



Empowered lives.
Resilient nations.

United Nations Development Programme

PROJECT DOCUMENT

Project title: Sixth Operational Phase of the GEF Small Grants Programme in Mexico		
Country: Mexico	Implementing Partner: United Nations Office for Project Services - UNOPS	Management Arrangements: Agency-implemented
UNDAF/Country Programme Outcome: UNDAF Cooperation Area III: Environmental sustainability and green economy; Outcome 6: the three orders of government, the private sector, academia, and civil society strengthen their capacity to revert environmental degradation and to sustainably and equitably use natural resources, through mainstreaming environmental sustainability, low carbon development, and a green economy in legislation, planning and decision-making (UNDP's contribution: to promote low carbon development strategies which also address disaster risk reduction, resilience and environmental sustainability with a gender focus and multicultural for poverty reduction).		
UNDP Strategic Plan Output: Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.		
UNDP Social and Environmental Screening Category: Low Risk	UNDP Gender Marker: GEN 2	
Atlas Project ID/Award ID number: 00097091	Atlas Output ID/Project ID number: 00100948	
UNDP-GEF PIMS ID number: 5531	GEF ID number: 9167	
Planned start date: September 2017	Planned end date: September 2020	

LPAC date: Planned August 2017

Brief project description: The goal of this project is to contribute to achieving global environmental benefits by empowering local communities to manage production landscapes in Mexico's Southeast large ecosystems in a manner that enhances their social, economic and environmental sustainability and resilience. Landscape and seascape resilience will be enhanced through the individual and synergistic impacts of a set of adaptive community practices that maintain ecosystem services, conserve biodiversity, mitigate climate change and reverse land degradation in the following large ecosystems: - *Deltaic-estuarine landscape of the Grijalva-Usumacinta Rivers*; - *Coastal lagoons and marine interface in the northern Yucatan Peninsula*; - *Tropical deciduous, sub-deciduous and sub-evergreen forests in the Yucatan Peninsula*; and - *Montane broadleaf and cloud forest in northern Chiapas*. The project will build on the results, experience and lessons from previous SGP phases, and lessons learned from relevant Programmes such as COMPACT. In particular, the project will establish or strengthen networks and second-level organizations to integrate and bring to scale production and marketing of sustainably produced goods and services. Coordinated community projects in the landscape will generate ecological, economic and social synergies that will produce greater and potentially longer-lasting global environmental benefits, as well as increased social capital and local sustainable development benefits.

FINANCING PLAN

GEF Trust Fund	USD \$4,429,223
UNDP TRAC resources	USD \$0
Cash co-financing to be administered by UNDP	USD \$0
(1) Total Budget administered by UNDP	USD \$4,429,223

PARALLEL CO-FINANCING (*all other co-financing that is not cash co-financing administered by UNDP*)

UNDP (in-kind)	USD \$300,000
Government (State Government of Yucatan, municipalities of Peto, Chacsinkín, and Ministry of Education)	USD \$390,843
Government (State Government of Quintana Roo, Ministry of Education and Environment)	USD \$1,395,868
Scientific and Technological Park of Yucatan	USD \$279,174

The Institute of Entrepreneurs of Yucatan (IYEM)	USD \$167,504
Kellog Fellows Leadership Alliance (in-cash)	USD \$50,000
Grantees (in-cash)	USD \$1,500,000
Grantees (in-kind)	USD \$2,250,000
(2) Total co-financing	USD \$6,333,389
(3) Grand-Total Project Financing (1)+(2)	USD \$10,762,612

SIGNATURES

Signature: print name below	Agreed by Government:	Date/Month/Year:
Signature: print name below	Agreed by Implementing Partner	Date/Month/Year:
Signature: Antonio Molpeceres Resident Coordinator of UN System and Resident Representative of UNDP Mexico	Agreed by UNDP	Date/Month/Year:

TABLE OF CONTENTS

List of Acronyms	5
I. Development Challenge	6
1.1 Global environmental values and management challenges of the proposed project landscapes and seascapes	6
1.2 The GEF Small Grants Programme in Mexico	9
1.3 The problem to be addressed	13
1.4 The solution to the problem	15
1.5 Barriers to achieving the solution	15
II. Strategy	17
2.1 The proposed alternative scenario	17
2.2 Strategic Interventions for Sustainable Livelihoods	18
2.3 The baseline scenario and associated baseline projects	21
2.4 Consistency with GEF Policy and Programmemeing	23
2.5 Consistency with National Priorities	23
III. Results and Partnerships	24
3.1 Global environmental benefits	25
3.2 Project objective	26
3.3 Project outcomes, outputs and activities	26
3.4 Contribution of the project to the Aichi targets	32
IV. Feasibility	38
V. Project Results Framework	Error! Bookmark not defined.
VI. Monitoring and Evaluation (M&E) Plan	49
VII. Governance and Management Arrangements	56
VIII. Financial Planning and Management	62
IX. Total Budget and Work Plan	65
X. Legal Context	68
XI. Mandatory Annexes	71

LIST OF ACRONYMS

CBO	Community-based Organizations
CMDC	Centrally Managed Direct Costs
COMDEKS	Community Development and Knowledge Management for the Satoyama Initiative
COMPACT	Community Management of Protected Areas Conservation
CONABIO	National Commission on Biodiversity (for its Spanish acronym)
CPM	Country Programme Manager
CSO	Civil Society Organizations
FSC	Forest Stewardship Council
GEB	Global Environmental Benefits
GEF	Global Environment Facility
MBC	Mesoamerican Biological Corridor
NSC	National Steering Committee
OP	SGP Operational Phase
PIR	Project Implementation Review
PPG	Project Preparation Grant
SGP	Small Grants Programme
UCP	Upgraded Country Programmes
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services

I. DEVELOPMENT CHALLENGE

1.1 Global environmental values and management challenges of the proposed project landscapes and seascapes

The project will be implemented in six broad production landscapes and seascapes mainly under the control and property of *ejidos* and communities covering an area of 6,139 Km² in the States of Campeche, Chiapas, Quintana Roo, Tabasco and Yucatan in the Southeast of Mexico. Four large terrestrial and marine ecosystems are represented within this area.

These landscapes are part of the Mesoamerican Biological Corridor (MBC) in Mexico, which in this area includes 17 federal and state protected areas¹ and the adjacent lands that interconnect them and where the landscapes are found. The project aims at enhancing the resilience of these ecosystems through the synergistic implementation of a set of community livelihood practices in key landscapes that help maintain ecosystem services, conserve biodiversity, mitigate climate change and reduce land degradation. The following is a brief description of the four large ecosystems, their biodiversity values and main threats. Lessons learned from the landscapes allow the SGP Country Programme to upscale successful experiences in each of the four large ecosystems.

a. Deltaic-estuarine ecosystem of the Grijalva-Usumacinta Rivers

The Delta of the Usumacinta and Grijalva rivers, which empty into the Gulf of Mexico through the Laguna de Terminos, is considered second within North and Central America for its volume of water discharge. It is a part of a broader wetlands system within the States of Veracruz, Tabasco and Campeche. Two protected areas were established to help conserve this ecosystem, the Biosphere Reserve of the Centla Wetlands, covering an area of 17,200 Km², and the Fauna and Flora Protection Area of the Laguna de Terminos. The Laguna de Terminos is the largest estuarine system in the country by water volume and extension. The deltaic-estuarine ecosystem has a high plant and fauna diversity with 260 plant species and 170 vertebrate species, and it is the habitat of threatened species such as the manatee (*Trichechus manatus*), the Jabiru stork (*Jabiru mycteria*), the white-tailed deer (*Odocoileus virginianus*) and marine turtles. Two notable species are the Alligator gar (*Atractosteus spatula*) or Pejelagarto whose existence can be traced to the early Cretaceous about a hundred million years ago and the Morelet crocodile (*Crocodylus moreletii*) only found in freshwaters of the Atlantic region of Mexico, Guatemala and Belize. The Laguna de Terminos is a reproduction, feeding and growth area of post-larvae and juveniles of white (*Litopenaeus setiferus*) and brown (*Farfantepenaeus aztecus*) shrimps, two economically important species regionally. The main threats to this ecosystem are periodic bush fires, pollution from oil production, overfishing, invasive species, and large sediment deposits due to the expansion of commercial agriculture and urban development. It is estimated that only eight per cent of the original habitat remains.

b. Coastal lagoons and marine interface in the northern Yucatan Peninsula

¹ Protected Areas: Lacan Tun, Montes Azules, El Triunfo, Selvas El Ocote, Laguna de Terminos, Los Petenes, Calakmul, Uaymil, Arrecifes de Sian Ka'an, Sian Ka'an, Yumbalam, Arrecifes de Xcalak, Pantanos de Centla, Ria Lagartos, Ria Celestun, Otoch, Ma'Ax Yetel Koch, and Maalam Ka'ax.

Coastal lagoons are a conspicuous characteristic of the coast of the Yucatan Peninsula. The ecosystem is the result of subterranean freshwater flows and the elevation of the continental platform that slows down the coastal currents and enables the deposit of sediments, which then form coastal dunes. Of particular biodiversity importance are the estuaries of Celestun, Lagartos and the Yalahau Lagoon. This large ecosystem is a breeding, resting and feeding area for a large number of resident and migratory birds including the majority of individuals of the Mexican flamingo *Phoenicopterus ruber roseus*. This is also a unique area for two seagull species, *Larus dominicanus* and *Larus fuscus*. There are 360 plant species recorded including some threatened endemic plant species of palms. The coastal dune vegetation includes, among others, endemic palms, shrubs, grasses, bromeliads and orchids. Marine biotic communities include 41 species of macroalgae, 2 marine grasses, 17 corals, 14 gorgonians, 23 sponges and 11 other organisms such as echinoderms, anemones, zoanthids and molluscs. There are 4 marine turtles present in the area *Eretmochelys imbricata*, *Caretta caretta*, *Dermochelys coriacea* and *Chelonia mydas*.

Eight federal and state protected areas have been established to conserve the most representative areas of this large ecosystem: the Biosphere Reserves of Sian Ka'an and Los Petenes, the Special Biosphere Reserves of Ría Celestún and Ría Lagartos, the State Reserves of El Palmar and Bocas de Dzilam, the Xcalak Reef, and the flora and Fauna Protection Area of Yumbalám. The main threats to this large ecosystem are siltation, eutrophication, habitat loss (in particular mangroves), invasive species, overfishing and pollution from unsustainable tourism.

c. Tropical forests large ecosystem in the Yucatan Peninsula

The tropical forest large ecosystem of Yucatan includes three distinct forest types:

- i) Deciduous forests in the Western and Northern parts of the Yucatan Peninsula, which has a hot climate and a long dry season. Some 1,053 plant species have been recorded in these forests. Plant endemism has been estimated to be nearly 10% of the total vegetation with a large number of endemic cacti (10 out of 14 endemic cacti from the Peninsula are found here). The vegetation is mostly composed of low woody plants with diameters sometimes exceeding the height of the plant. A "thorn forest" is found in the north of the Peninsula. The height of the canopy, varying between 4 and 15 meters, is determined mostly by plant access to underground or surface water. The Yucatan deciduous forests have been extensively cleared for agriculture and cattle ranching and many species are critically endangered.
- ii) Sub-deciduous forests are present in the three states of the Yucatan Peninsula, mostly in the centre of the Peninsula and towards the Gulf of Mexico. The vegetation cover is dense with a canopy height ranging from 15 to 40 meters. The number of plant species recorded is 777 with 14% endemism. Forest concessions in the XIX century that maintained extractive operations for almost 100 years fragmented this ecosystem in the northeast. In the south and southeast of the Peninsula is located what is known as the Maya Zone of the States of Yucatan and Quintana Roo. Land use change to agriculture and cattle ranching is also occurring.
- iii) Sub-evergreen forests with over 1,115 plant species cover a large area between the Sian Ka'an and Calakmul Biosphere Reserves. Twelve per cent of this ecosystem is dominated by trees that have a height of 30 meters and more with some as high as 45 meters. This sub-system includes several species of economic importance such as *Manilkara zapota*, *Bursera simaruba*, *Brosium alicastrum*, *Metopium brownie*, *Vitex gaumeri*, and *Swetenia*

macrophylla. This forest also includes many epiphytes and vines. This forest type has been significantly affected by economic activities such as commercial agriculture, timber production, and hunting.

Key natural protected areas in this large ecosystem are the Fauna and Flora Protection Area of Yumbalam, and the Calakmul and Sian Ka'an Biosphere Reserves.

d. Montane broadleaf and cloud forests in northern Chiapas

This large ecosystem has four different forest types:

- i) The Tropical Rainforest which is the most diverse vegetation formation in the State of Chiapas with about 120 tree species per hectare. This forest type can be distinguished from the Lowland Mountain Forest (see below) because of a discontinuous stratum of erect trees higher than 40 meters, sometimes up to 70 metres. The continuous medium stratum includes trees 20 to 40 meters high, a lower stratum with trees between 10 and 20 meters, and smaller trees between 4 and 10 meters. The forest floor has very few shrubs and herbaceous species as not much light penetrates the canopy. This forest type is found in the Eastern Mountains - Lacandona Forests below 400 meters above sea level and with at least 2000 mm of precipitation. The main threats to this forest ecosystem are deforestation for agricultural use, excessive and non-diversified timber and non-timber product extraction, and forest plantations with exotic species. It is present in the SGP South and Northern Forest landscapes in Chiapas.
- ii) The Lowland Mountain Forest is the most common type of forest found between 300 and 800 meters above sea level and where there is no dry season or it is shorter than three months a year, particularly in the Eastern Mountains of Chiapas (Selva Lacandona) and the lowlands of the Northern Mountains and the Pacific side of the Sierra Madre. This type of forest has been significantly deforested and burnt with the last remnants of mature forest in steep slopes and rocky riverine areas or inaccessible peaks. The core part of this forest contains dense palm populations, shrubs, reeds and vines, as a result of natural or human-made forest disturbances. The main threats for this area are land use change to subsistence agriculture, exotic timber species plantations, and excessive timber and non-timber products extraction. This type of forest is present in the SGP Northern Chiapas landscape.
- iii) The Mountain Forest found in altitudes between 900 and 2200 meters above sea level in areas without a marked dry season in the Northern and Eastern Mountains, the Eastern side of the Meseta Central and both sides of the Sierra Madre mountain range. Vascular epiphytes and mosses densely cover tree trunks and branches in this forest. The forest has three strata, the tallest trees up to 40 meters, an intermediate stratum with trees between 10 and 20 meters and a low stratum between 4 and 10 meters. The understory is dense and abounds with ferns, shrubs and herbaceous species. The main threats are land use change for agricultural purposes, in particular for establishing coffee plantations, excessive and non-diversified timber and non-timber product extraction, forest plantations with exotic species, and ecosystem degradation due to reforestation with a few local pine species. This forest type is present in the Frontier and Sierra SGP landscapes in Chiapas.
- iv) The Conifer and Quercus Forest found in altitudes between 800 and 2500 meters above sea level in the Chiapas Central Depression, in the highest elevations of the Meseta Central, and the Pacific side of the Sierra Madre. The canopy is dominated by Conifers

and Oaks (*Quercus*), usually a combination of three or four species of *Quercus* and two or three species of *Pinus*. Other occasional species in the canopy are *Arbutus xalapensis*, *Chiranthodendron pentadactylon*, *Clethra chiapensis* and *Persea americana*. In the areas where *Quercus* is dominant there is an abundance of epiphytes, in particular bromeliads but also orchids and ferns. This forest type has been extensively degraded in its composition and structure, especially in areas with deep soils, which are now used for agricultural purposes, and also due to firewood collection of *Quercus* and other broadleaf species.

It should be noted that the Lacandon, in spite of its deforestation and degradation, is the largest montane rainforest in North America and one of the last ones large enough to support jaguars (*Panthera onca*). Among other significant biodiversity it is estimated that 25% of all Mexican animal species and 44% of all Mexican diurnal butterflies are found in this large ecosystem. Protected areas in this ecosystem are the Montes Azules, Selvas El Ocote, and El Triunfo Biosphere Reserves.

The communities in the six landscapes are of diverse ethnic origin, Maya in the northern, southern and northeastern parts of the Yucatan Peninsula and Tzeltal, Tzotzil, [Ch'ol](#), [Tojolabal](#), [Zoque](#), [Chuj](#), [Kanjobal](#), [Mam](#), [Jacalteco](#), [Mochó Cakchiquel](#) and [Lacandon](#) in Chiapas². There is also a significant mestizo population in all five states. Ejidos and communities have predominantly rural livelihoods in which natural resources play an important role in spite of the fact that as much as 63% of the population of the Yucatan Peninsula is classified as urban. The “*milpa*” which is the name for the traditional multi-crop agricultural practice and the social organization associated with it is central to local culture. The *milpa* is based on the tropical forest diversity and its biodynamic cycles. It involves slash and burn agriculture with long fallow periods. Campeche and Quintana Roo also include a significant number of forest ejidos in which communities own large tracks of forests managed for timber and other forest products and services. For example, some 50 forest ejidos in the landscapes of the State of Quintana Roo own some 500,000 hectares of forestland. Coastal areas and lagoons sustain many artisanal fisher communities in Tabasco and the three States of the Yucatan Peninsula.

1.2 The GEF Small Grants Programme in Mexico

Mexico's GEF Small Grants Programme was established in March 1994 during the global SGP Pilot Phase (1992-1996). The Programme's geographic focus at inception was the Yucatan Peninsula, an extension of 141,523 Km² covering the states of Campeche, Quintana Roo and Yucatan. Some areas of the states of Tabasco and Chiapas were added in 2000 and 2006, respectively. To date the Country Programme encompasses landscapes connected to and sometimes overlapping the territories of 17 federal protected areas and two state protected areas, an approximate 17% of the total land area³ of the five states. As discussed above four large ecosystems are represented in this mosaic of landscapes (see map in Annex 1). The landscapes are production landscapes and seascapes of great importance for maintaining the integrity of the above ecosystems, with *ejidos*⁴ and collective indigenous community lands as the predominant form of land tenure.

² It should be noted that today there are an estimated 56 linguistic groups in the State of Chiapas.

³ The total land area of these five states is 249,993 Km², that is 12 percent of the national territory with a population of 11,231,499 according to the national census of 2010.

⁴ *Ejidos* and “communities” are forms of land tenure resulting from the Mexican Revolution. Their purpose was to provide access to land for cultivation and housing to poor rural communities. The difference between the two types of property relates, in principle, to the

During its 20 years of operation Mexico's SGP has funded 558 projects for a total amount of USD 25.1 million of which USD 13.7 million was GEF funding and USD 11.4 million was co-financing. These projects address all GEF Focal Areas, with a majority of projects in the biodiversity focal area (394 projects). The Programme has adjusted its strategy overtime to reflect lessons learnt and to address emerging issues and opportunities. The following is a summary of the evolution of Mexico's SGP strategy over 20 years:

During the Pilot Phase the Programme had an annual allocation of USD 150,000. In a very large country such as Mexico, it was imperative to concentrate the grants in a specific geographic area to reduce operational costs and to facilitate regular contact with grantees and partner organizations. The Yucatan Peninsula being relatively homogeneous ecologically and culturally, with good road infrastructure and a flat topography, was an ideal location to pilot the Programme. The SGP coordination office was established in Merida, the cultural and economic centre of the Peninsula. The membership of the Programme's National Steering Committee (NSC) involved institutional representatives and experts from the region but also from the country's capital to provide links with national policies and decision-makers. The above measures proved important for cost-effectiveness and to enhance the likelihood of impact. The initial approach, not yet a strategy, was to invite all interested civil society organizations in the three states to register with the Programme to identify those with objectives relevant to the Programme. Shortlisted organizations (about 200) were later invited to submit project proposals. Through this exercise SGP became acquainted with local organizations, was able to estimate the potential demand for Programme resources, and did a preliminary assessment of civil society organizations' capacity to design initiatives consistent with the GEF focal area strategies. The first socio-economic and environmental analysis of the Peninsula to inform SGP's grant-making strategy was undertaken. A group of five experts dubbed GatoB⁵ was formed to provide organizational and technical assistance to grantees.

Building on the Pilot Phase experience SGP designed its first strategy in 1996. The strategy established environmental targets for each GEF focal area and focused its grant making in nine landscapes in which "pivot" organizations⁶ would provide the necessary support to grantees. To guide grant-making decisions each landscape developed a sustainable development plan based on a participatory assessment of local resources and capacities, a precursor to SGP's landscape/seascape approach. The strategy prioritized capacity building of community-based organizations (CBOs), developed a gender approach, and identified key instruments to enhance sustainability: i) the formation of a network of organizations participating in the Programme⁷; ii) the creation of a financial mechanism to provide credit to community-based organizations⁸; and iii) a commercial/marketing organization⁹. The implementation of the strategy was thoroughly

historical relationship with the land in which the term "communities" refers to indigenous peoples reclaiming their ancestral lands while "ejidos" were established to give landless peasants a right to obtain expropriated land.

⁵ An acronym for "*Grupo de apoyo tecnico a las organizaciones de base*", Spanish for Technical Support Group for Community-based Organizations.

⁶ "Pivot" organizations are Non-Governmental Organizations present in the landscapes where the Programme operates that were invited by SGP to provide support to community-based organizations. The initial small number of organizations grew over time to become a large network of CSOs. Among other roles, pivot organizations help articulate the various projects funded by SGP in the landscape within the framework of a 'landscape sustainable development plan'. Pivot organizations also facilitate activities within the region, improve the flow of information, appropriate technologies, and other resources for local communities. They also mobilize additional financial resources.

⁷ Red de Organizaciones del Sureste para el Desarrollo Sustentable – ROSDESAC.

⁸ Fondo Peninsular, which was created with a financial contribution from the Federal Government.

⁹ A commercial organization to market SGP grantees' products was established with UNDP co-financing.

evaluated two years later using the opportunity brought about by an independent evaluation¹⁰ of the global SGP in which Mexico was included as a case study. The NSC approved a revised strategy in 1999, with emphasis on project selection criteria that would help identify projects fully consistent with the revised GEF focal area strategies and that would be successful in improving the livelihoods of local communities.

In 2000, with the establishment of the Mesoamerican Biological Corridor, SGP targeted one or two key protected areas in each landscape to support their connectivity through improved management of production landscapes. Among others, the *Pantanos de Centla* Biosphere Reserve in Tabasco was added to the SGP geographic scope. Since then, SGP conducts joint Programmement with the Mexican portion of the MBC, which is managed by the Mexican National Commission for Biodiversity Knowledge (CONABIO from its Spanish acronym) since the end of the GEF-financed MBC project in 2009.

That same year, the Community Management of Protected Areas Conservation (COMPACT) Programme was initiated by the global SGP in partnership with the UN Foundation. The Sian Ka'an Biosphere Reserve in Mexico's Yucatan Peninsula was selected as one of the participating sites. COMPACT's main objective was to replicate the existing SGP delivery mechanism to strengthen biodiversity conservation and community empowerment in and around target Natural World Heritage sites. The SGP national-level decision-making system was customized for conservation activities at the protected area and its broader surrounding landscape¹¹.

COMPACT's methodology consisted of three closely inter-linked core elements: an initial *baseline assessment* of the landscape and/or seascape, which then served as the foundation for developing a *conceptual model* (generally in the form of a graphical representation) portraying site-level processes, threats and opportunities, and a *site strategy* for the conservation actions in the target World Heritage site. The governance structure of the Programme was a *local consultative body* in which the SGP NSC was represented along with all World Heritage site stakeholders. This local body was responsible for developing and updating the planning tools and for grant-making decisions. A local coordinator based on site was responsible for day-to-day Programme management and provided support to grantees. Mexico's COMPACT Programme funded 86 community-based projects (USD 1.95 million) during its 12-year lifespan. Relying on partnerships with a broad range of stakeholders including government, academia, business and the NGO sector, COMPACT fostered a landscape/seascape-level laboratory for initiatives that advance sustainable development, sustain indigenous culture, and build social capital. With relatively modest financial investment, but with considerable investment in time and social capital, this approach enabled individual projects supported by COMPACT to scale up to broader, multi-stakeholder initiatives within the Sian Ka'an landscape. COMPACT built on Mexico's SGP experience and informed SGP's work in other geographic locations, providing valuable lessons on challenges and opportunities to work at the landscape/seascape level in Mexico's Southeast through bottom-up and demand-driven community-based grants.

In 2003, the NSC set in motion a major participatory evaluation process of the Mexico SGP strategy. The evaluation involved consultations with some 2,000 stakeholders in 87 workshops. The process was facilitated by the SGP National Coordinator with terms of reference provided by the NSC. A sub-group of the NSC was appointed to conduct the evaluation in collaboration

¹⁰ "Report of the Second Independent Evaluation of the GEF SGP (1996–98)", prepared by Michael P. Wells, Delfin J. Ganapin, and Francine Trempe.

¹¹ For more information on COMPACT see Brown, J. and Hay-Edie, T. 2013. 'COMPACT: Engaging Local Communities in the Stewardship of World Heritage' UNDP, New York.

with a select group of NGOs and CBOs funded by SGP, as well as a number of experts invited to contribute to the process. Among other important issues, the evaluation reviewed the effectiveness of the various instruments designed and implemented during the previous phase, including the network of supporting organizations, the financial mechanism, and the commercial operations. The resulting strategy, which was only revised to add the POPs focal area in 2005 and the landscapes of the State of Chiapas in 2006, has guided the Programme during the following years and remains current, notwithstanding Mexico's SGP more recent evaluations and its "upgrading" to a full-size project in 2012. The following are key elements of the revised 2003 strategy:

Large ecosystems. The conservation and sustainable use of large ecosystems is the framework for SGP's support to community-based interventions. Large ecosystems with SGP interventions are: coral reefs; deltaic estuarine; coastal lagoons and wetlands; tropical deciduous and semi-deciduous forests; and montane forests.

Strategic interventions. A number of strategic interventions with a track record of success were identified for each GEF focal area and large ecosystem. These strategic interventions are types of activities that generate both environmental and community benefits. They focus on production activities associated with that particular ecosystem¹². Strategic interventions also allow for the integration of individual community-based initiatives through knowledge and support networks, associations, production chains, and marketing. The strategy specifies the activities eligible for SGP funding for each strategic intervention type¹³.

Cross-cutting interventions: Cross-cutting interventions were designed to help the Programme transition from a grant-making approach concerned primarily with local issues to a process-oriented approach in which planning, implementation and evaluation would increasingly address a larger geographic scale with longer time-horizons, integrating clusters of grants in production chains, land/seascapes, landscapes and large ecosystems. The strategy defined the following cross-cutting interventions: training and technical assistance; capacity development for local organizations; democracy and self-determination; environmental culture and ethics; gender equity; identity and ethnicity; regional integration; risk management; public policies; and knowledge management.

Sustainability of production projects: Sustainability of production projects was defined as the communities' capacity to continue managing their natural assets in a responsible manner, generating goods and services efficiently, and establishing equitable relations with local, regional or global markets well after SGP funding concludes. To help achieve sustainability the strategy mandates SGP to develop or consolidate the following mechanisms: access to capital funds and financial credits; resource mobilization support to meet Programme co-financing requirements; networks with information node services provided by an organization and in which members obtain tangible benefits and are willing to contribute their knowledge and experience to it; environmental and fair-trade certification; business models/enterprises which integrate individual producers and their organizations in production, value chains and marketing

¹² For example, for the coral reef large ecosystem, the NSC determined the following strategic interventions tested by COMPACT: alternative tourism, sustainable fisheries, applied research and education.

¹³ For example, for alternative tourism activities SGP may fund: capacity building, training and development of basic infrastructure; proposals by two or more groups integrating various individual sustainable tourism packages; developing of new products and marketing; policy advocacy from the municipal to the federal level to create an enabling environment for community-based activities; initiatives to establish supportive legal and regulatory frameworks, based on the experience with respect to ecosystem carrying capacity and demand; proposals for environmental and social impact assessments, including for baseline information and monitoring relevant indicators.

associations/ventures. Among others, integration reduces competition between organizations, provides access to quality inputs in bulk for reduced prices, and helps finance business plans and market studies improving sales of goods and services and facilitating the access to financial mechanisms beyond grants schemes.

Additional measures specified in the strategy were to increase SGP funding threshold to individual projects while increasing co-financing requirements. SGP also issued simplified project templates in Spanish, Maya and Chol languages to facilitate project proposal preparation by local CBOs.

Mexico was part of the first group of countries upgraded to GEF full size projects in 2012. With USD 5.0 million of GEF funding from Mexico's STAR allocation, SGP's 5th operational phase was implemented during a period of 3 years ending in December 2014. The following was SGP's project objective for the 5th operational phase: "*Community-based initiatives and actions for sustainable livelihoods conserve Mexico's southeast large ecosystems and help mitigate climate change*". Environmental targets were established for each large ecosystem with their respective indicators and baseline against which progress could be measured. The Programme had three major environmental and socio-economic outcomes, which were largely met according to an independent evaluation carried out in June 2014¹⁴. An impressive number of outputs were delivered during the 5th operational phase. The independent evaluation made a number of recommendations related to the management of upgraded countries by the implementing agency, as well as concerning the need to reassess the Programme's geographic coverage in Chiapas. It also provided suggestions for areas where it may be possible to further improve the Programme's effectiveness; for example, the consolidation of strategic interventions where sustainability as defined above is yet to be achieved. It should be noted that the independent evaluation concluded that the SGP strategy is solid and should continue guiding the Programme with some adjustments. National Steering Committee meetings have identified priorities for financial sustainability and local economic development (grant project criteria), extending geographic coverage where replication is feasible, and pursuit of institutional financing (credit) for the most mature lines of work so that project-generated projects can achieve access to markets. During project preparation, consultations were carried out to enable a process for addressing the above recommendations and determining the best course of action during the sixth operational phase.

1.3 The problem to be addressed

The main problem to be addressed by this project is the prevalent weakness of rural communities in the Southeast of Mexico to address the drivers of global environmental degradation (biodiversity loss, land degradation, and greenhouse gas emissions) in a strategic framework of integrated and sustainable landscape and seascape management for increased ecosystem and socio-economic resilience, and to participate in multi-level and multi-sector landscape governance and diversification of economic strategies to support sustainability of these efforts. The drivers of global environmental degradation are directly linked to unsustainable production practices – primarily in agriculture, fisheries, and forestry – that result in species and habitat loss, as well as the massive or progressive destruction of woody biomass for land clearance or fuel. Agriculture and forestry are the most prevalent sources of global environmental degradation in all ecosystems, with fisheries responsible for introduction of exotic and invasive species and loss

¹⁴ Imbach C., Alejandro. June 2014. Terminal Evaluation of the Fifth Operational Phase of the GEF Small Grants Programme in Mexico (PIMS #4519)

of habitat and native species, primarily in the Deltaic-estuarine systems of Tabasco and the coastal lagoons in Yucatan.

In Mexico, the prevailing form of agriculture and forestland tenure is communal in the form of *ejidos*¹⁵ and communities. It is estimated that, for example, 15,584 ‘agrarian nuclei’ of 200 hectares or more possess some 62.6 million hectares of tropical and temperate forests as well as other areas with arid zone forest vegetation, about 45% of the total national forest cover. Of these, 20.2 million ha are within the territories of indigenous communities. This is why conservation of ecosystem services and resilience of production landscapes depends significantly on the ability of rural communities to implement sustainable production practices.

On the other hand, rural communities, and in particular communities living in forest areas are among the most economically and socially disadvantaged in the country. Indeed, the World Bank estimates that, between 2010 and 2012 extreme poverty declined from 11.3% to 9.8%, however, poverty rates in states with significant forest cover such as Chiapas are 10 times higher than in the richest states. A budget expenditure review of the rural development and agricultural sector conducted by the World Bank in 2009 showed that rural development and agricultural policies – despite the significant budget allocation for the sector – had not contributed to reducing rural poverty and inequality particularly for the poorest households. Access to basic social services such as health and education continue to be inadequate in many communities and the prevalence of adult illiteracy is still high.

While communities own the land and the natural assets within these territories, there are multiple barriers for the communities to be able to make effective use of natural resources and improve their livelihoods with sustainability considerations. Such barriers are organizational, technical, financial, and commercial. There are also policy and regulatory barriers. While the government has put in place policies, regulations and Programmes that are supportive of community management of natural resources, in practice there are still several fiscal, institutional and procedural impediments to sustainable land and resource use. When trying to scale up successful community land and resource use at the landscape/seascape level, further difficulties become apparent: on the one hand, there are no incentives for *ejidos* and communities within large ecosystems to come together and invest time and resources to plan and implement integrated land use management. Institutions at the federal, state and local levels with responsibility for land use, rural development and environmental management, among others, also face significant challenges when trying to overcome horizontal (between sectors) and vertical (federal, state and local government) coordination barriers. On the other hand, individual communities are generally constrained by the local trade system that makes them depend on a few individuals who control the trade and hence the prices of their products in exchange for working capital and consumer credits. *Ejidos* lack access to financial markets, mostly because they cannot use the land as collateral for credit. This makes communities vulnerable and creates dependency from those advancing cash against future production. In the absence of sufficient working capital, technical knowhow and business skills, communities on their own are unable to innovate to change their production systems or achieve the quantity and quality that more sophisticated markets would require.

¹⁵ *Ejidos* and Communities are collective land tenure forms created by the Mexican Revolution. The difference between both terms is that *ejidos* are land given to landless peasants after government expropriation, while a Community refers to ancestral lands reclaimed by indigenous communities.

1.4 The solution to the problem

The solution to the problem is for communities in the large ecosystems of Southeast Mexico to develop and implement adaptive landscape/seascape management, production and marketing strategies that build social, economic and ecological resilience and are sustainable. Community organizations will implement grant projects aligned with large ecosystem and land/seascape sustainable management plans to be reviewed and approved by the SGP National Steering Committee, with the technical and financial support of other large ecosystem stakeholders involving federal government entities, state and local government, as well as pivot organizations, producers' associations, academia and other partners, including primary and secondary financial institutions. These will be evaluated periodically and systematically as part of the broader collective process of adjusting management strategies to new information, knowledge, capacities and conditions.

Community-driven grant projects will, in the vast majority of cases, focus on adoption or adaptation of production practices or systems that conserve biodiversity through sustainable use, maintain or enhance ecosystem services (e.g. pollination, soil fertility) and/or reduce loss of carbon through biomass burning, for example, by intensifying agricultural production through agroforestry systems, permaculture and other innovative agroecological approaches.

1.5 Barriers to achieving the solution

***Barrier 1:** Community organizations lack sufficient means and/or knowledge to plan, manage and coordinate their landscapes and seascapes with a long-term vision for the conservation of biodiversity, and the reduction of deforestation and forest degradation, improving ecosystem connectivity and increasing the production of goods and services.*

Communities currently have uneven knowledge of ecosystem function and services provided, ecosystem stresses from land and resource degradation and the loss of biodiversity, as well as concerning potential new economic activities taking advantage of ecosystem assets. This weakness impedes joint development of an integrated long-term vision and agreed strategic framework for sustainable development across the landscapes and the landscape/seascape as a foundation for ecosystem and community resilience. While community organizations participating in previous SGP operational phases have built their capacities and knowledge of ecosystem services and biodiversity conservation through on-the-ground community level projects, landscape level coordination of independent community initiatives is the next step in achieving socio-ecological resilience.

***Barrier 2:** Community organizations have insufficient capacities to plan their initiatives, implement and evaluate them effectively, and systematically derive practical lessons from the experience.*

Since 1994 SGP has worked with stakeholders in the Yucatan Peninsula to design an approach for sustainable landscape development planning, monitoring and evaluation as a framework for the implementation of community-based initiatives consistent with GEF Focal Areas and with the conservation objectives of the landscapes' plans. SGP has provided support for the implementation of more than 500 community-based projects. In doing so SGP has identified a set of production practices that have benefited both the global environment and local sustainable development. These include organic apiculture, low intensity aquaculture with native species, sustainable fisheries, alternative tourism, sustainable forestry including timber and non-timber forest products, and home gardens for the conservation of crop genetic resources and food security. By implementing these productive activities communities have acquired the necessary

skills through learning-by-doing to continue managing their natural resource assets sustainably and adaptively. These production systems need to be disseminated to and adapted by other communities throughout the landscape/seascape to create a critical mass of practitioners that will tip production in the landscape to a new standard of sustainable use of biodiversity (including agro-biodiversity), soil carbon, biomass, and other ecosystem components. For this to happen, it will be necessary to strengthen the capacities of community organizations to innovate, experiment, evaluate results, identify lessons and best practice, and use this knowledge to adapt to changing circumstances and information.

Barrier 3: *Communities lack the means to sustainably produce goods and services at scale.*

As discussed above SGP has been successful in identifying and supporting local communities to implement sustainable production practices compatible with the conservation of terrestrial, freshwater and marine ecosystems targeted by the Programme. In a few cases, such activities have reached the stage in which the quality of the goods and services produced as well as their quantity fully meet market requirements and the likelihood of their sustainability. The Independent Evaluation of the SGP 5th Operational Phase noted that the development of organic apiculture with value chains from individual small farmers to export of certified organic honey to demanding markets such as Germany is a great success, not least because the overall chain is now capable of operating independently from SGP. The goal in this new phase is to support additional communities to join the existing successful honey producers to increase the area under sustainable management for increased positive impact on the large ecosystem and for them to economically benefit from this activity by linking in a more strategic manner the activity with the regional markets for the products (p.e. tourism supply chains). Low intensity aquaculture with native species is another success story. There is very high local demand for the products of a number of small cooperatives in the Usumacinta Delta in Tabasco therefore there is significant potential for expansion. In other cases, however, such as sustainable timber and non-timber forest products, or alternative tourism, sustainability is not yet assured due to a number of factors. Examples of issues hampering sustainable timber production are lack of working capital, over-regulation in the forest sector and fiscal requirements that increase production costs, difficulties in competing in national and international markets and problems caused by natural phenomena such as hurricanes affecting forest ecosystems. Alternative tourism requires a significant degree of coordination among all community groups offering tourism services and sophistication in the delivery of the products. Promotion and marketing also require specific abilities that need time to develop.

Barrier 4: *Community organizations lack the financial resources to motivate and support new land and resource management practices and sustain or scale up successful experiences.*

Community organizations rarely if ever have sufficient capital to take risks with innovations of untested or un-experienced technologies, methods or practices. At initial stages of familiarization and limited testing of new factors, grant funding is sufficient to buy down most perceived risk, especially when accompanied by targeted technical assistance. Once risk is perceived to have diminished sufficiently, and with a concomitant rise in capacities, community organizations may feel comfortable accepting low-interest loans. SGP has helped establish the Peninsular Fund, which provides credit to communities and also assists with the sales of certain products. The GEF OP6 project provides an opportunity to increase dialogue with other stakeholders including the Ministry of Economy, the Mexican National Entrepreneurship Institute, National Finance Institute (NAFIN) and the private banking sector, in order to strength business plans, local communities' managerial capacities, market research and business plans.

Barrier 5: *Community organizations do not coordinate with others in taking collective action in favor of landscape resilience outcomes built on global environmental benefits and the strengthening of social capital.*

To achieve meaningful impacts on ecosystem processes and functions to favor landscape/seascape resilience, it is indispensable that community organizations act collectively and in synergy. This requires coordination among ejidos and communities within an agreed strategic framework as well as recognition of the importance of developing social capital through organizational interactions within networks and with external agents. Creating an enabling environment for community-driven land/seascape management is enhanced by inclusive multi-stakeholder partnerships across sectors, involving community organizations and networks, local and subnational governments, the private sector, NGOs and others. Currently, multi-stakeholder partnerships in the critical land/seascapes addressed by this project require further strengthening, particularly in regard to communities receiving support from SGP for the first time. **Coordination with other UNDP and donor-supported initiatives to bolster community driven landscape level efforts would be important in pursuit of long-term commitment to landscape level goals and objectives.**

II. STRATEGY

2.1 The proposed alternative scenario

GEF incremental funding and co-financing will be applied to overcome the barriers mentioned above and to add value, where appropriate and possible, to existing initiatives by the federal, state and local government, the private sector, CSOs, other cooperation initiatives and academia to achieve the landscape/seascape management and resilience objectives, generating global environmental benefits and local benefits. In addition to small grants to enable additional communities to benefit from sustainable livelihood activities that have proved to be environmentally, socially and economically sustainable and to upscale existing successful projects in the landscapes, SGP will allocate targetted cross-cutting grants to work with other CSOs to overcome the regulatory, governance, technical, communications and policy barriers identified in the previous phase to make progress in achieving sustainability of strategic interventions such as alternative tourism and community forestry, and to transition from a grant-making approach concerned primarily with local issues to a process-oriented approach in which planning, implementation and evaluation would increasingly address a larger geographic scale with longer time-horizons, integrating clusters of grants in production chains, land/seascapes and large ecosystems.

Funding will also be available for initiatives that help build the governance and organizational capacities of individual ejidos and communities as well as those of second-level organizations that are best suited to interact with other state and non-state actors at the landscape level. Building the capacities of second-level organizations comprising community producer organizations will ensure greater synergies along value chains and negotiating profile. SGP will also seek to strengthen CSOs that may provide technical assistance to communities to plan and manage complex initiatives and test, evaluate and disseminate community level innovations promoting the incidence of those best practices in the relevant sectorial policies. Major areas for SGP support will be: participatory social and environmental assessments of community organizations, their capacities, territories and production potential; education and training based

on innovation results from sustainable production and conservation practices; participatory evaluation of results at land/seascape level and by production activity for learning and adaptive management; documentation and analysis for dissemination to community organizations, networks, second-level organizations, partners and policy makers.

Special attention will be given to the formation of networks and strengthening of second-level organizations to integrate and bring to scale production and marketing of sustainably produced goods and services and the integration of supply chains to sectorial markets. SGP will facilitate access to financial resources for sustainable production activities at scale by second-level organizations, including the dialogue and facilitation with credit institutions and other financial mechanisms beyond grants. Strategic projects will facilitate specific product development, certification and marketing at scale.

Monitoring and evaluation at all scales (community, landscape, and large ecosystem levels) will take place at various intervals. A comprehensive data collection, monitoring and evaluation plan will be developed during the PPG phase and a budget will be allocated for this purpose.

2.2 Strategic Interventions for Sustainable Livelihoods

Strategic interventions are production activities associated with a particular ecosystem that generate both environmental and community benefits. Strategic interventions also allow for the integration of individual community-based initiatives through knowledge and support networks, associations, production chains, and marketing. They also allow for monitoring of the aggregated impact on specific land/seascapes and ecosystems. The SGP strategy specifies the activities eligible for SGP funding for each strategic intervention type:

Organic Apiculture

Honey production, and in particular, organic apiculture, has proved to be one of the most suitable economic activities to be financed by SGP for the conservation and sustainable use of tropical forest ecosystems. Organic apiculture enables the use of a valuable tropical forest resource, its melliferous flora. Organic apiculture not only depends on the vegetation cover but on its quality. One apiary with 50 colonies protects some 67 hectares of forest¹⁶. The need to closely control and monitor production is conducive to more interactive, democratic and accountable community organizations, stimulating self-esteem and self-reliance. Apiculture has earned an important place in Maya culture. Communities traditionally produced honey and other honeybee products from the *Mellipona bechii*, which is native to the American continent, for self-consumption and for medicinal and religious purposes. This is the reason for the smooth introduction of the European bee into local culture. Organic apiculture is market-oriented where it has a special niche, which guarantees price stability. On the other hand, in Yucatan, groups external to the communities dominate commercial apiculture. Producers do not have direct access to markets with pervasive intermediaries entrenched at each step of the commercial chain from the state capital to the most remote community. Such groups fix prices – a barrier for the capitalization of communities, but they guarantee that they will buy the entire production creating a strong

¹⁶ SGP has so far provided support to 33 beekeeper associations involving 1,200 individual producers with 1,191 apiaries in a forest area of approximately 60,000 hectares.

dependence among communities who use the money obtained from honey production to finance their crops and other needs. The market for organic honey is not dominated by such groups and values fair trade. However, access to this sophisticated market requires a high-level of organization with strict quality control that can only be obtained with external financial and technical support. SGP funds projects that enable communities to successfully produce and sell organic honey including by increasing the number of colonies per producer reaching an average of 50 per participant; establishing autonomous honey collection centres; training and technical assistance to obtain certification and maintain production standards; investment Programmes to increase the production capacity of beekeeping organizations; integrating apiculture associations and cooperatives with other social enterprises producing beekeeping equipment and supplies to ensure these meet organic honey certification standards; production of queen bees and other inputs.

Low Intensity Aquaculture and Sustainable Fisheries

SGP provides support to communities interested in implementing low intensity aquaculture using native species¹⁷. This is important as artisanal fisheries are declining. The projects have to meet several criteria, among others: utilize natural conditions and use extensive production techniques with low or null environmental impact; use only native species without genetic modification; gather larvae or spawning fish without affecting biodiversity; generate employment for fisher communities affected by the decline in fisheries productivity and ensure that fishermen and coastal communities will not be negatively affected by aquaculture activities; consistently monitor the environment; avoid the use of toxic and bio-accumulative substances; avoid organic discharges in the environment.

SGP also supports sustainable fisheries. Among other approaches SGP helps establish community-managed areas in coastal lagoons and marine areas.¹⁸ Initially, SGP provided strong support to recover the productive capacity of fisher communities affected by severe weather events but later SGP concentrated in helping communities improve conservation and sustainable management techniques. A goal for OP6 is to diversify the species under sustainable fisheries which to date are only a few: lobster (*Panulirus argus*), queen conch (*Strombus gigas* or *Lobatus gigas*), groupers (*Epinephelus* sp.) and the common Snook (*Centropomus undecimalis*) and are mostly concentrated in the Caribbean coast of the State of Quintana Roo.

Agroforestry and Agroecological Innovation

Agriculture is a traditional activity in Mexico's Southeast and continues to be the principal source of food for 250,000 people in the area of influence of the Programme. However, not all agriculture production systems are sustainable from the environment and economic perspective. Hurricane Isidoro in 2002 showed the fragility of monocultures and intensive animal production and the resilience of more diversified systems involving forestry and agroforestry systems.

¹⁷ The following are species utilized in SGP-sponsored aquaculture projects: *Artemia salina*, *Farfantepenaeus brasiliensis*, *Penaeus brasiliensis*, *Callinectes sapidus*, *Crocodylus moreletii*, *Callinectes rathbunae*, *Cichlasoma urophthalmus*, *Crassostrea virginica*, *Atractosteus tropicus*, *Centropomus undecimalis*, *Petenia splendida*, *Poecilia petenensis*, *Poecilia velifera*, *Dermatemys mawwi*, *Chelydra rosignoni*, *Claudius angustatus*, *Staurotypus triporcatus*, *Trachemys scripta*, *Rhinoclemys areolata*, *Kinosternon leucostomum*

¹⁸ By the end of OP5 SGP had helped communities manage approximately 279,000 hectares of marine and coastal lagoon areas.

Severe climate events also eroded genetic crop diversity that was the result of several centuries of conservation practices, exchange and selection by the local population.

Many communities lost their germplasm assets and became dependent on government distribution of commercial varieties of maize, beans and tomato, among other key crops. SGP's interventions in agroforestry and agroecology supports practices that may replace slash and burn agriculture in areas where it is no longer a viable and sustainable production practice, including organic agriculture, maintaining soil fertility and preventing greenhouse gas emissions and land use change from forest to agriculture. SGP prioritizes the following activities for community agricultural projects: production of food products for self-consumption (for example organic production in family backyards) to improve nutrition and to supply local markets, with only production surplus reaching other markets; practices that avoid fire as a way of preparing the fields and as much as possible use renewable energy for irrigation schemes; practices that increase soil fertility to help sedentarize agriculture reducing pressure over forests and greenhouse gas emissions; projects to recover and conserve food crop and tree germplasm useful to local agriculture; and projects to recover traditional sustainable agricultural practices that have been lost. SGP primarily funds in-situ conservation practices but may also consider ex-situ conservation initiatives such as local botanical gardens, green germplasm banks managed by local communities in collaboration with universities and research centres. During OP5 SGP began supporting the development of landscape networks for marketing agroforestry and agricultural products and for certification, which will be continued if relevant.

Certified Forestry and Sustainable Management of Flora and Fauna

Certified forestry and diversified use and sustainable management of forest resources are an important part of SGP's strategy to conserve the large forest ecosystems between Sian Ka'an and the Calakmul biospheres reserves. SGP's aim is to strengthen community forest economies to harmonize rural development with ecosystem conservation. Among other activities SGP supports community land use planning, improved forest management plans, application of low impact forest extraction techniques, and silvicultural practices that allow for natural regeneration and forest growth. These activities help communities obtain and maintain forest certification from the Forest Stewardship Council (FSC) and the National Certification Standard (NMX - 143) promoted by the National Forestry Commission that has being strengthened in another GEF project to increase biodiversity conservation criteria in forestry management. A crucial component is capacity development, through training and technical assistance in close coordination with national authorities (CONAFOR and state designated authorities). SGP contributes to improving the technical capacities of local forest service providers in subjects such as tropical silviculture, environmental impact assessment, techniques for the establishment of social enterprises, business administration and accounting, sawmill administration and timber selection, to name a few. SGP also funds the development of small enterprises with adequate technologies for timber extraction and processing for small forest ejidos that cannot afford individual sawmills. SGP also mobilizes co-financing from government and other sources to help develop community-based industries for processing wood products to generate more employment for ejido members, including the youth and women, and to retain for the community a larger proportion of the revenues generated from the forest.

Non-timber forest products are also important to enable communities, especially women's groups, to maintain timber extraction at sustainable levels. These products may be plant-based such as chewing gum from the tree *Manilkara zapota* and pepper from *Pimenta dioica*, and various products such as animal feed and tea derived from *Brosimum alicastrum*. Non-timber forest products industries may also involve sustainable captive breeding of certain animal species.

Alternative Tourism

Well-planned alternative tourism brings about opportunities to use ecosystems and natural resources for generating economic benefits for local communities and help preserve cultural assets with a low environmental and social impact. So-called eco-tourism activities have been on the rise in the last few years, mostly managed by private entrepreneurs who subcontract communities to deliver specific services or to use their natural areas and resources. Under this model the profit does not accrue to the owners of the land and does not lead to local development. Currently the offer of alternative tourism services within the area covered by this project is in short supply and not diversified. Its quality is far from meeting market requirements as well as environmental, economic and cultural sustainability. Previous attempts at increasing the demand for community tourism services have not been very successful except in the South of Campeche where communities do not face much competition. A lesson from previous projects is that alternative tourism activities implemented in isolation fail. It is essential that individual groups offering specific tourism services join with other groups to harmonize the quality of products and services, create tourism circuits, determine prices and avoid competition. SGP supports community tourism ventures that meet the following elements or criteria: training and infrastructure development; integrated proposals submitted by three or more groups already operating effectively to develop tourism circuits; proposals to develop new tourism products and marketing; planning activities and public policy advocacy for policies supportive of alternative tourism from the municipal to the federal level; projects that help develop adequate norms and regulations for these activities resulting from the experience and knowledge acquired with respect to ecosystems' carrying capacity; and projects to monitor and evaluate the environmental, social and economic impact of these initiatives, including development of baseline data and indicators.

2.3 The baseline scenario and associated baseline projects

Component 1. Increased resilience of selected landscapes and seascapes for local sustainable development and global environmental benefits.

The main baseline investments relevant to this OP6 phase of the SGP in Mexico are the multiple initiatives and activities of the Mesoamerican Biological Corridor (MBC) and Mesoamerican Barrier Reef System (MBRS). The Mexico MBC provides the foundation for mainstreaming biodiversity considerations in rural development and for landscape planning, governance and monitoring, helping to bring together the work of federal, state and municipal entities with the protected areas and the corridors that link them. SGP has been closely coordinating with the MBC since its establishment and it has co-financed community-based activities in the past. The MBC has also been instrumental in carrying out analysis and generating baseline information in

the geographic areas covered by the initiative which SGP uses. The MBC seeks opportunities to create global environmental benefits through the country's poverty reduction and equality agenda, consistent with this project's approach. The MBRS also provides a framework for SGP's work on the coastal and marine environment in Mexico's Caribbean landscapes.

The state governments of Quintana Roo, Campeche, Yucatan and Chiapas have started work on REDD+ planning at the state-level and are implementing REDD+ early actions that may be relevant to the work of SGP. It should be noted that the Mexico REDD+ national strategy (ENAREDD+) is yet to be formally approved. State-level REDD+ strategies should be consistent with national climate and forest policies and legislation and contribute to the national REDD+ objectives. The finalization of state-level REDD+ strategies will take time but their development will likely take place during the time-frame of the OP6 SGP project. SGP will take advantage of other entities' capacity development work on REDD+ such as that of the M-REDD initiative funded by USAID.

There are currently no other small grants Programmes in the Southeastern region of Mexico directly targeting local communities and addressing in a comprehensive manner their capacity, governance, technical, financial and other needs. There are some government subsidies that communities may tap into for activities related to conservation of biodiversity and forest carbon. For example, the National Forest Commission (Conafor) manages a Programme of payment for environmental services to which forest ejidos in areas within or adjacent to protected areas in some states may apply. The Programme aims at stimulating the creation of local mechanisms for PES in which Conafor contributes up to 50% of the resources to compensate communities for environmental services generated for a maximum of 5 years. The other 50% is expected to be provided by the beneficiary of the environmental service or other donors. SGP has a strong track record in cooperating and obtaining co-financing from State-level institutions. SGP is viewed by several state agencies as a cost effective, transparent and accountable mechanism to channel resources from state Governments to community-based organizations. For OP6 SGP has already received significant co-financing commitments from the States of Tabasco and Yucatan.

Two pilot Programmes support communities to implement landscape (territorial) management, the first in Quintana Roo around the municipality of Felipe Carrillo Puerto, and the second in Campeche in the buffer zone of the Calakmul Biosphere Reserve. Both initiatives are implemented with support from the Mexican Civil Council for Sustainable Forestry (CCMSS) with funding from USAID and the Margaret A. Cargill Foundation, among other major donors. These initiatives include over 60 ejidos and two second-level organizations and consist mostly of resource inventories and capacity development activities with very limited resources to invest in actual resource management activities. SGP will ensure adequate coordination with these pilot Programmes.

Under the current baseline scenario, without GEF SGP support, ejidos and other communities as well as their organizations would not be able to access the necessary technical and financial support required to sustainably manage their territories and cooperate with other stakeholders to generate environmental benefits and improve resilience at the landscape/seascape and ultimately at the large ecosystem level.

2.4 Consistency with GEF Policy and Programming

The project proposed here is in full conformity with the policy for upgrading of SGP Country Programmes as first described in *GEF/C.36/4 Small Grants Programme Execution Arrangements and Upgrading Policy for GEF-5* and then in *GEF/C.46/13 GEF Small Grants Programme: Implementation Arrangements for GEF-6*, approved by GEF Council in Cancun 2014. At the same time, the proposed project outcomes are fully aligned with the SGP Strategic Directions for GEF VI found on pages 200-206 of *GEF/R.6/20/Rev.04, GEF Programming Directions*, approved by GEF Council in March 2014. The project also contributes to specific GEF VI corporate results No. 1, 2 and 4. The specific quantitative targets will be determined during the PPG implementation phase.

2.5 Consistency with National Priorities

The project is consistent with Mexico's national development plan and priorities, the national biodiversity strategy, climate change legal and policy framework, and other policy instruments related to environment and sustainable natural resources management. It is also consistent with relevant State-level development plans and policy frameworks. Below is a summary of the most important:

National Development Plan 2013 – 2018: Mexico's National Development Plan (NDP) overall objective is to lead the country to realize its maximum potential. Objective 4.4 under the national 'prosperity' goal is to actively promote inclusive green growth, preserving Mexico's natural heritage while also generating wealth, competitiveness and employment. SGP's strategy and approaches are fully consistent with this specific national development objective. It is also consistent with the following NDP objectives: transition to an equitable and inclusive society (objective 2.2); democratizing access to funding of projects with growth potential (objective 4.4.); and developing productive agricultural and fisheries sectors for national food security (objective 4.10).

National Biodiversity Strategy: The project includes elements that contribute to all four strategic components of the Mexican National Biodiversity Strategy (2000): (i) protection and conservation of biodiversity; (ii) valuation of biodiversity; (iii) biodiversity knowledge and information management; and (iv) diversifying the use of biodiversity.

National Programme of Protected Natural Areas 2013 – 2018: the main objective of this Programme is to maintain Mexico's ecosystem and biodiversity representation and to ensure the provision of environmental services through their conservation and sustainable use, promoting productive activities that generate employment and poverty reduction for the communities living in and around protected areas, with criteria of equity and social inclusion. The objectives of the Programme are implemented through the following approaches: integrated landscape management; biodiversity conservation and management; attention to the effects of climate change and greenhouse gas emissions reduction; conservation economics; strengthening of strategic intra-sectoral and inter-sectoral coordination; legal framework for the conservation of nature; and institutional strengthening, education, culture and conservation social participation. SGP will specially contribute to the elements of the Programme related to integrated landscape

management, the conservation of ecosystem services through community practices that generate environmental and social benefits; and social participation in biodiversity conservation within and around protected areas in the biological corridors and land/seascapes where SGP operates.

Climate Change Legal and Policy Frameworks: Mexico enacted a General Climate Change Law in 2012, which is the legal basis for all actions on climate change mitigation and adaptation. The country's overall climate change mitigation goals as prescribed in the Law are to reduce greenhouse gas emissions (GHG) 30% below business-as-usual levels by 2020 and to cut emissions 50% below 2000 levels by 2050.

The National Climate Change Strategy (ENCC for its Spanish acronym) approved in June 2013 provides a medium to long-term vision (10, 20 and 40 years) with concrete targets, and guides the three levels of government (federal, state, municipal) in the implementation of Mexico's CC policy. Strategic Axis M4 in the Strategy aims at promoting best practices in agriculture and forestry to increase and preserve natural carbon sinks. It proposes 15 Lines of Action of which 5 directly support sustainable forest management, community forest management and REDD+ in addition to forest ecosystem conservation and improved agricultural/livestock practices. The SGP project is fully aligned with the strategic objectives of the ENCC and will contribute to meet its targets. SGP CC actions aimed at reduced deforestation and forest degradation will also help increase the resilience of ecosystems and communities.

Mexico is one of few countries having submitted a Fifth National Communication to the UNFCCC (2012). The National Communication reports a 54.2% reduction in terms of CO₂e emissions from the LULUCF sector in the last two decades, from 102,280 Gg in 1990 to 46,891.4 in 2010. However, gross deforestation and forest degradation are still a major concern. The government also submitted its Forest Emissions Reference Levels for review to UNFCCC COP20 in 2014; this is an essential step for the implementation of REDD+ in the country.

With respect to REDD+ Mexico has made significant progress. The government produced a Mexico REDD+ Vision in 2010 and has an advanced draft National REDD+ Strategy, which is expected to start its implementation in 2017 before its formal approval. A number of State-level REDD+ strategies are being prepared including in three states within the Yucatan Peninsula. Several States, including the States of Campeche, Quintana Roo, Chiapas and Yucatan within SGP's geographic scope have established consultative bodies to discuss REDD+ strategies and implementation. REDD+ 'early action Programmes' have been under implementation with National Forest Commission (CONAFOR) support since 2010. A Special Programme for the Yucatan Peninsula (PEPY for its Spanish Acronym) was developed. The PEPY seeks to address forest area losses and forest ecosystem degradation, reverting forestland use changes while at the same time improving community livelihoods. The Programme supports forest communities to manage sustainably their forests linking the work of CONAFOR with that of other national and sub-regional government organizations for sustainable rural development. SGP will work will contribute to the PEPY and coordinate its activities with it.

III. RESULTS AND PARTNERSHIPS

i. Expected Results:

3.1 Global environmental benefits

Global environmental benefits (GEB) will be achieved for biodiversity, climate change mitigation and adaptation, and sustainable land management. These will result from the synergistic implementation of community-based landscape/seascape management initiatives proposed here over the short term and the aggregated longer-term impacts of new and previously funded SGP initiatives which continue operating in the landscapes within the four large ecosystems. As at the end of OP5 SGP geographic coverage of community managed land/seascapes was approximately 4,722 Km². This new operational phase is expected to increase this area by some 30%, reaching 6,138 Km². The design and implementation of landscape resilience strategies, all of which are shaped and defined by their relation to local priorities for food security, income generation and the development of social capital for the global environment and socio-ecological resilience, will be the basis to determine the overall environmental outcomes to be achieved in OP6. At the same time, the project’s emphasis on multi-stakeholder partnerships will explicitly develop larger cross-cutting projects (up to USD 150,000) to upscale successful SGP-supported technologies, practices or systems identified from previous phases of the Mexico SGP Country Programme that enhance resilient landscapes. Prospective GEB from these initiatives will be more precisely defined during project preparation.

It is expected that greater food security and/or generation of employment and income for resource-dependent communities from sustainable management of ecosystems and marketing of biodiversity products and other goods and services will provide the primary economic incentive to these communities, individually and collectively, to conserve biodiversity and optimize ecosystem services. Community organizations will build their capacities to plan and manage resources adaptively and in synergy with each other.

The following are the expected global environmental benefits to be generated by the project:

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	67,940 hectares
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	42,000 hectares
3. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO ₂ e mitigated (include both direct and indirect)	2,874,564 metric tons of CO ₂ e ¹⁹

¹⁹ For the Sixth Operational Phase of the SGP in Mexico, it is expected that specific community projects will directly impact 42,000 hectares of forest to mitigate emissions to the atmosphere over 20 years of approximately 19,163,760 tons of CO₂e. For more details on the methodology used to calculate this figure, please see Annex L.

3.2 Project objective

The project's primary objective is to empower local communities to manage production landscapes in Mexico's southeast large ecosystems in a manner that enhances their social, economic and environmental sustainability and resilience.

3.3 Project outcomes, outputs and activities

The above objective will be achieved through three outcomes organized around a single component: *Increased resilience of selected landscapes and seascapes for local sustainable development and global environmental benefits*. These three outcomes will be achieved through delivery of 10 outputs. Individual small grants, strategic grants and other project outputs and activities will be combined to deliver the following three outcomes:

Outcome 1: Landscape and seascape resilience enhanced through the individual and synergistic impacts of a set of adaptive community practices that maintain ecosystem services, conserve biodiversity, mitigate climate change and reverse land degradation in Mexico's southeast large ecosystems and selected landscapes.

Outcome 2: Community-based organizations possess the organizational and managerial capacities for business development and performance on a larger scale to contribute to landscape and seascape governance and management

Outcome 3: Successful small grants experiences from this and previous phases are consolidated/ up scaled/ replicated through production and marketing chains and second-level organizations, as well as through exchange of knowledge and experiences, linking community-based organizations within and across land/seascapes

Outcome 1: Landscape and seascape resilience enhanced through the individual and synergistic impacts of a set of adaptive community practices that maintain ecosystem services, conserve biodiversity, mitigate climate change and reverse land degradation in Mexico's southeast large ecosystems and selected landscapes.

Outcome 1 sets the foundation for landscape/seascape resilience through concerted and coordinated community actions on the production land/seascape. Community organizations will propose innovations and adaptations to current practices that will focus on conserving biodiversity through sustainable use, maintaining or enhancing ecosystem services for soil fertility, pollination, water provision, biomass energy, and others, and/or reduce loss of carbon through biomass burning, for example, by intensifying agricultural production through agroforestry systems, permaculture, sustainable forest management, and other innovative approaches.

Outputs and activities:

Output 1.1.1 Community level small grant projects in production landscapes and seascapes implementing:

- land management practices that maintain or enhance carbon stocks, mitigate GHG emissions, and help avoid land use change
- economically viable, socially and environmentally sound natural resource use initiatives

- practices that enhance productivity and sustainability of smallholder agroecosystems
- initiatives leading to new or expanded community conservation areas in terrestrial and marine ecosystems

This output will focus on building capacity of organizations through learning-by-doing and the implementation of projects related to the four areas of action listed above. Grants will be provided to organizations to build their capacities to implement sustainable practices in regard to biodiversity conservation (wildlife corridors, protected areas (PAs), Important Bird Areas (IBAs), PA buffer zones, community conservation areas, etc.), climate change mitigation (sustainable forest management, agroforestry with cacao and coffee, fuel-efficient stoves, alternatives to slash-and-burn agriculture), sustainable resource use (aquaculture of indigenous species, sustainable fisheries, control of invasive aquatic species; alternative tourism) and agroecological intensification based on traditional knowledge and modern science (polycultures, biological pest management, green manures, multi-cropping). Activities under Output 1 include:

- Calls for community small grants proposals in each target production land/seascape to encourage project ideas for each of the topics of relevance to the specific land/seascape identified during the PPG consultation process
- Review and approval of small grants by the NSC, ensuring synergies and complementarity of community projects
- Monitor grant implementation and take adaptive measures to address any emerging issues
- Evaluate the performance of each grant in a participatory manner with the aim of maximizing learning and future adaptation based on analysis of lessons learned

Outcome 2: Community-based organizations possess the organizational and managerial capacities for business development and performance on a larger scale to contribute to landscape and seascape governance and management.

This outcome addresses the barriers to community-based enterprise development that inhibit community organizations from taking advantage of market and other incentives to achieve sustainable economic production. A significant barrier is the need to coordinate production at landscape scale in order to build and sustain economic viability, as well as enhance landscape resilience from innovative production practices. To achieve this outcome, the SGP Country Programme will pursue four outputs:

Output 1.2.1 - Participatory social and environmental assessments of community organizations, their capacities, territories and production potential

Building on the consultation process during the PPG-financed preparation phase, the project will support participatory action research carried out by collaborating organizations to determine the potential of community organizations to produce sustainably across six shared land/seascapes, leading to the development of participatory land or seascape strategies in Output 1.2.3. This will require participatory analysis of landscape resilience factors using the Satoyama Toolkit for Indicators of Resilience used in the COMDEKS Programme²⁰, and ecosystem status, pressure-response method or other suitable approach, to be determined and adapted as necessary. The project will design and implement a series of workshops in each land/seascape to enable communities and their organizations to carry out more in-depth social and environmental assessments as a basis for Outputs 1.2.2 and 1.2.3. A better understanding of communities'

²⁰ <https://comdeksproject.files.wordpress.com/2014/11/toolkit-indicators-web.pdf>

capacities and production potential will also help deliver Outcome 1.3. Summary reports on the findings and recommendations of each landscape will be prepared to document the results of the following process:

- Engagement of NGOs, CBO networks and other institutions with the capacity to provide participatory planning and implementation support for each land/seascape, and formation of multi-stakeholder platforms;
- Allocation of one strategic grant per landscape²¹ to engage the most qualified CSO to support the baseline assessment process and the development of the areas' respective strategy and management plan;
- Development of an agreed approach to conduct the socio-ecological baseline assessments to be adapted in each land/seascape, as needed;
- Data collection through interviews and focus-group discussions as well as from a literature review;
- Workshops with multi-stakeholder platform members, other interested community members and qualified individuals to discuss existing and new information on the socio-ecological conditions of the respective land/seascape (using the Satoyama Toolkit for Indicators of Resilience used in the COMDEKS Programme²², and ecosystem status, pressure-response method or other suitable approach, as needed), as well as analyzing socio-economic data (e.g., economic activity, employment, access to financial services, access to energy and information technology, education, demographics) disaggregated by sex and age to determine the situation and expectations of various segments of the local population;
- Dissemination of the socio-ecological baseline assessment results within the respective land/seascape to multi-stakeholder platform members, local authorities, community groups and networks

Output 1.2.2 - Education and training based on applied innovation results for sustainable production and conservation practices

The project will build the technical and managerial capacities of at least 480 members of community organizations, of which at least 30% will be female. Capacities will be strengthened through semi-formal training, as well as through participatory action-reflection of organizational activities over the past four to five years. Each community organization will identify training needs vis a vis projected project implementation requirements for technical, financial and managerial abilities. Community organizations will also undertake participatory analysis of past organizational performance versus stated goals and objectives using a SWOT framework. Activities for this output will include workshops at landscape level, bringing together representatives of diverse community organizations, as well as sessions in each participating community.

Activities will build on the knowledge and lessons generated from previous SGP phases. As such, the project will design and implement educational and training processes and materials for specific community groups, as follows:

- Discuss with stakeholders educational and training priorities and develop a capacity building plan
- Identify on a competitive basis the best organization(s) to develop the training materials and deliver the training on the various subjects
- Translate the materials into local languages as relevant (or materials could be directly prepared in local languages if more cost-effective)
- Carry out the training

²¹ Note that the maximum amount for strategic projects is USD 150,000, however, for the activities proposed here, the amount for each strategic project is expected to be substantially less, though the amount approved will be determined as a consequence of NSC review.

²² <https://comdeksproject.files.wordpress.com/2014/11/toolkit-indicators-web.pdf>

- Monitor the relevance and effectiveness of training imparted, in particular its application by trainees

Output 1.2.3 - Adaptive participatory land/seascape management plans

This output builds directly on the findings and products of the assessments of Output 1.2.1 and on the community capacities developed under Output 1.2.2. The social and environmental assessments of the six land/seascapes that analyze their resilience to shocks and pressures will form the foundation for the key product of this Output: the development of six land or seascape strategies for sustainable economic development that enhances resilience through the generation of global environmental benefits. Key activities for the participatory development of the six landscape strategies follow the UNDP COMDEKS landscape planning methodology, as did the assessments in Output 1.2.1²³:

- Participatory workshops in each landscape to identify key common goals and objectives at the land/seascape scale and priorities for action by members of the multi-stakeholder platforms and communities that would lead to improved management of the land/seascape and their natural resources, as well as more resilient and sustainable livelihoods;
- Summary of conclusions of this participatory exercise in the form of an adaptive strategy and management plan focused on actions to be implemented by CSOs and co-funded by SGP in the land/seascape to be endorsed by each multi-stakeholder platform; this document will also include the means and indicators by which implementation progress will be measured. The contents of the strategy and plan will guide NSC grant reviews and approvals.

Activities will include:

- Using the results of Outputs 1.2.1 and 1.2.2 and building on the formulation of stakeholder strategies for each land/seascape carried out during the PPG phase, work with key stakeholders and local communities to develop/update six adaptive land/seascape management plans
- Identify the most suitable Satoyama Resilience Indicators for each land/seascape and collect baseline data to facilitate monitoring at project mid-term and at the end as part of the delivery of Output 1.2.4
- Review progress in implementing the plans with stakeholders and communities at project mid-term and adjust them as necessary
- Assess implementation results before project completion and as an input to Outputs 1.3.4 and 1.3.5

Output 1.2.4 - Relevant portfolio experiences documented and systematized for dissemination to community organizations, networks, second-level organizations, partners and policy makers

The Mexico SGP Country Programme enjoys a wealth of experience in developing and supporting key lines of work developed over the years through support to community projects and networked projects producing the same commodity, good or service. These lines of work have tended to “cluster” in specific landscapes of the large ecosystems which have been the focus of the Country Programme, evolving to encourage the sustainable use of key resources e.g. aquaculture in the deltaic region of Tabasco and Campeche, certified forestry and sustainable management in the Sian Ka’an and Calakmul Biosphere Reserves, etc. The different lines of work emerging over time have resulted in increased community capacities to produce key commodities, goods and services based on the development of best practices that tighten the feedback between market incentives and sustainable production and the resulting generation of

²³ See <https://comdeksproject.files.wordpress.com/2014/10/communities-in-action-comdeks-web-v2.pdf>

income. Under this output, the project will finance careful analyses of community experience with the differing lines of work to identify lessons from the organic growth of these lines that would be useful to upscaling under a more formal, strategic framework. This framework – to serve as a foundation for Outcome 3 – will identify upscaling requirements for the different lines of work using a value chain analysis that will highlight production and other bottlenecks and barriers, potential allies and markets, value addition possibilities, etc. Activities will include:

- Identify a suitable organization to provide support in designing and implementing a process by which communities and all stakeholders are brought together to evaluate the collective results achieved in each land/seascape as well as by production activity.
- Discuss and refine the methodology and approach with the SGP NSC
- Carry out the analyses and document the results in various media as an input to Output 1.3.5

Outcome 3: Successful small grants experiences from this and previous phases are consolidated/ up scaled/ replicated through production and marketing value chains and second-level organizations, as well as through exchange of knowledge and experiences, linking community-based organizations within and across land/seascapes.

Under this outcome, the SGP Country Programme will support the development and implementation of strategic interventions focused on production activities associated with specific ecosystems that generate both global environmental and community benefits. Strategic interventions allow for the integration of individual community-based initiatives into broader lines of work through knowledge and support networks, associations, value chains, and marketing and the incidence in public policies. They also allow for monitoring of the aggregated impact on specific land/seascapes and their ecosystems. The different land/seascape strategies and the analyses carried out under Output 1.2.4 will specify the activities eligible for SGP funding for each strategic intervention type. This outcome will upscale the most successful lines of work developed and coordinated by the Mexico SGP Country Programme: *Organic Apiculture; Low Intensity Aquaculture and Sustainable Fisheries; Agroforestry and Agroecological Innovation; Certified Forestry and Sustainable Management of Flora and Fauna;* and *Alternative Tourism*. The four outputs and their respective activities are as follows:

Outputs and activities:

Output 1.3.1 - Networks and second-level organizations established and/or strengthened to integrate and bring to scale production and marketing of sustainably produced goods and services

This output lays the foundation for upscaling specific production lines of work by establishing networks or organizations of producer organizations and carrying out participatory analyses of previous experience with the line of work and lessons learned. This assessment provides the information by stakeholders to develop action plans for value chain development based on capacity and other needs for effective organizational function for upscaling. Activities include:

- Promote the importance of establishing second-level organizations to help integrate the work of individual organizations by production line (in particular, community organizations implementing alternative tourism interventions);
- Discuss and identify with stakeholders the objectives of these organizations and assist them in fulfilling the requirements for the establishment, registration and operation of such organizations;

- As per Output 1.2.2 select individuals, particularly women, to participate in training activities to develop the skills to run these second-level organizations effectively. This includes members of existing second level organizations;
- Periodically monitor the performance of these organizations and take corrective action to improve performance, as required.

Output 1.3.2 - Strategic projects to facilitate specific product development, certification and marketing at scale (supply chain development)

Under this output, the Mexico SGP Country Programme and UNDP Mexico CO will support the identification, development and implementation of strategic projects aimed at upscaling key lines of work that have been successfully piloted and implemented in previous operational phases of the GEF and other relevant initiatives. Review and approval of each strategic project will be carried out by the National Steering Committee, who will also ensure that monitoring and evaluation methods and protocols are in place to maximize learning and adaptive response to changing conditions. Activities under this output include:

- Identification of and support to community-driven enterprises that have potential to improve and upscale. Women's enterprises will be given priority. Identify weaknesses along the particular value chain and the means to address such weak points;
- Develop draft terms of reference for strategic projects that would facilitate specific product development, certification and marketing at scale (including fair-trade markets). These include, but are not limited to:
 - Alternative tourism products and services, particularly tourism routes and marketing networks, tourism product certification
 - Certified organic honey production
 - Sustainable timber production, sustainable fisheries and aquaculture products
- Develop terms of reference for strategic projects that are conducive to community land/seascape planning and management including the following:
 - Land/seascape management and conservation for each target land/seascape to provide planning and implementation support to grantees and help monitor performance of SGP's interventions at that scale
 - Fisheries management in protected areas in the Grijalva-Usumacinta landscape
 - Ichthyologic resources management in rivers and lagoons
 - Sustainable forest management to help communities enhance and diversify production in their forest *ejidos*
 - Agroecological practice options for selected flagship crop species aimed at promoting crop genetic diversity and food security
- Obtain approval for all the above TOR from the NSC upon consultation with SGP's Global UCP Coordinator
- Call for proposals, review and approval of strategic grants by the NSC
- Periodic monitoring of strategic grants and course correction as needed
- Periodic monitoring of strategic grants performance

Output 1.3.3 - Second-level organizations access financial resources for sustainable production activities at scale

A key obstacle to scaling up is the generally weak access to start-up capital and financial credits to strengthen commercialization strategies. This project will assist community networks and second level organizations intending to scale up specific lines of work to identify and access financing. The project will work to reduce the perception of risk by prospective financiers by training organizational staff in business planning, as well as management and administration. The SGP Country Programme will work to broker partnerships with potentially interested

financiers, including commercial credit unions, accompanying the networks and second level organizations in developing proposals and presenting them. Activities under this output include:

- Explore potential financial sources to support scaling up existing sustainable production activities including donors, federal and state-level government institutions, lending institutions.
- Work with second-level organizations to facilitate negotiations and development of business plans to improve the likelihood they will obtain the resources
- Facilitate training and other methods to enhance their capacities to manage the resources efficiently, effectively and transparently
- Document and disseminate case studies of successful financial mechanisms that increase access
- Systematize best practices and lessons learned of local experiences that are relevant to improve sectorial policies and government programmes.

Output 1.3.4 - Engagement of potential financial partners and public sector institutions, as relevant and viable, in analysis, planning, and evaluation of results

This output is aimed at establishing broad partnerships to help in strengthening the value chains to be upscaled. Public and private sector entities, who reflect the different interests and actors in the different links of the value chain, will join producers in analyzing the obstacles, opportunities and potential measures needed to overcome or seize them. Activities under this output will include:

- Periodic feedback to state governments (in particular those providing co-financing to community grants) and relevant federal public institutions about results, best practices, lessons and challenges using the various materials and analysis developed by activities in Outcome 1.2
- Involve other financial partners in grant monitoring activities to share lessons and experiences

Output 1.3.5 - Experiences described and analysed; knowledge disseminated widely using different means and targeting civil society, decision-makers and other development partners

This output will be produced in the latter years of project implementation as experience with the different aspects of upscaling are systematized and codified. This knowledge will be transmitted in the form of case studies and other products to civil society organizations at all levels in accessible language, government authorities at all levels and appropriate private sector entities. The project will also organize presentations of key lessons and knowledge to policy makers for public policy dialogue. Activities under this project include:

- Document and systematize relevant portfolio experiences for dissemination to community organizations, networks, second-level organizations, partners and policy makers. Organizations implementing strategic grants should each prepare a knowledge product with a synthesis of results, lessons learned and policy-relevant recommendations
- Disseminate the knowledge and lessons in various formats adapted to the various audiences including communities, policy makers, the press (e.g., radio, video clips, news articles, brochures), the private sector and donors. At least one policy-brief for each land/seascape will be developed and discussed with the relevant authorities and local partners

3.4 Contribution of the project to the Aichi targets

A central feature of this project is the development and implementation of landscape and seascape sustainable management plans at different geographic scales to ultimately have an impact on large ecosystems. The small grant projects financed by the project proposed here will

achieve global environmental benefits as a consequence of the synergistic effects of activities that increase communities' governance and technical capacities and skills, and that produce livelihood benefits. This project will in principle contribute to all Strategic Aichi goals, but in particular to the targets and specific elements listed below, where SGP can make a contribution through community sustainable livelihoods and landscape/seascape planning and management approaches:

Target 2: By 2020, at the latest, biodiversity values have been integrated into national and local development and poverty reduction strategies and planning processes and are being incorporated into national accounting, as appropriate, and reporting systems. By developing and implementing land/seascape sustainable management plans linking poverty reduction to biodiversity conservation and sustainable use and monitoring, SGP will contribute to local-level poverty reduction strategies consistent with this target.

Target 5: By 2020, the rate of loss of all natural habitats, including forests, is at least halved and where feasible brought close to zero, and degradation and fragmentation is significantly reduced. The project will support sustainable production practices that help conserve terrestrial (including forests), freshwater and coastal/marine habitats and avoid ecosystem fragmentation. SGP will collaborate with organizations working on REDD+ activities at the state and local levels.

Target 7: By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity. The project will support communities in these endeavors and will ensure that all species used for aquaculture and forestry community projects are native species. It will also support early detection and where possible eradication of invasive alien species, also contributing to Target 9.

Target 13: By 2020, the genetic diversity of cultivated plants and farmed and domesticated animals and of wild relatives, including other socio-economically as well as culturally valuable species, is maintained, and strategies have been developed and implemented for minimizing genetic erosion and safeguarding their genetic diversity. The project will support communities to maintain the genetic diversity of key species important for agriculture or culturally.

Target 14: By 2020, ecosystems that provide essential services, including services related to water are restored and safeguarded. The project will support communities to maintain key ecosystem services within their territories in the selected landscapes and seascapes, particularly those of forests.

Target 15: By 2020, ecosystem resilience and the contribution of biodiversity to carbon stocks has been enhanced, through conservation and restoration, including restoration of at least 15 per cent of degraded ecosystems. The project will support forest ejidos and communities to sustainably use their forest resources while maintaining and, where possible, enhancing carbon stocks.

SGP contribution to these targets will be addressed, as appropriate and feasible, through individual grants to community projects approved and implemented in alignment with and pursuit of landscape/seascape outcomes for biodiversity conservation and sustainable use. The quantification of proposed targets and indicators will take place during the planning phases of

each landscape and large ecosystem landscape and seascape sustainable management plans with the direct involvement of landscape stakeholders and under the guidance of the SGP Steering Committee. A baseline assessment will be carried out in each landscape/seascape or landscape prior to outcome definition and target identification. Progress towards these landscape outcomes and targets will be tracked in landscape/seascape level stakeholder meetings at mid-term and at the end of the project.

ii. Partnerships:

The GEF Small Grants Programme is predicated on the need for partnerships at all levels: between community members, between organizations, between the GEF and co-financiers of community grants, between the institutions and members of the National Steering Committee. This project builds on this history of partnership in seeking more purposeful and systematic participation in SGP strategies and plans of key potential allies and stakeholders, particularly in regard to upscaling of successful production lines of work. Upscaling is based on analyses of past experience and current value chains - strong multi-stakeholder partnerships are critical to overcome financial, technical, and capacity barriers to realizing value chain development and the ensuing benefits to producers and the global environment. The formation of multi-stakeholder platforms in each landscape, and the establishment of broad partnerships for value chain development, involve public and private entities who will provide financing, technical assistance or other forms of support. Significant co-financing has been committed by government institutions, as well other donors. Finally, the development of value chains by second level organizations and networks of community organizations exemplifies the importance of partnership development to the success of this project.

The Mexico SGP Country Programme has consistently reached out and coordinated with other relevant GEF initiatives in the geographic areas of the Programme. For example, in the case of the GEF-financed Mesoamerican Biological Corridor (MBC) project, which provides a framework for landscape planning and management integrating protected areas and production landscapes, the SGP Country Programme collaborated with the MBC throughout the duration of the GEF project and has continued doing so after the initiative was mainstreamed into the work of CONABIO. During the preparation of this project, 19 GEF projects were identified as potentially relevant to SGP activities in the Yucatan Peninsula in GEF VI. These projects, which are at different stages of planning and implementation (in the pipeline, approved or under implementation), were identified as potentially relevant to SGP because they are either national projects relevant to the work in the Southeast of Mexico or projects with direct interventions in the geographic areas in which SGP will intervene. The 19 projects initially identified address sustainable forest management, land degradation, biodiversity planning/conservation/ sustainable use in coastal and terrestrial ecosystems, and land use/land use change and forestry climate change mitigation initiatives, climate change adaptation initiatives or are enabling activities.

iii. Stakeholder engagement:

Civil Society

The primary stakeholders of the SGP are community-based organizations and local community members who will design and implement the projects to generate global environmental benefits and community livelihood benefits. Second level organizations, community production

associations, and NGO landscape, state and regional (Yucatan Peninsula) networks associated with SGP will also be involved in various Programme implementation aspects to achieve the expected outcomes. In particular, landscape and regional-level civil society organizations will play a central role in enabling the necessary planning, coordination, exchange of information, technical assistance, and business development support required to achieve results at the landscape/ seascape level. SGP will allocate strategic grants to these organizations for activities that help integrate communities and their projects at the landscape/seascape level. **Associated second-level organizations and NGO networks will join the SGP National Steering Committee (NSC) in the ongoing dialogue and coordination that needs to take place with relevant federal, state and municipal level government institutions and Programmes.** Other NGOs not directly associated with SGP but with activities in the landscapes will be invited to share information and experiences and be part of the dialogue. It should be noted that each landscape and landscape/seascape has a specific institutional setting, and it will be important to determine at the project preparation grant (PPG) stage what are the specific key government, academic and non-government organizations that should be involved in each landscape to enhance landscape/seascape governance and to help consolidate the production activities at scale for each production line.

The *SGP National Steering Committee*, a multi-stakeholder body with a non-governmental majority, will be the main decision-making body of the project. It will determine the criteria for project eligibility in each landscape/seascape based on the SGP Operational Guidelines and overall landscape/seascape sustainable management objectives and targets, and will approve all grants. It should be noted that existing SGP landscape/seascape management objectives and targets will be reviewed during the PPG phase and adjusted as necessary by the NSC upon consultation with relevant stakeholders. SGP has over the years collected a large amount of baseline data for each landscape that is continuously updated and used for monitoring and project evaluation purposes. While the SGP Country Programme Manager (CPM) will review and provide feedback on individual grant reports, the NSC will review and provide feedback to the annual portfolio performance report to be prepared by the CPM that will aggregate and provide analysis on grant results at the landscape and large ecosystem level. The NSC will also provide advice concerning SGP-promoted multi-stakeholder partnerships at the landscape and large ecosystem levels, including their composition, and terms of reference.

Indigenous People

SGP Mexico gives special consideration to all aspects (cultural, social, productive) related to the identity and ethnicity of communities, organizations and individuals who live and work in the landscapes. The management practices of local communities have been instrumental in the conservation of the Yucatan Peninsula's large ecosystems to this day, but the traditional knowledge behind those practices is at risk of being lost. During the Programme's initial years most grantees were of Maya ethnicity. Later the diversity of SGP grantees and stakeholders increased as a result of immigration and new settlements in the south of the State of Campeche through government land allocation Programmes for landless communities from other parts of the country, and with the extension of SGP's geographic coverage to the State of Tabasco, which includes the Chontal ethnic region, and to the State of Chiapas, which includes many ethnic groups. SGP has also observed throughout the years a loss of identity and cultural change in most communities. There are several internal and external factors for these changes, among

others, migration to urban areas and to other countries, technology and communications. SGP, therefore, strives to help individuals and communities maintain a strong sense of their identity through various approaches, for example, by facilitating meetings between the various ethnic groups so they get to know about each other's cosmovision, traditional organization and production practices, health and medicinal practices; by improving coordination with government entities in charge of indigenous and cultural affairs; making indigenous communities aware of the opportunities to obtain support from organizations that may fund cultural projects; promoting bilingual practices and publishing Programme documents in local languages. SGP funds projects that seek to recover or apply traditional sustainable production practices and knowledge (e.g., medicinal plants) consistent with SGP objectives. On the other hand, SGP also helps identify indigenous communities' practices that may negatively affect the environment and works with communities to discourage or find substitutes for those practices without altering their cultural identity.

iv. Mainstreaming gender:

In the Yucatan Peninsula, as in many other parts of the world, rural women suffer from inequity in most aspects of their lives. They are responsible for the "reproductive" role (maternity, domestic chores, fuelwood collection, health, education) as well as for various tasks related to the "productive" role (e.g., animal husbandry, work in the fields, backyard horticulture, handicrafts). However, it is men who have access to and control of family and community production and consumption assets including land and natural resources. Women also have less access to information and education and therefore, to employment. In Maya, Chol and "mestizo" communities, mostly men integrate assemblies, which marginalizes women from decision-making. This is why the SGP National Strategy in Mexico included a gender equity perspective as early as 1995. The first efforts were aimed at achieving parity in the number of grants allocated to women and men's initiatives. In 1996 SGP made a call for proposals targeting women's productive projects with co-financing from UNIFEM but although 40 proposals were received only 5 met SGP criteria. SGP also supported training on gender issues for community-based organizations and NGOs, but the contents of the training were not adapted to the local culture and were not well received by the communities. A survey conducted by SGP in 2003 found that only in 10% of projects was there an explicit gender perspective from project planning to implementation and evaluation.

The Programme learned valuable lessons, which are the foundation of the existing SGP gender approach. For SGP Mexico, the gender perspective is not a requirement but a gradual appropriation of the concept through a learning process. For this learning to happen, SGP supports the following activities with men and women: i) participatory diagnostic and research projects to document, discuss, analyze and better understand the roles of men and women in local traditional culture, the notions around men and women's rights, their perception about their needs and the condition of their natural assets, among others; ii) dissemination of information about SGP to men and women in separate venues, as required; iii) awareness raising about gender relations in the local context through participatory workshops for NGOs and CBOs and providing an opportunity to develop alternative scenarios; iv) strengthening of the self-esteem and capacities of women for their contribution to the design, implementation and evaluation of projects, and to enable them to perform project management or administrative roles on an equal

footing with men (this is expected to be reflected in the work plan of each project); v) SGP project templates include separate sections where men and women can indicate their needs, expected access to project benefits (training, goods and services) and the role of women in decision making within the group or community; vi) SGP provides incentives to projects promoting changes in gender relations, for example, in those adopting non-traditional gender roles or attempting formalization of women's property to assets such as land or natural resources; vii) in each call for proposals SGP will set a target for projects submitted by women's groups and approved; and viii) SGP will help mobilize funds from other source if the projects do not meet GEF criteria.

v. South-South and Triangular Cooperation (SSTrC):

The Mexico SGP Country Programme will share its experiences with other SGP participating countries implementing Country Programmes with a landscape approach and expects to benefit from the other countries' experiences via peer-to-peer support, exchange workshops and by reviewing documents that summarize their approaches and results. Through SGP's Central Programme Management Team, the Mexico SGP Country Programme's experiences and lessons will be made available to the Parties to the Convention on Biological Diversity, the UN Convention to Combat Desertification and the UN Framework Convention on Climate Change as well as other Programmes and initiatives with similar objectives around the world. If financial resources can be mobilized, SGP will support select grantees to participate in relevant South-South and Triangular Cooperation events organized by UNDP or other development partners.

The Mexico SGP Country Programme will share its experiences with appropriate private sector, government and other entities related to the community driven landscape planning and management approach and, in particular, the upscaling of successful lines of work such as honey production, aquaculture, sustainable marine fisheries, coffee and cacao agroforestry, and sustainable forest management.

The Mexico SGP Country Programme has developed a series of partnerships and collaborative arrangements over the years with State and Federal government entities, as well as NGOs, financed from a variety of sources, including the GEF. On-going coordination with these organizations and their initiatives is mainstreamed within the SGP planning and programming framework through a) co-financing agreements; b) landscape level planning processes in which the relevant institutions and programmes are invited to participate; and c) participation, in certain cases (e.g. Mesoamerican Biological Corridor) of program or institutional representatives on the National Steering Committee. In this last case, the multi-stakeholder nature of the NSC - on which government, NGO and UNDP representatives sit - enables fluid and direct communication and discussion regarding coordination of SGP programming with other initiatives and projects during the NSC review of project proposals. This has resulted in coordination of planning and programming, often sustained with co-financing contributions, which has resulted in broader impacts and on-the-ground synergies. The table below provides a few examples of significant initiatives originally financed by the GEF and supported by SGP, who has then continued to support community project planning and implementation in coordination with the corresponding responsible institutions.

Initiative	SGP collaboration
<p>El Triunfo Biosphere Reserve: Habitat Enhancement in Productive Landscapes</p> <p>Instituto para el Desarrollo Sustentable en Mesoamerica A.C. (IDESMAC)</p>	<p>The SGP Country Programme supported community organizations in the buffer zones and areas of influence around and in the Biosphere Reserve during implementation of this initiative and subsequent to termination of its GEF financing. These include cultivation of shade coffee, productive reconversion of coffee production regimes, and promotion of sustainable production opportunities, including ecotourism and agrobiodiversity conservation. The SGP Country Programme will continue to work with communities in this area in OP6 in coordination with IDESMAC.</p>
<p>Mesoamerican Biological Corridor (MBC)</p> <p>CONABIO</p>	<p>Since the beginning of the MBC in Mexico, SGP has had a long-standing collaboration with the MBC to promote conservation and sustainable use of biodiversity through co-financing agreements in biological corridors in the states of Campeche, Quintana Roo, and Yucatan. SGP has strengthened and will continue to strengthen this relationship through coordination with the MBC's latest iteration: "Fostering sustainable and competitive production systems consistent with the conservation of biodiversity".</p>
<p>Integrated Assessment and Management of the Gulf of Mexico Large Marine Ecosystem (IAMGMLME)</p>	<p>This trans-boundary project is aimed at building capacities and institutional planning to conserve this critical ecosystem. Some specific demonstration activities and pilot projects in the Laguna del Carmen micro-region are supported by SGP. The SGP coordinated with this IW project in OP5 and will continue in OP6 with the institutions participating in this initiative.</p>
<p>Mitigating Climate Change through Sustainable Forest Management and Capacity Building in the Southern States of Mexico (Campeche, Chiapas and Oaxaca)</p> <p>CONAFOR</p>	<p>By financing LULUCF activities, SGP–Mexico coordinated with CONAFOR to strengthen the capacities of local communities to carry out activities that reduce greenhouse gas emissions and maintain or increase carbon capture in the forest ecosystems.</p>
<p>FCPF funded R-PP and REDD+</p>	<p>A multi-stakeholder technical advisory committee was created for the GT REDD. SGP collaborated with the Technical Advisory Committee (CTC-REDD+), and followed up the development of the REDD+ strategy for Mexico to ensure coordination and complementarity with SGP programming. It also supported forest communities through the REDD+ pilots in Quintana Roo and Chiapas</p>

IV. FEASIBILITY

i. Cost efficiency and effectiveness:

SGP strives to be cost-effective both at the Programme and individual grant level.

Grants: Cost-effectiveness is an important criterion 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 achieving the same global environmental benefits before approving SGP grants. This ensures that GEF funds are applied in the most cost-effective manner. Partnerships to implement renewable energy and energy efficiency initiatives with the private sector will enable SGP grantees to benefit from private sector infrastructure, technologies, know-how, and financial services.

Programme: NSC members provide vital scientific and technical inputs to the SGP that would be expensive to obtain via consultant contracts. In addition, the Country Programme Management Unit will establish partnerships with local institutions that are carrying out development initiatives in the target areas, as well as with international, development agencies and GEF-funded projects. The landscape and portfolio approach will help build synergies and achieve economies of scale in certain community-based interventions and also for training and other capacity development initiatives. This Country Programme’s emphasis on scaling up is based on two decades of community level development of and support to innovative projects, which have resulted in robust capacities of the Country Programme Management Unit, partner NGOs, and community organizations. At the same time, co-financing commitments from state and local governments indicate a high degree of confidence in the cost-effectiveness of the Mexico SGP and its Programme of work.

ii. Risk Management:

As per standard UNDP requirements, the Project Manager will monitor risks quarterly and report on the status of risks to the UNDP Country Office. The UNDP Country Office will record progress in the UNDP ATLAS risk log. Risks will be reported as critical when the impact and probability are high (i.e. when impact is rated as 5, and when impact is rated as 4 and probability is rated at 3 or higher). Management responses to critical risks will also be reported to the GEF in the annual PIR.

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
Southeastern Mexico is affected every year by extreme weather events that threaten both ecosystems and human communities	<i>Environmental; climate</i>	P – high, I - high	The project includes practices to reduce and manage risks at local level, building upon the experience of the Local Risk Management Programme initially developed by the Mexico SGP and later supported by UNDP. This Programme has proven to be effective in reducing the social and economic impacts of hurricanes and other extreme weather events, and has already been replicated throughout Mexico (some 1,000 villages, 200 municipalities,	<i>National Steering Committee; Country Programme Manager; UNDP; Municipal governments</i>	<i>Consistent</i>

			seven federal States and national government agencies). UNDP will provide co-financing of USD 500 to each of a maximum of 400 SGP grants to ensure that climate risk is considered and mitigation measures implemented in all SGP-funded community projects.		
Low capacity of local community based organizations and their second-level organizations to coordinate with each other (within landscapes, between landscapes and at the large ecosystem level) and with the various stakeholders and government entities, including representatives of federal institutions, state-level government entities and municipal authorities.	<i>Capacity</i>	P- low, I - high	While there will be newly-formed organizations, which pose the highest risk, there are producer cooperatives and pivot organization networks with substantial experience and track record in landscape-level planning, coordination, negotiations, conflict resolution, and monitoring and evaluation that may advise less experienced groups helping to mitigate this risk.	<i>National Steering Committee; Country Programme Manager; NGOs</i>	<i>Consistent</i>
Sustainable production is generally more expensive than conventional methods. Producers engaged in unsustainable production practices may be able to undercut prices for similar products and services produced by sustainable systems, resulting in unfair competition.	<i>Economic</i>	P – med., I – med.	This risk can be mitigated by optimizing and scaling-up production, and by certifying products as biodiversity friendly to capture a premium over and above the unsustainable production price.	<i>National Steering Committee; Country Programme Manager; NGOs</i>	<i>Consistent</i>
Running a grants Programme with civil society organizations that have weak governance, low level of technical and management capacity.	<i>Capacity</i>	P – med., I - low	SGP has a past performance rating of 85% achievement. Risk mitigation systems in place (e.g., grantee capacity development support by pivot organization, appropriate rates of grant disbursement, adaptive management to respond to the strengths and	<i>National Steering Committee; Country Programme Manager</i>	<i>Consistent</i>

			weaknesses of grantees, periodic monitoring visits) will be strengthened to maintain or improve this rate of achievement. SGP also reduces risk by supporting replication of good practices that have proven to deliver on GEF strategic priorities at the community level.		
--	--	--	---	--	--

iii. Social and environmental safeguards:

Please see Annex G for the duly completed Social and Environmental Screening Template. As well, any environmental and social grievances will be reported to the GEF in the annual PIR.

iv. Innovativeness, sustainability and scaling up:

Innovativeness - This project proposes to carry out participatory, multi-stakeholder, landscape management in selected areas of four large ecosystems of Mexico's Southeast - Deltaic-estuarine landscape of the Grijalva-Usumacinta River; Coastal lagoons and marine interface in the northern Yucatan Peninsula; Tropical deciduous, sub-deciduous and sub-evergreen forests in the Yucatan Peninsula; Montane broadleaf and cloud forest in northern Chiapas - aimed at enhancing social and ecological resilience through community-based, community-driven projects to conserve biodiversity, optimize ecosystem services, manage land – particularly agro-ecosystems – and water sustainably, and mitigate climate change. Using the knowledge and experience gained from global and national landscape level initiatives delivered by SGP – through its COMPACT and COMDEKS initiatives²⁴ and individual Country Programme approaches – this project will strengthen participation of community organizations to enhance their participation in landscape planning and management processes and, building on experience and lessons learned from previous SGP operational phases, assist community organizations to carry out and coordinate projects in pursuit of outcomes they have identified in landscape plans and strategies. This will build community ownership of individual initiatives as well as landscape management overall. Coordinated community projects in the landscape will generate ecological, economic and social synergies that will produce greater and potentially longer-lasting global environmental benefits, as well as increased social capital and local sustainable development benefits. The capacities of community organizations will be strengthened through a learning-by-doing approach in which the project itself is a vehicle for acquiring practical knowledge and organizational skills in a longer term adaptive management process. The project will also take

²⁴ COMPACT (Community Management of Protected Areas Conservation) is an initiative that was designed to complement and add value to existing conservation Programmes, by supporting community-based initiatives that increase effectiveness of biodiversity conservation and improve livelihoods of local people. See, for example, whc.unesco.org/document/134265 *Engaging Local Communities in Stewardship of World Heritage: a methodology based on the COMPACT experience*. For example, SGP implements the Community Development and Knowledge Management for the Satoyama Initiative (COMDEKS) Programme in 20 countries around the world; it focuses on community-based landscape planning and management for socio-ecological resilience. For more information, please see Mock, G. and Tschentscher, T. A Community Based Approach to Resilient and Sustainable Landscapes: Lessons from Phase II of the COMDEKS Programme. 2016

prior years' experience and identify and implement a number of potential upscaling opportunities during this project's lifetime.

Sustainability - The sustainability of landscape management processes and community initiatives is predicated on the principle – based on SGP experience - that global environmental benefits can be produced and maintained through community-based sustainable development projects. Previous phases of the SGP Mexico Country Programme have identified and promoted clear win-win opportunities with community initiatives and clusters of initiatives in areas such as sustainable use of biodiversity (organic apiculture, ecotourism, aquaculture and mariculture) and crop genetic resources, agro-ecological production practices and systems (sustainable silvopastoral systems, agroforestry systems, low input agriculture), sustainable land management (sustainable community forestry), renewable energy (mini-hydro power and solar), and value addition to crops through sustainable practices (organic, sustainable certification schemes). Sustainability of landscape planning and management processes will be enhanced through the formation of multi-stakeholder partnerships, involving local government, national agencies and institutions, NGOs, the private sector and others at the landscape level and the adoption of multi-stakeholder partnership agreements to pursue specific landscape level outcomes. NGO networks will be called upon for their support to community projects and landscape planning processes, and technical assistance will be engaged through government, NGOs, universities, academic institutes and other institutions. Multi-stakeholder platforms will provide the dialogue space for partnership development around the analysis of specific value chains related to successful lines of work. These platforms will include all significant value chain actors, including financing institutions, technical assistance organizations, etc. A key aspect of these partnership platforms will be the capacity development of community organizations aimed at ensuring enterprise development and management for long term sustainability. At the same time, lessons learned from SGP-supported initiatives are discussed during multi-stakeholder meetings with appropriate policy makers and codified for further dissemination to relevant institutions and organizations, both for further adaptation of community and landscape level initiatives and for policy dialogue.

Upscaling potential - An essential outcome is to replicate and enhance previous experience of community based “on the ground” implementation of the UNFCCC, UNCBD, and UNCCD in the four large ecosystems of southeastern Mexico that have been building on previous experience since the beginning of the SGP in Mexico. Building on the successful organic apiculture experience that has been successfully up-scaled over the past several years, a primary output of this project is the upscaling of initiatives that have been piloted successfully during previous phases of the SGP Mexico Country Programme. These include aquaculture using native fish species in the Deltaic-estuarine landscape of the Grijalva-Usumacinta river system, community forestry (Yucatan and Chiapas forest landscapes) and ecotourism (coastal lagoons and marine interface of northern Yucatan). The premise of upscaling in this context is that the aggregate of community adopters of successful SGP-supported technologies, practices and systems from previous SGP phases have been slowly acquiring critical mass to reach a tipping point of adoption more broadly by rural constituencies of adaptive practice and innovation. The SGP has been able to facilitate this aggregation process by accompanying community organizations over the years, building networks of producers, establishing vertical linkages from producer to market, and advocating policy support from local, state and federal governments.

V. PROJECT RESULTS FRAMEWORK

<p>This project will contribute to the following Sustainable Development Goal (s): SDG 1 (End poverty in all its forms everywhere); SDG 2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture); SDG 13 (Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy); SDG 14 (Conserve and sustainably use the oceans, seas and marine resources for sustainable development); and SDG 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss).</p>				
<p>This project will contribute to the following country outcome included in the UNDAF/Country Programme Document: UNDAF Cooperation Area III: Environmental sustainability and green economy; Outcome 6: the three orders of government, the private sector, academia, and <u>civil society</u> strengthen their capacity to revert environmental degradation and to sustainably and equitably use natural resources, through mainstreaming environmental sustainability, low carbon development, and a green economy in legislation, planning and decision-making (UNDP’s contribution: to promote low carbon development strategies which also address disaster risk reduction, resilience and environmental sustainability with a gender focus and multicultural for poverty reduction).</p>				
<p>This project will be linked to the following output of the UNDP Strategic Plan: Outcome 1: Growth and development. Growth and Development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded. Output 1.3. Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.</p>				
<p>Applicable GEF Strategic Objective and Program: BD-4 Program 9; CC-2 Program 4; and LD-1 Program 1</p>				
<p>Applicable GEF Expected Outcomes: BD Outcome 9.1 Increased area of production landscapes and seascapes that integrate conservation and sustainable use of biodiversity into management; CCM Outcome A – Accelerated adoption of innovative technologies and management practices for GHG emission reduction and carbon sequestration; LD Outcome 1.1 – Improved agricultural, rangeland and pastoral management</p>				
<p>Applicable GEF Outcome Indicators: BD Indicator 9.1 Production landscapes and seascapes that integrate biodiversity conservation and sustainable use into their management preferably demonstrated by meeting national or international third-party certification that incorporates biodiversity considerations (e.g. FSC, MSC) or supported by other objective data; CCM Indicator 4. Deployment of low GHG technologies and practices, specifically (d) Area under low GHG management practices (number of hectares, with monitoring of low GHG impact undertaken); LD Indicator 1.1 Land area under effective agricultural, rangeland and pastoral management practices and/or supporting climate-smart agriculture</p>				
	Objective and Outcome Indicators	Baseline	End of Project Target (three years)	Assumptions
<p>Project Objective: <i>To empower local communities to manage production land/seascapes in Mexico’s Southeast large ecosystems in a manner that enhances their social, economic and environmental sustainability and resilience</i></p>	<p>A. Increased area (hectares) in the target landscapes and seascape with improved community management</p>	<p>118,281 hectares with improved management achieved during SGP’s fifth operational phase No baseline data is available for the number of hectares of seascape with improved management practices but local communities improved the management of one fishery (i.e., spiny lobster) during SGP OP5</p>	<p>67,940 additional hectares with improved community management of which 49,940 hectares of landscapes and 18,000 hectares of seascapes</p>	<p>National and state level legal and policy frameworks enable communities to develop plans and obtain permits to sustainably use their natural resources State-level environmental institutions maintain or increase the pledged financial support to community sustainable livelihood activities Communities are able to make decisions about natural resource use on their <i>ejido</i> lands Markets and product prices make certification a viable option for communities The political campaign and electoral period will not significantly affect project</p>
	<p>B. Tons of CO₂e mitigated in community-owned lands through sustainable forest management and avoidance of forest fires</p>	<p>To be determined during landscape level environmental assessments (see Output 1.2.1)</p>	<p>2,874,564 tons of CO₂e</p>	
	<p>C. Number of communities directly benefiting from improved livelihoods and enhanced resilience to climate change</p>	<p>91 communities improved their livelihoods and resilience through sustainable land and resource use as well as by developing and implementing risk prevention and management plans during SGP OP5</p>	<p>135 communities with improved livelihoods and enhanced resilience to climate change</p>	

				activities No major severe weather event will jeopardize community project activities
Component 1: Increased resilience of selected landscapes and seascapes for local sustainable development and global environmental benefits				
Outcome 1.1 Landscape and seascape resilience is enhanced through the individual and synergistic impacts of a set of adaptive community practices that maintain ecosystem services, conserve biodiversity, mitigate climate change and reverse land degradation in the following large ecosystems of Mexico's Southeast:				
A. Upriver landscape of the Grijalva and Usumacinta Rivers A.1. Agroforestry production landscape in Northern Chiapas and Southern Tabasco	A.1.1 Area under community management implementing agroecological principles and practices for selected crops	0 hectares in participating communities	300 hectares under agroecological coffee production 300 hectares under agroecological cacao production	
A.2. Deltaic-estuarine production landscape of Tabasco and Campeche	A.2.1 Number of community enterprises and initiatives contributing to sustainable fisheries and aquaculture with native species A.2.2 Number of hectares of continental and marine areas monitored to detect and control invasive alien species using SGP's established system A.2.3 Number of fisheries with improved community management	Six community-managed hatcheries producing fingerlings of Alligator gar and Castarrica (<i>Cichlasoma urophthalmus</i>) 18 community fish farms A community system to detect and control alien invasive species in the freshwater ecosystem of the Grijalva-Usumacinta was established in SGP OP5 There are no sustainable fisheries management activities by communities currently taking place in the project area	Five additional community-managed hatcheries producing native fish species' fingerlings to be released into their natural habitat and Fifteen new community fish farms, targeting 5,500 hectares Documented management of 2,400 hectares to detect and control invasive alien species in freshwater (400ha) and marine (2,000ha) areas At least three fisheries of ten species in rivers, protected interior and coastal lagoons, and wetlands with improved community management	Technical assistance is available A fair market and competition vis-à-vis exotic fish species can be established National and state government support for the implementation of the National Strategy on Alien Invasive Species (2010)
B. Gulf of Mexico and Caribbean Seascapes	A.3.1 Number of community initiatives implementing	Two tourism routes including marine and terrestrial areas were established	Thirteen community initiatives implementing	Private sector tourism operators contribute to

	alternative tourism as a substitute to unsustainable production practices A.3.2 Area with improved community monitoring and control of marine alien invasive species	during SGP OP5 A community system to detect and control marine alien invasive species was established in SGP OP5	alternative tourism targeting 12,000 hectares (marine) and 300 ha (terrestrial) 4,000 hectares of marine areas monitored to detect and control invasive alien species in particular <i>Pterois volitans</i> (red lionfish) and <i>Plecostomus sp</i> (Armored catfish)	promoting community alternative tourism Networks of community alternative tourism offering diverse tourism experiences are established reducing competition
C. Forest Landscape C.1 Timber and non-timber production forest landscape C.2 <i>Milpa</i> landscape	C.1.1 Area with improved community forest management C.1.2 Number of communities obtaining forest certification or retaining existing certification C.1.3 Number of communities implementing alternative tourism activities C.1.4 Area under community management implementing agroecological principles and practices for selected crops	85,573 hectares under sustainable forest management achieved during SGP OP5 7 forest ejidos in Quintana Roo have FSC certification achieved during SGP fifth operational phase. 4 communities with certified organic apiculture achieved during SGP fifth operational phase. Five communities under SGP OP5 implementing ecotourism activities 102 hectares and about 1,000 families implemented sustainable agricultural practices during SGP OP5 No research activities on agroecology during SGP OP5	42,000 hectares under sustainable forest management 10 communities obtain or retain FSC or NMX 143 certification, for diverse products or services 10 communities implement ecotourism activities targeting 1000 ha 140 hectares under agroecological land management	The national and international markets for sustainable timber and non-timber forest products, in particular for organic honey, continue to grow and the prices enable communities to meet production costs and generate a profit Producers will perceive an incentive to pursue certification. Research institutions in the target landscapes are willing to contribute human resources and other inputs
Outcome 1.2 Community-based organizations possess the organizational and managerial capacities for business development and performance on a larger scale to contribute to landscape and seascape management and governance	1.2.1 Number of adaptive and participatory land/seascape management strategies and plans developed/updated 1.2.2 Number of community members with increased capacities for business development and management disaggregated by sex	None 140 community members increased their capacities for business development and marketing of timber and non-timber forest products 358 community members increased their capacities for ecotourism development and operation	Six adaptive and participatory land/seascape management strategies and plans developed/updated 200 additional community members with increased business development and management capacities of which at least 30% female	Community members will be motivated to participate in land/seascape planning and capacity building

Outcome 1.3 Successful small grants experiences from this and previous phases are consolidated/ up-scaled through production and marketing chains and second-level organizations as well as through exchange of knowledge and experiences, linking community-based organizations within and across landscapes/seascapes	1.3.1 Number of second level organizations ²⁵ established or consolidated at landscape or thematic levels	None existent for pursuit of this project's objectives	At least five	Community organizations will collaborate successfully in pursuit of value chain strengthening at scale
	1.3.3 Number of strategic projects consolidating, replicating and up-scaling specific successful SGP-supported technologies, practices or systems	None existent in relation to this project's objectives	At least 3	
	1.3.4 Number of knowledge products (case studies) produced and disseminated.	No case studies produced at the landscape level	At least 6 case studies developed (1 per landscape)	

Outputs and Activities

Outputs	Activities
COMPONENT 1: Increased resilience of selected landscapes and seascapes for local sustainable development and global environmental benefits	
Outcome 1.1: Landscape and seascape resilience is enhanced through the individual and synergistic impacts of a set of adaptive community practices that maintain ecosystem services, conserve biodiversity, mitigate climate change and reverse land degradation in Mexico's Southeast large ecosystems	
Output 1.1.1: Community level small grant projects in production landscapes and seascapes implementing: - Land management practices that maintain or enhance carbon stocks, mitigate GHG emissions, and help avoid land use change - Economically viable, socially and environmentally sound natural resource use initiatives - Practices that enhance productivity and sustainability of smallholder agro-ecosystems - Initiatives leading to new or expanded community conservation areas in terrestrial and marine ecosystems	<ul style="list-style-type: none"> • Call for community small grants proposals in each target production land/seascape to encouraging project ideas for each of the topics of relevance to the specific land/seascape identified during the PPG consultation process • Review and approval of small grants by the NSC ensuring synergies and complementarity of community projects • Monitor grant implementation and take adaptive measures to address any emerging issues • Evaluate the performance of each grant in a participatory manner
Outcome 1.2: Community-based organizations possess the organizational and managerial capacities for business development and performance on a larger scale to contribute to landscape and seascape management and governance	
Output 1.2.1 Participatory social and environmental assessments of community organizations, their capacities, territories and production potential	<ul style="list-style-type: none"> • Design and implement a series of workshops in each land/seascape to enable communities and their organizations to carry out social and environmental assessments as a basis for Output 1.2.2 and Output 1.2.3. Better understanding of communities capacities and production potential will also help deliver Outcome 1.3 • Prepare summary reports on the findings and recommendations of each workshop
Output 1.2.2 Education and training based on applied innovation results for sustainable production and	Building on the knowledge and lessons generated from previous SGP phases, design and implement educational and training processes and materials for specific community groups, as follows:

²⁵ Refers to an organization or federation of organizations. In this case, the term refers to organizations of producers involved in upscaling initiatives or organizations involved in landscape level planning.

Outputs	Activities
conservation practices	<ul style="list-style-type: none"> • Discuss with stakeholders educational and training priorities and develop a capacity building plan • Identify on a competitive basis the best organization(s) to develop the training materials and deliver the training on the various subjects • Translate the materials into local languages as relevant (or materials could be directly prepared in local languages if more cost-effective) • Carry out the training • Monitor the relevance and effectiveness of training imparted, in particular its application by trainees
Output 1.2.3 Adaptive participatory land/seascape management plans	<ul style="list-style-type: none"> • Using the results of Outputs 1.2.1 and 1.2.2 and building on the formulation of stakeholders strategies for each land/seascape carried out during the PPG phase, work with key stakeholders and local communities to develop/update six adaptive land/seascape management plans • Identify the most suitable Satoyama Resilience Indicators for each land/seascape and collect baseline data to facilitate monitoring at baseline and at the end as part of the delivery of Output 1.2.4 • Review progress in implementing the plans with stakeholders and communities at project mid-term and adjust them as necessary • Assess implementation results before project completion and as an input to Outputs 1.3.4 and 1.3.5
Output 1.2.4 Participatory evaluation of results at landscape/seascape level and by production activity for learning and adaptive management	<ul style="list-style-type: none"> • Identify a suitable organization to provide support in designing and implementing a process by which communities and all stakeholders will be brought together to evaluate the collective results achieved in each landscape and seascape as well as by production activity. • Discuss the methodology and approach with the SGP NSC • Carry out the evaluation(s) and document the results in various media as an input to Output 1.3.5
Outcome 1.3: Successful small grants experiences from this and previous phases are consolidated/up-scaled through production and marketing chains and second-level organizations as well as through exchange of knowledge and experiences, linking community-based organizations within and across landscapes/seascapes	
Output 1.3.1 Networks and second-level organizations established and/or strengthened to integrate and bring to scale production and marketing of sustainably produced goods and services	<ul style="list-style-type: none"> • Promote the importance of establishing second-level organizations to help integrate the work of individual organizations by production line (in particular community organizations implementing alternative tourism interventions) • Discuss with stakeholders the objectives of these organizations and assist them in fulfilling the requirements for the establishment, registration and operation of such organizations • As per Output 1.2.2 select individuals, particularly women, to participate in training activities to develop the skills to run these second-level organizations effectively. This includes members of existing second level organizations • Periodically monitor the performance of these organizations and take corrective action to improve performance as required
Output 1.3.2 Strategic projects to facilitate specific product development, certification and marketing at scale	<ul style="list-style-type: none"> • Identification of and support to community-driven enterprises that have potential to improve and upscale. Women's enterprises will be given priority. Identify weaknesses along the value chain and the means to address such weak points • Develop draft terms of reference for strategic projects that would facilitate specific product development, certification and marketing at scale (including fair-trade markets). These include, but are not limited to: <ul style="list-style-type: none"> ○ Alternative tourism products and services, particularly tourism routes and marketing networks, tourism product certification ○ Certified organic honey production ○ Sustainable timber production, sustainable fisheries and aquaculture products • Develop terms of reference for strategic projects that are conducive to community land/seascape planning and management including the following: <ul style="list-style-type: none"> ○ Land/seascape management and conservation for each target land/seascape to provide planning and implementation support to grantees and help monitor performance of SGP's interventions at that scale

Outputs	Activities
	<ul style="list-style-type: none"> ○ Fisheries management in protected areas in the Grijalva-Usumacinta landscape ○ Ichthyological resources management in rivers and lagoons ○ Sustainable forest management to help communities enhance and diversify production in their forest <i>ejidos</i> ○ Agroecological practice options for selected flagship crop species ● Obtain approval for all the above TOR from the NSC upon consultation with SGP’s Global UCP Coordinator ● Call for proposals, review and approval of strategic grants by the NSC ● Periodic monitoring of strategic grants and course correction as needed ● Periodic monitoring of strategic grants performance
Output 1.3.3 Second-level organizations access financial resources for sustainable production activities at scale	<ul style="list-style-type: none"> ● Explore potential financial sources to support scaling up existing sustainable production activities including donors, federal and state-level government institutions, lending institutions. ● Work with second-level organizations to facilitate negotiations and development of business plans to improve the likelihood they will obtain the resources ● Facilitate training and other methods to enhance their capacities to manage the resources efficiently, effectively and transparently
Output 1.3.4 Engagement of potential financial partners and public sector institutions, as relevant and viable, in analysis, planning, and evaluation of results	<ul style="list-style-type: none"> ● Periodic feedback to state governments (in particular those providing co-financing to community grants) and relevant federal public institutions about results, best practices, lessons and challenges using the various materials and analysis developed by activities in Outcome 1.2 ● Involve other financial partners in grant monitoring activities to share lessons and experiences
Output 1.3.5 Experiences described and analyzed; knowledge disseminated widely using different means and targeting civil society, decision-makers and other development partners	<ul style="list-style-type: none"> ● Document and systematize relevant portfolio experiences for dissemination to community organizations, networks, second-level organizations, partners and policy makers. Organizations implementing strategic grants should each prepare a knowledge product with a synthesis of results, lessons learned and policy-relevant recommendations ● Disseminate the knowledge and lessons in various formats adapted to the various audiences including communities, policy makers, the press (e.g., radio, video clips, news articles, brochures), the private sector and donors. At least one policy-brief for each land/seascape will be developed and discussed with the relevant authorities and local partners

VI. MONITORING AND EVALUATION (M&E) PLAN

The project results as outlined in the project results framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results.

Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the [UNDP POPP](#) and [UNDP Evaluation Policy](#). While these UNDP requirements are not outlined in this project document, the UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the [GEF M&E policy](#) and other relevant GEF policies.

In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including the GEF Operational Focal Point and national/regional institutes assigned to undertake project monitoring. The GEF Operational Focal Point will strive to ensure consistency in the approach taken to the GEF-specific M&E requirements (notably the GEF Tracking Tools) across all GEF-financed projects in the country. This could be achieved for example by using one national institute to complete the GEF Tracking Tools for all GEF-financed projects in the country, including projects supported by other GEF Agencies.

M&E Oversight and monitoring responsibilities:

Country Programme Manager: The Country Programme Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The Country Programme Manager will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The Country Programme Manager will inform the National Steering Committee, the UNDP Country Office and the UNDP-GEF Global Coordinator for the SGP Upgrading Country Programmes of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.

The Country Programme Manager will develop annual work plans based on the multi-year work plan included in Annex A, including annual output targets to support the efficient implementation of the project. The Country Programme Manager will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g. gender strategy, KM strategy etc.) occur on a regular basis.

Project Board (SGP National Steering Committee): The National Steering Committee will take corrective action as needed to ensure the project achieves the desired results. The NSC will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for

the following year. In the project's final year, the NSC will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.

UNDP Country Office: The UNDP Country Office will support the SGP Country Programme Manager, as needed, including through participation in annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and the NSC within one month of the mission. The UNDP Country Office will initiate, organize and supervise key GEF M&E activities including the annual GEF PIR, the independent mid-term review and the independent terminal evaluation. The UNDP Country Office will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. Attending this mandate, the CO may request, as needed the revision and adjustment of SGP strategy and activities in close coordination with HQ and the NSC.

The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the [UNDP POPP, and it will require the SGP Country Programme Manager and his/her team to integrate information, reports and consolidate evidence](#). This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed, and monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Country Programme Manager.

The UNDP Country Office will retain all M&E records for this project for up to seven years after project financial closure in order to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF Independent Evaluation Office (IEO).

The UNDP Country Office will participate in the recruitment and selection process of the Country Programme Manager and the team. The CO will also participate in the periodic performance evaluation of Country Programme staff, along with the National Steering Committee.

UNDP-GEF Unit: Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP-GEF Global Coordinator for the SGP Upgrading Country Programmes and the UNDP-GEF Directorate as needed.

Audit: The project will be audited according to UNOPS Financial Regulations and Rules and applicable audit policies on UNOPS-implemented projects.

Additional GEF monitoring and reporting requirements:

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

Portfolio of upgraded Country Programmes

The UNDP Global Coordinator for the SGP Upgrading Country Programmes will monitor the implementation of the portfolio of upgraded the SGP Country Programmes and will promote and support cross-fertilization and learning among Country Programmes and with the SGP Global Programme. The SGP CPMT will monitor the SGP Country Programmes for compliance with the Operational Guidelines of the SGP as a GEF Corporate Programme. The SGP Global UCP Coordinator will bring together the Upgraded Country Programmes at their inception stages to review existing monitoring and evaluation strategies and systems and propose relevant revisions to adapt them to the requirements of the upgrading country Programmes and their approach to landscape planning and management for social and ecological resilience.

Project start:

Inception Workshop and Report: The Inception Workshop is crucial to building ownership for the project results. A project inception workshop will be held within two months after the project document has been signed by all relevant parties to, amongst others:

- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project implementation;
- b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms; The Terms of Reference for project staff will be discussed again as needed.
- c) Review the results framework and finalize the indicators, means of verification and monitoring plan;
- d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;
- e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; Environmental and Social Management Plan and other safeguard requirements; the gender strategy; the knowledge management strategy, and other relevant strategies;
- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the audit; and
- g) Plan and schedule NSC meetings and finalize the first-year annual work plan.

The Country Programme Manager will prepare the inception report no later than one month after the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the NSC (SGP NSC).

GEF Project Implementation Report (PIR): The Country Programme Manager, the UNDP Country Office, and the UNDP-GEF Global Coordinator for the SGP Upgrading Country Programmes will provide objective input to the annual GEF PIR covering the reporting period July (previous year) to June (current year) for each year of project implementation. The Country Programme Manager will ensure that the indicators included in the project results framework are

monitored annually in advance of the PIR submission deadline so that progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.

The PIR submitted to the GEF will be shared with the NSC (SGP NSC). The UNDP Country Office will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.

Periodic Monitoring through site visits:

UNDP CO and the SGP UCP Global Coordinator will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. The SGP UCP Global Coordinator may conduct joint visits with the Country Programme Manager to selected project sites as an input to PIR preparation. Other members of the NSC may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and NSC members.

Learning and knowledge sharing:

Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. 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 the project. The project will identify, analyse and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.

GEF Focal Area Tracking Tools: The following GEF Tracking Tool(s) will be used to monitor global environmental benefit results: Biodiversity, Land Degradation and Climate Change (Please see Annex D)

The baseline/CEO Endorsement GEF Focal Area Tracking Tool(s) – submitted in Annex D to this project document – will be updated by the Country Programme Manager/Team and shared with the mid-term review consultants and terminal evaluation consultants (not the evaluation consultants hired to undertake the MTR or the TE) before the required review/evaluation missions take place. The updated GEF Tracking Tool(s) will be submitted to the GEF along with the completed Mid-term Review report and Terminal Evaluation report.

Independent Mid-term Review (MTR): An independent mid-term review process and an External Audit will begin after the second PIR has been submitted to the GEF, and the MTR report will be submitted to the GEF in the same year as the 3rd PIR. The MTR findings and responses outlined in the management response will be incorporated as recommendations for enhanced implementation during the final half of the project's duration. The terms of reference, the review process and the MTR report will follow the standard templates and guidance prepared

by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center \(ERC\)](#). As noted in this guidance, the evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final MTR report will be available in English and will be cleared by the UNDP Country Office and the UNDP-GEF Global Coordinator for the Upgrading Country Programmes, and approved by the NSC (SGP NSC).

Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The Country Programme Manager will remain on contract until the TE report and management response have been finalized. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Country Office and the UNDP-GEF Global Coordinator for the Upgrading Country Programmes, and will be approved by the NSC. The TE report will be publically available in English on the UNDP ERC.

The UNDP Country Office will include the planned project terminal evaluation in the UNDP Country Office evaluation plan, and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report, and rate the quality of the TE report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

Final Report: The project’s terminal PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the NSC (SGP NSC) during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

Communications and visibility requirements:

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 needs 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. The UNDP logo can be accessed at <http://intra.undp.org/coa/branding.shtml>.

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.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

Mandatory GEF M&E Requirements and M&E Budget:

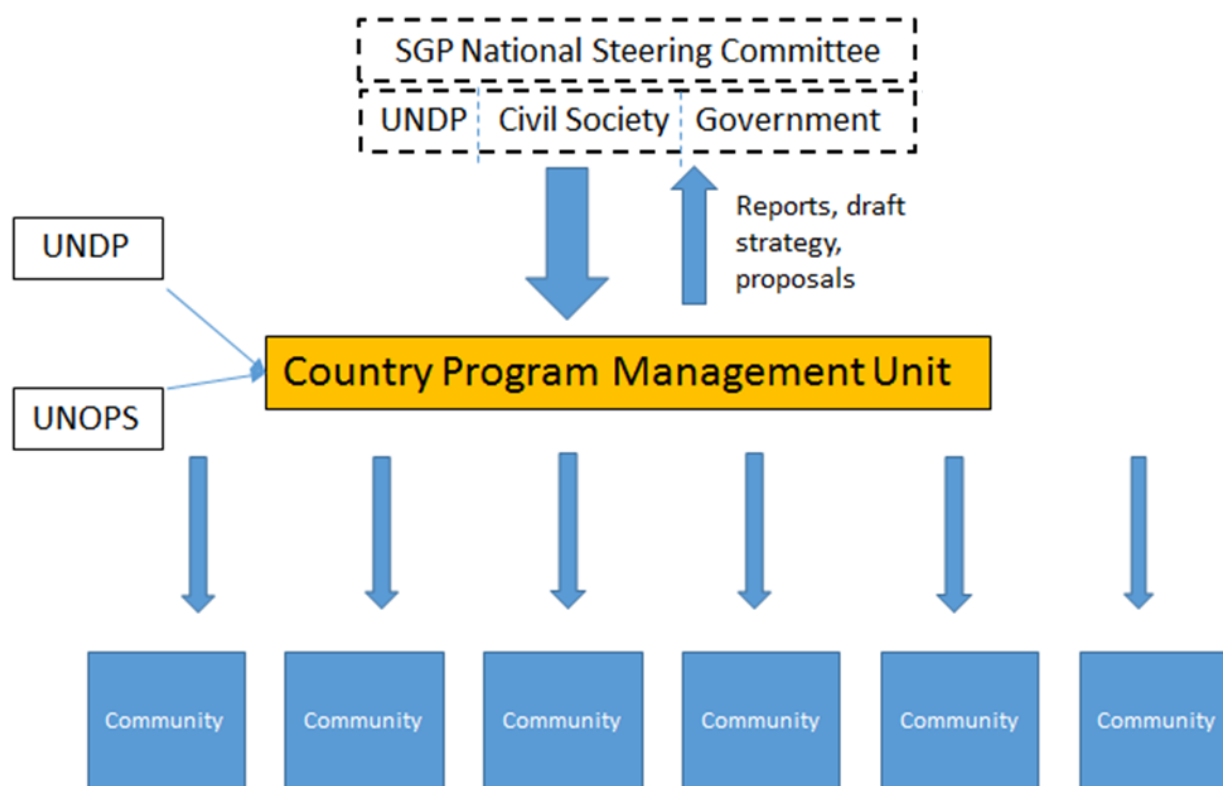
Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Inception Workshop and Report	<ul style="list-style-type: none"> ▪ Country Programme Manager ▪ UNDP CO, UNDP GEF 	Indicative cost to project: National workshop \$ 2,000 Local inception workshops \$ 5,000	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> ▪ UNDP SGP UCP Global Coordinator/Country Programme Manager will oversee the employment of specific studies and institutions, and delegate responsibilities to relevant team members. 	To be finalized during Inception Phase and Workshop Local Consultants for M&E and Knowledge Management: \$ 7,000 .	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 Country Programme Manager ▪ Project team 	To be determined as part of the Annual Work Plan preparation Local Consultants for M&E and Knowledge Management: \$ 15,000	Annually prior to ARR/PIR and to the definition of annual work plans
ARR/PIR	<ul style="list-style-type: none"> ▪ Country Programme Manager and team ▪ UNDP CO ▪ UNDP SGP UCP Global Coordinator 	None	Annually
Periodic status/ progress reports	<ul style="list-style-type: none"> ▪ Country Programme Manager and team 	None	Quarterly
Audit	<ul style="list-style-type: none"> ▪ UNOPS 	\$ 20,000	At midterm
Mid-term GEF Tracking Tool to be updated by SGP Country Programme Manager	<ul style="list-style-type: none"> • Project team 	\$ 10,000	Before Mid-term Review mission takes place.
Mid-term Evaluation	<ul style="list-style-type: none"> ▪ Country Programme Manager and team ▪ UNDP CO ▪ UNDP SGP UCP Global Coordinator External Consultants (i.e. evaluation team) 	Indicative cost: \$ 30,000	At the mid-point of project implementation.
Terminal GEF Tracking	<ul style="list-style-type: none"> • Project team 	\$ 10,000	Before Terminal

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Tool to be updated by SGP Country Programme Manager			Evaluation mission takes place.
Final Evaluation	<ul style="list-style-type: none"> ▪ Country Programme Manager and team, ▪ UNDP CO ▪ UNDP SGP UCP Global Coordinator ▪ External Consultants (i.e. evaluation team) 	Indicative cost: \$30,000	At least three months before the end of project implementation
Project Terminal Report	<ul style="list-style-type: none"> ▪ Country Programme Manager and team ▪ UNDP CO ▪ local consultant 	None	At least three months before the end of the project
Translations of MTR and TE to English	<ul style="list-style-type: none"> • UNDP Country Office 	\$5,000	As required (GEF accepts reports only in English)
Visits to field sites	<ul style="list-style-type: none"> ▪ UNDP CO ▪ UNDP SGP UCP Global Coordinator (as appropriate) ▪ Government representatives 	For GEF supported projects, paid from IA fees and operational budget	Yearly
TOTAL indicative COST Excluding project team staff time and UNDP staff and travel expenses		USD 134,000	

Individual grant level			
Type of M&E activity	Responsible Parties	Budget US\$	Time frame
Field monitoring visits	SGP Country Programme Manager and team NSC members	Indicative cost: \$ 15,000	At least twice in the lifetime of project Additional visits on an at-risk basis
Monitoring of and technical support to community applications of M&E methods and tools	SGP Country Programme Manager National consultant (preparation of training materials and training delivery in 4 SL) NSC members	Indicative cost: \$ 15,000	Half-yearly
Progress reports	Beneficiary organization SGP Country Programme Manager	No cost	Half-yearly
Final reports	Beneficiary organization SGP Country Programme Manager	No cost	End of project
Final evaluations	National consultant SGP Country Programme Manager Beneficiary organization	Included in project grant budget	End of project
Audits	SGP Country Programme Manager Beneficiary organization	\$ 5,000	At least one audit of randomly selected projects

SUB-TOTAL COST	\$ 35,000	
TOTAL indicative COST of Project M&E <i>M&E of projects. Excluding project team staff time and costs included in project grant budget</i>	US\$ 169,000	

VII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS



The diagram above shows the project organizational structure (Fig.2). The roles and responsibilities of the various parties to the project are described in the SGP Operational Guidelines. **UNDP** will provide overall Programme 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 from the UNDP GEF Global Coordinator for the SGP Upgrading Country Programmes, who is responsible for project oversight for all upgraded country Programme projects. The SGP Central Programme Management Team (CPMT) will monitor upgraded country Programmes for compliance with GEF SGP core policies and procedures.

In accordance with the global **SGP Operational Guidelines (Annex J)** that will guide overall project implementation in Mexico, 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 Programme Manager (formerly National Coordinator) with input from the UNDP RR, the SGP UCP Global Coordinator, and UNOPS. The NSC also contributes to bridging community-level experiences with national policy-making.

The **Country Office** is the business unit in UNDP for the SGP project and is responsible for ensuring 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. The CO will participate in NSC meetings, promoting synergies with other relevant programmes, and support the design and implementation of the SGP strategy, etc.

The **Country team** composed of a National Coordinator (also known as Country Programme Manager in CEO Endorsement) and a Programme Assistant, recruited through competitive processes, is responsible for the day-to-day operations of the Programme. 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 Programme 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.

As GEF Project Agency, **UNDP** will provide overall programme 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 (Headquarters) will also provide high-level technical and managerial support through the Low Emissions Climate Resilient Development Strategies cluster, and from the UNDP Global Coordinator for Upgrading Country Programme, who will be responsible for project oversight for all upgraded country programme projects worldwide. SGP's Central Programme Management Team (CPMT) will monitor for

compliance of upgraded country programme with the core policies and procedures of the SGP as a GEF Corporate Programme.

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 Country Programme strategy, as embodied in this document. 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.

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 may also benefit from SGP grants.

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.

A key service of UNOPS is the contracting of SGP staff as needed and required by the Programme, and once contracted, UNOPS provides guidance and supervision, together with the UNDP CO acting on behalf of UNOPS, to the SGP country staff in their administrative and finance related work. UNOPS also provides other important services (as specified in the GEF Council document C.36/4) that include (1) oversight and quality assurance: (i) coordinate with the Upgrading Country Programme (UCP) Global Coordinator on annual work plan activities and (ii) undertake trouble-shooting and problem-solving missions; (2) project financial management: (i) review and authorize operating budgets; (ii) review and authorize disbursement, (iii) monitor and oversee all financial transactions, (iv) prepare semi-annual and annual financial progress reports and (v) prepare periodic status reports on grant allocations and expenditures; (3) project procurement management: (i) undertake procurement activities and (ii) management of contracts; (4) project assets management: (i) maintain an inventory of all capitalized assets; (5) project risks management: (i) prepare and implement an annual audit plan and (ii) follow up on all audit recommendations; and (6) Grants management: (i) administer all grants, (ii) financial grant monitoring and (iii) legal advice.

Under its legal advice role, UNOPS takes the lead in investigations of UNOPS-contracted SGP staff. UNOPS services also include transactional services: (1) personnel administration, benefits and entitlements of project personnel contracted by UNOPS; (2) processing payroll of project personnel contracted by UNOPS, (3) input transaction instruction and automated processing of project personnel official mission travel and DSA; (4) input transaction instruction and automated processing of financial transactions such as Purchase Order, Receipts, Payment Vouchers and Vendor Approval and (5) procurement in UN Web Buy.

UNOPS will continue with a number of areas for enhancing execution services started in the previous the SGP OP5, including: inclusion of co-financing below \$500,000; technical assistance to high risk/low performing countries; developing a risk-based management approach; strengthening the central structure to make it more suitable for an expanded Programme; resolving grant disbursement delays; enhancing country Programme oversight; improving monitoring & evaluation; increasing the audit volume and quality assurance work; and optimizing Programme cost-effectiveness. To facilitate global coherence in execution of services, guidance and operating procedures, UNOPS through a central management team and NSC, coordinates primarily with UNDP/GEF HQ respectively.

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.

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.

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.

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.

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.

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.

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.

UNOPS shall keep UNDP fully informed of all actions undertaken by them in carrying out this Agreement.

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.

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.

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.

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.

UNOPS as the Implementing Partner shall comply with the policies, procedures and practices of the United Nations security management system.

Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information: In order to accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF will also accord

proper acknowledgement to the GEF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy²⁶ and the GEF policy on public involvement²⁷.

VIII. KNOWLEDGE MANAGEMENT

Each SGP grant project is designed to produce three things: global environmental and local sustainable development benefits (impacts); organizational capacities (technical, analytical, etc.) from learning by doing; and knowledge from evaluation of the innovation experience.

In the case of knowledge, each strategic grant project will have as a primary product a case study, and each grant a summary of lessons learned based on evaluation of implementation results and their contributions to GEB, local development objectives and landscape level outcomes, including the development of social capital. This knowledge will be further systematized and codified for dissemination at the landscape level through policy dialogue platforms, community landscape management networks and multi-stakeholder partnerships, and knowledge fairs and other exchanges; at the national level through the National Steering Committee, strategic partnerships and their networks, and national knowledge fairs where appropriate; and globally through the SGP global network of SGP Country Programmes and UNDP's knowledge management system. The individual grant project case studies will be anticipated at project design and based on a participatory methodology, so that the production of the case studies strengthen the community organization's capacities for reflection and action through learning-by-doing. These activities will be carried out under Outcome 2.

At the broader landscape level, the Mexico Country Programme will produce a case study of the landscape planning and management experience in each of the selected landscapes. These case studies will highlight the processes of stakeholder participation, as well as the progress toward the targets selected during landscape planning, using the Satoyama Resilience Indicators²⁸. A detailed analysis will be produced of the successes and failures in each landscape in regard to the generation of synergies between individual community projects around landscape level outcomes, lessons learned, and future efforts to strengthen the landscape planning and management processes. These case studies will be developed in the third quarter of the last year of implementation and will require expert guidance and input. The results of these studies will be published and disseminated throughout the country through print and digital media and SGP's institutional partners, NGOs, SGP-supported CSO networks, universities and others.

Project funding has been set aside for potential "strategic projects", in line with SGP's global guidelines. Strategic projects aim to bring broader adoption of specific successful SGP-supported technologies, practices or systems to a tipping point in each landscape through engagement of potential financial partners, policy makers and their national/subnational advisors and

²⁶ See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

²⁷ See https://www.thegef.org/gef/policies_guidelines

²⁸ UNU-IAS, Bioversity International, IGES and UNDP. 2014. Toolkit for the Indicators of Resilience in Socio-ecological Production Landscapes and Seascapes (SEPLS).

institutions, as well as the private sector. Each of these strategic projects will produce a case study highlighting the process, obstacles to and opportunities for upscaling. Each case study will be produced at the end of implementation of the strategic project, with the costs of external experts and participatory analysis workshops incorporated into each strategic project's budget.

The project will create a knowledge management platform to facilitate links among communities, promote information sharing, and provide access to knowledge resources that are relevant to their individual projects. The knowledge obtained from project experiences and lessons learned will be socialized through SGP's well-established national network of stakeholders and SGP's global platform, and it will be used in upscaling successful initiatives. The increased capacity of community-level stakeholders to generate, access and use information and knowledge is expected to increase the sustainability of project activities beyond the life of the grant funding. Knowledge sharing and replication will help ensure that the impacts of the project are sustained and expanded, generating additional environmental benefits over the longer-term.

IX. FINANCIAL PLANNING AND MANAGEMENT

The total cost of the project is USD \$10,762,615. This is financed through a GEF grant of USD USD 4,429,223.00, and USD \$6,333,392 in parallel co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources and the cash co-financing transferred to UNDP bank account only.

Parallel co-financing: The actual realization of project co-financing will be monitored during the mid-term review and terminal evaluation process and will be reported to the GEF. The planned parallel co-financing will be used as follows:

Co-financing source	Co-financing type	Co-financing amount (USD)	Planned Activities/Outputs	Risks	Risk Mitigation Measures
UNDP Country Office	In-kind	300,000	Output 1.2.1; 1.3.4	None apparent	n/a
Government (State Government of Yucatan, municipalities of Peto, Chacsinkin, and Ministry of Education)	In-cash	390,843	Output 1.1.1	Change of government staff delays contributions	Expedite project approvals and implementation
Government (State Government of Quintana Roo, Ministry of Ecology and Environment)	In-cash	1,395,868	Output 1.1.1	Change of government staff delays contributions	Expedite project approvals and implementation
Scientific and Technological Park of Yucatan	In-kind	279,174	Output 1.1.1; Output 1.3.3	Mobilization to community sites difficult	Program visits efficiently to take advantage of CPM team visits
The Institute of Entrepreneurs of Yucatan (IYEM)	In-kind	167,504	Outputs 1.2.2; 1.3.1; 1.3.2; 1.3.4	Mobilization to community	Program visits efficiently to take advantage

				sites difficult	of CPM team visits
Kellogg Fellows Leadership Alliance	In-cash	50,000	Output 1.2.1	None apparent	n/a
Grantees	In-cash	1,500,000	Outputs 1.1.1; 1.2.1; 1.2.2; 1.2.3; 1.3.1	Availability of cash is constrained by economy	CPM team to look for co-financing to offset community contributions
Grantees	In-kind	2,250,000	Outputs 1.1.1; 1.2.1; 1.2.2; 1.2.3; 1.3.1; 1.3.2	None apparent	n/a

Budget Revision and Tolerance: As per UNDP requirements outlined in the UNDP POPP, the project board will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project manager to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the Project Board. Should the following deviations occur, the Project Manager and UNDP Country Office will seek the approval of the UNDP-GEF team as these are considered major amendments by the GEF:

- a) Budget re-allocations among components in the project with amounts involving 10% of the total project grant or more;
- b) Introduction of new budget items/or components that exceed 5% of original GEF allocation.

Any over expenditure incurred beyond the available GEF grant amount will be absorbed by non-GEF resources (e.g. UNDP TRAC or cash co-financing).

Refund to Donor: Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the UNDP-GEF Unit in New York.

Project Closure: Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP. On an exceptional basis only, a no-cost extension beyond the initial duration of the project will be sought from in-country UNDP colleagues and then the UNDP-GEF Executive Coordinator.

Operational completion: The project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Terminal Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review Project Board meeting. The Implementing Partner through a Project Board decision will notify the UNDP Country Office when operational closure has been completed. At this time, the relevant parties will have already agreed and confirmed in writing on the arrangements for the disposal of any equipment that is still the property of UNDP.

Financial completion: The project will be financially closed when the following conditions have been met:

- a) The project is operationally completed or has been cancelled;
- b) The Implementing Partner has reported all financial transactions to UNDP;
- c) UNDP has closed the accounts for the project;
- d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

The project will be financially completed within 12 months of operational closure or after the date of cancellation. Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to the UNDP-GEF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

X. TOTAL BUDGET AND WORK PLAN

Total Budget and Work Plan			
Atlas Proposal or Award ID:	00097091	Atlas Primary Output Project ID:	00100948
Atlas Proposal or Award Title:	Sixth Operational Phase of the GEF Small Grants Programme in Mexico		
Atlas Business Unit	MEX10		
Atlas Primary Output Project Title	Sixth Operational Phase of the GEF Small Grants Programme in Mexico		
UNDP-GEF PIMS No.	5531		
Implementing Partner	UNOPS		

GEF Component/Atlas Activity	Responsible Party	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Total (USD)	See Budget Note:
	(Atlas Implementing Agent)									
OUTCOME 1: Resilient landscapes for sustainable development and global environment protection	UNOPS	62000	GEF	77100	Temporary Appointments	\$30,000	\$60,000	\$60,000	\$150,000	1
				71400	Local consultants	\$10,000	\$15,000	\$15,000	\$40,000	2
				71600	Travel	\$10,000	\$12,000	\$12,000	\$34,000	3
				75700	Trainings, workshops and conferences	\$12,000	\$12,000	\$14,000	\$38,000	4
				71200	International Consultant		\$22,000	\$17,000	\$39,000	5
				74500	Miscellaneous	\$1,000	\$1,000	\$1,000	\$3,000	6
				72500	Office Supplies and Utilities	\$1,000	\$1,000	\$1,000	\$3,000	7
				72600	Grants	\$510,000	\$1,324,000	\$545,000	\$2,379,000	8
					Total Outcome 1	\$574,000	\$1,447,000	\$665,000	\$2,686,000	
OUTCOME 2: Capacity building and financial sustainability.	UNOPS	62000	GEF	77100	Temporary Appointments	\$26,000	\$52,000	\$52,000	\$130,000	1
				71400	Local consultants	\$0	\$15,000	\$15,000	\$30,000	2
				71600	Travel	\$12,000	\$12,000	\$12,000	\$36,000	3
				75700	Trainings, workshops and conferences	\$12,000	\$12,000	\$12,000	\$36,000	4
				72500	Office Supplies and Utilities	\$500	\$500	\$500	\$1,500	7
				71200	International Consultant		\$20,000	\$13,000	\$33,000	5
				72600	Grants	\$154,000	\$204,000	\$304,000	\$662,000	8
				74500	Miscellaneous	\$1,000	\$1,000	\$1,000	\$3,000	6
					Total Outcome 2	\$205,500	\$316,500	\$409,500	\$931,500	
OUTCOME 3: Knowledge	UNOPS	62000	GEF	77100	Personnel	\$20,000	\$40,000	\$40,000	\$100,000	1

Generation and Management, Information-sharing and Dissemination of Lessons Learned				71400	Local consultants	\$10,000	\$15,000	\$15,000	\$40,000	2
				71600	Travel	\$8,000	\$10,000	\$10,000	\$28,000	3
				75700	Trainings, workshops and conferences	\$8,000	\$8,000	\$8,000	\$24,000	4
				71200	International Consultant		\$10,000	\$10,000	\$20,000	5
				72600	Grants	\$104,000	\$104,000	\$179,000	\$387,000	8
					Total Outcome 3	\$150,000	\$187,000	\$262,000	\$599,000	
Project management	UNOPS	62000	GEF	77100	Temporary Appointments	\$25,000	\$50,000	\$50,000	\$125,000	1
				74200	Audiovisual and printing production costs	\$4,000	\$4,000	\$4,723	\$12,723	9
				72500	Office Supplies and Utilities	\$4,000	\$4,000	\$4,000	\$12,000	7
				73100	Rental and maintenance premises	\$10,000	\$10,000	\$10,000	\$30,000	10
				72200	Equipment, operations & maintenance	\$9,000	\$9,000	\$9,000	\$27,000	11
				74500	Miscellaneous	\$2,000	\$2,000	\$2,000	\$6,000	6
					Total Management	\$54,000	\$79,000	\$79,723	\$212,723	
PROJECT TOTAL						\$983,500	\$2,029,500	\$1,416,223	\$4,429,223	

Budget Notes	
0	The 6% UNOPS fee and the Centrally Managed Direct Costs (CMDC) are incorporated in each individual budget line
1	National Coordination Team to manage the project and to provide training and technical assistance to grantees, as well as monitoring and reporting technically and financially on the delivery of the portfolio of grant initiatives by local communities and other NGO partners, with costs reflecting the proportion of time to be dedicated by each staff for the delivery of individual expected outcomes. The roles of the National Coordination Team members are as follows: <ul style="list-style-type: none"> a) Country Programme Manager (CPM): overall project management responsibility including substantive support to the NSC, resources mobilization, strategic partnerships (government, academia, civil society, donors and the private sector), strategic planning, work planning, financial management, oversight of project staff and consultants, project portfolio performance monitoring, among other duties described in the terms of reference; b) Programme Assistant (PA): overall project management support, daily project financial management and budget control, disbursements to grantees, record keeping and financial reporting to UNOPS and UNDP, administration and procurement; c) Technical Assistant (TA): Monitoring and evaluation of individual grants performance, technical assistance to grantees on environmental, organizational, social and business matters, reporting on portfolio performance (progress on outcome targets and output delivery) and other substantive issues, and contributing to the development of knowledge products; d) Administrative Assistant (AA): Budget preparation and financial management assistance and training to grantees, support to project record keeping, administrative matters including procurement, travel and event planning and management, office and equipment maintenance.
2	Senior local consultants for specialized technical advice (various substantive matters) particularly at project inception; junior local consultant to support project database maintenance and update on a quarterly basis (this includes inputs to the global SGP database and the national data management system)
3	Ex-ante project site visits, monitoring field visits, on-site technical assistance to grantees, among others, for the application of M&E methods. Experience exchange workshop attendance
4	Inception workshop; periodic meetings of the National Steering Committee for the review and approval of CBO/NGO grants; training workshops with grantees; meetings for coordination with partners and donors; baseline assessment workshops.
5	Mid-term and final evaluations. Audit managed by UNOPS to be performed once in the lifetime of the project.

6	Miscellaneous expenses
7	Office supplies and utilities
8	Funds for CBO and NGO initiatives based on eligibility criteria determined by the project objective, SGP Operational Guidelines and NSC decisions: a) Individual grants to CBOs and NGOs of up to USD50,000. b) Strategic grants to select NGOs or second level civil society organizations of up to USD150,000. These grants require clearance by the UNDP Global Upgrading Programme Coordinator
9	Production, layout, translation, printing and dissemination of SGP knowledge products and communication materials, including audio visuals (e.g., factsheets, reports, studies, newspaper articles, short videos, etc.)
10	Rental and maintenance of SGP premises, utility costs and communications
11	Purchase, rental and maintenance of equipment (replacement of computers and printers, rental or purchase of audiovisual equipment for workshop and training activities)

Summary of Funds:

	Amount Year 1	Amount Year 2	Amount Year 3	Total
GEF	\$983,500	\$2,029,500	\$1,416,223	\$4,429,223
Other Donors – Parallel financing cash and in-kind	\$1,406,317	\$2,902,003	\$2,025,069	\$6,333,389
TOTAL	\$2,389,817	\$4,931,503	\$3,441,292	\$10,762,612

XI. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by UNOPS (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

Any designations on maps or other references employed in this project document do not imply the expression of any opinion whatsoever on the part of UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

XII. RISK MANAGEMENT

UNOPS as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS).

UNOPS as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient that is not a UN entity:

a. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNOPS’ property in such responsible party’s, subcontractor’s and sub-recipient’s custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:

- i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- ii. assume all risks and liabilities related to such responsible party’s, subcontractor’s and sub-recipient’s security, and the full implementation of the security plan.

b. UNOPS reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party’s, subcontractor’s and sub-recipient’s obligations under this Project Document.

UNOPS agrees to undertake all reasonable efforts to ensure that none of the project funds 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/sc/committees/1267/aq_sanctions_list.shtml.

Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).

The Implementing Partner shall: (a) conduct project and Programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or Programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any Programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or Programme or using the UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

The Implementing Partner and UNDP will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds

from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

The Implementing Partner shall ensure that all of its obligations set forth under this section entitled “Risk Management Standard Clauses” are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled “Risk Management” are included, mutatis mutandis, in all sub-contracts or sub-agreements entered into further to this Project Document.

XIII. MANDATORY ANNEXES

- A. Multi-year Work Plan
- B. Monitoring Plan
- C. Evaluation Plan
- D. GEF Tracking Tools at baseline (separately attached)
- E. Terms of Reference for Project Board, Project Manager, Technical Advisor and other positions as appropriate
- F. Gender Action Plan
- G. UNDP Social and Environmental and Social Screening Template (SESP)
- H. UNDP Project Quality Assurance Report
- I. UNDP Risk Log (to be completed by UNDP Country Office, see template below)
- J. SGP Operational Guidelines
- K. Project Co-financing Letters (separately attached)
- L. Carbon mitigation calculations

ANNEX A: Multi Year Work Plan

Task	Responsible Party	Year 1				Year 2				Year 3			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 1.1.1: Community level small grant projects in production landscapes and seascapes implementing: - Land management practices that maintain or enhance carbon stocks, mitigate GHG emissions, and help avoid land use change - Economically viable, socially and environmentally sound natural resource use initiatives - Practices that enhance productivity and sustainability of smallholder agro-ecosystems - Initiatives leading to new or expanded community conservation areas in terrestrial and marine ecosystems	Country Programme Management Team NSC												
Output 1.2.1 Participatory social and environmental assessments of community organizations, their capacities, territories and production potential	Country Programme Management Team Multistakeholder landscape platform												
Output 1.2.2 Education and training based on applied innovation results for sustainable production and conservation practices	Country Programme Management Team												
Output 1.2.3 Adaptive participatory land/seascape management plans	Country Programme Management Team Multistakeholder landscape platform NSC												
Output 1.2.4 Participatory evaluation of results at landscape/seascape level and by production activity for learning and adaptive management	Country Programme Management Team Multistakeholder landscape platform												
Output 1.3.1 Networks and second-level organizations established and/or strengthened to integrate and bring to scale production and marketing of sustainably produced goods and services	Country Programme Management Team												
Output 1.3.2 Strategic projects to facilitate specific product development, certification and marketing	Country Programme Management Team												

at scale	NSC												
Output 1.3.3 Second-level organizations access financial resources for sustainable production activities at scale	Country Programme Management Team NSC												
Output 1.3.4 Engagement of potential financial partners and public sector institutions, as relevant and viable, in analysis, planning, and evaluation of results	Country Programme Management Team NSC												
Output 1.3.5 Experiences described and analyzed; knowledge disseminated widely using different means and targeting civil society, decision-makers and other development partners	Country Programme Management Team												

ANNEX B: Monitoring Plan

The Project Manager will collect results data according to the following monitoring plan.

Monitoring	Indicators	Description	Data source/Collection Methods	Frequency	Responsible for data collection	Means of verification	Assumptions and Risks
<p>Project Objective: <i>To empower local communities to manage production land/seascapes in Mexico's Southeast large ecosystems in a manner that enhances their social, economic and environmental sustainability and resilience</i></p>	<p>Indicator 1 Increased area (hectares) in the target landscapes and seascape with improved community management</p>	<p>This indicator will monitor changes (both positive and negative) in the production and other land use practices of participating communities with respect to the baseline for each target land/seascape, as described in the individual land/seascape strategies. Such changes will be geo-referenced to a particular geographic area</p>	<p>Field observations Interviews to assess community perceptions about reduced vulnerability and enhanced resilience Third party assessments Grantee reports</p>	<p>Annually Reported in DO tab of the GEF PIR</p>	<p><i>Country Programme Management Team; Technical Assistant</i></p>	<p>SGP team field monitoring reports Reports from support NGOs at each land/seascape</p>	<p>National and state level legal and policy frameworks enable communities to develop plans and obtain permits to sustainably use their natural resources State-level environmental institutions maintain or increase the pledged financial support to community sustainable livelihood activities Communities are</p>

	<p>Indicator 2 Tons of CO₂e mitigated in community-owned lands through sustainable forest management and avoidance of forest fires</p>	<p>This indicator monitors the aggregated GHG emissions reduction from the implementation of individual LULUCF initiatives. Emissions reduction factors are provided in the tracking tool</p>		<p>Annually Reported in DO tab of the GEF PIR</p>	<p>Country Programme Management Team; Technical Assistant</p>		<p>able to make decisions about natural resource use on their <i>ejido</i> lands Markets and product prices make certification a viable option for communities The political campaign and electoral period will not significantly affect project activities No major severe weather event will jeopardize community project activities</p>
	<p>Indicator 3 Number of communities directly benefiting from improved livelihoods and enhanced resilience to climate change</p>	<p>SGP will make explicit the criteria and standards for each type of activity and these will be used to approve, monitor and evaluate the projects in regard to community benefits</p>		<p>Annually Reported in DO tab of the GEF PIR</p>	<p>Country Programme Management Team; Technical Assistant</p>		
<p>Project Outcome 1 Landscape and seascape resilience is enhanced through the individual and synergistic impacts of a set of adaptive community practices that maintain ecosystem services, conserve biodiversity, mitigate climate change and reverse land degradation in the following large ecosystems of</p>	<p>Indicator 1.1.1 Area under community management implementing agroecological principles and practices for crops</p>	<p>This indicator will disaggregate data by type of agroecological practice. Data on number of farmers will be disaggregated by sex</p>	<p>Project document of individual grants Grant reports SGP project database</p>	<p>Annually</p>	<p>Country Program Team Technical Assistant</p>	<p>Grant reports SGP team field monitoring reports</p>	
	<p>Indicator 1.1.2 Number of community enterprises and initiatives contributing to sustainable fisheries and aquaculture with</p>	<p>Data for this indicator will be disaggregated by type of business, and enterprise members will be disaggregated by sex and age group</p>	<p>Project document of individual grants Grant reports SGP project database</p>	<p>Annually</p>	<p>Country Program Team Technical Assistant</p>	<p>Grant reports SGP team field monitoring reports</p>	<p>Technical assistance is available A fair market and competition vis-à-vis exotic fish species can be established</p>

Mexico's Southeast:	native species						
	Indicator 1.1.3 Number of hectares of continental and marine areas monitored to detect and control invasive alien species using SGP's established system	Individual grants will develop specific outcome indicators to assess the extent to which objectives for invasive species control, as set in the land/seascape strategy/plan, are being met	Project document of individual grants Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	National and state government support for the implementation of the National Strategy on Alien Invasive Species (2010)
	Indicator 1.1.4 Number of fisheries with improved community management	Data for this indicator will include information on the measures for improved management practice implemented by each community	Project document of individual grants Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	
	Indicator 1.1.5 Number of community initiatives implementing alternative tourism as a substitute to unsustainable production practices	Data for this indicator will be disaggregated by type of business, and enterprise members will be disaggregated by sex and age group	Project document of individual grants Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	Private sector tourism operators contribute to promoting community alternative tourism
	Indicator 1.1.6 Area with improved community monitoring and control of marine alien invasive species	Individual grants will develop specific outcome indicators to assess the extent to which objectives for invasive species control, as set in the land/seascape	Project document of individual grants Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	Networks of community alternative tourism offering diverse tourism experiences are established reducing competition

		strategy/plan, are being met					
	Indicator 1.1.7 Area with improved community forest management	Community groups willing to set aside land for SFM will make explicit the areas under SFM and the measures they intend to take to manage the forests sustainably	Project document of individual grants Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	The national and international markets for sustainable timber and non-timber forest products, in particular for organic honey, continue to grow and the prices enable communities to meet production costs and generate a profit
	Indicator 1.1.8 Number of communities obtaining certification or retaining existing certification	Data for this indicator will be disaggregated by type of business and certification	Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports Enterprise certification documents, if relevant	Producers will perceive an incentive to pursue certification.
	Indicator 1.1.9 Number of communities implementing alternative tourism activities	Data for this indicator will be disaggregated by type of business, and enterprise members will be disaggregated by sex and age group	Project document of individual grants Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	
Project Outcome 2 Community-based organizations possess the organizational and managerial capacities for business development and	Indicator 2.1.1 Number of adaptive and participatory land/seascape management strategies and plans developed/updated	In addition to monitoring the indicator, SGP will make a qualitative assessment of each strategy/plan. It will also check the extent to	Review of strategy/plan	Annually	Country Program Team Technical Assistant	Strategy/plan documents NGO reports NSC comments	Community members will be motivated to participate in land/seascape planning and capacity building

performance on a larger scale to contribute to landscape and seascape management and governance		which the strategy/plan is being adapted to changing circumstances, as required					
	Indicator 2.1.2 Number of community members with increased capacities for business development and management disaggregated by sex	SGP will develop a set of criteria to determine whether community-based organizations and/or members have appropriate business development or management capacities. Progress in improved business management of each group or member will be assessed against a SWOT analysis to be done at inception	Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	
	Indicator 2.1.3 Number of communities obtaining certification or retaining existing certification	Data for this indicator will be disaggregated by type of business and certification	Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports Enterprise certification documents, if relevant	Producers will perceive an incentive to pursue certification.
Project Outcome 3 Successful small grants experiences from this and previous phases are	Indicator 3.1.1 Number of second level organizations established or consolidated	Data for this indicator will be disaggregated by organization, and members will be disaggregated by sex and age group	Check list to monitor progress of individual second level organizations	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	

consolidated/ up-scaled through production and marketing chains and second-level organizations as well as through exchange of knowledge and experiences, linking community-based organizations within and across landscapes/seascapes	Indicator 3.1.2 Number of strategic projects consolidating, replicating and up-scaling specific successful SGP-supported technologies, practices or systems	Data for this indicator will be disaggregated by type of strategic project and in relation to upscaling objectives and landscape strategies; members will be disaggregated by sex and age group;	Grant reports SGP project database	Annually	Country Program Team Technical Assistant	Grant reports SGP team field monitoring reports	Community organizations will collaborate successfully in pursuit of value chain strengthening at scale
	Indicator 3.1.3 Number of knowledge products (case studies) produced and disseminated.	Data for this indicator will specify how and when each case study/analysis is to be disseminated	Meeting reports Document distribution data	Annually	Country Program Team	Case Study Reports Analysis of best practices reports	Appropriate dissemination of lessons learned will result in widespread application
Mid-term GEF Tracking Tool (if FSP project only)	N/A	N/A	Standard GEF Tracking Tool available at www.thegef.org Baseline GEF Tracking Tool included in Annex.	After 2 nd PIR submitted to GEF		Completed GEF Tracking Tool	
Terminal GEF Tracking Tool	N/A	N/A	Standard GEF Tracking Tool available at www.thegef.org Baseline GEF Tracking Tool included in Annex.	After final PIR submitted to GEF		Completed GEF Tracking Tool	
Mid-term Review (if FSP project only)	N/A	N/A	To be outlined in MTR inception report	Submitted to GEF same year as 2 nd PIR	<i>Independent evaluator</i>	Completed MTR	
Environmental and Social risks and management plans, as relevant.	N/A	N/A	Updated SESP and management plans	Annually	Project Manager UNDP CO	Updated SESP	

ANNEX C: Evaluation Plan

Evaluation Title	Planned start date Month/year	Planned end date Month/year	Included in the Country Office Evaluation Plan	Budget for consultants (USD)	Other budget (i.e. travel, site visits etc.)	Budget for translation (USD)
Terminal Evaluation	July 2020	September 2020	Yes	30,000	----	5,000
Total evaluation budget				USD 35,000		

Annex D. GEF Tracking Tools

Attached

Annex E: Terms of Reference

A. National Steering Committee

NSC Functions and Duties

The SGP National Steering Committee (NSC) composition and operation will conform to the relevant sections of the GEF-SGP Operational Guidelines.

The principal functions and duties of the NSC include:

- Participation in the development and periodic revision of the Country Program Project Document in line with the global guidance from UNDP-GEF and national environmental priorities, and oversee its implementation;
- Provide overall strategic guidance and direction to the Country Program and contribute to development and implementation of strategies for Country Program sustainability;
- Review and approve project proposals, submitted to the SGP by NGOs/CBOs and pre-screened by the Country Program Manager, in accordance with established criteria and procedures;
- Ensure transparency and impartiality of NSC activities striving to avoid appearance of conflict of interest or undue influence.

NSC members are also encouraged to actively participate in site visits and ongoing monitoring and evaluation activities associated with the SGP and its projects, and to provide technical assistance and advice to the SGP projects and NGO/CBO project proponents. Travel to project site visits is paid for by the SGP.

The NSC may wish to elaborate a set of project selection criteria based on the Country Program strategy as elaborated in the Project Document to help guide decisions and provide additional consistency to project selection.

The NSC shall decide whether it will consider and approve project concepts and planning grants or will rather leave these tasks to the Country Program Manager. In the case of the latter, the CPM will keep the NSC informed of concepts received and approved and planning grants awarded.

NSC Terms of Office and Appointment

Members of the NSC serve on a voluntary basis and without financial compensation. Reimbursement of reasonable and necessary expenses such as long-distance travel to project sites and NSC meetings will be provided. Reimbursement of expenses such as travel should be approved prior to the actual expenditure and follow standard the SGP procedures.

The NSC should consist of between six and twelve members, with the majority of members from civil society. Efforts should be made to ensure gender and ethnic diversity in the committee.

Members of the NSC are appointed by the UNDP Resident Representative in consultation with the CPM. Appointments to the NSC are subject to endorsement by the Global Coordinator of the Upgrading Country Programs. Members may also be removed from the NSC by the UNDP Resident Representative for cause.

The UNDP Resident Representative, or his/her delegate, represents the UNDP on the NSC.

The SGP Country Program Manager serves ex officio on the NSC, participating in deliberations, but not voting in the project selection process. The CPM also serves as Secretariat to the NSC.

The term of office of each NSC member is for a period of three years. Ideally the NSC would have a three-year rolling membership with members serving staggered terms. In the event that a member fails to complete a full term of office, a new member shall be appointed by the UNDP Resident Representative. NSC members may be reappointed to serve additional two terms based on service and commitment to the Country Program and the principles of the GEF-SGP overall.

NSC Meetings and Rules of Order

The NSC meets on a biannual basis (or as determined by the NSC) to provide strategic guidance to the Country Program, review and approve grant proposals and to conduct other activities within its terms of reference.

The NSC nominates a Chair from among its regular members, preferably by consensus. Neither the UNDP Resident Representative (nor his/her delegate) nor the SGP Country Program Manager may serve as the Chair. The Chair presides at NSC meetings in accordance with the rules of order which have been adopted and facilitates the process of consensus-building in NSC deliberations. The position of Chair is not permanent and rotates every year.

Where possible, the NSC operates on the basis of consensus rather than formal voting. Specific procedures and rules of order for NSC deliberations, including voting procedures and quorum requirements, should be proposed by the Country Program Manager and NSC members and adopted by the NSC prior to any substantive deliberations or determinations.

Regular meetings of the NSC ordinarily include the following agenda items:

- Report on status and progress of the Country Program;
- Status reports and updates on projects and activities under implementation;
- Financial report on execution of grant allocations;
- Presentation of project proposals for consideration

NSC minutes concerning meetings in which projects are approved should be as detailed and specific as possible, listing each project considered and including all NSC recommendations or observations about each project. The NSC decision about each project should be clearly noted, including any reformulations required before final approval. The list of approved projects should include the budget amount approved. The minutes should be signed by all NSC members present.

The NSC should review and sign-off on project proposals that are reformulated or adjusted after being provisionally approved by the NSC, prior to submitting them to the UNDP Resident Representative for MOA signature. A formal meeting is not required, and the review may be done on a no-objection basis.

Upon accepting appointment to the NSC, members commit themselves to ensuring the complete objectivity and transparency of the NSC, both in fact and in appearance. The NSC must avoid the appearance of self-dealing, conflict of interest, or undue influence. NSC members cannot benefit directly from the SGP grants. No member of the NSC shall participate in the review or approval of any project in which that member, or an organization with which that member is associated, has an interest. In such cases, the member shall be excused from both the discussion and decision on the project.

As a matter of principle, the NSC (and the SGP as a whole) must operate in as transparent a manner as possible. The CPM should maintain an official record of each NSC meeting, which is available to the public. However, to protect NSC members from external pressures, neither the identities of NSC members, nor the attributed statements of NSC members during deliberations, shall be disclosed.

Country Program Manager Responsibilities:

The CPM is the Secretariat for the NSC, and is responsible for managing communication between and among NSC members, for sending out notices of meetings, and for maintaining substantive records of all meetings and actions taken. In addition, the CPM shall present to the NSC substantive reports on the status and progress of the SGP and its activities, as well as project proposals for consideration.

Meetings of the NSC shall be convened by the CPM. Notice is to be given at least fifteen days in advance of the meetings, except in the case of special or emergency meetings, for which the notice requirement may be waived. Notice shall include the agenda for the meeting, a list of all projects to be considered at the meeting, and copies of all relevant documents and proposals.

The CPM shall prepare and present meeting minutes for review and signature by the NSC after every meeting. Once signed by the NSC members involved, the original should be filed in the SGP office and a copy sent to the UNDP SGP focal point.

B. Country Program Manager

% of Time		Key Results Expected / Major Functions
20%	1.	<p>Managerial Functions</p> <ul style="list-style-type: none"> • Supervise the national SGP team members and provide necessary guidance and coaching; • Promote and maintain a suitable environment for teamwork with the SGP team, the National Steering Committee (NSC), and the UNDP CO team; • Prepare annual work plans, including strategic and /or innovative initiatives to be undertaken/explored, and set delivery and co –

		financing targets; <ul style="list-style-type: none"> • Set annual performance parameters and learning objectives for the SGP team, assess their performance and provide feedback; • Build and maintain an effective relationship with key partners and stakeholders, and keep the NSC UNDP/GEF, UNOPS and UNDP CO informed as appropriate.
50%	2.	Program/portfolio Development and Management <ul style="list-style-type: none"> • Keep abreast of national environmental and sustainable development concerns and priorities as well as the socio-economic conditions and trends as they relate to the GEF-SGP and its focal areas, and assess their impact on the SGP's work and program. • Contribute to the formulation of the Upgrading Country Program Project Document and its annual Project Implementation Reviews; • Exercise quality control over the development of a portfolio of project ideas and concepts, and closely monitor the program's implementation progress and results; • Organize periodic stakeholder workshops and project development sessions for NGOs, Community Based Organizations (CBO) and local communities, and other stakeholders to explain the SGP and to assist potential applicants in making the link between local environment and development problems and global concerns of the GEF focal areas; • Work closely with NGOs and CBOs in preparation of project concepts and proposals to ensure that individual projects fit the strategic framework of the Project Document; • Authorize and manage project planning grants, as required. • Conduct periodic program monitoring visits to the field and provide technical and operational support and guidance to the SGP grantees as required; • Work closely with and support the National Steering Committee and its deliberations during project proposal selection and approval, especially the initial appraisal of proposals and assessment of eligibility.

		<ul style="list-style-type: none"> • Foster operational and policy linkages between the GEF-SGP and the large or medium-sized GEF projects, planned or underway in the country, as well as those of other donors and development partners. • Manage annual work plan and budgeting (administrative and grants), maintain the financial integrity of the program, ensure most effective use of the SGP resources; • Report periodically to the UNDP/GEF Global Coordinator of the Upgrading Country Programs on program implementation status, including financial reporting, and update relevant global SGP databases.
20%	3.	<p>Resource Mobilization</p> <ul style="list-style-type: none"> • Establish and maintain close working relationships with stakeholders, advocate SGP policies, comparative advantages and initiatives, and ensure visibility. • Assess program interest and priorities of key donors and other development partners, develop SGP advocacy campaigns and develop/update the SGP Country Program resource mobilization strategy; • Identify opportunities and areas eligible for GEF-SGP support, and mobilize resources from the Government, donors and other partners to best leverage the SGP resources.
10%	4.	<p>Knowledge Management</p> <ul style="list-style-type: none"> • Assist in the preparation of the SGP project/program evaluation and the Annual Monitoring Review; • Document lessons learned and best practices in SGP program/project development, implementation, and oversight; • Raise awareness of SGP Country Program Team on corporate strategic issues, plans and initiatives to maximize highest impact and effectiveness; • Access UNDPs world-wide and regional knowledge, distill best practices and facilitate their dissemination within the CO and to counterparts and partners;

	<ul style="list-style-type: none"> • Access global best practices, share them with other local and international stakeholders and ensure their incorporation into the SGP portfolio and project design process.
--	--

C. Programme Associate

% of Time	Key Results Expected / Major Functions
30%	<p>1. Support to Program Implementation Contribute to day-to-day support to program/project implementation and ensure conformity with expected results, outputs, objectives and work-plans;</p> <ul style="list-style-type: none"> • Assist the Country Program Manager (CPM) in prescreening project concepts and project proposals, and evaluate the financial part of the project proposals; • Assist the CPM in development and amendment of application forms and other management tools and requirements of the program and other SGP documents; • Advise potential grantees on technical project preparation issues, and report to CPM and NSC on project development activities, as required; • Provide day-to-day support to new and already approved projects and the grantees, as required; • Assist the CPM in project implementation and monitoring, including participation in field visits; • Organize the SGP advocacy events, workshops, round-tables, missions for CPM and other SGP events; • Maintain working-level contacts with NGOs, governmental institutions, donors, other SGP stakeholders, and participate at events for SGP information dissemination purposes; • Draft progress reports and other reporting material to the Global

		<p>Coordinator of the Upgrading Country Programs, UNOPS and UNDP CO, and assist CPM in preparation of semi-annual and bi-annual progress reports;</p> <ul style="list-style-type: none"> • Draft articles, publications, speeches, letters, memos and other documents on behalf of CPM, and respond to queries on SGP program matters; • Create and maintain the SGP project database and the SGP stakeholder database; • Support and assist CPM with other ad hoc duties as and when needed
40%	2.	<p>Financial Management</p> <ul style="list-style-type: none"> • Review and process payment requests from grantees and vendors by obtaining necessary clearances and authorizations and ensuring payments are effected promptly; • Maintain financial integrity of the Country Program, implement and monitor accounting system and databases of the SGP Country Program budget; • Prepare and maintain the grant disbursement table and calendar; • Review financial reports submitted by grantees and advise the CPM, as required; • Draft administrative budget proposals; • Enter, extract, transfer data from ATLAS and the SGP database and produce reports as required; • Provide other financial reports as required
25%	3.	<p>Administrative Functions</p> <ul style="list-style-type: none"> • Procure office equipment and furniture (including communication and audio equipment, supplies etc.); • Manage and organize everyday office work; • Establish a proper filing system and maintain files and documentation in good order; • Draft routine correspondence and communications; • Prepare background information and documentation, update data relevant to the program areas and compile background material for the

		<p>CPM and NSC;</p> <ul style="list-style-type: none"> • Ensure flow of information and dissemination of materials with all concerned; • Follow up on travel arrangements and DSA payments for the CPM and NSC members; • Maintain personnel files, performance evaluation reports, leave records, and other pertinent personnel/consultant records; • Ensure all reporting and/or submission deadlines from UNDP-GEF (HQ) are met; • Provide logistical and other support to the local SGP team and visiting missions, as required
5%	4.	<p>Knowledge Management</p> <ul style="list-style-type: none"> • Actively support the SGP and NSC teams in their efforts towards knowledge management and knowledge networking.

D. Technical Assistant

% of time		Key Results Expected/Major Functions
15%	1.	<p>Managerial Functions</p> <ul style="list-style-type: none"> • Work closely with the Country Programme Manager (CPM) to ensure smooth and efficient operations of the office. • Support the CPM to effectively deliver expected results • Supervise UNV staff and provide guidance as needed • Support in developing workplans for the SGP secretariat and the field staff
60%	2.	<p>Monitoring and evaluation</p> <ul style="list-style-type: none"> • Develop tools to facilitate collection, storage analysis and dissemination of information • Develop a comprehensive M&E strategy, incorporating reporting and learning.

		<ul style="list-style-type: none"> • Develop tools for monitoring gender and other key indicators as per the project Monitoring Plan • Lead development of consolidated quarterly semi-annual and annual progress implementation reports for the programme including PIR • Work closely with multi-stakeholder platforms to assess and monitor implementation of portfolio at landscape or seascape level • Organize landscape/seascape annual grantee workshops for cross-learning, information exchange and networking • Coordinate preparation for Mid-term review (MTR) and Terminal Evaluation (TE). • Develop community-based monitoring tools to be applied at project level to meet project Monitoring Plan needs • Coordinate joint monitoring field visits to assess and validate progress reports • Ensure GEF SGP global database is regularly updated • Develop tools for tracking the amount of co-financing raised at programme level and project level. • Keep track of funds committed and spent per GEF focal area
25%	3.	Knowledge Management and Communications
		<ul style="list-style-type: none"> • Assist to develop a knowledge management and communications plan • Support knowledge management by documenting lessons learnt and earmarking best practices • Contribute to the development of communications products including project fact sheets, documentaries, briefs, and project reports. • Promote vibrancy and relevance of SGP Mexico website • Write success stories and features for the SGP Mexico website. • Assist in the production of an e-quarterly newsletter • Enhance presence of SGP Mexico on social media • Support media personnel to produce newspaper features • Facilitate development of a digital photo library

Annex F. Gender Action Plan:

Gender Equity and Social Inclusion Plan

The Mexico SGP Country Programme will advance women's empowerment through a number of actions such as: (i) making sure that women have as much representation as possible on the multi-stakeholder platforms in all target geographic areas and that consultations to formulate the land/seascape adaptive strategies and management plans include women from all age groups and communities within the geographic areas covered; (ii) ensuring that women have a say and strong participation in the implementation of the management plans, even with respect to economic sectors traditionally under men's control; (iii) setting specific targets in the project logframe related to women's participation and benefit; (iv) requiring that the situation analysis section of individual grant proposals consider gender equity, social inclusion and women's empowerment; (iv) collecting sex-disaggregated data for different project activities as shown in the project logframe; (v) taking into consideration by the NSC all of the above when approving grants; and (vi) ensuring that women benefit to the greatest extent possible from all capacity building and training activities.

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
Output 1.1.1 Community level small grant projects in production landscapes and seascapes implementing: - Land management practices that maintain or enhance carbon stocks, mitigate GHG emissions, and help avoid land use change - Economically viable, socially and environmentally sound natural resource use initiatives - Practices that enhance productivity and sustainability of smallholder agro-ecosystems - Initiatives leading to new or expanded community conservation areas in terrestrial and marine ecosystems				
Calls for community small grants proposals in each target production land/seascape to encouraging project ideas for each of the topics of relevance to the specific land/seascape identified during the PPG consultation process	PMU will ensure that women's groups are thoroughly briefed on the calls for proposals; technical assistance will be provided to help women's groups identify and develop project ideas; all proposals will be reviewed using gender equality, social inclusion and women's empowerment criteria, which will be reflected in project design (Outcomes, Outputs,	At least 35% of all proposals come from women's groups. All proposals are developed taking into account gender equality, social inclusion and women's empowerment criteria and are appropriately designed (Outcomes, Outputs, Activities)	PMU files, lists of proposals, database	PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
	Activities)			
Review and approval of small grants by the NSC ensuring synergies and complementarity of community projects	NSC will ensure that proposals from women's groups are impartially reviewed for potential gender equality, social inclusion and women's empowerment and that synergies among proposals reflect these principles	All proposals approved have taken into account gender equality, social inclusion and women's empowerment criteria	NSC minutes, database of approved proposals	NSC
Monitor grant implementation and take adaptive measures to address any emerging issues	Projects are monitored to ensure compliance with gender equality, social inclusion and women's empowerment principles as stated in individual project proposals	All projects receive monitoring visits; all participating groups are aware of SGP gender policy and the requirement for compliance	Project monitoring reports; database	PMU
Evaluate the performance of each grant in a participatory manner	Projects are evaluated against gender equality, social inclusion and women's empowerment outcomes	All projects are evaluated against these criteria	Project evaluation reports	PMU
Output 1.2.1 Participatory social and environmental assessments of community organizations, their capacities, territories and production potential				
Design and implement a series of workshops in each land/seascape to enable communities and their organizations to carry out social and environmental assessments as a basis for Output 1.2.2 and Output 1.2.3. Better understanding of communities' capacities and production potential will also help deliver Outcome 1.3	Participants in land/seascape workshops will reflect landscape demographics with appropriate male-female ratios of invitees; social assessment methodologies will reflect gender equality, social inclusion and women's empowerment themes.	At least 50% of invitees are female	Workshop minutes and reports	PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
Prepare summary reports on the findings and recommendations of each workshop	Reports will reflect discussions on gender equality, social inclusion and women's empowerment in detail, including their conclusions and recommendations	All workshop reports reflect gender equality, social inclusion and women's empowerment discussions in detail, including their conclusions and recommendations	Workshop summary reports	PMU
Output 1.2.2 Education and training based on applied innovation results for sustainable production and conservation practices				
Building on the knowledge and lessons generated from previous SGP phases, design and implement educational and training processes and materials for specific community groups, as follows:				
Discuss with stakeholders educational and training priorities and develop a capacity building plan	Capacity building plans will include gender equality, social inclusion and women's empowerment themes as appropriate	All plans include gender equality, social inclusion and women's empowerment themes	Capacity building plans	PMU
Identify on a competitive basis the best organization(s) to develop the training materials and deliver the training on the various subjects	Bids by training organizations will be assessed based on capacities to deliver on gender equality, social inclusion and women's empowerment themes	Winning bids of successful organizations reflect gender equality, social inclusion and women's empowerment themes	Capacity assessments of successful bidding organizations; records of bidding and awarding processes	PMU, NSC
Translate the materials into local languages as relevant (or materials could be directly prepared in local languages if more cost-effective)	Materials will take into account differential literacy rates among male and female recipients	All materials are appropriately designed to reflect gender equality, social inclusion and women's empowerment themes and differential literacy rates	Translated materials; analysis	PMU
Carry out the training	Training will be delivered to support gender equality, social inclusion and women's empowerment principles and values	Training is carried out by women and men	Training event reports	Training organization; PMU
Increase stakeholder	Ensure that at least 30% of	Of 200 additional community	Training event reports	Training organization, PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
capacities for business development and management	stakeholder trainees are women	members with increased business development and management capacities at least 30% are female		
Monitor the relevance and effectiveness of training imparted, in particular its application by trainees	Monitoring and evaluation methodologies will incorporate gender equality, social inclusion and women's empowerment criteria	All methodologies incorporate gender equality, social inclusion and women's empowerment criteria	Analysis of methodologies; M&E reports;	PMU
Output 1.2.3 Adaptive participatory land/seascape management plans				
Using the results of Outputs 1.2.1 and 1.2.2 and building on the formulation of stakeholder strategies for each land/seascape carried out during the PPG phase, work with key stakeholders and local communities to develop/update six adaptive land/seascape management plans	Participant stakeholders will reflect gender and social demographics; development or updating criteria will incorporate gender equality, social inclusion and women's empowerment criteria	All plans reflect gender equality, social inclusion and women's empowerment criteria	Land/seascape management plans	
Identify the most suitable Satoyama Resilience Indicators for each land/seascape and collect baseline data to facilitate monitoring at baseline and at the end as part of the delivery of Output 1.2.4	Resilience indicators will reflect gender equality, social inclusion and women's empowerment criteria	All baseline assessment will include gender equality, social inclusion and women's empowerment criteria	Analysis of baseline data	
Review progress in implementing the plans with stakeholders and	Review of Implementation progress will include gender equality, social inclusion and	All reviews will analyze progress towards gender equality, social inclusion and	Review reports	

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
communities at project mid-term and adjust them as necessary; Assess implementation results before project completion and as an input to Outputs 1.3.4 and 1.3.5	women's empowerment criteria	women's empowerment results in the plans		
Output 1.2.4 Participatory evaluation of results at landscape/seascape level and by production activity for learning and adaptive management				
Identify a suitable organization to provide support in designing and implementing a process by which communities and all stakeholders will be brought together to evaluate the collective results achieved in each landscape and seascape as well as by production activity.	Organizations will be judged on ability to incorporate gender equality, social inclusion and women's empowerment criteria into evaluation methodology and approach	Selected organization will demonstrate ability to develop and apply appropriate methodology and approach	Evaluations of potential organizations	PMU
Discuss the methodology and approach with the SGP NSC	Ensure that the NSC is briefed fully on the purpose and content of the methodology	Methodology will incorporate gender equality, social inclusion and women's empowerment criteria	Analysis of methodology	PMU
Output 1.3.1 Networks and second-level organizations established and/or strengthened to integrate and bring to scale production and marketing of sustainably produced goods and services				
Promote the importance of establishing second-level organizations to help integrate the work of individual organizations by production line (in particular community organizations implementing alternative	During promotion, ensure that gender equality, social inclusion and women's empowerment factors are considered in establishment of second-level organizations	Gender equality, social inclusion and women's empowerment are discussed	Minutes of meetings	PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
tourism interventions)				
Discuss with stakeholders the objectives of these organizations and assist them in fulfilling the requirements for the establishment, registration and operation of such organizations	During discussions, ensure that gender equality, social inclusion and women's empowerment are considered	Gender equality, social inclusion and women's empowerment are discussed	Minutes of meetings	PMU
As per Output 1.2.2 select individuals, particularly women, to participate in training activities to develop the skills to run these second-level organizations effectively. This includes members of existing second level organizations	Ensure gender equality and ethnic diversity in selection of participants	At least 50% of trainees are women and the total population of trainees reflects ethnic diversity of target area		PMU
Periodically monitor the performance of these organizations and take corrective action to improve performance as required	Use gender equality, social inclusion and women's empowerment criteria in judging performance of second-level organizations	Gender equality, social inclusion and women's empowerment criteria are developed, agreed and used in monitoring performance of second level organizations	Performance review reports	PMU
Output 1.3.2 Strategic projects to facilitate specific product development, certification and marketing at scale				
Identification of and support to community-driven enterprises that have potential to improve and upscale. Women's enterprises will be given	Use gender equality, social inclusion and women's empowerment criteria in selecting community driven enterprises	All identified enterprises reflect gender equality, social inclusion and women's empowerment principles	List of selected enterprises; analysis	PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
priority. Identify weaknesses along the value chain and the means to address such weak points				
<p>Develop terms of reference for strategic projects that are conducive to community land/seascape planning and management including the following:</p> <ul style="list-style-type: none"> ○ Land/seascape management and conservation for each target land/seascape to provide planning and implementation support to grantees and help monitor performance of SGP's interventions at that scale ○ Fisheries management in protected areas in the Grijalva-Usumacinta landscape ○ Ichthyological resources management in rivers and lagoons ○ Sustainable forest management to help communities enhance and diversify production in their forest ejidos ○ Agroecological practice options for selected 	TORs to include gender equality, social inclusion and women's empowerment considerations and criteria for project design	TORs appropriately reflect gender equality, social inclusion and women's empowerment criteria in project design	Draft TORs	PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
flagship crop species				
Obtain approval for all the above TOR from the NSC upon consultation with SGP's Global UCP Coordinator	Discuss TORs and gender equality, social inclusion and women's empowerment considerations and criteria in project design	TORs to include gender equality, social inclusion and women's empowerment criteria are discussed formally and in detail	NSC minutes	PMU, NSC
Call for proposals, review and approval of strategic grants by the NSC	Review proposals for compliance with gender equality, social inclusion and women's empowerment criteria	All proposals approved reflect or address gender equality, social inclusion and women's empowerment criteria in project design	Proposal reviews; NSC minutes; database	NSC
Periodic monitoring of strategic grants and course correction as needed	Monitoring protocols reference gender equality, social inclusion and women's empowerment criteria	All strategic grant projects are monitored at least once a year and reports reflect discussion of compliance	Monitoring reports	PMU
Output 1.3.3 Second-level organizations access financial resources for sustainable production activities at scale				
Explore potential financial sources to support scaling up existing sustainable production activities including donors, federal and state-level government institutions, lending institutions.	Review potential sources of finance for emphasis on or criteria regarding gender equality, social inclusion and women's empowerment	All potential sources identified with emphasis on or criteria regarding gender equality, social inclusion and women's empowerment	List of potential sources and criteria for funding	PMU
Work with second-level organizations to facilitate negotiations and development of business plans to improve the likelihood they will obtain the resources	Ensure that second-level organizations in agreement with gender equality, social inclusion and women's empowerment principles receive priority attention	All second-level organizations in agreement with gender equality, social inclusion and women's empowerment principles receive priority attention	Reports on negotiations and development of business plans; business plans	PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
Facilitate training and other methods to enhance their capacities to manage the resources efficiently, effectively and transparently	Ensure that second-level organizations in agreement with gender equality, social inclusion and women's empowerment principles receive priority in capacity building	All second-level organizations in agreement with gender equality, social inclusion and women's empowerment principles receive priority in capacity building	Reports on capacity building workshops	PMU
Output 1.3.4 Engagement of potential financial partners and public sector institutions, as relevant and viable, in analysis, planning, and evaluation of results				
Periodic feedback to state governments (in particular those providing co-financing to community grants) and relevant federal public institutions about results, best practices, lessons and challenges using the various materials and analysis developed by activities in Outcome 1.2	Provide feedback to state governments and relevant federal institutions about results, best practices, lessons and challenges, with particular regard to gender equality, social inclusion and women's empowerment			PMU
Output 1.3.5 Experiences described and analyzed; knowledge disseminated widely using different means and targeting civil society, decision-makers and other development partners				
Document and systematize relevant portfolio experiences for dissemination to community organizations, networks, second-level organizations, partners and policy makers. (Organizations implementing strategic grants should each prepare a knowledge product with a synthesis of	Specific products will be produced aimed at documenting and systematizing portfolio experiences related to gender equality, social inclusion and women's empowerment; templates will be produced to guide documentation and systematization	A minimum of four products	Analysis of knowledge products	PMU

<i>Project Activity</i>	<i>GESI Activity Measure</i>	<i>Targets/Performance Indicators</i>	<i>Data Source/ Reporting Mechanisms</i>	<i>Responsibility</i>
results, lessons learn and policy-relevant recommendations)				
Disseminate the knowledge and lessons in various formats adapted to the various audiences including communities, policy makers, the press (e.g., radio, video clips, news articles, brochures), the private sector and donors. At least one policy-brief for each land/seascape will be developed and discussed with the relevant authorities and local partners	Gender equality, social inclusion and women's empowerment will be taken into account when devising dissemination strategies and policy briefings	All strategies and policy briefings will have taken into account potential gender equality, social inclusion and women's empowerment lessons, as appropriate	Review of dissemination strategies	PMU, UNDP CO

Annex G. Social and Environmental Screening Template

Project Information

Project Information	
1. Project Title	Sixth Operational Phase of the GEF Small Grants Program in Mexico
2. Project Number	5531
3. Location (Global/Region/Country)	Mexico

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the Project mainstreams the human-rights based approach

The GEF Small Grants Program provides up to USD 50,000 in funding and technical assistance to community level organizations for design and implementation of projects of their choosing within an overall strategic landscape management framework they participate in developing. Community organizations receive training on implementation and monitoring and adaptive management methods and skills. The SGP Country Program focuses preferentially on providing funding and technical support to poor and marginalized groups in the landscapes it works in. The landscapes selected for focused work in this project encompass a large number of rural communities in four large ecosystems (*Deltaic-estuarine landscape of the Grijalva-Usumacinta River; Coastal lagoons and marine interface in the northern Yucatan Peninsula; Tropical deciduous, sub-deciduous and sub-evergreen forests in the Yucatan Peninsula; Montane broadleaf and cloud forest in northern Chiapas*). These communities will be involved in the design of landscape strategies and management plans and will design and choose the projects they wish to implement as part of those strategies. These communities will also participate in landscape governance initiatives aimed at empowering them to take collective action in regulating resource use with the aim of achieving social and ecological resilience. The project will advance principles of inclusion and participation of men and women, especially youth, and will work towards gender equality, by implementing interventions that are directly under women's control and which benefit them, and by promoting the participation of women in the governing structures of local organizations.

Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment

Gender has been considered throughout this project's design and implementation. The project will prioritize work with women's groups, particularly indigenous women, as well as girls' groups. The Country Programme team will formulate a specific strategy to engage women/girls' groups as primary actors in landscape and resource management and micro and small enterprise development. Consultations with community groups and NGOs during landscape strategy formulation identified ways to ensure women's comfortable participation in grant project design and implementation, as well as in landscape management planning. The Country Programme team will work with the gender focal point on the National Steering Committee to identify potential project ideas for initial discussions with women's and girls' groups. Gender-sensitive NGOs will be engaged to support women/girls' groups in defining grant project objectives and designing grant project activities, as needed. Women/girls groups will evaluate their projects' performance to identify lessons and knowledge for adaptive management as well as gender specific policy recommendations. SGP will strive to advance women's empowerment through a number of actions such as: (i) making sure that women have as much representation as possible in the multi-stakeholder platforms in all target geographic areas and that consultations to formulate the land/seascape adaptive strategies and management plans include women from all age groups and communities within the geographic areas covered; (ii) ensuring that women have a say and strong participation in the implementation of the management plans, even with respect to economic sectors traditionally under men's control; (iii) the project logframe has set specific targets related to women; (iv) SGP will require that the situation analysis section of individual grant proposals consider human-rights in particular those of women; (v) several project indicators as shown in the project logframe require collecting disaggregated data for men and women; (v) the NSC will take into consideration all of the above when approving the grants; (vi) SGP will ensure that women benefit to the greatest extent possible from all capacity building and training activities.

Briefly describe in the space below how the Project mainstreams environmental sustainability

The premise of the GEF Small Grants Program is that communities will adopt environmentally sustainable production practices if they do not imply additional costs or risks to their current production and livelihood systems. The SGP finances community organizations to design and implement sustainable development projects that also produce global environmental benefits. Environmental sustainability is at the core of project design. The project will support a wide range of government and non-government stakeholders in the target land/seascapes to take collective action for ecosystem conservation and for the sustainable utilization of natural resources to achieve global environmental benefits and sustainable livelihoods. This will be achieved by strengthening the organizational, financial, and technical capacities of community organizations obtaining a living from these land/seascapes to change their production practices and to act strategically and collectively in building social and ecological resilience. The project will also encourage CSO - private sector partnerships to promote the adoption of more sustainable technologies and practices.

Part B. Identifying and Managing Social and Environmental Risks

<p>QUESTION 2: What are the Potential Social and Environmental Risks? <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects</i></p>	<p>QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i></p>			<p>QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?</p>
<i>Risk Description</i>	<i>Impact and Probability (1-5)</i>	<i>Significance (Low, Moderate, High)</i>	<i>Comments</i>	<i>Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.</i>
<p>Risk 1: Project may potentially reproduce discriminations against women based on gender</p>	<p>I = 3 P = 1</p>	<p>Low</p>	<p>Note: the scale of GEF Small Grants projects is small with the average funding around USD 22,000. A small number of projects taking place within or adjacent to critical habitats or sensitive areas will be designed and implemented based on successful experience and lessons learned from previous SGP phases. All projects</p>	<p>Project will prioritize work with women’s groups, as well as girls’ groups; team will formulate strategy to engage women/girls’ groups as primary actors in landscape and resource management and micro and small enterprise development. All GEF SGP proposals are reviewed and approved by a National Steering Committee comprised of experts in different fields, including a</p>

			are designed by community members with assistance of SGP team.	gender and development expert.
Risk 2: Project activities within or adjacent to critical habitats and/or environmentally sensitive areas	I = 1 P = 1	Low	Note: the scale of GEF Small Grants projects is small with the average funding around USD 22,000. A small number of projects taking place within or adjacent to critical habitats or sensitive areas will be designed and implemented based on successful experience and lessons learned from previous SGP phases. All projects are designed by community members with assistance of SGP team.	All GEF SGP proposals are reviewed and approved by a National Steering Committee comprised of experts in different fields, including biodiversity conservation, ecosystem service, sustainable resource management, and others. Project implementation is monitored by the National Coordination team, as well as NSC members who often accompany monitoring visits. Expert NGOs may be contracted to provide an additional layer of technical assistance and support.
Risk 3: harvesting of natural forests, plantation development, or reforestation	I = 2 P = 1	Low	Note: the scale of GEF Small Grants projects is small with the average funding around USD 22,000. A small number of sustainable forest management projects will be financed based on successful experience and lessons learned from previous SGP phases. All projects are designed by community members with assistance of SGP team.	All GEF SGP proposals are reviewed and approved by a National Steering Committee comprised of experts in different fields, including biodiversity conservation, ecosystem service, sustainable resource management, and others. Project implementation is monitored by the National Coordination team, as well as NSC members who often accompany monitoring visits. Expert NGOs may be contracted to provide an additional layer of technical assistance and support.
Risk 4: Production and/or harvesting of fish populations or other aquatic species?	I = 1 P = 2	Low	Note: the scale of GEF Small Grants projects is small with the average funding around USD 22,000. A small number	All GEF SGP proposals are reviewed and approved by a National Steering Committee comprised of experts in different fields, including

			of aquaculture projects will be financed based on successful experience and lessons learned from previous SGP phases. All projects are designed by community members with assistance of SGP team.	biodiversity conservation, ecosystem service, sustainable resource management, and others. Project implementation is monitored by the National Coordination team, as well as NSC members who often accompany monitoring visits. Expert NGOs may be contracted to provide an additional layer of technical assistance and support.
Risk 5: Utilization of genetic resources (e.g. collection and/or harvesting, commercial development)	I = 1 P = 2	Low	Note: the scale of GEF Small Grants projects is small with the average funding around USD 22,000. A small number of plant genetic resources projects will be designed and implemented based on successful experience and lessons learned from previous SGP phases. All projects are designed by community members with assistance of SGP team.	All GEF SGP proposals are reviewed and approved by a National Steering Committee comprised of experts in different fields, including biodiversity conservation, ecosystem service, sustainable resource management, and others. Project implementation is monitored by the National Coordination team, as well as NSC members who often accompany monitoring visits. Expert NGOs may be contracted to provide an additional layer of technical assistance and support.
Risk 6: A progressively drier and warmer climate may enhance the possibility of catastrophic fires in the dry forest as well as the frequency and intensity of rainfall in mountain ecosystems, the timing of frosts and glacial melt.	I = 3 P = 2	Low		The risk of climate change is one of several reasons that the project has chosen to emphasize landscape-level management and coordination in production landscapes. The project will promote a variety of no-regrets adaptive biodiversity and land resource planning and management actions in forests, pastures and other agroecosystems.
Risk 7: Indigenous peoples	I = 3	Low	Note: Low risk due to	Consistency of activities with

present in project areas and project may affect rights, lands, natural resources, traditional livelihoods and cultural heritage	P=2		minimum or no effects on IP rights, lands, territories and traditional livelihoods (Q 6.3)All projects are designed by community members with assistance of SGP team.	indigenous peoples' standards will be ensured in all aspects of grant project design and implementation, given that indigenous communities will design and carry out own activities. The National Steering Committee has demonstrated over the past two decades of SGP work in Mexico that indigenous people's rights, livelihood, culture and resources are fundamental concerns when assessing grant project proposals for approval for financing.
[add additional rows as needed]				
QUESTION 4: What is the overall Project risk categorization?				
Select one (see SESP for guidance)				
Comments				
<i>Low Risk</i>			<input checked="" type="checkbox"/>	Project categorized as Low Risk based on risk screening, including potential effects on indigenous peoples' rights, lands, territories and/or traditional livelihoods
<i>Moderate Risk</i>				
<i>High Risk</i>			<input type="checkbox"/>	
QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?				
Check all that apply				
Comments				
<i>Principle 1: Human Rights</i>			<input checked="" type="checkbox"/>	The project will adopt a human-rights based approach in all its interventions
<i>Principle 2: Gender Equality and Women's Empowerment</i>			<input checked="" type="checkbox"/>	SGP will support interventions that

			address the needs of women in all project areas and will ensure that women have adequate representation and participate in the multi-stakeholder platforms' decision-making processes and activities.
	1. Biodiversity Conservation and Natural Resource Management	X	The SGP expressly finances projects to conserve and use biodiversity and natural resources sustainably. As part of preparation of grant projects, consistency with highest biodiversity conservation standards will be ensured. The SGP National Steering Committee possesses high level biodiversity conservation expertise in its membership; the NSC reviews all proposals for eligibility and then approves for funding if found eligible or approves funding to improve project design
	2. Climate Change Mitigation and Adaptation	X	Project promotes adaptive biodiversity and landscape-level resource planning/management to counter potential effects of climate change. The project will also finance a

			small number of climate mitigation projects primarily aimed at
	3. Community Health, Safety and Working Conditions	<input type="checkbox"/>	
	4. Cultural Heritage	<input type="checkbox"/>	
	5. Displacement and Resettlement	<input type="checkbox"/>	
	6. Indigenous Peoples	X	Effects on livelihoods of indigenous peoples are anticipated to be positive, given the control they will have over the design and implementation processes. As such, consistency of activities with indigenous peoples' standard will be ensured
	7. Pollution Prevention and Resource Efficiency	<input type="checkbox"/>	.

Final Sign Off

Signature	Date	Description
QA Assessor –		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have “checked” to ensure that the SESP is adequately conducted.
QA Approver –		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have “cleared” the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases, PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks		Answer (Yes/No)
Principles 1: Human Rights		
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ²⁹	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	Yes
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No

²⁹ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	Yes
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	Yes
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant ³⁰ greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	Yes
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of	No

³⁰ In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

	communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? ³¹	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	Yes
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	Yes
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? <i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i>	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No

³¹ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

7.3	<p>Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs?</p> <p><i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i></p>	No
7.4	<p>Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?</p>	No
7.5	<p>Does the Project include activities that require significant consumption of raw materials, energy, and/or water?</p>	No

Annex H: UNDP Project Quality Assurance Report

PROJECT MONITORING QA ASSESSMENT GUIDANCE				
OVERALL PROJECT				
EXEMPLARY (5) ●●●●●	HIGH (4) ●●●●○	SATISFACTORY (3) ●●●○○	NEEDS IMPROVEMENT (2) ●●○○○	INADEQUATE (1) ●○○○○
At least three criteria are rated Exemplary, and all criteria are rated High or Exemplary.	All criteria are rated Satisfactory or higher, and at least three criteria are rated High or Exemplary.	At least six criteria are rated Satisfactory or higher, and only one may be rated Needs Improvement. The SES criterion must be rated Satisfactory or above.	At least three criteria are rated Satisfactory or higher, and only four criteria may be rated Needs Improvement.	One or more criteria are rated Inadequate, or five or more criteria are rated Needs Improvement.
DECISION				
<ul style="list-style-type: none"> • APPROVE – the project is of sufficient quality to continue as planned. Any management actions must be addressed in a timely manner. • APPROVE WITH QUALIFICATIONS – the project has issues that must be addressed before the project document can be approved. Any management actions must be addressed in a timely manner. • DISAPPROVE – the project has significant issues that should prevent the project from being approved as drafted. 				
RATING CRITERIA				
STRATEGIC				Rating Score
<p>1. Does the project’s Theory of Change specify how it will contribute to higher level change? (Select the option from 0-4 that best reflects the project):</p> <ul style="list-style-type: none"> • 4: The project has a theory of change <u>backed by credible evidence</u> specifying how the project will contribute to higher level change through the programme outcome’s theory of change. The project document clearly describes why the project’s strategy is the best approach at this point in time. • 3: The project has a theory of change, specifying how the project will contribute to higher level change through the programme outcome’s theory of change, but this <u>backed by relatively limited evidence</u>. The project document clearly describes why the project’s strategy is the best approach at this point in time. • 2: The project has a theory of change describing how the project intends to contribute to development results, but it is <u>not supported by evidence nor linked to higher level results</u> through the programme outcome’s theory of change. There is some discussion in the project document that describes why the project’s strategy is the best approach at this point in time. • 1: The project does not have a theory of change, but the project document describes in generic terms how the project will contribute to development results. It does not make an explicit link to the programme outcome’s theory of change. The project document does not clearly specify why the project’s strategy is the best approach at this point in time. • 0: The project does not have a theory of change, and the project document does not specify how the project will contribute to higher level change, or why the project’s strategy is the best approach at this point in time. <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>				3
<p>Evidence</p> <p>The project document outlines how the sustainable livelihood grants to be provided to community organizations, in a given land/seascape, in the areas of climate change, biodiversity conservation and land degradation will facilitate larger scale and long-term changes. The SGP by design focuses on local scale operations (communities) to bring about changes in a limited geographic scope but also strives to effect change at a larger scale by: a) <u>planning, supporting and monitoring change at the</u></p>				

land/seascape level; and b) establishing networks and associations that help engage government and other stakeholders with the ability to use SGP experiences to inform policy at county, sector and national level. It also works with partners that help implement SGP best practices at a larger scale. Encouraging and providing incentives for private sector involvement is another strategy towards larger-scale impacts. While achieving global environmental benefits through broader adoption of grant-level results cannot be entirely attributable to SGP, outcomes achieved under the SGP Country Programme project can extend beyond the individual grant level by scaling up and using successful projects as demonstrations to extend lessons learned to other communities and inform policy dialogue.

The evidence supporting this “theory of change” is embedded in the GEF programming framework for the SGP, the COMDEKS approach, the COMPACT experience, UNDP’s strategic programming on low-emission and climate resilient development strategies, the emerging work on green growth indicators, the post-2015 Sustainable Development Goals, and a large number of publications on the development of landscape management approaches from donors, academics and NGOs.

<p>2. Is the project aligned with the UNDP Strategic Plan? (select the option from 0-4 that best reflects the project):</p> <ul style="list-style-type: none"> • 4: The project responds to one of the three areas of development work (1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building) as specified in the Strategic Plan; it addresses at least one of the proposed new and emerging areas (sustainable production technologies, access to modern energy services and energy efficiency, natural resources management, extractive industries, urbanization, citizen security, social protection, and risk management for resilience); an issues-based analysis has been incorporated into the project design; And the project’s RRF includes at least one SP output indicator. • 3: The project responds to one of the three areas of development work (1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building) as specified in the Strategic Plan; an issues-based analysis has been incorporated into the project design; and the project’s RRF includes at least one SP output indicator. • 2: The project responds to one of the three areas of development work (1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building) as specified in the Strategic Plan. The project’s RRF includes at least one SP output indicator, if relevant. • 1: While the project responds to one of the three areas of development work (1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building) as specified in the Strategic Plan, none of the relevant SP indicators are included in the RRF. • 0: The project does not respond to one of the three areas of development work (1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building) as specified in the Strategic Plan 	<p>Rating Score</p> <p style="text-align: center;">4</p>
<p>Evidence</p> <p>The project responds to all three areas of development work per the UNDP Strategic Plan. The evidence for this is through the various project activities that will integrate global environmental criteria and indicators into sustainable development planning frameworks, and that enhance community and landscape resilience while building governance capacities. The project addresses sustainable production techniques and approaches, natural resources management, renewable energy and energy efficiency, and social protection by empowering marginalized and indigenous communities and their livelihoods.</p>	
<p>RELEVANT</p>	
<p>3. Does the project have strategies to effectively identify and engage targeted groups/areas? (select the option from 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • 4: The target groups/areas are appropriately specified. The project has an explicit strategy to identify and engage specified target groups/areas throughout the project. Beneficiaries will be identified through a rigorous process based on evidence (if applicable.) The project plans to solicit feedback from targeted groups regularly through project monitoring. Representatives of the target group/area will be included in the project’s governance mechanism (i.e., NSC.) • 3: The target groups/areas are appropriately specified. The project has an explicit strategy to identify and engage the target groups/areas throughout the project. Beneficiaries will be identified through a rigorous process based on evidence (if applicable.) The project plans to solicit feedback from targeted groups through project monitoring. Representatives of the target group, will contribute to the project’s decision making, but will not play a role in the project’s 	<p>Rating Score</p> <p style="text-align: center;">4</p>

<p>formal governance mechanism.</p> <ul style="list-style-type: none"> • 2: The target groups/areas are appropriately specified and engaged in project design. The project document is clear how beneficiaries will be identified and engaged throughout the project. Collecting feedback from targeted groups has been incorporated into the project's RRF/monitoring system, but representatives of the target group will not be involved in the project's decision making. • 1: The target groups/areas are specified, but the project does not have a written strategy to identify or engage the target groups/areas throughout the project. • 0: The project has not specified any target group/area that is the intended beneficiary of the project's results. <p>*Note: Management Action must be taken for scores of 0 or 1</p>	
<p>Evidence</p> <p>Target groups in the land/seascapes have been identified through PPG consultations. The GEF 2020 Strategy emphasizes the requirement that stakeholder representatives actively engage in the full project life cycle in order to facilitate the strategic adaptation of project activities in keeping with project objectives. For this reason, there was wide-ranging participation by local stakeholders and community groups during the project design phase. Once approved, the project document will be shared widely through the NSC to ensure that there is ongoing communication and collaboration with key partners. Calls for proposals will target the identified groups, in particular women. This project proposes to carry out participatory, multi-stakeholder management of the land/seascapes, and adaptation and application of RE and EE innovations. Participatory monitoring will take place regularly at the grant and land/seascape levels and periodic monitoring of implementation progress will be undertaken by the UNDP CO. Furthermore, specific meetings will be scheduled between the National Steering Committee – which includes government, UNDP and civil society representatives - and other pertinent stakeholders as deemed appropriate and relevant.</p>	
<p>4. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design? (select the option from 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • 4: Knowledge and lessons learned backed by credible evidence from evaluation, analysis and monitoring have been explicitly used, with appropriate referencing, to develop the project's theory of change and justify the approach used by the project over alternatives. • 3: The project design references knowledge and lessons learned backed by credible evidence from evaluation, analysis, monitoring and/or other sources, but these references have not been explicitly used to develop the project's theory of change or justify the approach used by the project over alternatives. • 2: The project design mentions knowledge and lessons learned backed by relatively limited evidence/sources, but these references have not been explicitly used to develop the project's theory of change or justify the approach used by the project over alternatives. • 1: There is only scant mention of knowledge and lessons learned informing the project design. These references are not backed by evidence. • 0: There is no evidence that knowledge and lessons learned have informed the project design. <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>	<p>Rating Score</p> <p style="text-align: center;">4</p>
<p>Evidence</p> <p>The project is built on several programme cycles of experience and strong institutional memory through which lessons learned have been generated, adapted and applied, and effective partnerships have been established. In Mexico, a significant, relevant experience has been the implementation of the COMPACT programme in the Sian Ka'an UNESCO Biosphere Reserve over several years, which implemented a community-based approach to landscape planning and monitoring within the SGP. COMPACT has been evaluated several times and a number of case studies and publications have been produced summarizing challenges, results and lessons. This project's design builds on these lessons, as well as on the ecosystem-based focus of the SGP Country Programme over the past several Operational Phases that pursues synergies between projects based on ecological, social and economic synergies.</p>	
<p>5. Does the project use gender analysis in the project design and includes special measures/ outputs and indicators to address gender inequities and empower women?</p> <ul style="list-style-type: none"> • 4: Gender analysis has been conducted on the differential impact of the project's development situation on gender relations, women and men, with constraints identified and clearly addressed in the design of gender-specific measures/outputs and indicators, where appropriate • 3: Gender analysis has been conducted on the differential impact of the project's development situation on gender relations, women and men, with constraints identified but only partially 	<p>Rating Score</p> <p style="text-align: center;">3</p>

<p>addressed in the design of gender-specific measures/ outputs and indicators, where appropriate</p> <ul style="list-style-type: none"> • <u>2</u>: Partial gender analysis has been conducted on the differential impact of the project’s development situation on gender relations, women and men with constraints identified, but these have <u>not</u> been explicitly addressed in the design of gender-specific measure/outputs and indicators. • <u>1</u>: The project design mentions information and/or data on the differential impact of the project’s development situation on gender relations, women and men but the constraints have <u>not</u> been identified and gender-specific intervention has not been considered. • <u>0</u>: No gender analysis has been conducted on the differential impact of the project’s development situation on gender relations, women and men. 	
<p>Evidence A gender situation analysis was carried out during the project design. Project activities take into account which activities will benefit women and improve their socioeconomic circumstances. Improved gender participation in the governing bodies and other decision-making mechanisms supported by the project will take place. Targets for a large number of indicators make it compulsory to disaggregate by gender. Calls for proposals will target women groups and networks in all geographic areas to ensure maximum participation and benefits.</p>	
<p>6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national partners, other development partners, and other actors? (select from options 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • <u>4</u>: An analysis has been conducted on the role of other partners in the area that the project intends to work, and <u>credible evidence</u> supports the proposed engagement of UNDP and partners through the project. Options for south-south and triangular cooperation have been considered, as appropriate. • <u>3</u>: An analysis has been conducted on the role of other partners in the area that the project intends to work, and relatively <u>limited evidence</u> supports the proposed engagement of UNDP and partners through the project. Options for south-south and triangular cooperation have been considered, as appropriate. • <u>2</u>: Some analysis has been conducted on the role of other partners in the area that the project intends to work, and relatively <u>limited evidence</u> supports the proposed engagement of UNDP and partners through the project. Options for south-south and triangular cooperation have <u>not</u> been explicitly considered. • <u>1</u>: No clear analysis has been conducted on the role of other partners in the area that the project intends to work, and relatively limited evidence supports the proposed engagement of UNDP and partners through the project. Options for south-south and triangular cooperation have <u>not</u> been considered. • <u>0</u>: <u>No analysis</u> has been conducted on the role of other partners in the area that the project intends to work to inform the design of the role envisioned by UNDP and other partners through the project. <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>	<p>Rating Score</p> <p style="text-align: center;">4</p>
<p>Evidence UNDP’s mandate, relationship with government, and long-standing engagement in the country gives it a comparative advantage in facilitating government partnerships especially for GEF grant financed projects. UNDP has been the GEF Project Agency for the GEF SGP corporate programme since its inception and has a long history of support from both global and country levels. This project will receive the direct support of a dedicated Global Coordinator for the SGP Upgrading Country Programs, as well as support for knowledge management and strategic positioning from the SGP Central Program Management Team.</p>	
<p style="text-align: center;">MANAGEMENT AND MONITORING</p>	
<p>7. Does the project have a strong results framework? (select from options 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • <u>4</u>: The project’s selection of outputs and activities are an appropriate level and relate in a clear way to the project’s theory of change. Outputs are accompanied by SMART, results-oriented indicators that measure all of the key expected changes identified in the theory of change, each 	<p>Rating Score</p>

<p>with credible data sources, and populated baselines and targets, including gender sensitive, sex-disaggregated indicators where appropriate.</p> <ul style="list-style-type: none"> • 3: The project’s selection of outputs and activities are an appropriate level and are consistent with the project’s theory of change. Outputs are accompanied by SMART, results-oriented indicators, with specified data sources. Most baselines and targets populated. Some use of gender sensitive, sex-disaggregated indicators. • 2: The project’s selection of outputs and activities are at an appropriate level, but do not reference the project’s theory of change. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources are not fully specified. Some use of gender sensitive, sex-disaggregated indicators. • 1: The project’s selection of outputs and activities are not at an appropriate level. Outputs are <u>not</u> accompanied by SMART, results-oriented indicators that measure the expected change, and have not been populated with baselines and targets. Data sources are not specified. No gender sensitive, sex-disaggregation of indicators is used. • 0: The project’s selection of outputs and activities are not accompanied by appropriate indicators that measure the expected change. <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>	4
<p>Evidence Project outcomes will be measured through a set of output, process, and performance indicators that have been constructed using SMART design criteria.</p>	
<p>8. Is there a comprehensive and costed M and E plan with specified data collection sources and methods to support evidence-based management and monitoring of the project?</p>	Yes (2)
<p>9. Is the project’s governance mechanism clearly defined in the project document, including planned composition of the NSC?</p> <ul style="list-style-type: none"> • 4: The project’s governance mechanism is fully defined in the project composition. Individuals have been specified for each position in the governance mechanism (esp. all members of the NSC), and full terms of reference of the NSC has been attached to the project document. A conversation has been held with each board member on their role and responsibilities, and all members agree on the terms of reference. • 3: The project’s governance mechanism is almost fully defined in the project document. Individuals have been specified for each position in the governance mechanism (esp. all members of the NSC). While full terms of reference of the NSC may not be attached, the project document describes the responsibilities of the NSC, project director/manager and quality assurance roles. • 2: The project’s governance mechanism is partially defined in the project document; specific institutions are noted as holding key governance roles, but individuals have not yet been specified. The project document lists the most important responsibilities of the NSC, project director/manager and quality assurance roles, but full terms of reference are not included. • 1: The project’s governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism. • 0: The governance mechanism is not clearly defined in the project document <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>	Rating Score 4
<p>Evidence The governance mechanism is fully defined in the project document and in accordance with the SGP Operational Guidelines approved by the GEF Council. The NSC terms of reference are appended to the Project Document. The ProDoc clearly describes the responsibilities of the National Steering Committee and those of UNDP and UNOPS.</p>	
<p>10. Have the project risks been identified with clear plans stated to manage and mitigate each risk? (select from options 0-4 that best reflects this project):</p>	Rating Score

<ul style="list-style-type: none"> • 4: Project risks fully described in the project risk log, based on comprehensive analysis that references key assumptions made in the project’s theory of change. Clear and complete plan in place to manage and mitigate each risk. • 3: Project risks identified in the project risk log. Clear plan in place to manage and mitigate risks. • 2: Some risks identified in the initial project risk log. While some general mitigation measures have been identified, they do not adequately and fully address all the identified risks. • 1: Some risks identified in the initial project risk log, but no clear risk mitigation measures identified. • 0: Risks not clearly identified. No initial project risk log included with the project document. <p>*Note: Management Action must be taken for scores of 0 or 1</p>	3
<p>Evidence An assessment of internal and external risks based on extensive consultations and review of background documentation has been completed. Risks and assumptions have been fully identified in the project. Measures to mitigate the risk have been considered and addressed in the project document. This includes the completion of the social and environmental screening template.</p>	
EFFICIENT	
<p>11. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include using the theory of change analysis to explore different options of achieving the maximum results with the resources available.</p>	Yes (2)
<p>12. Are plans in place to ensure the project links up with other relevant on-going projects and initiatives, whether led by UNDP, national or other partners, to achieve more efficient results (including, for example, through sharing resources or coordinating delivery?)</p>	Yes (2)
<p>13. Is the budget justified and supported with valid estimates?</p>	Yes (2)
<p>14. Is the Country Office fully recovering its costs involved with project implementation?</p>	Yes (2)
EFFECTIVE	
<p>15. Is the chosen implementation modality most appropriate? (select from options 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • 4: The required implementing partner assessments (capacity assessment, HACT micro assessment) have been conducted, and there is evidence that options for implementation modalities have been thoroughly considered. There is a strong justification for choosing the selected modality, based on the development context. • 3: The required IP assessments (capacity assessment, HACT micro assessment) have been conducted, and there is evidence that options for implementation modalities have been considered. There is justification for choosing the selected modality, based on the development context. • 2: The capacity of the IP has been assessed, but the HACT micro assessment has not been done due to external factors outside of UNDP’s control. There is evidence that options for implementation modalities have been considered. There is justification for choosing the selected modality, based on the development context. • 1: The required assessments have not been conducted, but there is evidence that options for implementation modalities have been considered. • 0: The required assessments have not been conducted, and there is no evidence that options for implementation modalities have been considered. <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>	<p>Rating Score</p> <p>N/A</p>
<p>Evidence This project will be implemented through UNOPS execution. The choice of modality is based on an agreement between the Government of Mexico, UNOPS, and UNDP and follows prior practice based on analysis of best practice, comparative advantage and the need for efficient reporting at SGP UCP portfolio level.</p>	

<p>16. Have targeted groups, including marginalized populations that will be affected by the project, been engaged in the design of the project?</p>	<p>Yes (2)</p>	
<p>17. Does the project have explicit plans for evaluation or other lesson learning, timed to inform course corrections if needed during project implementation?</p>	<p>Yes (2)</p>	
<p>18. The project budget at the output level reflects adequate financial investments contributing to the advancement of gender equality. This can include outputs that have adequately mainstreamed gender (GEN2), and/or outputs for gender specific or stand-alone intervention (GEN3).</p> <ul style="list-style-type: none"> • 4: The project budget reflects outstanding financial investments contributing to gender equality as evidenced by 100% of the project budget at the output level with the gender marker score GEN2+GEN3. • 3: The project budget reflects adequate financial investments contributing to gender equality as evidenced by at least 75% of the project budget at the output level with the gender marker score GEN2+GEN3. • 2: The project budget reflects partial investments contributing to gender equality as evidenced by at least 50% of the project budget at the output level with the gender marker score GEN2+GEN3. • 1: The project budget reflects limited financial investments contributing to gender equality as evidenced by at least 25% of the project budget at the output level with the gender marker score GEN2+GEN3. • 0: The project budget reflects no financial investments contributing to gender equality <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>	<p>Rating Score</p> <p>2</p>	
<p>Evidence Gender targets for participation of women indicate that a portion of the budget will be specifically allocated to women's' inclusion. However, the actual amount invested will depend on the grant proposals received for consideration and the corresponding decisions of the NSC. As it has in the past, SGP will make every effort to enhance the capacities of women's groups to successfully compete for grants.</p>		
<p>19. Is there a realistic multi-year work plan and budget to ensure outputs are delivered on time and within allotted resources? (select from options 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • 4: The project has a realistic multi-year work plan and multi- year budget at the activity level to ensure outputs are delivered on time and within the allotted resources. • 3: The project has a multi-year work plan at the activity level and multi-year budget at the output level. • 2: The project has a multi-year work plan and a multi-year budget at the output level. • 1: The project has an output level multi-year work plan, but not a multi-year budget • 0: The project does not yet have a multi-year work plan. 	<p>Rating Score</p> <p>2</p>	
<p>Evidence The multi-year work plan was prepared at the Output level and not at the activity level. This is consistent with past practice given the small grants programme implementation modality.</p>		
SOCIAL AND ENVIRONMENTAL STANDARDS		
<p>20. Has the project ensured that both women and men have equitable access to project resources and comparable social and environmental benefits? (select from options 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • 4: Credible evidence that the project fully reflects a consistent strategy that provides equitable access to and control over project resources and social and environmental benefits (e.g., security, health, water, and culture) through project rationale, strategies and results framework. • 3: Credible evidence that the project partially reflects a strategy that provides equitable access to and control over project resources and social and environmental benefits (e.g., security, health, water, and culture) through project strategies and the results framework. • 2: Credible evidence that the project design includes a set of activities that provide equitable access to and control over project resources and social and environmental benefits (e.g., security, health, water, and culture) although project activities are not part of a consistent strategy. • 1: Credible evidence that the project design includes some scattered activities that provide 	<p>Rating Score</p> <p>3</p>	

<p>equitable access to and control over project resources and social and environmental benefits (e.g., security, health, water, and culture)</p> <ul style="list-style-type: none"> • 0: The project has no interventions to ensure a fair share of opportunities and benefits for women and men or reduce gender inequalities in access to and control over resources and social and environmental benefits (e.g., security, health, water, and culture) <p>*Note: Management Action or strong management justification must be given for scores of 0 or 1</p>			
<p>Evidence Gender sensitivity and gender considerations have been taken into account in the formulation of the project. Every effort will be made to address gender concerns in its implementation. Roles of men and women in participation in project activities will be assigned without any discrimination. The project has been designed to target women’s needs for improved livelihoods.</p>			
<p>21. Did the project apply a human rights based approach?</p> <ul style="list-style-type: none"> • 4: Credible evidence that opportunities to integrate human rights in the project and prioritize the principles of accountability, meaningful participation, and non-discrimination were fully considered. Any potential adverse impacts on enjoyment of human rights were rigorously assessed and identified with appropriate mitigation and management measures incorporated into project design and budget. • 3: Partial evidence that opportunities to integrate human rights in the project and the principles of accountability, meaningful participation, and non-discrimination were considered. Potential adverse impacts on enjoyment of human rights were assessed and identified and appropriate mitigation and management measures incorporated into the project design and budget. • 2: Limited evidence that opportunities to integrate human rights in the project and the principles of accountability, meaningful participation and non-discrimination were considered. Potential adverse impacts on enjoyment of human rights were assessed and identified and appropriate mitigation and management measures incorporated into the project design and budget. • 1: No evidence that opportunities to integrate human rights in the project and the principles of accountability, meaningful participation and non-discrimination were considered. Limited evidence that potential adverse impacts on enjoyment of human rights were considered. • 0: No evidence that opportunities to integrate human rights in the project were considered. No evidence that the potential adverse impact on the enjoyment of human rights have been considered. <p>*Note: Management action or strong management justification must be given for scores of 0 or 1</p>	<table border="1"> <tr> <td data-bbox="1279 579 1446 667">Rating Score</td> </tr> <tr> <td data-bbox="1279 667 1446 1199" style="text-align: center; vertical-align: middle;">4</td> </tr> </table>	Rating Score	4
Rating Score			
4			
<p>Evidence The project supports the meaningful participation and inclusion of all stakeholders, during the design, implementation, monitoring, and adaptive collaborative management of the project. During the project formulation phase, consultation sessions and meetings were undertaken with a diverse group of stakeholders to construct as holistic as possible an understanding of the challenges and barriers related to the management of natural resources in the selected sites. Project design makes the assumption that the extensive consultations during project formulation strengthen the transparency and legitimacy of the proposed project activities, notwithstanding that during project implementation activities can and should be adapted to ensure that the human rights of stakeholders are preserved and/or reinforced. The extensive stakeholder consultations, learning-by-doing activities, and knowledge exchanges are intended to engage as many people as possible in order to reduce the risk of marginalizing stakeholders and incorporating their diverse perspectives in as many project activities as possible. For each grant, potential adverse impacts on human rights will be rigorously assessed and appropriate mitigation and management measures identified and incorporated into project design and budget.</p>			
<p>22. Did the project consider potential environmental opportunities and adverse impacts, applying a precautionary approach?</p> <ul style="list-style-type: none"> • 4: Credible evidence that <u>opportunities to enhance</u> environmental sustainability and integrate poverty-environment linkages were fully considered. Identified opportunities fully integrated in project strategy and design. Credible evidence that potential adverse environmental impacts identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. • 3: Limited evidence that opportunities to enhance environmental sustainability and poverty-environment linkages were considered. Credible evidence that potential adverse environmental 	<table border="1"> <tr> <td data-bbox="1279 1591 1446 1680">Rating Score</td> </tr> <tr> <td data-bbox="1279 1680 1446 1858" style="text-align: center; vertical-align: middle;">4</td> </tr> </table>	Rating Score	4
Rating Score			
4			

<p>impacts identified and assessed and appropriate management and mitigation measures incorporated into project design and budget.</p> <ul style="list-style-type: none"> • 2: No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Credible evidence that potential adverse environmental impacts assessed and appropriate management and mitigation measures incorporated into project design and budget. • 1: No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Limited evidence that potential adverse environmental impacts were adequately considered. • 0: No evidence that potential adverse environmental impacts have been considered. <p>Note: Management action or strong management justification must be given for scores of 0 or 1</p>					
<p>Evidence The entire focus of the project is on enhancing environmental sustainability and livelihoods of local communities. In the technologies and innovations considered thus far (both in SGP-05 and planned for SGP-OP6), there are no adverse environmental impacts detected. The NSC review and approval process for grant projects is bolstered by technical experts in biodiversity conservation, sustainable land management and climate change mitigation and adaptation.</p>					
<p>23. If the project is worth \$500,000 or more, has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks?</p>	<table border="1"> <tr> <td data-bbox="1279 680 1372 722">Yes</td> <td data-bbox="1372 680 1446 722"></td> </tr> <tr> <td data-bbox="1279 722 1372 768">Yes</td> <td data-bbox="1372 722 1446 768"></td> </tr> </table>	Yes		Yes	
Yes					
Yes					
<p>SUSTAINABILITY AND NATIONAL OWNERSHIP</p>					
<p>24. Have national partners led, or proactively engaged in, the design of the project? (select from options 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • 4: National partners have full ownership of the project and led the process of the development of the project. • 3: The project has been developed jointly by UNDP and national partners, with equal effort. • 2: The project has been developed by UNDP in close consultation with national partners. • 1: The project has been developed by UNDP with limited engagement with national partners. • 0: The project has been developed by UNDP with no engagement with national partners. 	<table border="1"> <tr> <td data-bbox="1279 831 1446 919">Rating Score</td> </tr> <tr> <td data-bbox="1279 919 1446 1129" style="text-align: center;">4</td> </tr> </table>	Rating Score	4		
Rating Score					
4					
<p>Evidence The priorities have been determined through a consultative process involving community-based partner organizations, the National Steering Committee and representatives of others such as State Governments, NGOs and academia that have expertise in local sustainable development and the GEF focal areas. In selecting grantee projects, the criteria for consideration include their fit with the GEF focal areas to ensure that global environmental benefits are generated while sustaining local level development benefits, especially enhanced incomes, food security and ecosystem services like water provision. In addition, proposed activities needed to be aligned with and/or contribute to national priorities as outlined in national policy documents.</p>					
<p>25. Are key institutions and systems identified, and is there a strategy for strengthening specific/comprehensive capacities based on capacity assessments conducted? (select from options 0-4 that best reflects this project):</p> <ul style="list-style-type: none"> • 4: The project has a comprehensive strategy for strengthening specific capacities of national institutions based on a systematic and detailed capacity assessment that has been completed. • 3: A capacity assessment has been completed, although it is not systematic or detailed. The project document has identified activities that will be undertaken to strengthen capacity of national institutions, but these activities are not part of a comprehensive strategy. • 2: A capacity assessment is planned after the start of the project. There are plans to develop a strategy to strengthen specific capacities of national institutions based on the results of the capacity assessment. • 1: There is mention in the project document of capacities of national institutions to be strengthened through the project, but no capacity assessments or specific strategy developments are planned. • 0: Capacity assessments have not been carried out and are not foreseen. There is no strategy for strengthening specific capacities of national institutions. 	<table border="1"> <tr> <td data-bbox="1279 1398 1446 1493">Rating Score</td> </tr> <tr> <td data-bbox="1279 1493 1446 1871" style="text-align: center;">3</td> </tr> </table>	Rating Score	3		
Rating Score					
3					

Evidence

Project activities are designed to increase the capacity of key institutions and communities on a wide range of issues. Through a learning-by-doing and adaptive collaborative management approach, the project will strengthen targeted institutional and technical capacities. The project will also support the implementation of training, mentoring and peer-exchanges on various topics to be determined through a detailed capacity needs assessment to be conducted at project inception. This is fully described in the Project document

26. Is there is a clear plan for how the project will use national systems, and national systems will be used to the extent possible?	Yes (2)	No (0)
27. Is there a clear transition arrangement/ phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilization strategy)?	Yes (2)	No (0)

Annex I: UNDP Risk Log

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
Southeastern Mexico is affected every year by extreme weather events that threaten both ecosystems and human communities	<i>Environmental; climate</i>	P – high, I - high	The project includes practices to reduce and manage risks at local level, building upon the experience of the Local Risk Management Programme initially developed by the Mexico SGP and later supported by UNDP. This Programme has proven to be effective in reducing the social and economic impacts of hurricanes and other extreme weather events, and has already been replicated throughout Mexico (some 1,000 villages, 200 municipalities, seven federal States and national government agencies). UNDP will provide co-financing of USD 500 to each of a maximum of 400 SGP grants to ensure that climate risk is considered and mitigation measures implemented in all SGP-funded community projects.	<i>National Steering Committee; Country Programme Manager; UNDP; Municipal governments</i>	<i>Consistent</i>
Low capacity of local community based organizations and their second-level organizations to coordinate with each other (within landscapes, between landscapes and at the large ecosystem level) and with the various stakeholders and government entities, including representatives of federal institutions, state-level government entities and municipal authorities.	<i>Capacity</i>	P- low, I - high	While there will be newly-formed organizations, which pose the highest risk, there are producer cooperatives and pivot organization networks with substantial experience and track record in landscape-level planning, coordination, negotiations, conflict resolution, and monitoring and evaluation that may advise less experienced groups helping to mitigate this risk.	<i>National Steering Committee; Country Programme Manager; NGOs</i>	<i>Consistent</i>
Sustainable production is generally more	<i>Economic</i>	P – med., I – med.	This risk can be mitigated by optimizing and scaling-	<i>National Steering Committee; Country</i>	<i>Consistent</i>

<p>expensive than conventional methods. Producers engaged in unsustainable production practices may be able to undercut prices for similar products and services produced by sustainable systems, resulting in unfair competition.</p>			<p>up production, and by certifying products as biodiversity friendly to capture a premium over and above the unsustainable production price.</p>	<p><i>Programme Manager; NGOs</i></p>	
<p>Running a grants Programme with civil society organizations that have weak governance, low level of technical and management capacity.</p>	<p><i>Capacity</i></p>	<p>P – med., I - low</p>	<p>SGP has a past performance rating of 85% achievement. Risk mitigation systems in place (e.g., grantee capacity development support by pivot organization, appropriate rates of grant disbursement, adaptive management to respond to the strengths and weaknesses of grantees, periodic monitoring visits) will be strengthened to maintain or improve this rate of achievement. SGP also reduces risk by supporting replication of good practices that have proven to deliver on GEF strategic priorities at the community level.</p>	<p><i>National Steering Committee; Country Programme Manager</i></p>	<p><i>Consistent</i></p>

Annex J: SGP Operational Guidelines



GEF SMALL GRANTS PROGRAMME (SGP) OPERATIONAL GUIDELINES

Purpose of this Document

These Operational Guidelines are intended to assist GEF SGP National Coordinators/Sub-Regional Coordinators (NCs/SRCs), National Steering Committees (NSCs), Sub-regional Steering Committees (SRSCs), National Focal Groups (NFGs), UNDP Country Offices and National Host Institution (NHI) staff as well as the SGP Central Programme Management Team (CPMT) and the Global Coordinator of the SGP Upgrading Country Programmes in programme implementation. They are based on the experience and knowledge gained both at the country and global levels through years of GEF SGP programme implementation. They provide the basic framework for operations in relation to the structure, implementation, and administration of the programme. They also address the project cycle and grant disbursement. Programme and project monitoring, evaluation, and reporting are covered in the GEF SGP Monitoring and Evaluation Framework.

The guidelines and models set forth herein are meant to apply generally to all GEF SGP Country Programmes. It is recognized, however, that different contexts and situations will require different responses and adaptations. Any questions about the application of particular provisions of the guidelines or need for adaptation should be referred to the GEF SGP Global Manager and Central Programme Management Team (CPMT) or the Global Coordinator of the SGP Upgrading Country Programmes. On administrative and financial matters, questions may be answered by the UNOPS SGP Standard Operating Procedures and, if necessary, to the respective UNOPS SGP Portfolio Manager.

List of Acronyms

BAC	Budget Account Classification Code
CBO	Community-based Organization
CCF	Country Cooperation Framework
CO	Country Office
COA	Chart of Account (ATLAS)
COB	Country Operating Budget
CPMT	Central Programme Management Team
CPS	Country Programme Strategy
GEF	Global Environment Facility
IOV	Inter-office Voucher
MandE	Monitoring and Evaluation
MOA	Memorandum of Agreement
MOD	Miscellaneous Obligation Document
NC	National Coordinator
NFP	National Focal Person
NFG	National Focal Group
NGO	Non-governmental Organization
NHI	National Host Institution
NPFE	GEF National Portfolio Formulation Exercise
NSC	National Steering Committee
OP	Operational Programme
PA	Programme Assistant
PO	Purchase Order (ATLAS)
REQ	Requisition (ATLAS)
SBAA	Standard Basic Assistance Agreement
SGP	GEF Small Grants Programme
SOPs	Standard Operating Procedures
SRC	Sub-Regional Coordinator
SRSC	Sub-Regional Steering Committee
SPS	Sub-Regional Programme Strategy
TOR	Terms of Reference
UCP	Upgrading Country Programme
UNCBD	United Nations Convention on Biological Diversity
UNCCD	United Nations Convention to Combat Desertification
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services
UNFCCC	United Nations Framework Convention on Climate Change

Part I: GEF SGP Programme Structure

1. The structure of the GEF Small Grants Programme (SGP), implemented by UNDP, is decentralized and country-driven. Within the parameters established by the GEF Council and reflected in the Project Document for an Operational Phase, the programme seeks to provide for maximum country

and community-level ownership and initiative. This decentralization is balanced against the need for programme consistency and accountability across the participating countries for the achievement of the GEF's global environmental objectives, and the SGP's particular benchmarks as stated in the Project Document for each Operational Phase.

2. The SGP is a global and multi-focal area GEF project, approved for funding by the GEF Council on a rolling replenishment, implemented by UNDP on behalf of the GEF partnership, and executed by UNOPS. In the case of Upgraded Country Programmes, UNOPS execution is the recommended option although a country-specific execution modality utilizing a national non-governmental organization or a consortium of non-governmental organizations, selected by UNDP through a competitive process, can be utilized³². Within the UNDP framework, the SGP, as a global programme, is handled differently from UNDP core national or regional programmes.³³

3. The GEF Council approves SGP Project Information Form (PIF), GEF CEO Endorsement request, and SGP Project Document for the SGP Global Programme as well as for all Upgrading Country Programmes for each GEF Operational Phase. The SGP Project Document, whether for the global program or upgrading country programmes, provides the framework for SGP operations in accordance with the GEF mandate, including specific benchmarks for project achievements. It also sets forth many of the programme and financial reporting requirements for which UNDP has legal responsibility.

4. Globally, the SGP brings together country programmes of participating countries across all world regions. The key eligibility criteria for countries to participate in SGP are:

- ✓ Existence of environmental needs and threats in GEF focal or thematic areas;
- ✓ Ratification of at least one of the global environmental conventions including the United Nations Convention on Biological Diversity (CBD); the United Nations Framework Convention on Climate Change (UNFCCC); the Stockholm Convention on Persistent Organic Pollutants; and United Nations Convention to Combat Desertification (UNCCD);
- ✓ Government commitment in the participating country and support for the programme's implementation modality according to the operational guidelines;
- ✓ Potential for strong government-NGO relations and positive support for local Civil Society Organizations;³⁴
- ✓ Commitment to resource mobilization: the UNDP/CO and government share available funding for SGP delivery from both GEF and non-GEF sources, and support efforts to attract other co-funding sources;
- ✓ Positive enabling environment.

SGP Headquarters Structure

5. A UNDP/GEF Unit at UNDP Headquarters in New York provides fiduciary oversight for all of its GEF activities, including the SGP. Key UNDP Headquarters staff include the UNDP GEF Executive

³² As per policy approved by the GEF Council Meeting (November 10-12, 2009, Washington DC) based on GEF/C.36/4 Small Grants Programme: Execution Arrangements and Upgrading Policy for GEF-5 (see para 19 and paras 52 - 53). This has been reaffirmed through the approval of the GEF Council Paper GEF/C.46/13 of April 30, 2014 "GEF Small Grants Programme: Implementation Arrangements for GEF-6.

³³ For more information about global programming, please see the UNDP Programming Manual, especially Section 8.3. The Programming Manual is available in UNDP Country Offices and at the following website: <http://www.undp.org/osg/pm/index.htm>

³⁴ For the purpose of the SGP and its grant making, CSOs refer to national and local non-governmental organizations (NGOs) with priority on community-based organizations (CBOs), indigenous peoples, farmers, scientific community, women's groups, and youth and children organizations.

Coordinator, and his/her Deputy, who are legally accountable to UNDP and to the GEF Council for the utilisation of GEF resources.

6. Overall management of the SGP Global Programme, including operational guidance and support to the country programmes, as well as the identification and establishment of SGP Country Programmes in new countries, are conducted by the SGP Central Programme Management Team (CPMT). The CPMT is composed of a Global Manager and Deputy Global Manager; Programme Specialists responsible for matrixed country support and focal area guidance, knowledge management, and monitoring and evaluation; Programme Associates; as well as external consultants, as needed. The SGP Upgrading Country Programmes (UCPs), given their financing modality as GEF Full-Size Projects, are managed by a UNDP-GEF UCP Global Coordinator, who provides technical assistance, strategic advice, and resource mobilization support and promotes substantive and strategic alignment and coordination of the UCPs with the Global SGP Programme.

7. The United Nations Office for Project Services (UNOPS) provides programme execution services including administrative, financial, legal, operational, procurement and project management for the SGP as described in detail in the UNOPS SGP Standard Operating Procedures (SOPs).³⁵ The UNOPS SGP Cluster Coordinator and his/her team work closely with the SGP Deputy Global Manager and CPMT staff, as well as with the SGP UCP Global Coordinator.

8. The SGP Global Manager and his/her alternate, the SGP Deputy Global Manager, are ultimately responsible for the overall management, strategic direction, policy development and resource mobilization efforts of the SGP Global Programme. The Programme Specialists are primarily responsible for guidance on GEF focal areas and thematic directions, Country Programme support, regional coordination responsibilities, knowledge sharing, partnership development and networking. As necessary, the Global Manager and Deputy Global Manager may delegate certain functions to the Programme Specialists.

9. SGP regional teams, composed of at least one staff member from CPMT and from UNOPS, as well as the regional senior SGP National Coordinator as needed, may provide a range of technical advice, operational, management and administrative support to country programmes in each of the six SGP world regions,³⁶ divided as follows:

- Africa
- Arab States
- Asia
- Europe and CIS
- Pacific
- Latin America and the Caribbean

10. While for the Global Programme, the CPMT regional focal point focuses primarily on GEF technical and programmatic matters, and the UNOPS regional focal point is responsible for administrative and financial issues, the SGP regional team works collaboratively in advising country programmes with regard to all substantive and operational matters. The regional teams also review the

³⁵https://intrafed.unops.org/ORGANIGRAMME/NAO/SGP/SGP_MANUAL/Pages/default.aspx

³⁶ For a full list of participating SGP countries see:

http://www.sgp.undp.org/index.cfm?module=ActiveWebandpage=WebPageands=contry_profile

annual SGP country staff performance and recommend ratings for review by the Deputy Global Manager, and his/her counterpart in UNOPS, prior to endorsement and finalisation by the Global Manager.

11. For the Upgrading Country Programmes, the division of labour between the SGP UCP Global Coordinator and UNOPS is similar to those above, as are the collaborative arrangements between UNDP-GEF and UNOPS.

12. SGP Programme Associates are responsible for daily administration, filing and archive management; financial record-keeping and reporting to donors; human resources support; external communications; organisation of meetings; and responses to routine requests for information. The Programme Associates monitor completion of SGP work-plans, and assist in CPMT activities, correspondence, and other assigned tasks.

SGP Country Programme Structure

13. The SGP operates in a decentralized and country-driven manner through a National Coordinator or Sub-regional Coordinator (both hereafter to be referred as NC) and National Steering Committee or National Focal Group for those in sub-regional programme modality (both hereafter abbreviated to NSC) in each participating country, with some modification in the case of countries in a sub-regional programme modality³⁷, with financial and administrative support provided by the UNDP Country Office (CO). In some countries, a National Host Institution (NHI) or host NGO³⁸ is responsible for programme implementation in conjunction with the NC and NSC. At the country level, the SGP operates under the overall UNDP SBAA agreement, although the SGP Global Programme is not considered a part of the CCF or UNDP core functions at the country level.

14. The NSC is composed of voluntary members from NGOs, academic and scientific institutions, other civil society organizations, the UNDP CO, and government, with a majority of members coming from the non-governmental sector. The NSC provides overall guidance and direction to the Country Programme, and contributes to developing and implementing strategies for Country Programme sustainability.

15. The technical capacity of the individual NSC members is an important criterion in determining its composition, and to the maximum extent possible the NSC membership should include experts in the relevant GEF focal areas of biodiversity; climate change mitigation; international waters; sustainable land management; sustainable forest management and REDD; persistent organic pollutants/ chemicals; as well as capacity development. The inclusion of the government GEF Operational Focal Point (OFP) or relevant Convention Focal Point in the NSC is also recommended.

16. The NSC is responsible for the review, selection and approval of projects, and for ensuring their technical and substantive quality as regards the strategic objectives of the SGP. In collaboration with the

³⁷In the case of SGP Sub-regional Programmes, the Sub-Regional Coordinator (SRC) may manage the programme, while projects are reviewed and approved by a voluntary National Focal Group (NFG) with part-time facilitation by a National Focal Person (NFP). Some countries, with substantial grant making, may decide to shift to a Country Programme modality still linked to the subregional group with a full-time NC or a Community Program Officer and the SRC providing subregional coordination and technical support.

³⁸National Host Institution or NHI and host NGO are used interchangeably in this document because SGP Country Programmes commonly employ both terms.

NC, the NSC contributes to the development of the Country Programme Strategy (CPS)³⁹ in accordance with the relevant GEF Project Document for the Operational Phase and national environmental priorities, and oversees its implementation. NSC members are expected to support the Country Programme in resource mobilization and in mainstreaming SGP lessons learned and successes in national development planning and policy-making. NSC members are encouraged to participate in pre-selection project site visits and in project monitoring and evaluation.

17. The NSC may also constitute a Technical Advisory Groups (TAG) with a pool of voluntary experts on call to serve as a technical sub-committee, for review of proposals and in relation to specific areas of programming and partnership development. The TAG can also be tasked by the NSC to provide specific technical guidance in specialised areas of work, such as carbon measurement, payments for ecosystem services, marketing and certification of products, transboundary diagnostic analysis, and other relevant fields. In addition, the TAG may also be formed in response to donor and co-financing requirements mobilised for the SGP country programme.

18. The SGP NC has lead responsibility for managing the development and implementation of the country or sub-regional programme, for ensuring that grants and projects meet GEF and SGP criteria, and for planning and implementation of upscaling strategies. The NC's primary functions include inter alia: (i) assisting CSOs in the formulation of project proposals; (ii) serving as the ex officio secretariat for the NSC; (iii) ensuring sound programme monitoring and evaluation, including periodic project site visits; (iv) resource mobilization; (v) communication and dissemination of SGP information; and (v) global reporting to CPMT, UNOPS, responding to audits, and other tasks as stipulated in their ToR.⁴⁰

19. The UNDP CO provides management support to the SGP Country Programme as outlined in this document. The UNDP Resident Representative/Resident Coordinator (hereafter abbreviated to UNDP RR) in each UNDP CO assigns a senior staff person (typically the Environment Focal Point or head of the Sustainable Development Cluster) to serve as the SGP focal point. The UNDP RR participates in the NSC or may designate the focal point as his/her delegate in the NSC. Each UNDP CO also contributes to monitoring programme activities – usually through broad oversight by the designated focal point as part of NSC responsibilities - facilitates interaction with the host government, and develops links with other in-country financial and technical resources.

20. The UNDP CO is also responsible for providing operational support – the RR signature of grant project MOAs (on behalf of UNOPS); appointment letters of NSC members (on behalf of CPMT); local grant disbursements; HR administration; as well as assisting in audit exercises for the programme. The detailed steps for each operational aspect are described in the UNOPS SGP SOPs. The UNDP CO also plays a fundamental role in launching a new SGP Country Programme in terms of endorsement of the government application to be a participating SGP country and in helping CPMT organize the start-up mission. The UNDP CO also plays a critical role in the proper closing of an SGP Country Programme.

Part II Implementation and Administration of SGP Country Programmes

In-country institutional arrangements

³⁹ An Upgrading Country Programme is not required to produce a Country Programme Strategy since it produces a Project Document for the Full Size Project financing their Country Programme for the relevant Operational Phase.

⁴⁰ See full-length version of SGP CPM ToRs.

21. The SGP operates at the country level under the overall UNDP SBAA agreement, however, the SGP Global Programme remains the responsibility of the CPMT/UNOPS SGP Cluster at Headquarters and, like the Upgrading Country Programmes, is accountable to UNDP-GEF in New York, and ultimately, the GEF Council. There are two basic modalities for SGP hosting arrangements for the country programme that, in consultation with country stakeholders, will be decided by CPMT or the UCP Global Coordinator. In most countries, the programme is hosted by the UNDP CO, although this may also mean that the SGP office is physically located outside CO premises. Where there are issues of accessibility and based on consultations with stakeholders, the programme could be hosted in a National Host Institution (NHI), which may be an NGO or academic institution.

22. In case of NHI hosting, UNOPS issues and administers a sub-contract with the NHI that outlines the technical support and administrative services to be provided, as well as the applicable operating budget. In all cases, the UNDP CO provides needed support for SGP in-country operations in coordination with the CPMT or UCP Global Coordinator and UNOPS. Whatever the hosting arrangements, all Country Programmes respond equally to the relevant Operational Phase Project Document (global or national upgrading) and the global SGP Operational Guidelines.

23. As noted above, NCs of Country Programmes in the Global SGP Programme are guided by CPMT regional focal points for the majority of operational and technical matters, whilst reporting ultimately to the SGP Global Manager. NCs of Upgrading Country Programmes are guided by the Global UCP Coordinator. NCs are also accountable to the UNDP RR for country-level programme expenditures and on matters regarding meeting the ethical and professional standards of the UNDP. The UNDP RR, in consultation with members of the NSC, is responsible for preparing the annual evaluation of NC performance and recommendation concerning contractual status for review by either CPMT or the Global UCP Coordinator, and UNOPS.

24. In keeping with the spirit and mandate of the SGP to develop and foster the capacities of CSOs in participating countries, it is expected that as individual Country Programmes mature it will be possible to transfer the hosting arrangements from the UNDP CO to NHIs. Any decision for transfer should be based on a full consultative process and analysis of key factors, and must be approved by the CPMT or Global UCP Coordinator in consultation with the UNDP RR. In certain cases, where the selected NHI does not fully meet performance expectations, and upon consultation with country stakeholders, the contract may be terminated by the CPMT or Global Coordinator, and UNOPS, and hosting will be transferred either to the UNDP CO or to another NHI.

25. The relationship with an NHI may range from the provision of physical office space, with the NC and NSC carrying full responsibility for programme management; one in which the NHI is responsible for providing specifically agreed services, such as technical advice and support; through to one where the NHI carries full responsibility for managing the SGP programme. The extent of responsibility will be clearly defined in the contract for services signed by UNOPS and the NHI and may evolve over time.

26. The identification of a pool of suitable NHIs may be carried out through a process of competitive bidding, or by gradually accumulating a list of available and interested organizations in consultation with key stakeholders. Local representation of international NGOs would not normally be eligible. The legitimacy and neutrality of potential NHIs within the national NGO community are essential qualifications to carry out SGP grant-making activities. Once a pool of organizations has been established, the following factors will be considered by the CPMT or Global UCP Coordinator, and UNDP CO to select the best candidate:

- ✓ National stature and credibility;
- ✓ Good working relationships with other CSOs, including participation in environment/development networks;
- ✓ Demonstrated compatibility with the procedures, objectives, and grant-making functions of the SGP, GEF, and UNDP;
- ✓ Significant experience in community-based, participatory environment and development;
- ✓ Substantial involvement and technical expertise in environmental issues related to the GEF focal areas and the Rio conventions;
- ✓ Proven programme management and administrative capacity with systems in place.

27. The NC is normally an employee of UNOPS whereas the contract is administered locally by the UNDP CO on behalf of UNOPS. In some cases, the NC contract administration can be covered under the terms of the contract with the NHI. The selection of the NC is done through a publicly advertised and competitive selection process. As a general rule, the recruitment process for the NC is managed on behalf of UNOPS by the UNDP CO under the overall supervision of the UNDP RR. This is ordinarily the case even if the NC will be placed in an NHI; however, the NHI, as appropriate and upon approval of CPMT, may manage the NC recruitment. The selection panel submits three of the top applicants to the SGP Global Manager for final selection and decision. The recruitment process and related guidelines are described in more detail in the UNOPS SGP Standard Operating Procedures (SOPs).

28.

29. Typically, NHIs do not normally administer grant funds. As Country Programmes evolve and/or upgrade, however, it may become desirable to include direct grants administration as part of NHI responsibilities under UNOPS-issued contracts or other mechanisms, thereby increasing the level of country ownership of, and civil society participation in, the programme. Administrative procedures will need to be devised to ensure that the administration of grant allocations and their transferal to grant recipients remain transparent, accountable and fluid. NHIs cannot be awarded nor use SGP grant funds.

SGP country staff roles and responsibilities

30. The NC is responsible for the overall functioning of the SGP in each participating country, and for the achievement of the benchmarks established for Country Programme implementation in the CPS (Global Programme) or Project Document (UCP) for the relevant Operational Phase. The NC is expected to have full-time dedication to the SGP.⁴¹ The NC is responsible for ensuring sound programme and project monitoring and evaluation, and laying the foundation for programme upscaling and sustainability. In project development, the NC may work directly to assist the proponent CSO to access needed support, including the recommendation of support through planning grants. The NC, jointly with the UNDP CO, bear direct responsibility for all local programme expenditures. A critical aspect of the NC job performance is to carefully monitor and supervise these expenditures under the overall supervision of UNOPS and to ensure accountability and transparency.

31. The NC usually represents the SGP in local and national meetings, workshops, and other events, and may be accompanied by members of the NSC. However, for legal and financial purposes, only the UNDP RR or his/her Officer in Charge (OIC) may represent the SGP in-country (on behalf of UNOPS). Only the UNDP RR or his/her Officer in Charge (OIC) can sign SGP grant Memoranda of Agreement

⁴¹ The NC should not accept any other functions unless a cost-sharing arrangement can be negotiated with the UNDP CO or host NGO and validated by CPMT/UNOPS.

(MOAs) and for signing any co-financing arrangements on behalf of SGP. While the NC may initiate and undertake co-financing and other negotiations for the programme, s/he should never officially sign such agreements. The NC, however, may sign non-binding collaborative agreements between SGP and other projects and programs. The NC should consult the CPMT or the Global UCP Coordinator, and the UNOPS SGP Cluster if there is any doubt on signing rules and procedures.

32. The performance of NCs is evaluated annually. The evaluation is undertaken through an online Performance and Results Assessment (PRA) in two parts: a self-assessment by the NC, and a performance evaluation with NSC inputs under the charge of the UNDP RR. These two parts of the evaluation should be completed shortly after the completion of the reporting period. The completed and signed evaluations are submitted to the CPMT or the Global UCP Coordinator. The PRA evaluations are reviewed by the CPMT or Global UCP Coordinator, with UNOPS inputs, and final decisions are then taken for the Global Programme Country Programmes by the SGP Global Manager and Deputy Global Manager on contract renewal, or by the Global UCP Coordinator, as well as other actions that might need to be taken.

33. In most countries, the NC works with a Programme Assistant/Associate (PA). On behalf of UNOPS, the UNDP CO may hire a PA with technical and/or administrative skills and functions depending on local needs. The NC shall be involved in the selection process and the panel recommendation will be forwarded to CPMT and UNOPS for final approval. The NC will be in charge of the supervision and PRA for the PA. In certain cases, consultants with a technical background, especially in the GEF focal areas, may be recruited to contribute to project design, implementation, and monitoring and evaluation, and can be delegated by the NC to provide these services to CSOs and SGP projects as necessary. The recruitment process and related guidelines are highlighted in detail in the UNOPS SGP SOPs.

National Steering Committee procedures

34. The NSC is a central element of the SGP and provides the primary substantive contribution and oversight to the programme, in coordination with the NC. While staffing and operational management of the SGP is undertaken through UNDP/UNOPS structures, no SGP project may be undertaken at the country level without the approval of the NSC. As such, the NSC must do its best to ensure the technical and substantive quality of SGP grants, and the administrative and financial capacity, either actual or potential, of the CSO grant recipients. The UNDP RR, or his/her delegate, as well as other members of the NSC, are encouraged to provide any relevant information about these concerns, especially the financial and organizational integrity of CSOs. Operationally, the decisions of the NSC are considered final provided they are consistent with these operational guidelines, the SGP Project Document for the GEF Operational Phase and the Country Programme Strategy (or UCP Project Document). However, neither the NSC nor its individual members as programme volunteers, hold any legal or fiduciary responsibility for the SGP or its activities.

35. The selection of NSC members is normally done by the NC in consultation with the UNDP RR. For new country programmes, the NSC is often established as a result of a preparatory mission or in the initial stages of launching the programme. NSC members should have an abiding interest and commitment to working with communities and share a vision of what sustainable development and "thinking globally, acting locally" might mean in terms of linking the GEF focal areas with community needs and concerns. NSC non-governmental members must have high credibility and wide experience working with local communities and CSOs in the country and thus can represent their needs and

interests in committee discussions. Strong, experienced, and technically competent civil society representation on the NSC is crucial as a means of keeping the SGP responsive to its mandate to work with CSOs, CBOs and indigenous peoples. These members must also have the requisite knowledge of GEF Focal Areas and/or specific themes such as gender, sustainable livelihoods, and knowledge management. Governmental and donor agency members should hold positions relevant to the work of the SGP and at a level where they could make decisions on behalf of their agencies, particularly when assessing proposals which they are being asked to fund. NSC members on the whole must be able and willing to discuss constructively and develop consensus decisions. The NSC, together with the NC, is responsible for ensuring participatory, democratic, impartial, and transparent procedures for project review and approval, as well as all other aspects of programme implementation at the country level in accordance with the SGP Project Document for the relevant Operational Phase.

36. The composition of a newly established NSC is subject to ratification by the SGP Global Manager or the Global UCP Coordinator while subsequent appointments can be ratified by the responsible CPMT Regional Focal Point for global programme countries and by the Global UCP Coordinator for upgrading country programmes. In general, only one government representative on the NSC is required. However, depending on the circumstances, country programmes can have additional government representatives such as Convention focal points, although whatever the case, the majority of members must be non-governmental. The UNDP RR provides the appointment letters on behalf of the SGP.

37. NSC members usually serve for a period of three years. Each country or sub-regional programme must decide whether this term is renewable, and how eligibility for renewal is determined. In general, periodically inviting new members is a sound and healthy policy that brings new ideas and expertise to programme implementation, and roughly one quarter of NSC members may rotate in any given year. Changing the entire membership at any one time should be avoided.

38. Participation in the NSC is without monetary compensation. Travel expenses for project site visits or to NSC meetings can be covered by the SGP country operational budget.

39. NSCs adopt decisions under the principle of consensus and rarely resort to voting to determine whether a project is approved or a particular course of action is taken. To facilitate meetings, the NSC may decide to select its Chairperson(s) in the following way: (i) one of the most committed expert members to Chair for a particular period of time; (ii) members to chair meetings on a rotating basis to enhance each member's participation; and (iii) on a co-chair approach with government and non-government representation to promote civil society leadership and CSO-government collaboration which are institutional objectives of the programme.

40. The NC serves *ex officio* on the NSC, participating in deliberations, but not in decisions in the project selection process. The NC usually convenes the NSC and functions as its secretariat, including preparing minutes of meetings and maintaining a historical record of programme decisions and implementation. A copy of NSC minutes, signed by the members, and other pertinent material should be filed at the UNDP CO.

41. In as wide a consultation as possible with country stakeholders, the NC shall prepare a long list of possible volunteers to the NSC. From this, the NC in consultation with the UNDP RR prepares the list of NSC members to be nominated for approval by the SGP Global Manager by considering both the expertise and qualifications of the individual candidates, and the overall composition and balance of the committee. While certain institutions (the UNDP, and appropriate governmental ministry or agencies,

the NHI) must be represented in the NSC, members should also be chosen who as individuals, including from the private sector and donor community, would contribute significantly to the committee and the programme's various expertise needs (e.g. on GEF focal areas, sustainable livelihoods, gender considerations, communications, resource mobilization, capacity development). The NC, after due consultation with other NSC members of good standing and the UNDP RR, may recommend changes in the composition of the committee to CPMT if it becomes clear that a particular member's participation is not contributing to the programme.

42. The objectivity, transparency and credibility of the NSC is of paramount importance to the success of the Country Programme, and to maintaining good relations among stakeholders. As a general rule, Country Programmes cannot consider proposals associated with organizations of sitting NSC members. A CSO may nonetheless submit proposals when its representative has finished the term of service and is no longer on the Committee. On an exceptional basis, and under specified conditions pre-approved by CPMT or the UCP Global Coordinator, CSOs with members in the NSC can submit proposals.

Country Programme Strategy

43. Before any grant-making or other programme activities may take place, each SGP participating country must have an approved Country Programme Strategy or Sub-regional Programme Strategy (abbreviated here to CPS). The development/revision of the CPS is designed to ensure congruence with the SGP Project Document for the relevant Operational Phase; the strategic planning frameworks associated with the relevant Rio Conventions;⁴² as well as with the GEF National Portfolio Formulation Exercise (NPFE) where relevant.

44. For Upgrading Country Programmes, a standard UNDP-GEF Project Document is produced that reflects the Country Program strategy that is broadly coherent with the SGP Global strategic initiatives announced at the commencement of each Operational Phase. The Project Document is formulated after approval of the corresponding PIF and is approved by UNDP and the GEF CEO as per standard GEF and UNDP procedures. In the development of the Project Document, the same multi-stakeholder, participatory approach is followed as that of Country Program Strategy development.

45. For new SGP Country Programmes, the development of a CPS is one of the first tasks to be undertaken by the NC and newly-formed NSC. In both new and continuing SGP Country Programmes, it is important to involve key stakeholders in the CPS revision/elaboration process, and to fully engage and involve the NSC. In this regard, the CPS may be considered a living document, and shall be revised or updated in every operational phase of SGP, or as deemed necessary by the NSC, to align country programme priorities with GEF policies and priorities, and those included in the relevant SGP Project Document.

46. As described in the CPS Guidance framework, the development or revision of the CPS serves several broad purposes to:

- ✓ Identify the national circumstances and priorities of the country vis-à-vis the Project Document for the relevant Operational Phase;

⁴² These include the GEF National Capacity Self-Assessment (NCSA) process; the CBD National Biodiversity Strategies and Action Plans (NBSAPs); the UNFCCC National Communications; the UNCCD National Actions Programmes (NAPs); and the Stockholm Convention National Implementation Plans (NIPs).

- ✓ Provide stakeholders with a framework document to understand the priorities for SGP funding for strengthened country relevance and ownership;
- ✓ Provide a strategic framework for allocating resources, especially selection of SGP projects, through a bio-geographic and/or thematic focus;
- ✓ Serve as the framework for Country Programme operations and guiding programme implementation;
- ✓ Constitute the basis for the assessment of country programme achievements and impact.

47. The development/revision of the CPS (or UCP Project Document) should be undertaken as a participatory process that engages the full range of non-governmental and government stakeholders in the country. The CPS preparation should be seen not only as a document to satisfy global programmatic requirements, but as a country-led process which has value in its own right. The key players in the process are the NC (who facilitates the process, and is responsible for the majority of the drafting), and the NSC (which provides input and guidance throughout the process, and endorses the end product).

48. The CPS should contain: (a) background situation of the country which the SGP country programme has to consider; (b) key objectives vis-a-vis the country situation and the objectives of the global SGP Prodoc for the operational phase; (c) geographic (with maps) and/or thematic focal areas; (d) priority activities to be supported by grantmaking; and (e) expected outcomes, indicators, and M & E plan. For formulation of a UCP Project Document (ProDoc), the standard UNDP-GEF format is followed.

49. Recommended steps to developing the CPS or ProDoc are as follows:

- ✓ NC prepares an initial CPS or ProDoc draft for consultation with the NSC based on the current SGP Project Document or the approved PIF in the case of UCPs;
- ✓ Wide stakeholder consultations held with key CSO, government, academic and other concerned parties to discuss relevant issues (where possible, these consultations to be linked to the National Portfolio Formulation Exercise (NPFE) of the GEF in the country);
- ✓ Incorporation of stakeholder inputs into the draft CPS or ProDoc by the NC, and initial approval of the document by the NSC;
- ✓ Submission of the draft CPS to the CPMT Regional Focal Point for comment and review; draft ProDoc submitted to the UCP Global Coordinator for comment and review;
- ✓ Further CPS or ProDoc revision as necessary based on comments and recommendations by the CPMT or UCP Global Coordinator, respectively;
- ✓ Submission of the revised CPS or ProDoc by the NC for formal endorsement by the NSC;
- ✓ Final approval of the endorsed CPS by the SGP Global Manager, or delegated CPMT Regional Focal Point; final approval of the endorsed ProDoc by the UCP Global Coordinator and submission to the GEF for CEO Endorsement and to UNDP for approval;
- ✓ Posting and circulation of the final version of the CPS as a public document; posting of ProDoc on GEF Website.

Country Operating Budget

50. The Country Operating Budget or Sub-regional Operating Budget (abbreviated here to COB) is the financial provision for country, or sub-regional, programme implementation. The COB is prepared by the NC, and reviewed and approved by the CPMT and UNOPS. The COB should allow the effective operation of the country or sub-regional programme in implementing activities in support of the

objectives of the Project Document, as well as to be responsive to specific country circumstances and needs, as reflected in the CPS. In countries where a NHI hosts the SGP, the COB is generally covered by the terms of the contract for services between the organization and UNOPS. The COB process and related guidelines are highlighted in detail in the UNOPS SGP SOPs.

51. The budget for operations of Upscaling Country Programmes is approved as part of the Project Document and is subject to revision on an annual basis along with approval of Annual Work Plans and requests for annual Authorized Spending Limits. UNOPS, as executing agency, manages the budget in direct contact with the National Coordinator and in collaboration with the relevant UNDP Country Office.

Part III Implementation and Administration of SGP Grants

SGP grants and project cycle

52. Each SGP Country Programme should, after adopting or revising its CPS or Project Document, prepare and issue an SGP programme announcement. Information in the call for proposals should clearly state that the SGP makes grants to eligible CSOs⁴³, or to individuals, as in the case of fellowships, with priority for the poor and vulnerable in the GEF focal areas, with a maximum grant amount for a project of US\$50,000⁴⁴. The subsequent process of developing an SGP grant project should then take place in a transparent manner covering the: (i) project preparation guidelines setting forth the eligibility criteria; (ii) application/proposal review process and calendar; (iii) formats for project concept and proposal development, and; (iv) co-financing requirements in cash and/or in-kind.

53. Project concepts from eligible CSOs may be screened by the NC or jointly with the NSC. Each country programme should determine which screening modality it will follow, and periodically review this decision to make sure that the modality chosen is working well. In both cases, project concept selection should be done on the basis of established eligibility and selection criteria in accordance with the CPS or UCP Project Document. At the very least, project concepts should be relevant to one or several of the GEF focal areas and reflect the needs of the community or communities and/or stakeholders that would be involved. Once the concepts have been selected, the proponent organizations will be notified of this decision and asked to develop complete project proposals.

54. It is critical for all project proposals to meet the GEF and SGP criteria. While it is an important part of the NC responsibilities to assist CSOs in proposal development, sometimes, additional assistance is nonetheless required. In such cases, two options may be considered: (i) a local consultant may be hired or a capable “assisting NGO” may be contacted to help the CSO/CBO/communities according to terms of reference that the NC elaborates in coordination with the proponent organization; and (ii) the SGP planning grant modality may be used.

⁴³ The term civil society organization (CSO) herein refers to the definition of major groups agreed by Governments at the United Nations Conference on Environment and Development in 1992 to include non-governmental organizations (NGOs), farmers, women, the scientific and technological community, youth and children, indigenous peoples and their communities, business and industry, workers and trade unions and local authorities. For SGP, their eligibility for grants follows the practice of the GEF (for the purpose of CSOs attending/observing Council meetings) which defines them as ‘non-profit organizations’. Local authorities shall include traditional or indigenous governance units and their proposals to be eligible should refer to meeting the needs of communities under their jurisdiction. Furthermore, international NGOs and for-profit business and industry groups are not directly eligible for SGP support, but may co-finance the Programme’s grant projects. Priority grant-making should also be directed at grassroots groups such as community-based organizations (CBOs), indigenous peoples, farmers, women, youth and children, and workers. Those that are especially vulnerable because of poverty, social exclusion, or disability should also be provided priority.

⁴⁴ The SGP Country Programme could provide grants above this maximum amount for “Strategic Grants” that can be up to \$150,000 under a special provision for this category of grants and following guidance from CPMT or the Global UCP Coordinator as relevant.

55. In support of regional or global scaling up, mainstreaming, replication, and broader adoption of SGP successes and lessons learned, as well as to leverage resources and utilize strategic opportunities at these levels, grants for regional or global initiatives⁴⁵ can be provided. For the Global SGP, guidance for proactive or responsive modalities as well as procedures for this will come from the SGP CPMT in consultation with involved SGP Country Programmes and/or relevant Programme stakeholders and partners.

Planning Grants

56. The NC or NSC may authorize planning grants⁴⁶ once project concepts have been selected. CSOs such as CBOs, indigenous peoples' organisations and communities with little experience in project design and management receive priority to benefit from this assistance. Hence, the planning grant has an important capacity-building function which in itself is an important SGP objective. The NC makes recommendations to the NSC about which proponent organizations would require a planning grant.

57. A planning grant can be used by an eligible CSO to organize stakeholder workshops or meetings to design the project in a participatory manner. The planning grant can be used to contract an experienced NGO or local consultant to work with the project proponents to elaborate the project, to undertake baseline assessments, develop a business plan (for projects with strong sustainable livelihood elements), and through learning-by-doing, build capacity in proposal design including the development of indicators and a monitoring and evaluation plan.

58. Administratively, a planning grant is a grant like any other SGP grant, and therefore can only be made to eligible CSOs. The project document for the planning grant specifies the activities to be undertaken, and the responsibilities of the parties concerned. The NSC generally approves the planning grant, although the NSC can in certain instances also delegate approval to the NC for certain exceptional cases (e.g. time-sensitive activities, smaller amounts). The process follows the modus operandi of SGP facilitative grant-making and is explained in detail in the UNOPS SGP SOPs.

Project proposals

59. SGP provides grants to support activities that help achieve the programme objectives outlined in the CPS and the global SGP project document or the UCP Project Document for the Operational Phase. In terms of helping achieve global environmental benefits, the SGP's starting point is to ensure that each project proposal fits the GEF criteria and that each proposal clearly articulates how project objectives and activities would have a positive effect in the relevant GEF focal areas. To create sustainability and impact beyond the project, SGP projects can combine demonstration, capacity-building, network building, awareness raising, and dissemination of lessons learned as integral components. Given this comprehensive approach, while a logical framework is not formally required, it would be advisable to include a Monitoring and Evaluation work plan in each proposal (see SGP M & E Framework).

60. As a demand-driven programme, SGP projects endeavour to address both the GEF criteria, as well as community needs and initiatives. The SGP usually works with communities and localities that

⁴⁵ The allocated funds for this should not exceed 10% of the available GEF global core grant allocation for an operational phase.

⁴⁶ Planning grants are usually in the range of \$2,000 to \$5,000 depending on the capacity of the proponent and additional work that has to be done. The NSC should decide how to make the provision of planning grants in the most facilitative way such as allowing the NC to make planning grant decisions and reporting on these in NSC meetings.

confront a multitude of social and economic development problems that impact on concerns related to global environmental conventions. For SGP interventions to have relevance and utility at the community level, these non-GEF circumstances are taken into account in project design. A key guiding philosophy of the programme has been to reach the marginalized poor and vulnerable communities, especially when there are no other donors present, and where development baseline conditions have not been met. Typically, the SGP will therefore need to mobilize additional resources to help provide the co-financing, technical assistance, capacity-building, gender training, income-generation component, or whatever non-GEF element may be necessary for a project's success. These project components are vital to achieving local acceptance, ownership, and sustainability of SGP interventions.

Funds disbursement

61. The maximum amount for an SGP grant is \$50,000 per project.⁴⁷ In special cases, grants for “strategic projects” that consolidate efforts of several communities and CSOs could be provided at a maximum of \$150,000. SGP grants generally only cover a portion of project costs, with other components provided by the CSO partner, the community itself, or by other donors. Since SGP grants fund activities that are directly relevant to the GEF criteria, co-financing must be sought for community baseline or sustainable development needs. However, since it would be unrealistic to require a baseline/incremental cost exercise for each individual project, each country should instead endeavour to mobilize enough funding in cash or in kind to “match” the GEF country grant allocation⁴⁸.

62. Once the NSC has approved a project for SGP funding support, a Memorandum of Agreement (MOA) is signed on behalf of UNOPS between the grantee and the UNDP CO. SGP projects normally have a duration of between one and three years. The amounts and schedules may differ, contingent upon the nature and length of project activities, but in no case should the first disbursement be more than 50% of the total project grant amount (except when justified and prior approval from UNOPS has been received). The MOA and grant disbursement process, the applicable templates, and all related guidelines are found in detail in the UNOPS SGP SOPs.

63. A grantee may submit another proposal upon successful completion of an initial project but no grantee can receive funds exceeding US\$50,000 in a given operational phase. Any grantee that has received the maximum \$50,000 in one Operational Phase, may however submit another funding request in the following Operational Phase if the evaluation of project outcomes are positive.

Part IV Reporting and Communications

64. The NC has lead responsibility for communications between the Country Programme and the CPMT or UCP Global Coordinator. In general, the NC reports on substantive and technical matters to the CPMT or UCP Global Coordinator and on administrative and financial issues to the UNOPS portfolio manager. The NC should keep the UNDP CO informed of progress in programme implementation, usually through the RR and SGP focal point in the UNDP CO. In particular, the NC and PA are expected to maintain a close working relationship with the UNDP CO regarding the COB and grants disbursements, which serves to keep the UNDP abreast of SGP developments.⁴⁹ The NC should

⁴⁷ In many cases, it may however be advisable to provide smaller initial amounts when the grantee-partners have lower implementation capacity.

⁴⁸ The matching of GEF funds with co-financing is finally reckoned at the global programme level so as not to disadvantage new country programmes or those in difficult situations.

⁴⁹ SGP Country Programmes are required to monitor the funds (grants and COB amounts) and expenditures allocated to them. Reporting

also endeavour to share relevant SGP reports with the GEF Operational and Political Focal Points as well as global environmental convention focal points.

65. Communications among Country Programmes are facilitated through the global, regional, and sub-regional list servers, the SGP global database and workspace, and the SGP website. Recurring global reporting requirements, such as annual reports, are complemented by periodic requests by the CPMT, UCP Global Coordinator and/or UNOPS for information on specific subjects, such as reports under preparation for the GEF Council, or for the relevant global environmental conventions. Full guidance on all project and programme reporting is provided in the SGP Monitoring and Evaluation Framework.

66. SGP country teams are responsible for entering detailed information for all prior and current Operational Phases into the SGP database, including the upload of grant project MOAs. Since the database is the foundation for all reporting and communications at the global level, it is imperative that NCs and PAs input the database as soon as projects are approved by the NSC, and keep it regularly updated on the progress of projects. The SGP database and website also includes visual documentation of SGP projects and Country Programmes, accounts of lessons learned, and case studies. Project briefs should be stored in the files of every project for easy use and sharing.

67. The NC is required to report on technical and substantive project and programme progress through the Annual Country Report (GEF Project Implementation Review for UCPs). The ACR complements the information that is entered in the SGP database and should cover progress in meeting the year's deliverables as well as other important information including: (i) assessment of the overall progress for the country programme portfolio; (ii) results of project monitoring and evaluation; (iii) key outcomes of SGP-sponsored events; (iv) progress in strengthening working relationships with CSOs, as well as with government agencies and donors; (v) results of resource mobilization efforts; (vi) development of SGP visibility as a GEF programme and activities to share lessons learned and influence policy; and (vii) any special challenges and difficulties faced.

68. The NC shall take all necessary measures to ensure the visibility of the GEF financing. Such measures shall be in accordance with the need to give adequate publicity to the action being implemented as well as to the support from the GEF. A communication and visibility plan shall be outlined in each project document. This should include, *inter alia*, the compulsory use of the GEF logo on all material, publications, leaflets, brochures and newsletters, websites, business cards, signage, vehicles, supplies and equipment, display panels, commemorative plaques, banners, promotional items, photographs, audiovisual productions, public events and visits and information campaigns. The plan should also include press releases, press conferences and press visits to project sites.

69. The Programme Review is an overall assessment of the Country Programme performance to be undertaken by the NC and the NSC, in consultation with SGP grantees and other stakeholders, at the completion of an SGP Operational Phase. The purpose of the Programme Review is to assess the cumulative progress of the Country Programme in a particular Operational Phase and provide strategic recommendations on the direction for the programme in the next Operational Phase. Once finalized, the Programme Review should be shared by the SGP country team with the country GEF Operational and Political Focal Points and also the relevant Rio Convention focal points.

70. Audits of SGP Country Programmes will be conducted in accordance with the internationally accepted auditing standards, and applicable financial rules and regulations. The SGP audit exercises are designed to improve the transparency, accountability and quality of SGP country and global operations. The audits will cover management, financial, and administrative issues as they relate to the country programme as a whole, and will not normally include provisions for project-level inspection. The principles and processes governing SGP audit operations can be found in the UNOPS SGP SOPs.

Annex K: Co-financing letters (attached)

Annex L: Carbon mitigation calculations

Para los cálculos de las emisiones de carbón a la atmósfera en forma de CO₂e, se consideraron los siguientes parámetros derivados de la metodología utilizada por las autoridades ambientales de la región.

Para el Bosque tropical Subcaducifolio se estimó que la cantidad de carbón en el ecosistema es de aproximadamente 81 toneladas por hectárea. El monto de CO₂e consiguiente será para esta asociación vegetal de 296.46 toneladas en combustión perfecta.

De la misma manera, para el Bosque Tropical Sub-perennifolio se estimó que la cantidad de carbón en el ecosistema es de aproximadamente 143 toneladas por hectárea. El monto de CO₂e consiguiente será para esta asociación vegetal de 523.38 toneladas.

Para el Bosque Mesófilo la estimación de la cantidad de carbón en el ecosistema es de aproximadamente 150 toneladas por hectárea y el monto de CO₂e consiguiente de 549 toneladas.

La media de estas tres estimaciones es un parámetro conservador, y adecuado, para calcular el impacto mínimo de las actividades del PPD en relación a la mitigación del cambio climático. Es decir, el contenido medio de carbón en estas tres asociaciones vegetales es de aproximadamente 124.67 toneladas por hectárea y el monto de CO₂e consiguiente de 456 toneladas.

Para la Sexta Fase Operativa del PPD en México se espera tener proyectos comunitarios que actúen directamente sobre 42,000 hectáreas con cubierta vegetal para mitigar la emisión de CO₂ a la atmósfera en 19,163,760 toneladas de CO₂e.

Carbon storage indicator

For Climatic Change the principal impacts of the Mexican Small Grants Program (SGP) are the vegetal cover conservation and the stabilization of the agricultural and stockbreeding land border, avoiding the traditional use of fire in land preparation. It means the carbon usually emitted to the atmosphere will be maintained in the vegetal cover or in the soil. The associate variable is the amount of CO₂ equivalent emitted to the atmosphere.

For the calculation of the CO₂ emissions avoided, the project will use the algorithm formulated by the Australian Greenhouse Office⁵⁰ and adapted to the specific conditions of the SGP project area by the Mexican SGP Coordinator:

$$FBn_i = A'I_i - Bb_i - Cb - Bn$$

Where:

Fb_n_i= Flow of carbon associated with burning on-site for each forest type (i), excluding regrowth.

⁵⁰ Australian Greenhouse Office 1998: Workbook for Carbon Dioxide from the Biosphere, Workbook 4.2. pp 19-23. The Greenhouse Office, Australia.

A'_{1i} = Annual rate of clearing in the inventory year for each forest type (i), considering the possibility to have organic apiculture in sustainable certified forestry areas. If the apiaries are not in forestry areas, the clearing is not considered or substituted by the amount of wood extracted for the beekeepers or peasants in the area.

Bb_i = Is the aboveground biomass per unit area for each forest type (i) before clearing. Biomass estimates for each forest type vary widely because of the differences in growth with climatic and soil conditions and also because of the species composition within forest types. In the Mexican SGP for the biomass calculation were hypothetically considered compact forestall masses of homogeneous in size and species composition, with a size of 10 meters and a mean 250 individuals by hectare, and a wood density of 0,5 tons by cubic metre. But size and density must be defined for each apicultural micro region

C_b = Is the amount of carbon content of the biomass before clearing

B_n = Proportion of aboveground biomass burnt on-site. In the Yucatan Peninsula, forest burring for sown fields consumes practically all the biomass, but in other areas it is necessary to take into account the percentage of biomass not burnt.

SGP Mexico calculation of the CO₂ emissions from tropical forest burning

Variable	Value	Measurement Unite
Diameter	0.20	Meter
Length	10	Meter
Density	0.50	Tons by cubic metre
Volume	1.26	Cubic metre
Individual Biomass	0.63	Tons by individual
Forest density.	250	Individuals per hectare
Forest Biomass.	157.08	Tons per hectare
Carbon content	0.50	Constant IPCC defined
Forest carbon content	78.54	Tons per hectare
Combustion efficiency	0.70	Dimensionless
CO ₂ equivalent emitted	54.98	Tons per hectare

IPCC: Intergovernmental Panel on Climate Change