sustainable production. Consultations, exchanges and other concrete capacity building activities will take place once concrete needs are identified for the following networks:

- a. The Talamanca Indigenous Network;
- b. Wildfire Management Network;
- c. National Biological Corridors Network;
- d. BIOVIDA- Community Leaders for Biodiversity Conservation;
- e. National Rural Tourism Community Chamber;
- f. Others, if relevant.

Output 4.2.1 Community proposals related to policy and regulatory regime change for environmental conservation and sustainable livelihoods prepared and delivered to policy makers.

93. On the basis of priorities identified in the previous output, Output 4.2.1 will focus on facilitating consultations among CBOs, networks and other local stakeholders around policy and regulatory issues related to environmental management and sustainable livelihoods. During these consultations SGP stakeholders will examine whether existing policies and regulations provide an effective enabling environment for communities' participation in addressing environmental and sustainability issues, and identify policy gaps and barriers. These exchanges are expected to help develop concrete proposals to address policy shortcomings or policy and regulatory gaps. This output will undertake the necessary activities to produce at least 2 policy proposals and ensure these proposals are delivered to policy-makers for consideration.

Output 4.2.2 Information & knowledge related to their projects managed and shared by communities through publications, fairs, presentations and other means.

94. Information and knowledge management is a critical output in any UNDP initiative, both at the national and global levels. This Output will assist communities to manage knowledge acquired through project implementation and also to make this knowledge and information available to other communities in the country. The following activities will take place:

- Support to SGP grantees to consistently analyze their experiences and keep a record both in writing and graphically (maps, photos, videos, drawings, etc) of their experiences and the knowledge acquired in implementing their projects;

- Identify information needs and best practices that could be shared among SGP stakeholders and other groups at the national level;
- Organize 3 annual national stakeholder workshops with the participation of at least 20 CBOs;
- Support SGP grantees to share knowledge through publications, fairs, presentations, etc, including the preparation of knowledge products for these events.

Output 4.3.1 Exchange of experiences and capacity building between stakeholders (peer-to-peer knowledge sharing).

95. This output aims at enabling peer-to-peer learning among communities within Costa Rica and also with sustainable development practitioners in other countries. Concerning national experience exchange activities the project will undertake the following:

- Organize at least 4 exchange workshops⁵ that combine peer-to-peer learning activities and technical courses. The workshops will also provide an opportunity for developing the awareness of communities vis-à-vis the global environmental objectives of the project;
- Exchange of experiences between groups⁶ using means different from workshops;
- Public awareness activities with communities (socialization of the global conventions on Biodiversity, Climate Change and Land Degradation);
- Systematization and socialization of significant experiences in BC and NP management.

96. Because SGP-Costa Rica is not a stand-alone project, links with other SGP FSP will be maintained to ensure knowledge is shared with these projects, with the global SGP, and with sustainable development practitioners nationally and beyond. The SGP inception workshop that will bring together all up-graded SGP FSPs will be an opportunity to better design experience exchange activities for peer-to-peer learning and exchange of information among SGP country programs. SGP Costa Rica will contribute to and participate in these knowledge management activities, including sharing monitoring and evaluation results, exchanging information on specialized issues such as carbon monitoring methods and experiences in their application. The following activities will take place:

- Define priorities for experience exchange and determine the most effective mechanisms for knowledge sharing among SGP FSPs and beyond;
- Identify experiences to be shared on biological corridor design and management, integrated farm management, rural community tourism, fire management, etc. that are common to various countries and project stakeholders;
- Organization of and participation in peer-to-peer learning workshops.
- Promotion and organization of internships and study tours of two-three days with other initiatives.
- Participation of the SGP Team (including NSC representatives if funds allow) in regional workshops in upgraded countries in the LAC Region (Costa Rica, Ecuador, México, Bolivia, and Brazil).

⁵ These are activities, formal and informal, of different duration are aimed at improving capacities and management skills of the SGP stakeholders. For example, it includes training courses by the National Learning Institute (INA) of 3-month duration, technical workshops person-to-person in the farm locations, as well as inception workshops carried out directly by the SGP team on accounting and project management for the SGP stakeholders.

⁶ These are technical tours and visits for experience exchange to on-going initiatives relevant to what these groups are already working on, or will be working on in the short term. The objective is to facilitate cross-learning among project participants.

- Ensuring information, data and knowledge are available for promotional, communications and knowledge products in various media and formats as an input to other outputs related to Outcome 4.

Output 4.3.2 SGP website strengthened and knowledge management products such as publications, media events and presentations generated and available with respect of SGP-funded community based initiatives that have been successful in generating global environmental benefits.

97. Outreach and information dissemination are key for SGP in Costa Rica both for transparency and to enable knowledge management and replication. This Output includes activities to ensure the national SGP website (linked to the global SGP website) is attractive and up-to-date. SGP will also develop at least 15 SGP knowledge products including:

- Fact sheets on successful initiatives;
- Fact sheets and manuals on innovative technologies developed by CBOs, their results and lessons learned;
- Publications summarizing overall SGP experiences and lessons learnt for the overall program and for specific themes or geographic locations.
- Audiovisual and printed materials on SGP activities and results and with information on the global Conventions and the GEF.

Output 4.4.1 CBO training delivered on integrated monitoring instruments to assess project progress and results.

98. SGP has shown that a very high rate of success is achieved at the project level due to the self-empowerment and increased capacities of community groups. A key component of capacity development is to assist local communities acquire the skills to perform ongoing monitoring and evaluation of their initiatives and apply adaptive management. M&E is also the basis for knowledge management at community level. The SGP will train at least 20 communities in 12 biological corridors to assess project progress and identify their outcomes and impacts. This Output includes the following activities:

- Revision and updating of the project development guide and the project templates;
- Training on outcome indicators and measurement methodologies; this includes identifying some common indicators that may help assess results from clusters of projects;
- Revision and updating of progress and final report templates;
- Support to CBOs and NGOs during project formulation and M&E activities;
- Induction sessions for grantees.

99. Table 4 summarizes the links between the identified barriers and the activities to be undertaken at country programme level and by communities to overcome the same.

Table 4: Links between identified Barriers and SGP Community Interventions and Programme Activities

Barriers to biodiversity conservation, climate change mitigation and sustainable land management	Key SGP actions related to barrier removal
Lack of legislation regulating land use and activities in buffer zones and biological corridors.	<ul style="list-style-type: none"> • Communities develop strategic management plans for sustainable land and resource use taking into account biodiversity concerns.
Lack of capacity at community level for land use planning in buffer zones and corridors.	<ul style="list-style-type: none"> • Strengthening the capacities of local actors in watershed management.

	<ul style="list-style-type: none"> • Education and environmental management in areas facing high degradation.
Weak governance mechanisms for the implementation of biological corridor management plans.	<ul style="list-style-type: none"> • Establishing and strengthening Local Councils for Biological Corridors and developing the capacities of their members.
Lack of information, skills and knowledge on agricultural production technologies that help maintain ecological connectivity.	<ul style="list-style-type: none"> • Promoting inter-agency research projects with community participation. • Supporting sustainable production activities and alternatives to those described as a threat (e.g., rural community tourism, responsible fishing, mariculture, organic agriculture, and organic beekeeping) • Technical assistance to community groups • Establishing strategic alliances (networks) for marketing and sustainability initiatives.
Lack of economic incentives for changing unsustainable community practices and /or lack of knowledge about incentive mechanisms such as payments for environmental services that exist in Costa Rica.	<ul style="list-style-type: none"> • Facilitating access by communities to Payments for Environmental Services related to forest protection, reforestation, tree planting, and regeneration. • Facilitating access to credit and incentives for conservation and protection. • Promoting financing mechanisms for RE and EE
Lack of public awareness for the need to conserve critical areas to maintain environmental services.	<ul style="list-style-type: none"> • Environmental education and awareness. • Developing campaigns against forest fires. • Peer-to-peer experiences exchange on organic agriculture, beekeeping and other sustainable livelihood practices. • Direct support to community activities with positive effect on the environment and learning by doing (tree planting, recycling, fairs)

2.5 Project Indicators, Risks and Assumptions

2.5.1 Indicators

100. The project indicators are provided in the Project Results Framework in Section B. The Framework includes the Project Objective and Outcome indicators along with their baseline and target values and means of verification. Progress indicators for specific Outputs and activities will be developed and measured as part of the annual operational plan and reporting exercises.
101. At the project objective level, 5 overall indicators and targets have been identified to enable monitoring progress achieved with respect to key GEF Strategic Objectives. These are: an increased area measured in hectares under community sustainable management; a reduced degraded area within the Jesus Maria basin with increased vegetation cover measured in hectares; reduced GHG emissions from rural production activities, use of fuelwood, and from wild fires, measured in CO2 equivalent as well as number of hectares for area of forest fires avoided; increased carbon stocks as a result of forest protection and reforestation, measured in CO2e sequestered and number of hectares with forest cover; and replication of successful initiatives, measured in types of environmentally and socially sustainable interventions replicated by communities in the target geographic areas.
102. In addition, the project has selected a set of 19 indicators to be applied to clusters of community activities to measure progress with respect to the four Outcomes. It should be noted that individual community projects (grants) will have specific objectives and outcomes and therefore, will include specific indicators, baseline and target values against which they will be monitored and evaluated.

Only a few indicators, as indicated above, will be applied across several grants to aggregate results within and across project regions or types of interventions.

103. Outcome 1 on mainstreaming biodiversity conservation and sustainable use into the production landscapes will be measured against the number of biological corridor strategic territorial management plans, the percentage of community livelihood initiatives that obtain environmental certification, and the number of new community conservation areas established and included in the protected areas system of Costa Rica. Sustainability and social benefits will be measured by the number of additional communities that benefit from PES and the number of additional families that generate income from sustainable production practices. This indicator will be segregated by gender.
104. Outcome 2 on GHG emissions reduction will be measured against the additional capacity installed (number of installations) using renewable energy and the amount of electricity and heat generated from RE sources (kW/h). Energy efficiency achieved by SGP grantees will be measured by the reduction in energy consumption in rural hostels and other rural production processes, and by the number of energy efficient engines and devices installed. Likelihood of replication of RE and EE interventions will be monitored through the number of financial institutions making credit available in project areas and the number of credits approved to households and businesses. Fire prevention progress will be measured by the number of crews successfully completing training and having the necessary equipment to fight wildfires. Increased carbon stocks will be measured by the number of communities undertaking reforestation activities in priority areas within the corridors and the number of trees planted in their agricultural lands and the tree survival rates.
105. Outcome 3 on conservation of productive lands and restoration of degraded lands that contribute to sustainability and improved livelihoods, will be measured by: the number of communities implementing a formally adopted watershed management plan; the number of community leaders in the Jesus Maria basin that successfully complete the training in techniques related to integrated watershed management; and the number of community representatives actively participating in the Watershed Management Commission. Reduced degraded areas will be monitored through the number of hectares within the basin managed for environmental sustainability (specific parameters will be identified for individual SLM initiatives to determine “environmental sustainability” for the purposes of this project). Socio-economic indicators to assess progress in achieving outcome 3 will be: increased sources of investment for SLM available at local level; the number of communities who receive PES in the watershed; the percentage of SGP-supported community initiatives that received support from national government; increased household income (%) resulting from sustainable production activities; increased income (%) of indigenous communities participating in SLM activities.
106. Outcome 4 on organizational and individual capacity increased and knowledge management for replication and upscaling will be measured by the following indicators: number of new policies and legislation related to the project thematic priorities passed during project implementation; increased percentage of community projects that are eligible after training is delivered; number of communities able to clearly articulate the relevance of their project to achieving global environmental benefits; the rate of success of SGP funded projects remaining 90% or higher; the number of knowledge products published and quoted by the media.
107. SGP Costa Rica will also use the indicators defined for the Global SGP Program (as relevant), the list of which is included in Annex H.

2.5.2 Risks and Assumptions

108. There are few new risks to be faced by SGP in Costa Rica since the program has already been operating for 17 years. However, SGP takes risks seriously and will be monitoring for them on an ongoing basis and updating the UNDP risk log module in ATLAS on a quarterly basis (see M&E section and Annex J). Below are some perceived risks, their rating, and mitigation measures. The Project Results Framework also includes risks at the objective and outcome levels.

Table 5: Risk rating and management

RISK	RISK RATING	MITIGATION MEASURES
Running a grants programme with civil society organizations that have a low level of technical and management capacity	Low	SGP has a past performance rating of 90% achievement. Risk mitigation systems in place will be strengthened to maintain or improve this rate of achievements. SGP works with all grantees to help build capacities by identifying appropriate rates of disbursement, linking grantee partners to learn from each other (peer-to-peer), and working in a flexible manner that responds to the strengths and comparable advantages of grantees. SGP also reduces risk by supporting replication of good practices that have proven to deliver on GEF strategic priorities at the community level. The National Steering Committee (NSC), with representation from civil society leaders, government institutions, and donors further provides support for effective design and implementation of SGP projects.
Climate variability fuelled by the climate change process	Medium	There is already an incidence of climate variability taking place and all beneficiaries are adapting to it. The overall Project strategy and activities (forest conservation, reforestation, agroforestry, land restoration, etc.) can be considered mitigation measures of this risk. Climate variability related risks are taken into consideration in project design and also for NSC approval.
Weak governance systems may delay or impede adequate land use planning and management in the biological corridors	Medium	The SGP Country Program Manager will continue to participate actively in the Coordination Committee of the National Network of Biological Corridors and the project will support capacity development for improved governance and community participation in the Local Councils for Biological Corridors.
Difficulty for communities in accessing markets for goods and services produced with SGP support	Medium-low	The NSC will appraise projects with sustainable livelihood components to assess their business feasibility. The NSC will call upon relevant experts from the SGP technical committees. SGP will support communities to access expertise in business development and marketing from the project design stage to reduce the risk of failure of projects which will produce goods and services. SGP will also encourage partnerships between the grantees and the private sector. Based on prior SGP experience, markets for bio-products and eco-tourism are growing in Costa Rica and elsewhere. The Ministry of Tourism is providing support to SGP grantees for the promotion of their tourism facilities.
Other exogenous risks (economic crisis, political instability, etc.)	Low	These, and other similar risks, can be considered as contingencies. As such, the mitigation measures are implemented in an on-going ad-hoc manner as necessary and appropriate.

109. Assumptions underlying the Project Objective and the Outcomes are presented in the Project Results Framework. At the Project Objective level, the most important assumption is that the deforestation rate in Costa Rica will remain close to 0% during the lifetime of the project, and therefore, habitat fragmentation will not increase in the project geographic areas. This is a very important assumption, because project activities are designed to improve ecological connectivity rather than avoiding new habitat fragmentation.

2.6 Expected Global and Local Benefits

110. The main global environmental benefits that will be delivered through the SGP project in Costa Rica are:
- 180,000 hectares with improved protection and conservation in 12 priority Biological Corridors and 8 buffer zones of Protected Areas improving ecosystem resilience through ecological connectivity. This target represents a coverage of about 15% of the total area within the SGP targeted biological corridors;
 - 65,000 tons of CO₂e of GHG emissions avoided or reduced during the lifetime of the project and enhanced community capacities to implement LULUCF strategies and to monitor carbon stocks;
 - 60,000 hectares of carbon stocks maintained or increased through community-based actions on forest fire prevention, reforestation, and natural regeneration;
 - 29,500 hectares under improved sustainable land management in the most degraded watershed of Costa Rica, i.e. the Jesus Maria Basin.
111. Concerning local benefits, SGP will bring livelihood benefits to the greatest possible number of communities and people in the project areas of intervention. The project is expected to support 120 CBO projects, directly benefiting over 1,500 families and indirectly many more. An important strategy of the program is to focus a minimum of 20% of resources on the most vulnerable groups including women, indigenous people, and groups from marginalized rural communities. During GEF-4 SGP allocated grants to 19 projects of women's groups benefiting 969 women. Under this FSP, the same trend will continue, strengthening gender equality and women's empowerment as essential elements to achieve sustainable development and project impacts for the global environment. The rest of the portfolio, promotes equitable economic benefit for both men and women, and incorporates them, in the same way, in all decision-making positions of the projects and in the governing bodies established with SGP support. SGP will collect and maintain gender-disaggregated data and indicators in CBO and NGO projects.
112. Activities such as community rural tourism, organic agriculture and apiculture, medicinal plants, handcraft activities are expected to generate income and to provide other tangible social benefits such as increased food availability. Access to clean energy sources will benefit women and children by reducing firewood collection work and indoor pollution. Small-scale renewable energy sources will provide communities with electricity for lighting, communication, health and communal services, and other important services in off-grid areas.

2.7 Cost-effectiveness

113. Cost-effectiveness is an important criteria for the approval of SGP grants by the NSC. The budgets of project proposals are compared with those of prior similar interventions and assessed against expected environmental and social benefits. In all cases, communities are expected to contribute substantial in-kind co-financing (i.e., labor, infrastructure, equipment, tools, land) and help mobilize other in-kind or cash resources from development partners and local government. The NSC also assesses whether there may be more cost effective alternatives to achieve the same global environmental benefits before approving SGP grants. This ensures that GEF funds are applied in the most cost-effective manner.

2.8 Sustainability

114. The policy of SGP-Costa Rica is to finance CBOs as a matter of priority. NGOs receive grants only when the outcome of their projects is CBO strengthening. In Costa Rica, 85% of SGP grants go to CBOs and 15% to NGOs supporting community groups. SGP's financial contribution to one organization never exceeds \$50,000 during a given Operational Phase, and the average grant size is approximately \$20,000. Community organizations may benefit from SGP support once or twice during an Operational Phase, which means smaller individual disbursements and a longer timeframe to achieve sustainability of interventions. The reason for this is that CBOs need time to develop alliances, obtain co-financing, group together in networks, and develop the capacity to generate good project proposals and income-generation activities that support their environmental work. Working with community-based organizations not only guarantees the sustainability of the processes but also that SGP-funded activities are based on real local priorities and needs.
115. The majority of SGP-financed CBOs have not managed a prior grant directly from an international organization or a bilateral donor. CBOs in Costa Rica are mostly self-help groups composed of community members working pro bono for the CBO. The quality of project proposals is generally very poor at the start, even though the community may have interesting ideas. Also, the community's understanding of global environmental issues is lacking, and usually it has no experience of RBM and participatory M&E. At the end of project implementation several members of the CBOs are able to develop adequate project proposals and explain in an articulate manner what their project is about and what global environmental benefits will be achieved. Most SGP supported CBOs improve their governance and financial management systems, which is demonstrated by their capacity to continue operating and sustaining or upscaling project results, getting grouped in networks such as Rural Community Tourism associations, Organic Agriculture, Biological Corridors and others.
116. In order to improve the likelihood of achieving social sustainability the project will devote resources to increase both the institutional capacity of CBOs and that of their leaders and members. SGP will allocate a number of grants (approximately 36 grants with an average of \$30,000 each) to be implemented by national NGOs and thematic networks with CBOs to assist communities with implementation of initiatives that require a significant level of technical expertise such as renewable energy and energy efficiency projects as well as those related to, for example, access to new markets, PES schemes, and land use planning and management. The following are examples of capacity development activities to be undertaken by the project:
- Training of community leaders for managing sustainably the territory of biological corridors and for their effective participation in Local Councils.
 - Technical support for community-based local management plans for sustainable land use that takes into account biodiversity.

- Community networks to facilitate access to markets and to contribute to the development of policies and norms that further enable sustainable livelihood options.
 - Environmental education initiatives at local level.
 - Training and strengthening of voluntary forest brigades at community level in buffer zones of PA vulnerable to forest fires.
 - Applied participatory research on SLM with support from national, regional and local relevant government and non-government organizations
 - Capacities development for local communities in watershed management.
 - Strategic partnerships between communities and government institutions, academia and others for the constitution of a Local Committee for watershed management.
 - Strengthening of ASADAS (Community-based Associations for Water Administration) for enhanced community governance of water resources and for policy advocacy and participation in decision-making processes at the local and regional levels.
117. Capacities built in CBOs and their constituent members through SGP grant activities are largely retained through the following mechanisms: encouraging CBOs to develop new project proposals for other donors using the acquired project development skills; providing technical support beyond project completion to ensure sustainability of project outcomes; encouraging peer-to-peer support beyond project completion among CBOs; involving former grantees – CBO leaders and members – in new training activities; encouraging NGOs operating in the area to involve former CBO SGP grantees in their activities; and using qualified CBO members to train or support other community organizations so that they practice their skills and gain self-confidence. Also, SGP works with the local and national government to mainstream communities’ initiatives in local development plans, budgets, and extension work. For example, the National System of Protected Areas has assigned staff responsible for the implementation of the biological corridors and fire management programs in each conservation area to support and monitor community-based groups during and beyond SGP project implementation. Furthermore, SGP has established partnerships with leading institutions such as the National Training Institute (INA), the Distance Education State University (UNED), CATIE; and BUN-CA to further enhance and update the technical skills of actual and former grantees. This is particularly important for climate change mitigation initiatives. BUN-CA, a specialized regional energy entity will help ensure that local technicians trained through SGP projects are able to provide good quality maintenance services to communities adopting RE and EE systems.
118. Activities to help ensure financial sustainability of CBOs initiatives in the biodiversity and sustainable land management components will include:
- Community enhanced access to existing financial incentives for the conservation and protection of forests, water, and biodiversity. It is important to note that the National System of Protected Areas (SINAC), as part of its annual PA work plans, will provide support to the initiatives that have started under SGP investments, as well as PES through FONAFIFO;
 - Income generation initiatives that provide alternatives to unsustainable practices. These include, among others, community rural tourism, responsible fisheries, sustainable harvest of medicinal plants, organic agriculture and beekeeping.
119. Activities to help improve the likelihood of financial sustainability in the climate change component will include:
- Promoting the use of technologies in agricultural production processes that contribute to the C-Neutral Strategy of the Country that result in energy savings or more efficient production processes.

- Promotion of lines of micro-credit for clean technology investments, particularly for community-based renewable energy and energy efficient systems in off-grid areas that meet the re-payment capabilities of local communities.

2.9 Replication and upscaling

120. The project will emphasize replication and up-scaling within the selected geographical areas. SGP financed field interventions will be carefully selected by the NSC based on their replication potential. The project Results Framework includes an overall indicator and target concerning replication results. It is expected that each of 5 different types of interventions tested with SGP support will be replicated by at least 6 other communities within the various biological corridors.
121. Project Component 4 is devoted to policy development, knowledge management, networking, and capacity development of community organizations and their members, which are all essential for replication and upscaling. Firstly, the strengthened capacities of SGP stakeholders to contribute to policy and legislation development related to the Project's thematic priorities will help improve the enabling environment for community-based conservation and carbon-neutral rural development. SGP provides a unique avenue for testing national policies and norms on the ground and to identify policy gaps or issues that impede policy implementation. Improved access to existing financial incentives such as PES is another avenue to help replication and upscaling of successful interventions.
122. SGP will help identify and codify best practices and make this information available to other communities and development practitioners to enhance uptake by other communities within the project target areas and beyond. During this phase SGP will place particular attention to further develop its knowledge management system. This system will be used to analyse what works, what doesn't and why and make these lessons available through various means.
123. SGP establish a system by which CO2 can be measured and monitored for each relevant project intervention. Annual SGP reports will condense this data to nurture the Country's efforts for Carbon neutrality and to draw relevant lessons to communicate how small actions taken locally have larger impacts on Climate Change mitigation.

2.10 Collaborative Arrangements with Related Projects

124. SGP works with relevant stakeholders in the geographic and focal areas selected to ensure coordination of donor funding on relevant initiatives and avoid duplication of efforts. For biological corridors, the main coordinating mechanism is the Commission for the National Network of Biological Corridors⁷, of which SGP is a member. At the local level, SGP grantees are members of the Local Councils established for the management of each biological corridor. SGP's initiatives on PA are coordinated with the Director of the National Protected Area System and with individual PA Directors. SGP also has close linkages with CADETI and will develop a Funding Strategy and a related Business Plan during the Project period for joint activities.
125. SGP has participated in the consultation process related to the preparation of the Reddiness" Preparation Proposal (R-PP) presented to the Forest Carbon Partnership facility. The "R-PP is awaiting final approval. SGP also seeks linkages with other relevant GEF MSPs and FSPs implemented in Costa Rica wherever synergies can be found. The Government representative in the

⁷ Comisión Coordinadora de la Red Nacional de Corredores Biológicos de Costa Rica

SGP NSC is the GEF Operational Focal Point. This facilitates coordination with other GEF initiatives in the country. The table below summarizes the most relevant initiatives, however, like in the case of BIOMARCC, SGP will further consult with other partners and initiatives in each biological corridor to ensure collaboration takes place and duplication avoided.

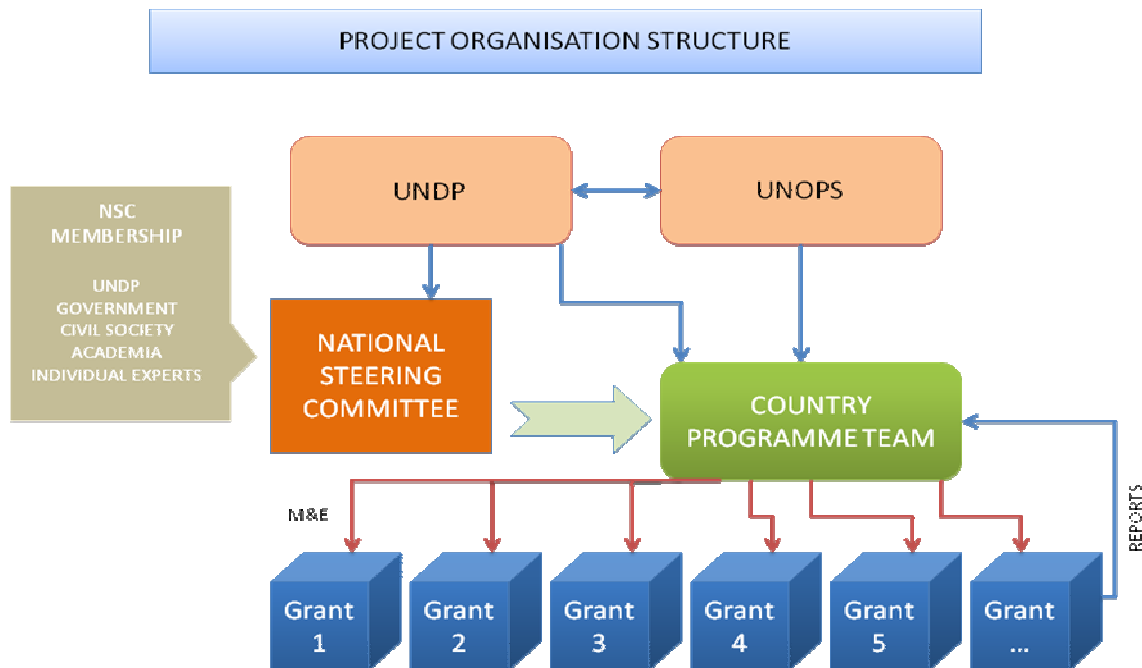
Table 6: Coordination with the most relevant in-country initiatives

Institution	Initiative/ Program	Type of coordination
GEF Project – UNDP / Ministry of the Environment – Conservation Areas National System (SINAC)	Removing Barriers to Sustainability of PA	This is a 5-year GEF Full Size project that started in early 2010 focused on removing administrative, financial and organizational barriers constraining Protected Areas sustainability. Most of the components of this Project are aimed to Protected Areas and the institution itself (SINAC) with limited attention to actions outside Protected Areas. SGP will complement this Project through its actions focused in buffer zones, mainly in indigenous territories and in biological corridors exclusively.
FONAFIFO- National Fund for Forestry Financing	Eco-markets	FONAFIFO is the national institution in charge of the implementation of the PES Program in Costa Rica. SGP coordinates with FONAFIFO the involvement of local communities, indigenous peoples, and the Jesus Maria Basin to access this type of environmental incentive, mainly in two directions: i. forest conservation and ii. Improve connectivity of the biological corridors.
UN-REDD and Forest Carbon Partnership Initiatives	Various	Costa Rica is part of these two initiatives. SGP will therefore seek to cooperate with the national institutions in charge of these initiatives to ensure there is adequate coordination and to explore possibilities to leverage resources to achieve the project objectives both in the biodiversity focal area and for forest carbon. It should be noted that the SGP Country Program Manager participated during the consultations to develop the REDD+ support program to be funded by the World Bank and will continue participating during its implementation.

PART A.3 IMPLEMENTATION ARRANGEMENTS

3.1 Organizational structure and arrangements

126. GEF SGP has, since 1992, continuously refined and modified its implementation approach to ensure the most efficient use of resources possible in generating global environmental benefits through community action. The cost-effectiveness of the GEF SGP and the Costa Rica program have been extensively independently reviewed and analyzed. A 2007 GEF Council technical paper reviewed and analyzed the GEF-SGP cost-effectiveness compared to other programs, and found that with the current structure, “overall the SGP is comparable to other programs in terms of cost efficiency of management”. A later GEF council paper following up on the 2008 joint evaluation of the SGP and the 2007 technical paper reviewed the cost-effectiveness of alternative execution arrangements. Based on the previous reviews and analysis, a November 2009 GEF Council paper recommended maintaining and continuing to improve the current arrangements involving UNOPS for GEF-5, which was supported by the GEF Council. As part of the preparation of the PIF, Costa Rica reviewed the options for implementation and execution arrangements and concluded that the present approach will continue to be the most cost-effective. The SGP will therefore be executed by UNDP and implemented by UNOPS, through a small country program team.
127. The diagram below shows the project organizational structure. The roles and responsibilities of the various parties to the project are described in the SGP Operational Guidelines.



128. UNDP will provide overall program oversight and take responsibility for standard GEF project cycle management services beyond assistance and oversight of project design and negotiation, including project monitoring, periodic evaluations, troubleshooting, and reporting to the GEF. UNDP will also provide high level technical and managerial support through the recently established Communities Cluster within EEG, and from a UNDP Regional Technical Advisor (RTA) and other members of the regional teams, who will be responsible for project oversight for all upgraded country programme projects. SGP Central Project Management Team (CPMT) will monitor for compliance of upgraded country programmes with SGP core policies and procedures.

129. In accordance with the global SGP Operational Guidelines (see Annex E) that will guide overall project implementation in Costa Rica, and in keeping with past best practice, the UNDP Resident Representative will appoint the National Steering Committee (NSC) members. The NSC, composed of government and non-government organizations with a non-government majority, a UNDP representative, and individuals with expertise in the GEF Focal Areas, is responsible for grant selection and approval and for determining the overall strategy of the SGP in the country. NSC members serve without remuneration and rotate periodically in accordance with its rules of procedure. The Government is usually represented by the GEF Operational Focal Point or by another high level representative of relevant ministries or institutions. The NSC assesses the performance of the Country Program Manager (formerly National Coordinator) with input from the UNDP RR, the RTA, and UNOPS. The NSC also contributes to bridging community-level experiences with national policy-making.
130. The SGP Costa Rica Technical Committee, which is unique to Costa Rica and whose members also work pro-bono, will continue advising the Country Team on priority thematic issues or areas of intervention, such as organic agriculture or biological corridors.
131. The Country Office is the business unit in UNDP for the SGP project and is responsible to ensure the project meets its objective and delivers on its targets. The Resident Representative signs the grant agreements with beneficiary organizations on behalf of UNOPS. The Country Office will make available its expertise in various environment and development fields as shown below. It will also provide other types of support at the local level such as infrastructure and financial management services, as required. UNDP will be represented in the NSC, and will actively participate in grant monitoring activities.
132. The country team composed of a National Coordinator (also known as Country Program Manager in CEO Endorsement), Program Assistant, and a Secretary recruited through competitive processes, is responsible for the day-to-day operations of the program. This includes supporting NSC strategic work and grant selection by developing technical papers, undertaking ex-ante technical reviews of project proposals; taking responsibility for monitoring the grant portfolio and for providing technical assistance to grantees during project design and implementation; mobilizing cash and in-kind resources; preparing reports for UNDP, GEF and other donors; implementing a capacity development program for communities, CBOs and NGOs, as well as a communications and knowledge management strategy to ensure adequate visibility of GEF investments, and disseminating good practices and lessons learnt.
133. Grants will be selected by the NSC from proposals submitted by CBOs and NGOs through calls for proposals in specific thematic and geographic areas relevant to the SGP (see Annex F for Costa Rica's SGP Project Template and Guidelines). Although government organizations cannot receive SGP grants, every effort will be made to coordinate grant implementation with relevant line ministries, decentralized institutions, universities and local government authorities to ensure their support, create opportunities for co-financing, and provide feedback on policy implementation on the ground. Contributions from and cooperation with the private sector will also be sought.
134. SGP utilizes consultants for specialized services, mostly for baseline data collection, capacity development activities, business development support, and to assist grantees when specialized expertise is required, or for tasks that require an external independent view such as the mid-term and terminal evaluations. Civil society organization networks such as the Community Tourism Association play an important backstopping role in areas such as marketing and technical assistance to community rural tourism activities. These networks may also benefit from SGP grants.
135. UNOPS will provide country programme implementation services, including human resources management, budgeting, accounting, grant disbursement, auditing, and procurement. UNOPS is

responsible for SGP's financial management and provides periodic financial reports to UNDP. The UNOPS SGP Standard Operating Procedures guide the financial and administrative management of the project. This document along with the UNOPS SGP Operational Guidelines will be revised during the project inception workshop to adjust existing procedures to the new up-graded situation of the Costa Rica SGP.

136. UNOPS will not make any financial commitments or incur any expenses that would exceed the budget for implementing the project as set forth in this Project Document. UNOPS shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when UNOPS is aware that the budget to carry out these services is insufficient to fully implement the project in the manner set out in the Project Document. UNDP shall have no obligation to provide UNOPS with any funds or to make any reimbursement for expenses incurred by UNOPS in excess of the total budget as set forth in the Project Document.
137. UNOPS will submit a cumulative financial report each quarter (31 March, 30 June, 30 September and 31 December). The report will be submitted to UNDP through the ATLAS Project Delivery Report (PDR) system and follow the established ATLAS formats and PDR timelines. The level of detail in relation to the reporting requirement is indicated in the Project Document budget which will be translated into the ATLAS budgets. UNDP will include the expenditure reported by UNOPS in its reconciliation of the project financial report.
138. Upon completion or termination of activities, UNOPS shall furnish a financial closure report, including a list of non-expendable equipment purchased by UNOPS, and all relevant audited or certified financial statements and records related to such activities, as appropriate, pursuant to its Financial Regulations and Rules.
139. Title to any equipment and supplies that may be furnished by UNDP or procured through UNDP funds shall rest with UNDP until such time as ownership thereof is transferred. Equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and UNOPS. UNDP shall provide UNOPS with instructions on the disposal of such equipment and supplies within 90 days of the end of the Project.
140. The arrangements described in this Project Document will remain in effect until the end of the project, or until terminated in writing (with 30 days notice) by either party. The schedule of activities specified in the Project Document remains in effect based on continued performance by UNOPS unless it receives written indication to the contrary from UNDP. The arrangements described in this Agreement, including the structure of implementation and responsibility for results, shall be revisited on an annual basis and may result in the amendment of this Project Document.
141. If this Agreement is terminated or suspended in accordance with paragraph 140 above, UNDP shall reimburse UNOPS for all costs directly incurred by UNOPS in the amounts specified in the project budget or as otherwise agreed in writing by UNDP and UNOPS.
142. All further correspondence regarding this Agreement, other than signed letters of agreement or amendments thereto should be addressed to the UNDP-GEF Executive Coordinator and the UNDP Resident Coordinator.
143. UNOPS shall keep UNDP fully informed of all actions undertaken by them in carrying out this Agreement.
144. Any changes to the Project Document that would affect the work being performed by UNOPS shall be recommended only after consultation between the parties. Any amendment to this Project Document shall be effected by mutual agreement, in writing.

145. If UNOPS is prevented by force majeure from fulfilling its obligations under this Agreement, it shall not be deemed in breach of such obligations. UNOPS shall use all reasonable efforts to mitigate the consequences of force majeure. Force majeure is defined as natural catastrophes such as but not limited to earthquakes, floods, cyclonic or volcanic activity; war (whether declared or not), invasion, rebellion, terrorism, revolution, insurrection, civil war, riot, radiation or contaminations by radio-activity; other acts of a similar nature or force.
- Notwithstanding anything to the contrary, UNOPS shall in no event be liable as a result or consequence of any act or omission on the part of UNDP, the government and/or any provincial and/or municipal authorities, including its agents, servants and employees.
146. UNDP and UNOPS shall use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim which is not settled within sixty (60) days from the date either party has notified the other party of the dispute, controversy or claim and of measures which should be taken to rectify it, shall be referred to the UNDP Administrator and the UNOPS Executive Director for resolution.
147. This project will be implemented by UNOPS in accordance with UNOPS' Financial Rules and Regulations provided these do not contravene the principles established in UNDP's Financial Regulations and Rules.
148. UNOPS as the Implementing Partner shall comply with the policies, procedures and practices of the United Nations security management system.

3.2 Communications and visibility requirements

149. Full compliance is required with UNDP's Branding Guidelines. These can be accessed at <http://intra.undp.org/coa/branding.shtml>, and specific guidelines on UNDP logo use can be accessed at: <http://intra.undp.org/branding/useOfLogo.html>. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects need to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: [http://www.thegef.org/gef/ GEF_logo](http://www.thegef.org/gef/GEF_logo). The UNDP logo can be accessed at <http://intra.undp.org/coa/branding.shtml>.
150. Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf. Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.
151. Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

PART A.4 MONITORING AND EVALUATION

152. Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures. The Logical Framework Matrix (Section B) provides performance and results indicators for project implementation along with their corresponding means of verification. The

project will be monitored through the following M&E activities. The M&E budget is provided in section 4.4 below.

153. The M&E component is focused on meeting the project requirements at Country Program and individual project levels, and also in the development of skills at local level to enable grantees to monitor their own activities and achievements. A priority task in the first stage of project implementation is the development of a system to monitor carbon stocks in areas targeted by project interventions. SGP-Costa Rica will apply relevant Global SGP indicators to monitor individual projects and the national portfolio, and to report to UNDP and GEF through the SGP Global Database and other project reports (see Annex H for the selected global SGP indicators for GEF-5).

4.1 Portfolio of upgraded Country Programmes

154. The UNDP Communities Cluster at UNDP Headquarters will monitor the implementation of the portfolio of upgraded SGP Country Programmes and will promote and support cross-fertilization and learning among Country Programmes and with the global SGP. The SGP CPMT will monitor SGP Country Programmes for compliance with the SGP Operational Guidelines. The Communities Cluster will bring together the upgraded country programmes at the inception stage to review existing SGP procedures and guidance and propose relevant revisions to these documents to adapt them to the requirements of the FSP.

4.2 Country Programme Level

4.2.1 Project start

155. A Costa Rica Project Inception Workshop will be held within two months of project start with those with assigned roles in the project organization structure: the UNDP Regional Technical Advisor, the UNDP country office SGP Focal Point, National Steering Committee members, the SGP Country Program Manager (formerly National Coordinator), and where feasible, a UNOPS representative. The Inception Workshop is crucial to brief all participants on the new SGP requirements as a GEF Full-size Project and to build ownership for project results.
156. The Inception Workshop should address a number of key issues including:
 - Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of the UNDP Communities Senior Technical Advisor (STA), Regional Technical Advisor (RTA), and Country Office (CO), and of UNOPS vis-à-vis the project team and the National Steering Committee (NSC). Discuss the roles, functions and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms.
 - Based on the project results framework finalize the first annual work plan and agree on a schedule for grant approval for the entire project life.
 - Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
 - Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements and roles. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
 - Discuss financial reporting procedures and obligations, and audit arrangements.

157. An Inception Workshop report is a key reference document and must be prepared by the Country Program Manager with RTA review and shared with participants to formalize various agreements and plans decided during the meeting.

4.2.2 Quarterly

158. Quarterly reviews of project execution include the following tasks:

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on information recorded in ATLAS by UNOPS, UNDP will have access to updated financial information in an ongoing manner.
- Information on the grant portfolio shall be updated in the SGP Global Database using the indicators provided in Annex H.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high.
- Based on the information recorded in Atlas by the CO and the SGP Country Program Manager, Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

4.2.3 Annually

159. Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (1 July to 30 June). The APR/PIR combines both UNDP and GEF reporting requirements. The Country Program Manager will prepare the PIR with inputs and supervision from the UNDP CO SGP Focal Point and the RTA.

160. The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - with indicators, baseline data and end-of-project targets (cumulative).
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports.
- Risk and adaptive management.
- ATLAS QPR.
- Portfolio level indicators, in this case the global SGP tracking tool, should be used on an annual basis.

161. The RTA may conduct joint visits with the Country Program Manager to selected project sites as an input to PIR preparation. A Field Visit Report/BTOR will be circulated to the project team and other relevant project stakeholders, as appropriate, no less than one month after the visit.

4.2.4 Mid-term of project

162. The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation (approximately July 2013). The Mid-Term Evaluation will determine progress being

made toward the achievement of outcomes and will identify course corrections, as 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 second half of the project's term. Ideally, the Mid-term Evaluation should be conducted with similar terms of reference for all GEF5 SGP upgraded country programmes and concurrently, if possible. The objective is to facilitate the comparison of experiences between all upgraded countries and distilling common lessons to inform similar processes for other Country Programmes. The organization, terms of reference and timing of the mid-term evaluation will be decided in consultation with the SGP Central Programme Management Team, the UNDP-GEF Results Management Advisor, the Communities STA, the RTA, the CO, UNOPS and the Country Program Managers. The Terms of Reference for the Mid-term evaluation will be prepared by CPMT based on guidance from the GEF Evaluation Office and UNDP-GEF, and will be validated by the UNDP Evaluation Office. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the UNDP Evaluation Office Evaluation Resource Center (ERC).

4.2.5 End of project

163. An independent Final Evaluation will take place three months prior to the project expected end date (approximately on April 2015). The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The UNDP STA, in consultation with SGP CPMT, will prepare the Terms of Reference for this evaluation. The TOR shall be validated by the UNDP Evaluation Office.
164. Given the pilot nature of the first group of upgrading SGP Country Programmes, the final evaluation should also undertake an assessment of costs and benefits of the upgrading process, summarize lessons learned, and provide recommendations to the GEF Secretariat and to the Global SGP concerning the upgrading of other Country Programmes. The final evaluation requires a management response, which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).
165. During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replication of the Project's results.

4.2.6 Learning and knowledge sharing

166. Particular attention will be paid to the GEF Focal Area "learning objectives" to ensure that experiences emerging from local level implementation of technologies, approaches and policies are fed back to the wider portfolio. Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.
167. 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 through lessons learned.

The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future SGP projects, in particular to other SGP upgrading countries.

168. The project team will participate in at least one workshop with other SGP upgraded countries to share experiences. Ideally, this workshop should take place as part of the mid term evaluation. The detailed objective(s), venue, agenda, and timing of the workshop will be determined by the STA in consultation with the SGP country teams, the respective RTAs and the evaluation team.

169. Finally, there will be a two-way flow of information between this project, other SGP upgraded countries and the global GEF SGP programme. Such flow of information should cover substantive and operational information, experiences and lessons.

4.3 Individual Grant Monitoring and Evaluation

170. The following minimum standards shall be applied for individual grant M&E:

4.3.1 Ex-ante Visits

171. The project team should undertake ex-ante visits on a risk basis to grant requesting organizations upon grant approval by the NSC and prior to the signature of the MOA between UNDP and the grantee.

4.3.2 Field monitoring visits

172. Every project should be visited at least twice in its lifetime, upon receipt of the first progress report from beneficiary organizations and during the following year. NSC members with relevant expertise in project-related technical areas may join the NC during these visits as appropriate.

4.3.3 Progress reports

173. Beneficiary organizations should submit half-yearly progress reports to the Country Program Manager along with a financial report. A forecast of resources needed in the following period should be submitted by the grantee to the Country Program Manager as a requirement for disbursement of next instalment.

4.3.4 Final report

174. Beneficiary organizations should submit a final report summarizing global benefits and other results achieved, outputs produced, and lessons learned. The final report should also include a final financial statement.

4.3.5 Final Evaluation

175. A final evaluation will be done for each project. The Country Program Manager should validate the terms of reference for these evaluations and vet the evaluation consultant. The cost of evaluation will be part of the grant budget.

4.3.6 Grant Project Audit

176. The SGP Country Program Manager will organize audits to selected grantee organization on a risk basis. The cost of these audits will be charged to the specific grant project budget.

4.4 M&E Workplan and Budget

177. The SGP Project will be monitored through the following M&E activities and the indicative budget:

Table 7: Monitoring and evaluation workplan and budget

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Country Programme Level			
Inception Workshop and Report	<ul style="list-style-type: none"> ▪ SGP Country Program Manager ▪ NSC ▪ UNDP RTA and CO ▪ UNOPS 	Indicative cost to project: \$ 3,500 Travel cost of RTA from IA fee	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> ▪ Country Program Manager will oversee the hiring of specific studies (e.g., carbon monitoring method, adaptation of GEF tracking tools for community use) 	To be finalized in Inception Phase and Workshop. \$68,000	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on <i>output and implementation</i>	<ul style="list-style-type: none"> ▪ Oversight by SGP Country Program Manager 	To be determined as part of the Annual Work Plan preparation. (Other costs included above)	Annually prior to ARR/PIR and to the definition of annual work plans
ARR/PIR	<ul style="list-style-type: none"> ▪ UNDP RTA ▪ SGP Country Program Manager ▪ CO 	No cost to project budget Annual visit by RTA – Travel cost from IA fee	Annually
Periodic status/ progress reports	<ul style="list-style-type: none"> ▪ SGP Country Program Manager and team 	No cost to project budget	Quarterly
SGP Global Database update	<ul style="list-style-type: none"> ▪ SGP Country Program Manager ▪ Local consultant (Quality control of information entered for accuracy and completeness: 1 week per quarter @375/week) 	Indicative cost to project: \$6,000	Quarterly
Mid-term Evaluation Country Program Manager experience exchange workshop with other countries	<ul style="list-style-type: none"> ▪ SGP Country Program Manager and team ▪ UNDP STA ▪ GEF SGP CPMT ▪ External Consultants (i.e. evaluation team) 	Indicative cost of evaluation: \$40,800 (includes travel costs) Indicative cost of SGP team participation in multi-country evaluation workshop: \$8,200	At the mid-point of project implementation.
Final Evaluation	<ul style="list-style-type: none"> ▪ SGP Country Program Manager and team, ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team) 	Indicative cost: \$ 40,000 (Includes travel costs)	At least three months before the end of project implementation
Project Terminal Report	<ul style="list-style-type: none"> ▪ SGP Country Program Manager and team ▪ UNDP CO ▪ Local consultant (Publication editing, proofreading, and layout) 	Indicative cost: \$5,000 (Includes editing, layout and printing)	At least three months before the end of the project
International Audit	<ul style="list-style-type: none"> ▪ UNOPS ▪ SGP Country Program Manager and team 	Indicative cost per audit: \$25,000	Once in the lifetime of project
SUB-TOTAL <i>Excluding project team staff time and UNDP staff and travel expenses</i>		US \$	\$196,500

Individual grant level

Type of M&E activity	Responsible Parties	Budget US\$	Time frame
Ex-ante visit	<ul style="list-style-type: none"> ▪ SGP Country Program Manager and team ▪ NSC members 	Indicative cost: \$10,500	Risk based (20% of total No. of grants)
Field monitoring visit	<ul style="list-style-type: none"> ▪ SGP Country Program Manager and team ▪ NSC members 	Indicative cost: \$21,000	At least twice in the lifetime of project Additional visits on a risk basis
Monitoring of and technical support to community application of M&E methods and tools	<ul style="list-style-type: none"> ▪ SGP Country Program Manager ▪ National consultant (preparation of training materials and training delivery in 12 corridors) ▪ NSC members 	Indicative cost: \$22,000	Half-yearly
Progress reports	<ul style="list-style-type: none"> ▪ Beneficiary organization ▪ SGP Country Program Manager 	No cost	Half-yearly
Final report	<ul style="list-style-type: none"> ▪ Beneficiary organization ▪ SGP Country Program Manager 	No cost	End of project
Final evaluation	<ul style="list-style-type: none"> ▪ National consultant ▪ SGP Country Program Manager ▪ Beneficiary organization 	Included in project grant budget	End of project
Audit	<ul style="list-style-type: none"> ▪ UNOPS ▪ SGP Country Program Manager ▪ Beneficiary organization 	Included in project grant budget	Risk based
SUB-TOTAL COST		US\$	53,500
TOTAL indicative COST of Project M&E <i>M&E of approximately 150 projects. Excluding project team staff time and costs included in project grant budget</i>		US\$	250,000

PART A.5 LEGAL CONTEXT

178. This document together with the CPAP signed by the Government of Costa Rica and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA and all CPAP provisions apply to this document.
179. Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.
180. The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

SECTION B: STRATEGIC RESULTS FRAMEWORK (SRF) AND GEF INCREMENT

PART B.1: PROJECT LOGICAL FRAMEWORK

<p>This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD:</p> <p>Strategic line IV: Environment, energy and risk management. Component 2: Promote management, conservation and sustainable and equitable use of natural resources, particularly land use planning processes. Outcome 2.1: Strengthened technical, strategic and territorial planning capacities of the environmental sector. Component 3: Strengthened mechanisms for prevention, adaptation and mitigation of climate change. Outcome 3.1: Improved mechanisms for the prevention, adaptation and mitigation of climate change of all relevant national and local institutions. Component 5: Strengthen capacities for risk management and promote a culture of disaster prevention. Outcome 5.1 Created national and local capacities for disaster risk management.</p>					
<p>Country Programme Outcome Indicators:</p> <p>1. Application of the regulatory framework for water resources management; 2. Percentage of regulatory plans that incorporate criteria on conservation and sustainable use of resources. 3-Updating and training programmes on the conservation and sustainable use of natural resources. 4. Percentage of emergency committees with information on climate change trends and countermeasures. 5. Number of training and awareness sessions held. 6. Number of Cantons and individuals benefiting from training and awareness raising.</p>					
<p>Primary applicable Key Environment and Sustainable Development Key Result Area (same as that on the cover page, circle one): Number 4. Expanding access to environmental and energy services for the poor.</p>					
<p>Applicable GEF Strategic Objective and Program: BD-2; CCM-3; CCM-5; LD-1; CD-2; and CD-5</p>					
<p>Applicable GEF Expected Outcomes: BD Outcome 2.1; CCM Outcomes 1.1, 1.3, and 5.3; LD Outcomes 1.2 and 1.3; CD Outcomes 2.2, 2.3 and 5.2</p>					
<p>Applicable GEF Outcome Indicators: BD Indicator 2.1: Landscapes and seascapes certified by internationally or nationally recognized environmental standards that incorporate biodiversity considerations (e.g. FSC, MSC) measured in hectares and recorded by GEF tracking tool; CC Indicators 3.3: Tons of CO2 equivalent; 5.2: Hectares restored; and 5.3: Tons of CO2 equivalent. LD Indicators 1.2 Increased land area with sustained productivity and reduced vulnerability of communities to climate variability; and 1.4 Increased resources flowing to SLM from diverse sources; CD Indicators: Stakeholders are better informed via workshops and trainings about global challenges and local actions required; Public awareness raised through workshops and other activities (Number); Capacities for monitoring of projects and programs developed (Number); and Learning system established to provide feedback to policy, strategies and management decisions from evaluation reports (Number).</p>					
<p>Project Goal: To conserve critical ecosystems of Costa Rica and mitigate climate change by supporting the implementation of national policies on biodiversity conservation and carbon neutrality, while also contributing to communities' sustainable livelihoods.</p>					
	Indicator	Baseline	Targets End of Project	Source of verification	Risks and Assumptions
<p><u>Project Objective:</u></p> <p>Global environmental benefits secured through community-based initiatives and actions that address habitat fragmentation and enhance ecological connectivity in</p>	<p>Increased area of sustainably managed production landscapes that integrate biodiversity conservation in:</p> <ul style="list-style-type: none"> • 12 biological corridors • Buffer zones of 8 PAs 	<ul style="list-style-type: none"> • 32,000 ha under sustainable management by communities in the geographic areas of the project 	<ul style="list-style-type: none"> • An additional 180,000 ha of community lands under sustainable management 	<ul style="list-style-type: none"> • BD2 GEF Tracking Tool completed at inception (after grants are selected), mid-term and end of project. • Project monitoring reports 	<ul style="list-style-type: none"> • Deforestation rate in Costa Rica remains close to 0% during the project timeframe and, therefore, habitat fragmentation does not increase within the project geographic areas. • Local and national government entities continue to provide

twelve biological corridors linking 8 Protected Areas and their buffer zones	Reduced degraded areas in the Jesus Maria watershed and increased vegetation cover	<ul style="list-style-type: none"> TBD. Watershed baseline assessment under preparation 	<ul style="list-style-type: none"> 2,300 ha with reforestation and forest regeneration 29,500 ha under sustainable management by CBOs that administer water in the river basin 	<ul style="list-style-type: none"> Satellite images Project M&E reports 	<p>conservation financial incentives to local communities and create new incentives for CO2 mitigation and carbon sinks.</p> <ul style="list-style-type: none"> Civil society networks and government organizations support community-based organizations after project completion to help ensure sustainability of community project outcomes. The “El Niño” phenomenon does not cause an increase in wildfire events, or drought does not negatively affect reforestation activities. Communities within biological corridors are able to link global environmental issues with their livelihoods and, therefore, are interested in undertaking the selected types of interventions
	Reduced GHG emissions resulting from rural production activities, use of fuelwood, and from forest fires	<ul style="list-style-type: none"> 254,000 tCO2 e/year due to forest fires (equivalent to approx. 1,778.96 ha/year burnt) Other values for project area will be determined during inception phase 	<ul style="list-style-type: none"> 15,000 tCO2 e avoided in four years through EE and RE activities (see table in Annex F attached) 12,500 tCO2 e/year mitigated (approx. 50,000 tCO2 in 4 years) from avoided forest fires, equivalent to 87.5 ha of forest fires avoided/year (142.78 tCO2 e/ha) See Annex F 	<ul style="list-style-type: none"> Carbon monitoring tool Project M&E reports Reports from CONIFOR and SINAC 	
	Carbon stocks increased through protection of forests and reforestation	<ul style="list-style-type: none"> Carbon stock values to be determined for project area at inception 	<ul style="list-style-type: none"> 83,237 tCO2 e sequestered in 3 years through reforestation of 2,300 ha (12.06 tCO2 e ha/year) and through the protection of 60,000 ha of native forests. 	<ul style="list-style-type: none"> Carbon monitoring tool Project M&E reports 	
	Replication of successful initiatives	<ul style="list-style-type: none"> 0 among communities in project areas 	<ul style="list-style-type: none"> 5 types of successful interventions (e.g., silviculture, organic agriculture, ecotourism, RE, etc.) replicated by at least 6 communities each within biological corridors and PA buffer zones 	<ul style="list-style-type: none"> Reports from networks working in related fields Mid-term and final evaluation reports 	

<p>Outcome 1: Community-based actions mainstream biodiversity conservation and sustainable use into production landscapes in biological corridors and PA buffer zones</p>	Increased number of biological corridor management plans	<ul style="list-style-type: none"> • 1 biological corridor management plan (Pajaro Campana BC) 	<ul style="list-style-type: none"> • At least 10 biological corridor management plans that include PA buffer zones developed 	<ul style="list-style-type: none"> • Publications with the management plans 	<ul style="list-style-type: none"> • Community-based organizations and their members will contribute to the development and implementation of the management plans of biological corridors and have an active participation in their governance structures. • The market for nature-based tourism will continue to expand in Costa Rica and communities will be able to achieve the required quality standards to benefit from it. • Certification will create opportunities to access new markets for community-produced goods and services and sale prices will offset the costs of obtaining certification. • Strengthened networks of communities' associations will enable them to access new markets for their goods and services. • The private sector (e.g. tourism operators) and civil society organizations show continued interest in in-situ conservation and sustainable use of biodiversity. • Costa Rica PES mechanisms will continue to expand to new communities and forest areas that require conservation or restoration.
	Increased percentage of community-based initiatives that obtain certification with national or international standards	<p>10% currently achieve certification. The following certifications have been achieved by communities nationally:</p> <ul style="list-style-type: none"> • Organic production certification: 14 • Tourism sustainability certificate by ICT: 4 • "Blue Flag" ecological certification: 3 • Fair trade certification: 5 	<ul style="list-style-type: none"> • At least 50% of community sustainable livelihood initiatives supported by SGP obtain environmental certification 	<ul style="list-style-type: none"> • Licences and certificates issued by the relevant authority/body 	
	Increased number of community conservation areas	<ul style="list-style-type: none"> • There are no community conservation areas in the project geographic regions 	<ul style="list-style-type: none"> • 5 new community protected areas increase by at least 2,000 ha community conservation areas in Costa Rica 	<ul style="list-style-type: none"> • Project reports • Registry of the National Network of Private Reserves or MINAE 	
	Increased number of communities benefiting from Payments for Ecosystem Services (PES)	<ul style="list-style-type: none"> • 20 communities supported by SGP currently receive PES 	<ul style="list-style-type: none"> • 10 additional communities in the project area receive PES 	<ul style="list-style-type: none"> • FONAFIFO reports 	
	Increased number of families generating income from sustainable livelihood activities	<ul style="list-style-type: none"> • 200 families supported by SGP obtain income from sustainable livelihood activities 	<ul style="list-style-type: none"> • 800 additional families will generate income from sustainable production practices (eg., sustainable use of species for handcraft 	<ul style="list-style-type: none"> • Project reports • Portfolio monitoring reports 	

			production, ecotourism, agroforestry, organic apiculture, etc.)		
<p><u>Outcome 2:</u> GHG emissions reduced and carbon stocks increased through community-based actions</p>	<p>Increased renewable energy capacity installed:</p> <ul style="list-style-type: none"> - By SGP - From replication 	<p>Existing capacity at community level in project area:</p> <ul style="list-style-type: none"> • Biodigestors: 300 • Solar dryers: 5 • Micro-hydro: 0 • PV panels: 10 	<p>Additional capacity at community level:</p> <ul style="list-style-type: none"> • Biodigestors: SGP 300, through replication 600 • Solar dryers: SGP 4, through replication 16 • Micro-hydro: SGP 6, through replication 20 • PV panels: SGP 5, through replication 10 	<ul style="list-style-type: none"> • Project reports • Portfolio monitoring reports 	<ul style="list-style-type: none"> • A law currently under consideration by Congress on private power producers is passed to enable communities produce and distribute power generated from micro-hydro. • Credit schemes will enable rural communities cover the initial cost of small-scale renewable energy systems, which is still very high for the payment capacity of rural communities. The terms of commercial lending for RE of financial institutions are commensurate with the payment capacity of rural customers, and therefore, facilitate replication nationwide. • Rural communities take up RE systems upon demonstration by SGP pilot initiatives. • Savings from implementing EE practices in ecotourism facilities and other rural production processes are sufficient to become the main incentive for their continued application. • Key partners from civil society and the private sector continue supporting immediate actions during the occurrence of fire emergencies.
	<p>Increased electricity and heat produced from renewable sources</p>	<ul style="list-style-type: none"> • 27,600 kWh 	<ul style="list-style-type: none"> • 8,054,600 kWh more produced from renewable sources 	<ul style="list-style-type: none"> • Project reports • Portfolio monitoring reports 	
	<p>Improved energy efficiency in rural productive activities</p> <ul style="list-style-type: none"> - By SGP - From replication 	<ul style="list-style-type: none"> • No rural community tourism venture (30 rural hostels) currently applies EE practices • Efficient electric engines in project area: 0 • CFL: 0 	<ul style="list-style-type: none"> • 40% reduction of energy consumption in 30 rural hostels • Energy efficient electric engines: SGP 50, through replication 100 • CFL: SGP 500, through replication 1,500 	<ul style="list-style-type: none"> • Project reports • Portfolio monitoring reports 	
	<p>Improved credit availability for RE and/or EE in rural areas</p>	<ul style="list-style-type: none"> • Credit availability and conditions to be determined for project geographic area at project inception 	<ul style="list-style-type: none"> • Three financial institutions providing credit for RE and EE to communities in project area and a minimum of 	<ul style="list-style-type: none"> • Project reports • Portfolio monitoring reports 	

			5 credits approved during lifetime of project	<ul style="list-style-type: none"> Financial institution reports 	<ul style="list-style-type: none"> New partnerships between SINAC and local stakeholders involved in reforestation and fire prevention in buffer zones develop.
	Increased number of crews in the rural areas able to prevent and manage forest fires	<ul style="list-style-type: none"> 10 fire fighting crews trained and equipped 	<ul style="list-style-type: none"> 30 additional crews trained, equipped, and active 	<ul style="list-style-type: none"> Project reports Portfolio monitoring reports MINAE reports 	
	Increased number of communities trained and with seedlings to undertake reforestation in degraded areas or to increase biomass in agricultural lands	<ul style="list-style-type: none"> There are no communities undertaking reforestation in the project areas 	<ul style="list-style-type: none"> 10 communities reforesting priority areas identified by biological corridors' management plans and planting trees in their agricultural lands 	<ul style="list-style-type: none"> Project reports Portfolio monitoring reports 	
Outcome 3: Conservation of productive lands and restoration of degraded lands contribute to sustainability and improved local livelihoods	Increased number of communities contributing to the implementation of the National Plan to Combat Desertification in the Jesus Maria Watershed	<ul style="list-style-type: none"> The National Plan has been developed but no communities in the project area are implementing actions identified in the Plan 	<ul style="list-style-type: none"> Plan adopted and under implementation by 8 communities within the watershed 40 leaders in the 8 communities trained in techniques related to integrated watershed management 12 representatives participating actively in the Watershed Management Commission 	<ul style="list-style-type: none"> Project reports Portfolio monitoring reports Minutes of meetings of Watershed Management Commission 	<ul style="list-style-type: none"> Key stakeholders effectively increase their capacities and use this knowledge for improved management of the Jesus Maria Watershed Acceptance of and support from local and national authorities for collaborative water resources management. Water governance mechanisms improve their efficiency and effectiveness.
	Reduced degraded area in community lands in the Jesus Maria basin	<ul style="list-style-type: none"> TBD. Watershed status assessment underway 	<ul style="list-style-type: none"> 29,500 ha in the Jesus Maria watershed managed for environmental sustainability 	<ul style="list-style-type: none"> Project reports Portfolio monitoring reports 	<ul style="list-style-type: none"> Field data and indicators developed by SGP and CADETI are sufficient to measure reduction of watershed degradation.
	Increased sources of investment at local	<ul style="list-style-type: none"> There is no investment in SLM in the project 	<ul style="list-style-type: none"> 8 new communities in the Jesus Maria 	<ul style="list-style-type: none"> Project evaluations Portfolio 	<ul style="list-style-type: none"> Government institutions

	level for SLM	area	watershed receive PES <ul style="list-style-type: none"> At least 50% of SLM community initiatives financed by SGP receive support from national government institutions for their continuity 	monitoring reports	get involved and expand watershed management interventions after completion of the SGP project. <ul style="list-style-type: none"> Other factors in agricultural production (e.g., labour and transport costs) remain stable or improve so that there is no negative impact on communities' income.
	Increased family income resulting from SLM activities	<ul style="list-style-type: none"> The average rural family income is \$300 monthly 	<ul style="list-style-type: none"> 15% increased income for families involved in sustainable production activities 50% increased income for women participating in SLM activities 75% increased income for indigenous communities participating in SLM activities 	<ul style="list-style-type: none"> Survey Project reports Portfolio monitoring reports 	
Outcome 4: Community-based organizations and their members with improved capacities and knowledge management for replication and upscaling of best practices	Increased community contributions to national policy and legislation related to project thematic priorities	<ul style="list-style-type: none"> SGP-related groups are actively promoting 2 law proposals (Laws promoting Organic agri-culture and Rural Community Tourism) in Congress 	<ul style="list-style-type: none"> At least 2 additional national policies and legislation related to project thematic priorities passed during FSP execution. 	<ul style="list-style-type: none"> Official gazette Government reports 	<ul style="list-style-type: none"> Willingness of relevant government institutions to consider community input for policy and legislation debate. Communication among dispersed community leaders remains strong to ensure adequate representation of communities interests in policy debate Ability of the SGP team to produce timely and high quality knowledge and information products that can be taken up by media and other sustainable development practitioners in spite of the high demands placed on the
	Increased number of eligible projects demonstrating community understanding of global environmental issues and their local solutions	<ul style="list-style-type: none"> Less than 30% of projects received are eligible Most communities within the Jesus Maria watershed and BC lack understanding of global environmental issues 	<ul style="list-style-type: none"> 70% of projects are eligible after implementation of capacity development activities 100 communities participating in SGP-funded projects able to articulate the relevance of their project goals and activities to related 	<ul style="list-style-type: none"> Communities' presentations at local, regional and national events and fairs Evaluation reports 	

			global environmental issues		team by day-to-day work.
	Rate of successful community projects	<ul style="list-style-type: none"> 90% of SGP-funded projects achieve project objectives 	<ul style="list-style-type: none"> The rate of success of SGP-funded projects during GEF-5 remains 90% or higher 	<ul style="list-style-type: none"> Mid-term and final evaluation reports 	
	Increased number of contributions from SGP Costa Rica to local and national publications and media, as well as to knowledge products of the Global SGP and UNDP	<ul style="list-style-type: none"> SGP results and activities are published, announced or quoted by the media at local and national levels at least twice a year 	<ul style="list-style-type: none"> 15 knowledge products published or quoted by the media during the lifetime of the project 	<ul style="list-style-type: none"> Press releases and formal and informal publications and materials 	
<p><i>Outcome 1: Community-based actions mainstream biodiversity conservation and sustainable use into production landscapes in biological corridors and PA buffer zones</i></p> <p>Output 1.1.1: Local Councils for biological corridors promote and manage community initiatives focused on environmentally friendly products and land management for a sustainable use of biodiversity;</p> <p>Output 1.1.2: Management plans for buffer zones or important areas within biological corridors (10 plans)</p> <p>Output 1.1.3: New protected areas established by communities within biological corridors (>5 areas)</p> <p>Output 1.1.4: Community-based reforestation, natural regeneration of forests, and payment for environmental services schemes (>10 initiatives)</p> <p>Output 1.1.5: Families living in biological corridors and PA buffer zones conserving biodiversity through sustainable livelihood actions (i.e. community rural tourism, organic agriculture, organic honey, medicinal plants, handicrafts, and other sustainable production practices (>1,000 families)</p>					
<p><i>Outcome 2: GHG emissions reduced and carbon stocks increased through community-based actions</i></p> <p>Output 2.1.1: Energy efficient technologies in rural productive activities in PA buffer zones, such as ecotourism facilities, water pumping and crop drying (>15 interventions reduce emissions by >5,000 tCO₂ e in 4 years)</p> <p>Output 2.1.2: Small-scale renewable energy systems at community level, including biogas for cooking and heating, solar energy for cooking and photovoltaic energy for off-grid areas (10 initiatives reduce emissions by >10,000 tCO₂ e in 4 years)</p> <p>Output 2.1.3: Technical assistance and capacity building so that financial partners can offer micro-credit lines for rural small-scale energy efficient and renewable energy investments (>3 local financial institutions and >40 communities)</p> <p>Output 2.2.1: Local community crews trained, equipped and organized for forest fire prevention and management in the buffer zones of Palo Verde, Chirripo, Guanacaste, and La Amistad National Parks, and Diria Biological Corridor (>10 initiatives training and equipping 30 crews)</p> <p>Output 2.3.1: Reforestation and natural regeneration, and forest management in buffer zones of Palo Verde, Chirripó Guanacaste and La Amistad National Parks, and Diria Biological Corridor (>5 initiatives protect from fire and/or restore vegetation cover in these areas >60,000 hectares covered)</p>					
<p><i>Outcome 3: Conservation of productive lands and restoration of degraded lands contribute to sustainability and improved local livelihoods</i></p>					

Output 3.1.1 Integrated farm management and sustainable production under criteria of environmental protection, social responsibility and economic efficiency (>10 productive initiatives restore >200 hectares)

Output 3.1.2: Community-based reforestation, agro-forestry and silviculture systems (>10 initiatives restore 300 hectares)

Output 3.2.1: Water resources protection and integrated watershed management for improved community water supply and ecosystem resilience (>5 initiatives)

Output 3.3.1: Establishment of a local Watershed Commission in the Jesus Maria watershed and implementation of a training and awareness program (>2,000 people trained)

Output 3.3.2: Capacity development program on watershed management delivered to communities vulnerable to land degradation through strategic alliances with key institutions, participatory research, training & exchange of experiences (>40 local actors in each of 8 communities)

Outcome 4: Community-based organizations and their members with improved capacities and knowledge management for replication and upscaling of best practices

Output 4.1.1: Stakeholder networks established and consultations with community members and indigenous peoples leaders to increase awareness on and understanding of existing policies and legislation in relation to fire management, biological corridors, and sustainable production (>5 networks)

Output 4.2.1: Compilations of community proposals related to policy and regulatory regime change for environmental conservation and sustainable livelihoods (>2 documents)

Output 4.2.2: Information & knowledge related to their projects managed and shared by communities (>20 community groups)

Output 4.3.1: Exchange of experiences and capacity building between stakeholders (peer-to-peer knowledge and learning)

Output 4.3.2: SGP knowledge management products generated and available on supported community based processes that have been successful in generating global environmental benefits (>15)

Output 4.4.1: CBO training program on integrated monitoring instruments to assess project progress and results (>20 communities)

PART B.2: INCREMENTAL COST ASSESSMENT

B.2.1 Baseline scenario and alternative strategy

181. Table 8 describes for each PA what have been the main outcomes of baseline investments in terms of PA and buffer zone management to date and what will be ongoing during the life of the FSP that the SGP incremental activities will complement.

Table 8: Main Outcomes of Baseline Investments and SGP Main Expected Investments

Protected Area Category	Baseline Investments	SGP Main Investments (incremental)
Protected Areas		
International Park La Amistad (PILA)	<p>Swap Fund CR-USA: Environmental Education in elementary and high schools of the buffer zone communities in West side of PILA, through a Program named EDUCAPILA.</p> <p>TNC: Support to the Quercus Community Network Organization.</p>	<ul style="list-style-type: none"> • Strengthening of CBOs to protect the PILA buffer zone by investing in site visits, training workshops and organizational improvement. • Participation of communities in strategic planning • Prevention and control of wild fires by local communities trained as brigades, and equipped for forest fire control. • Development of sustainable production activities like organic agriculture, beekeeping, rural community tourism, with buffer zone communities of the PILA NP. • Strengthening of monitoring, and control activities coordinated by communities in the PILA NP through MINAET.
Chirripó NP	Organized local communities through CBOs.	<ul style="list-style-type: none"> • Strengthening of CBOs to protect the Chirripó buffer zone by supporting grants for training, organizational improvement and financing for their environmental activities, such as recycling, river recovery, environmental education campaigns in local schools, and promotion of renewable energy. • Participation of communities in strategic planning • Prevention and control of wild fires by local communities trained as brigades and equipped for forest fire control. • Development of sustainable production activities like tree planting, organic agriculture, beekeeping, in buffer zone communities.
Tapanti-Macizo de la Muerte NP	Organized local communities through CBOs.	<ul style="list-style-type: none"> • Strengthening of CBOs to protect the Tapanti-Macizo de la Muerte NP buffer zone by supporting grants for training, organizational improvement and financing for their environmental activities, such as recycling, river recovery, environmental education campaigns in local schools, and promotion of renewable energy. • Participation of communities in strategic planning • Development of local activities like rural community tourism, blackberry planting, organic vegetables, mushrooms, and others, in harmony with the environment.
Palo Verde NP	Organized local communities	<ul style="list-style-type: none"> • Prevention and control of wild fires by local

	through CBOs.	<p>communities trained and equipped for forest fire control.</p> <ul style="list-style-type: none"> • Support of joint fieldwork by local surrounding communities and MINAET through workshops, cross visits and coordinated planning.
Braulio Carrillo NP	Organized local communities through CBOs.	<ul style="list-style-type: none"> • Strengthening of CBOs to protect the Braulio Carrillo NP buffer zone through supporting grants for training, and organizational improvement. • Participation of communities in strategic planning • Development of local activities in harmony with the environment • ASADAs work strengthened, renewable energy and energy efficiency promotion, and organic agriculture initiatives. • Strengthening of surveillance, monitoring, and control activities of local communities and MINAET.
Corcovado NP	<p>Swap Fund CR-USA: Sustainable Tourism in the OSA Peninsula strengthened with the support of Fundación Corcovado.</p> <p>Removing Barriers: Pilot projects in the OSA NP on sustainable development.</p>	<ul style="list-style-type: none"> • Strengthening of CBOs to protect the Corcovado NP buffer zone by supporting grants for training and organizational improvement. • Participation of communities in strategic planning • Development of local activities in harmony with the environment • ASADAs work strengthened • Renewable energy and energy efficiency promotion, and organic agriculture initiatives. • Strengthening of the surveillance, monitoring, and control activities of the local communities and MINAET.
Guanacaste Conservation Area	Organized local communities through CBOs.	<ul style="list-style-type: none"> • Strengthening CBOs to protect the Guanacaste Conservation Area by supporting grants for training and organizational improvement. • Participation of communities in strategic planning • Prevention and control of wild fires by local communities trained and equipped for forest fire control. • Development of local activities in harmony with the environment such as organic agriculture initiatives, and beekeeping. • ASADAs work strengthened • Promotion of renewable energy and energy efficiency
Barra del Colorado Wildlife Refuge	Organized local communities through CBOs.	<ul style="list-style-type: none"> • Strengthening of CBOs to protect Barra del Colorado Wildlife Refuge by supporting grants for training and organizational improvement. • Participation of communities in strategic planning • Development of local activities in harmony with the environment such as organic agriculture initiatives, and beekeeping. • ASADAs work strengthened • Promotion of renewable energy and energy efficiency
Biological Corridors		

<p>Pájaro Campana BC</p>	<p>FONAFIFO: Payment for environmental services of forest protection for reforestation and tree planting (PES).</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
<p>Colorado Tortuguero BC</p>	<p>FONAFIFO: Payment for environmental services for forest protection and tree planting (PES).</p> <p>Swap Fund CR-USA: ASIREA support for the protection and conservation of the Pococi Aquifer.</p> <p>Removing Barriers: Pilot projects on sustainable development.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment • Promotion of renewable energy and energy efficiency • ASADAs work strengthened • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
<p>Ruta Los Malekus BC</p>	<p>FONAFIFO: Payment for environmental services for forest protection, and tree planting (ESP).</p> <p>Río Frío Basin–AECI: Promote the sustainable development of the Río Frío watershed area which encompasses part of this BC.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
<p>Miravalles-Santa Rosa- Mono Aullador BC</p>	<p>Organized local communities through CBOs.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
<p>Talamanca Caribe BC</p>	<p>FONAFIFO: Payment for environmental services of forest protection for reforestation and</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation.

	<p>tree planting (ESP).</p> <p>Public Private Partnerships for Changuinola/Sixaola: Sustainable production and Sixaola border reforestation initiatives.</p> <p>BID-GEF Project: Conservation of the ecosystems of the Sixaola River.</p> <p>Swap Fund CR-USA: Strengthening Atlantic agro-forestry systems with planting of fruit trees.</p>	<ul style="list-style-type: none"> • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
<p>Cordillera Volcánica Central-Talamanca BC</p>	<p>FONAFIFO: Payment for environmental services of forest protection for reforestation and tree planting (ESP).</p> <p>Removing Barriers: Diverse pilot projects on sustainably development.</p> <p>Panther Project: Panthers monitoring.</p> <p>Model Forest Reventazón: Inter-agency coordination platform for sustainable development with focus on landscape.</p> <p>Alianzas IUCN: Support to strengthen an indigenous network.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Increased access to PES • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
<p>Montes del Aguacate BC (including Jesus Maria Watershed)</p>	<p>Organized local communities through CBOs.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • promoted by SGP personnel and the Local Committee of the Biological Corridor. • Institutional set up of the Commission for the planning, sustainable management and use of the natural resources of the Jesus Maria Basin. • Communities contribute to improve the soil condition of their farms applying different soil conservation activities like crops rotating, contour planting, agro forestry, reforestation and others.

Amistosa BC	<p>FONAFIFO: Payment for environmental services of forest protection for reforestation and tree planting (PES).</p> <p>Swap Fund CR-USA: Forest conservation, biodiversity and protection of water sources in the AMISTOSA Biological Corridor.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Increased access to PES • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
Paso de la Danta BC	<p>Swap Fund CR-USA: Forest conservation, biodiversity and protection of water sources</p> <p>Removing Barriers: Diverse pilot projects on sustainably development.</p> <p>TNC: Support to the Quercus Indigenous Community Network Organization.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
Paso de las Lapas BC	Organized local communities through CBOs.	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
CB- Chorotega-Diria BC	<p>Model Forest Chorotega: Inter-agency coordination platform for sustainable development with a focus on landscape.</p> <p>Removing Barriers: Diverse pilot projects on sustainably development.</p>	<ul style="list-style-type: none"> • Strengthening of the Local Committee of the Biological Corridor for developing its strategic plan and its implementation. • Development of local activities in harmony with the environment and environmental education campaigns in local schools • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
San Juan-La Selva		<ul style="list-style-type: none"> • Development of local activities in harmony with

BC	Organized local communities through CBOs.	<p>the environment</p> <ul style="list-style-type: none"> • ASADAs work strengthened • Promotion of renewable energy and energy efficiency • Communities contribute to improve connectivity in the biological corridors with FONAFIFO PES promoted by SGP personnel and the Local Committee of the Biological Corridor.
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182. SGP is expected to catalyze a significant change in relation to the business-as-usual scenario in a focused number of Protected Areas and biological corridors highly significant in terms of global environmental benefits. The consolidation of conservation in these territories based on the active involvement of local communities committed to these goals will not only strengthen the situation in the specific areas but will also have a significant demonstration value for all PAs and biological corridors of the National System.

183. Last, it is important to highlight that this integrated strategy focused on key biological corridors will enhance a biodiversity-friendly mosaic of land uses by combining different interventions coherently. Bringing together biodiversity conservation actions with reduction of GHG emissions through renewable energy and energy efficiency, and improvements in local livelihoods will reduce the pressure on the resource base in a way more efficient than addressing each of them separately or spreading them on larger and multiple territories.

SECTION C: TOTAL BUDGET AND WORK PLAN (UNDP ATLAS)

184. The total cost of the Project is US\$9,023,148 of which GEF grant funding is US\$4,398,148. Cash and in-kind co-financing in the order of US\$4,625,000 will be mobilized from the Government of Costa Rica, UNDP, bilateral aid agencies, the private sector and CBOs participating in the Project. Table 9 shows the breakdown of estimated co-financing in cash and in-kind to the GEF contribution.

Table 9: Co-financing for the SGP project by source

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Cofinancing Amount (\$)
National Government	CADETI	In-kind	638,400
GEF Agency	UNDP	In-kind	100,000
GEF Agency	UNDP	Grant	1,000,000
CSO	Grantees	Grant	1,000,000
CSO	Grantees	In-kind	1,600,000
Private Sector	Not specified at this stage	In-kind	100,000
Bilateral aid agencies	Not specified at this stage	Cash	125,000
Others	Not specified at this stage	In-kind	61,600
Total Co-financing			4,625,000

185. The Government of Costa Rica, through CADETI has already committed an in-kind contribution of US\$638,400 to support activities in the Land Degradation component. Other Government entities that may provide co-financing are MINAET, MAG, FONAFIFO, and BCNP. The Biological Corridors National Program will also provide co-financing, public-policy orientation and technical assistance to CBO participating in the project, in particular to support the implementation of the strategic plans of Local Councils for biological corridors. CADETI will serve as the main driver for community-based interventions on sustainable land management and ecosystem protection in the Jesus Maria Watershed.

186. UNDP will make an in-kind contribution of \$100,000. This contribution will be made effective through UNDP professional staff participating in the SGP National Steering Committee, an important tool for transparency, strategic guidance and direction in selecting and approving projects, and to ensure quality standards in programming. UNDP will also assist SGP in fundraising and in negotiations to establish a pipeline of projects with marginalized communities in the framework of the Millennium Development Goals. The \$100,000 in-kind contribution from UNDP corresponds to (a) the participation of a senior professional staff member in the National Steering Committee, which involves at least two months of time per year for participation in NSC meetings, project field visits, review of work plans, review of project proposals, and monitoring the progress of the program (\$30,000); (b) advocacy, technical support in fund raising, knowledge management communications, and the agency expertise in the areas of Human Development, Democracy and Governance, Poverty Reduction, Environment, Energy and Risk Management, Equality and Gender Equity, with staff time estimated at \$50,000; and (c) the use of equipment, office supplies, meeting infrastructure, furniture, among others, that facilitate SGP operation in the country, estimated at \$20,000.

187. The Costa Rica SGP with UNDP's support has a consistent track record of leveraging significant cash and in-kind co-financing to further enhance cost-effectiveness of delivering Global Environmental Benefits on behalf of the GEF partnership. It is estimated that UNDP will mobilize at least \$1,000,000 of cash contributions for the project during its time.

TOTAL BUDGET AND WORKPLAN

Award ID:	00062064	Project ID(s):	00079305
Award Title:	Country Name Project Title: PIMS 4560 Fifth Operational Phase of the GEF Small Grants Programme in Costa Rica		
Business Unit:	Costa Rica CO: CRI 10		
Project Title:	PIMS 4560 5 th Operational Phase of the GEF Small Grants Programme in Costa Rica		
PIMS no.	4560		
Implementing Partner (Executing Agency)	UNOPS		

GEF Outcome/Atlas Activity	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount 2011 (USD)	Amount 2012 (USD)	Amount 2013 (USD)	Amount 2014 (USD)	Amount 2015 (USD)	Total (USD)	See Budget Note:
OUTCOME 1: Community-based actions mainstream biodiversity conservation and sustainable use into production landscapes in biological corridors and PA buffer zones	UNOPS	62000	GEF	61100	Staff Costs	\$31,926	\$38,336	\$38,336	\$38,336	\$6,411	\$153,345	1
				71600	International Travel	\$0	\$5,300	\$0	\$0	\$0	\$5,300	2
				74500	Miscellaneous expenses	\$0	\$2,745	\$2,745	\$1,569	\$784	\$7,843	3
				72600	Grants to Institutions	\$0	\$715,362	\$919,751	\$408,778	\$0	\$2,043,891	4
					Total Outcome 1	\$31,925	\$761,743	\$960,832	\$448,683	\$7,195	\$2,210,379	
OUTCOME 2: GHG emissions reduced and carbon stocks increased through community-based actions	UNOPS	62000	GEF	61100	Staff Costs	\$6,462	\$12,924	\$12,924	\$12,924	\$6,462	\$51,698	5
				71600	International Travel	\$0	\$0	\$5,300	\$0	\$0	\$5,300	6
				74500	Miscellaneous expenses	\$0	\$891	\$891	\$509	\$255	\$2,546	7
				72600	Grants to Institutions	\$0	\$237,038	\$304,763	\$135,450	\$0	\$677,251	8
					Total Outcome 2	\$6,462	\$250,853	\$323,878	\$148,883	\$6,717	\$736,793	
	UNOPS	62000	GEF	61100	Staff Costs	\$4,634	\$9,267	\$9,267	\$9,267	\$4,634	\$37,069	9

OUTCOME 3: Conservation of productive lands and restoration of degraded lands contribute to sustainability and improved local livelihoods				71600	International Travel	\$0	\$5,300	\$0	\$0	\$0	\$5,300	10
				74500	Miscellaneous expenses	\$0	\$668	\$668	\$381	\$190	1,908	11
				72600	Grants to Institutions	\$0	\$170,981	\$219,833	\$97,704	\$0	\$488,518	12
					Total Outcome 3	\$4,634	\$186,216	\$229,768	\$107,352	\$4,824	\$532,794	
OUTCOME 4: Community-based organizations and their members with improved capacities and knowledge management for replication and upscaling of best practices	UNOPS	62000	GEF	61100	Staff Costs	\$2,596	\$5,192	\$5,192	\$5,192	\$2,596	\$20,768	13
				71600	International Travel	\$0	\$0	\$5,300	\$5,300	\$0	\$10,600	14
				74500	Miscellaneous expenses	\$0	\$371	\$371	\$211	\$106	\$1,059	15
				75700	Training Workshops	\$0	\$14,310	\$16,695	\$16,695	\$0	\$47,700	15
				74200	Outreach	\$150	\$20,000	\$20,000	\$14,000	\$970	\$55,120	16
				72600	Grants to Institutions	\$0	\$63,804	\$82,034	\$36,460	\$0	\$182,298	17
					Total Outcome 4	\$2,746	\$103,677	\$129,592	\$77,858	\$3,672	\$317,545	
OUTCOME 5: Monitoring, learning, adaptive management and evaluation	UNOPS	62000	GEF	71200	International Consultants	\$0	\$31,800	\$42,400	\$42,400	\$0	\$116,600	18
				71300	Local Consultants	\$0	\$10,483	\$32,224	\$6,360	\$0	\$49,067	19
				71600	International Travel	\$0	\$2,650	\$2,650	\$2,650	\$2,650	\$10,600	20
				71600	Local Travel	\$1,059	\$18,197	\$18,197	\$18,197	\$1,060	\$56,710	21
				74500	Miscellaneous expenses	\$0	\$2,226	\$2,226	\$1,272	\$636	\$ 6,360	22
				75700	Training Workshops	\$0	\$3,732	\$3,732	\$2,133	\$1,066	\$10,663	22
					Total Outcome 5	\$1,059	\$69,088	\$101,429	\$73,012	\$5,412	\$250,000	
PROJECT MANAGEMENT	UNOPS	62000	GEF	61100	Staff Costs	\$21,890	\$43,050	\$46,481	\$46,481	\$17,729	\$175,631	23
				71600	International Travel	\$0	\$3,732	\$3,732	\$3,731	\$0	\$11,195	24
				73100	Premises	\$1,950	\$19,450	\$19,450	\$19,450	\$8,600	\$68,900	25

			71400	Equipment, Operations and Maintenance	\$2,112	\$13,500	\$13,700	\$13,900	\$2,368	\$45,580	26
			74500	Miscellaneous	\$1,000	\$9,000	\$9,150	\$9,300	\$2,114	\$30,564	27
			74100	Audit	\$0	\$0	\$18,767	\$0	\$0	\$18,767	28
				Total Management	\$26,952	\$88,732	\$111,280	\$92,862	\$30,811	\$350,637	
PROJECT TOTAL					\$73,779	\$1,460,309	\$1,856,779	\$948,650	\$58,631	\$4,398,148	

Summary of Funds:⁸

	Amount Year 1 2011	Amount Year 2 2012	Amount Year 3 2013	Amount Year 4 2014	Amount Year 5 2015	Total
GEF	\$73,779	\$1,460,309	\$1,856,779	\$948,650	\$58,631	\$4,398,148
Donors – Parallel financing (cash and in-kind)	\$0	\$800,000	\$1,200,000	\$1,525,000	\$1,100,000	\$4,625,000
TOTAL	\$73,779	\$2,260,309	\$3,056,779	\$2,473,650	\$1,158,631	\$9,023,148

BUDGET NOTES

0. The 6% UNOPS fee is incorporated in each individual budget line.
1. Technical inputs from the National Coordinator (also known as Country Programme Manager in CEO Endorsement) and the Programme Assistant for the formulation and delivery of a programme of biodiversity grant initiatives by local communities. This includes time spent monitoring the biodiversity portfolio, providing technical assistance to grantees, reporting on project progress and results, and developing related knowledge products. Cost includes 47% of the Programme Manager staff cost and 29% of the Programme Assistant staff cost, reflecting the proportion of time to be dedicated to technical inputs to this component.
2. Participation of Programme Manager or Programme Assistant in CBD meetings or other experience exchange workshops among SGP up-graded countries
3. Meetings of SGP’s National Steering Committee for the review and approval of biodiversity CBO/NGO grants, as well as inception workshops with grantees implementing biodiversity projects, and training activities with local communities in selected biological

⁸ Summary table should include all financing of all kinds: GEF financing, cofinancing, cash, in-kind, etc...

corridors.

4. Financial resources for biodiversity initiatives, approximately 85 CBO/NGO grants.
5. Technical inputs from the National Coordinator (Country Programme Manager) and the Programme Assistant for the formulation and delivery of a programme of climate change grant initiatives by local communities. This includes time spent monitoring the climate change portfolio, providing technical assistance to grantees, reporting on project progress and results, and developing related knowledge products. Cost includes 16% of the Programme Manager and 10% of the Programme Assistant staff costs, reflecting the proportion of time to be dedicated to technical inputs to this component.
6. Participation of Programme Manager or Programme Assistant in relevant experience exchange workshops among SGP up-graded countries or relevant training on climate change mitigation issues
7. SGP National Steering Committee meetings for the review and approval of climate change CBO/NGO grants, as well as inception workshops with grantees implementing climate change projects, and training activities with local communities in selected biological corridors.
8. Financial resources for climate change initiatives, approximately 40 CBO/NGO grants.
9. Technical inputs from the National Coordinator (Country Programme Manager) and the Programme Assistant for the formulation and delivery of a programme of land degradation grant initiatives by local communities. This includes time spent monitoring the land degradation portfolio, providing technical assistance to grantees, reporting on project progress and results, and developing related knowledge products. Cost includes 11% of the Programme Manager and 7% of the Programme Assistant staff costs, reflecting the proportion of time to be dedicated to technical inputs to this component.
10. Participation of Programme Manager or Programme Assistant in relevant experience exchange workshops among SGP up-graded countries.
11. SGP National Steering Committee meetings for the review and approval of land degradation CBO/NGO grants, as well as inception workshops with grantees implementing land degradation projects, and training activities with local communities in selected biological corridors.
12. Financial resources for land degradation initiatives, approximately 30 CBO/NGO grants.
13. Technical inputs from the National Coordinator (Country Programme Manager) and the Programme Assistant for activities related to capacity development of local communities to develop and implement projects that address climate change, biodiversity and land degradation, as well as awareness raising, knowledge management and communications to facilitate replication and up-scaling of successful community initiatives. This includes time spent networking with public, private and academic institutions, identifying partners and/or consultants to support the development of training materials and to deliver the training. Cost includes 6% of the Programme Manager and 4% of the Programme Assistant staff costs, reflecting the proportion of time to be dedicated to activities related to this component.
14. Participation of Programme Manager in experience exchange workshops between SGP upgraded countries and the global SGP programme.

15. SGP National Steering Committee meetings related to the selection and approval of grants for capacity development of CBOs and NGOs. Workshops and training events for SGP grantees and inhabitants of selected biological corridors in cooperation with networks and partner institutions.
16. Production, layout, translation, printing and dissemination of SGP knowledge products and communication materials including audiovisuals (e.g. factsheets, reports, case studies, etc)
17. Grants to umbrella NGOs and/or networks of civil society organizations to develop knowledge products and training materials and to deliver training to communities.
18. Mid-term and final evaluation consultants, and carbon monitoring consultant.
19. Specialized technical assistance for monitoring and evaluation, including for baseline data gathering and verification, validation of selected indicators, and completion/adaptation of GEF focal area tracking tools in biodiversity, climate change and land degradation. Updating SGP Costa Rica database.
20. Programme Manager participation in Carbon Measurement and Monitoring training workshop; country programme staff participation in inception workshop for up-graded countries and mid-term review.
21. Ex-ante project site visits, monitoring field visits, technical assistance to grantees for the application of M&E methods.
22. NSC meetings and retreats to, among others, assess overall project progress.
23. Country programme management inputs, with costs reflecting the proportion of time to be dedicated by each staff:
 - a) National Coordinator (Country Programme Manager) (20%): Overall project management, administration, finances, reporting, and resources mobilization
 - b) Programme Assistant (50%): Financial management and budget control, disbursements to grantees, record keeping, administrative support and procurement
 - c) Secretary (100%): Secretarial support including archiving, inventories, office and equipment maintenance, supplies, minutes taking, workshop preparation and logistics, and database update support.
24. Travel cost of international auditors or other international travel of Programme Manager associated with project management responsibilities
25. Rental and maintenance of SGP premises, utility costs, communications.
26. Purchase, rental and maintenance of equipment (replacement of computers and printers, rental of audiovisual equipment for workshops and training activities)
27. Miscellaneous costs such as car insurance
28. Auditing costs

SECTION D: ADDITIONAL INFORMATION

PART I. ANNEXES

- A SGP Costa Rica – Globally significant biodiversity in Selected Protected Areas and Biological Corridors
- B SGP Climate Change Interventions
- C List of Plant Species to be Used in Afforestation and Agroforestry Activities
- E SGP Operational Guidelines
- F SGP Project Template and Guidelines
- G Global SGP Indicators selected for the Costa Rica Country Program in GEF- 5
- H UNDP Offline Risk Log
- I Responsibility Matrix

PART II. SIGNATURE PAGE

Country: Costa Rica

UNDAF Outcome (s)/Indicator (s): *Link to UNDAF Outcome. If no UNDAF leave blank.*

CPAP Outcome (s)/Indicator (s):

CPAP Output (s)/Indicator (s):

Implementing Partner: UNOPS

Programme Period:	4 years
Atlas Award ID:	00062064
Project ID:	00079305
PIMS #	4560
Start date:	July 1 st 2011
End Date:	June 30 2015
Management Arrangements	UNOPS execution
PAC Meeting Date	12/08/2011

Total resources required	\$9,023,148
Total allocated resources:	\$4,398,148
• Regular	\$0
• Other:	
• GEF	\$4,398,148
Total Parallel financing	\$ 4,625,000
○ Cash	\$ 2,125,000
○ Government In-kind	\$ 638,400
○ Others In-kind	\$ 1,861,600

Agreed by UNOPS:

NAME SIGNATURE Date/Month/Year

Agreed by UNDP:

NAME SIGNATURE Date/Month/Year

Agreed by Government of Costa Rica:

NAME SIGNATURE Date/Month/Year

PART III: Endorsement and Co-financing letters (separate file)