



**REQUEST FOR PROJECT PREPARATION GRANT (PPG)**  
**PROJECT TYPE: Full-sized Project**  
**THE GEF TRUST FUND**

**Submission date:** 25 August 2008

**Re-submission date:**

**GEFSEC PROJECT ID:**

**GEF AGENCY PROJECT ID:** 4147

**COUNTRY:** Chile, Peru

**PROJECT TITLE:** Towards Ecosystem Based Management of the Humboldt Current Large Marine Ecosystem

**GEF AGENCY(IES):** UNDP

**OTHER EXECUTING PARTNER(S):** IFOP, IMARPE

**GEF FOCAL AREA(S):** International Waters, Biodiversity

**GEF-4 STRATEGIC PROGRAM(S):** IW SP2; BD1, SP2

**A. PROJECT PREPARATION TIMEFRAME**

<b>Start date (expected)</b>	October 2008
<b>Completion date (expected)</b>	April 2008

**B. PROJECT PREPARATION ACTIVITIES (\$)**

**PPG activities:**

**1) Preliminary information gap and barriers analysis for further definition of project components**

The PPG will finance the collection and preliminary analysis of information on key aspects of the project in order to advance understanding of the HCLME dynamics, and relevant policy and institutional frameworks in both countries, in particular with regards to the fisheries sector and marine and coastal spatial planning. The focus will be on identification of information gaps and in undertaking a barrier analysis. The following information will be collected: i) Characterization of the variability of the HCLME in relation to fisheries; ii) Assessment of existing threats to the HCLME from land-based activities in Chile and Peru: sectoral analysis identification and prioritization of major drivers; iii) Detailed assessment of barriers to effective management of proposed off shore sites in Chile; iv) Detailed assessment of barriers to effective establishment of the System of Guano Islands, Isles and Capes in Peru; v) Characterization of the governance structures, including relevant legal and institutional frameworks, and conditions for the fisheries sector in each country; vi) Analysis of effectiveness of existing monitoring measures for fisheries and protected areas at the local, national and transboundary levels; vii) Analysis of the existing policy and regulatory framework in both countries to preliminarily define options for promotion of market based mechanisms throughout the fisheries process, from harvesting to transformation and marketing; and viii) Analysis of relevant ongoing programmes and initiatives in both countries by governments and other stakeholders.

**2) Selection and design of pilot projects**

PPG funds will be used to collect and analyze baseline data on the proposed pilot projects that will be undertaken in Chile and Peru, in order to refine criteria for structuring the intervention strategies. Specifically, the following information will be collected: i) Analysis of effectiveness of management of protected areas at the local, national and transboundary levels (METT); ii) economic and financial assessment of the MPA system (benefits of PAs and potential cost recovery options); iii) Analysis and characterization of the relevant legal and institutional frameworks for marine-coastal protected areas in each country; iv) Identification and analysis of local, national and global environmental benefits to be

derived from pilots; v) Final identification of pilot sites in Peru based on a suite of criteria, including globally significant BD, threat levels, and existing potential for improved efficiency, and vi) stakeholder consultations on selection of pilot projects in both countries.

**3) Assessment of capacity needs and institutional strengthening for development and application of tools and mechanisms for ecosystem-based management of the HCLME**

PPG resources will be used to define how the project can most effectively support the capacities of relevant government agencies in both countries, including IFOP, IMARPE, the Ministries of the Environment and other key government institutions to generate and use integrated information systems and other tools to support decision-making processes within an inter-sectoral framework. The following PPG activities will be undertaken: i) Stakeholder analysis at regional, national and sub-national levels, including private sector, civil society and academic institutions; ii) Stakeholder capacity analysis in relevant government and private sector institutions, including the artisanal sector, in order to identify gaps and capacity building needs for ecosystem-based management; and iii) Corresponding definition of priority areas and alternative strategies for institutional strengthening in key government and partner institutions. Based on this, a capacity building component of the FSP will be designed and a stakeholder involvement plan and strategy will be prepared.

**4) Monitoring and evaluation for EBM and biodiversity conservation indicators for addressing barriers and monitoring project impact**

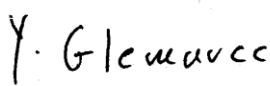
The PPG will evaluate the robustness and effectiveness of current monitoring and evaluation systems (both government and non-government) as the basis for proactive adaptive management strategies to track project impacts and measure BD conservation trends and fisheries management, and establishment of foundational capacity for EBM over the long-term. Activities will include: i) Evaluation of current IFOP, IMARPE, NGO and others' M&E systems to measure living marine resource harvesting impacts on BD and effectiveness of existing MPAs and enforcement systems; ii) Development of key site-specific project indicators and their baseline values, and a monitoring strategy of BD benefits as well as a suite of IW indicators (process, stress reduction and environmental status); iii) Validation of the set of outcomes, outputs and activities based on a logical framework analysis, and the analysis of the thematic studies including indicators and quantified targets; iv) Formulation of project M&E plan, including baseline analysis, and v) Learning and replication strategy.

<b>Project preparation activities</b>	<b>GEF Grant</b>	<b>Co-financing</b>	<b>Total</b>
Preliminary information gap and barriers analysis for further definition of project components	26,500	35,000	61,500
Selection and design of pilot projects	20,000	15,000	35,000
Assessment of capacity needs and institutional strengthening for development and application of tools and mechanisms for ecosystem-based management of the HCLME	15,000	9000	24,000
Monitoring and evaluation for EBM and biodiversity conservation indicators for addressing barriers and monitoring project impact	13,500	16,000	29,500
<b>Total project preparation financing</b>	<b>75,000</b>	<b>75,000</b>	<b>150,000</b>

**C. PPG BUDGET REQUESTING FINANCE BY GEF**

Cost Items	Total Estimated Person Weeks (PW) for GEF component	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants	48	62,000	30,000	92,000
International consultants			11,000	11,000
Travel		5000	14,000	19,000
Activity coordination			5,000	5,000
Consultation fora		8000	9,000	17,000
Information and logistics			6,000	6,000
<b>Total PPG Budget</b>		75,000	75,000	150,000

**D. GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.	
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Position Titles	\$/ Person Week	Est. PWs	Tasks to be performed
<b>Local</b>			
Fisheries expert with EBM experience, preferably in HCLME	1,500	9	<ul style="list-style-type: none"> <li>• Characterization of the variability of the HCLME in relation to fisheries at various scales: seasonal, inter-annual, decadal, inter-decadal;</li> <li>• Analysis of lessons learned in both countries in management of living marine resources within the constraints and impacts of ecosystem variability</li> <li>• Analysis of historical trends in catch levels for key species</li> <li>• Analysis of the inter-linkages between commercial species and associated biodiversity both in the high seas and in near shore areas, in particular trophic interactions</li> <li>• Characterization of governance structures and conditions in the fisheries sector in both countries</li> <li>• Analysis of the relevant legal and institutional frameworks for fisheries management</li> <li>• Analysis of the social and economic development context of the fisheries sectors in Peru and Chile</li> <li>• Analysis of effectiveness of existing monitoring measures at the local, national and transboundary levels in the fisheries industry</li> </ul>
Environmental Threats Analyst	750	8	<ul style="list-style-type: none"> <li>• Assessment of existing threats to the HCLME from land-based activities in Chile and Peru: sectoral analysis identification and prioritization of major drivers; analysis of regulations and enforcement measures</li> <li>• Characterization of vulnerability of living marine resources to anthropogenic threats</li> <li>• Review and costing of baseline activities for threats abatement</li> <li>• Definition of baseline value for key indicators</li> <li>• Identification of key ongoing or planned programmes and initiatives by government agencies, NGOs, private sector and other stakeholders, as well as leading ongoing scientific and research activities, relevant to threats abatement</li> <li>• Definition of potential co-financing sources</li> </ul>

Institutional, Stakeholder and Capacity needs expert	1,250	6	<ul style="list-style-type: none"> <li>• Review of existing stakeholder analyses undertaken through other projects and agencies to prepare a mapping of relevant resource users and stakeholders at regional, national and sub-national levels, including private sector, civil society and academic institutions</li> <li>• Mapping of emerging institutional structures in both countries given the recent establishment of the Ministries of the Environment</li> <li>• Analysis of operational and technical capacities in relevant government and private sector institutions, including the artisanal sector, in order to identify gaps and capacity building needs for ecosystem-based management</li> <li>• Formulation of recommendations for priority areas and strategies for institutional strengthening in key government and partner institutions.</li> <li>• Undertake initial awareness surveys on EBM</li> <li>• Facilitate consultations with stakeholders including dialogues as necessary</li> <li>• Formulation of a stakeholder involvement plan and strategy</li> </ul>
Protected area specialist (s) *	1,250	10	<ul style="list-style-type: none"> <li>• Analysis of institutional framework for management of protected areas, with specific focus on gaps and adaptations required for management of marine and nearshore PAs</li> <li>• Analysis of the existing policy and regulatory frameworks at national and local levels to support effective management of marine protected areas in Peru</li> <li>• Analysis of effectiveness of existing monitoring measures at the local, national and transboundary levels for protected areas</li> <li>• Economic and financial assessment of the MPA system (benefits of PAs and potential cost recovery options including from industrial and artisanal sectors, tourism sector, biodiversity benefits)</li> <li>• Estimation of costs for operation of MPAs</li> <li>• Application of METT to pilots</li> <li>• Identification and analysis of local, national and global environmental benefits to be derived from selected pilot sites</li> <li>• Support the process of selection of pilot sites in Peru based on a suite of criteria, including globally significant BD, threat levels, and existing potential for improved efficiency</li> <li>• Stakeholder consultations on selection of pilot sites in both countries</li> </ul>
Market Development Specialist	1,500	8	<ul style="list-style-type: none"> <li>• Analysis of the existing policy and regulatory framework in both countries to preliminarily identify opportunities that could assist in promoting market based mechanisms throughout the fisheries process, from harvesting to transformation and marketing and address deficiencies. Assess linkages to issues including by-catch and pollution;</li> <li>• Analyze key financial and technical barriers that impede or present opportunities to establish market-based mechanisms for</li> </ul>

			<p>specific fisheries</p> <ul style="list-style-type: none"> <li>• Identify key barriers to and opportunities in internal (e.g. promotion of human consumption of target species) and international markets for establishment and promotion of market-based mechanisms</li> <li>• Map potential partners and preliminarily define partnership-building strategies that could be explored in the FSP</li> <li>• Present recommendations on activities that the project could undertake to develop these mechanisms</li> <li>• Advise on costing of expected project outcomes and outputs</li> </ul>
Environmental M&E Specialist	1,500	7	<ul style="list-style-type: none"> <li>• Review and structure existing data and methodologies for development of key outputs; site-specific indicators for baseline studies as well as project indicator monitoring strategy for BD and social benefits;</li> <li>• Define how these can be appropriately adapted to the scope, scale and needs of project stakeholders and implementer;</li> <li>• Define baselines for key indicators</li> <li>• Deliver overall orientation to PPG team in relation to GEF logic and information requirements;</li> <li>• Detailed formulation of incremental cost matrices;</li> <li>• Final review and definition of strategic workplan and cost-efficiency analysis.</li> <li>• Provide support in the review of terminology and design of project documentation</li> </ul>

\* Tender process will determine whether one or two specialists are required