



Sustainable Production Systems and Conservation of Biodiversity (P145621)

LATIN AMERICA AND CARIBBEAN | Panama | Agriculture Global Practice |
Global Environment Project | Investment Project Financing | FY 2015 | Seq No: 10 | ARCHIVED on 20-Feb-2019 | ISR35555 |

Implementing Agencies: Ministerio de Ambiente (MIAMBIENTE), Ministerio de Economía y Finanzas

Key Dates

Key Project Dates

Bank Approval Date: 09-Feb-2015

Effectiveness Date: 04-Feb-2016

Planned Mid Term Review Date: 30-Mar-2018

Actual Mid-Term Review Date: 10-Apr-2018

Original Closing Date: 30-Dec-2019

Revised Closing Date: 30-Dec-2019

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The proposed global environmental objective is to conserve globally significant biodiversity through improved management effectiveness of the project protected areas and biodiversity mainstreaming in the buffer zones.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Sustainable Management of Protected Areas:(Cost \$15.16 M)

Biodiversity and Sustainable Productive Landscapes:(Cost \$6.81 M)

Knowledge Management, Training, and Communications:(Cost \$5.17 M)

Project Management:(Cost \$1.83 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Satisfactory
Overall Risk Rating	● Moderate	● Moderate

Implementation Status and Key Decisions

The SPSCB/SPSBC Project continues to make good implementation progress with activities under all components well underway or already completed. This assessment is based on the findings of the implementation support mission conducted from December 10 to 14, 2019. The Project (totaling around US\$28.97 million with a GEF co-financing of US\$9.59 million) is focusing on a total of 12 protected areas (PAs) and their respective buffer zones in the Atlantic and Central-Eastern parts of the country. Activities are taking place in seven provinces (Bocas del Toro, Coclé, Colon, Chiriquí, Los Santos, Panama y Veraguas), two comarcas (Guna Yala and Ngabe-Bugle) and two indigenous peoples' territories (Bribri and Naso-



Teribe). Key progress achieved so far include: i) over 431,000 hectares of land brought under enhanced biodiversity conservation; (ii) certification work underway for more than 1,200 hectares that include cocoa, plantain, and coffee plantations; (iii) the establishment of the planned Endowment Fund (US\$9.6 M) to support sustainable management of PAs as part of a window of the fully operating Fund for Water, Protected Areas and Forest; (iii) implementation of the National Biodiversity Information and Monitoring System (SNIMBD) in 6 of the 8 PAs targeted; (iv) 21 subprojects supporting income-generating and biodiversity-friendly production and marketing system implemented by producer associations; (v) completion of key analytical work and studies (such as the one on Financing Gap of the National Protected Area System) and (vi) completion of priority activities of environmental plans in 2 municipalities of the six targeted (with work underway in the remaining four). To date, the number of direct beneficiaries of SPSCB exceed 112,600. Disbursement level in December 2018 under the SPSCB stood at 77.3 percent for the GEF Grant.

The Project has less than 12 months until its closing on December 30, 2019 to complete the activities and subprojects remaining. This is doable if the accelerated pace of execution recorded since late 2017 is maintained. Over the coming months, MiAMBIENTE and the Project Implementation Unit will be developing the project completion report as well as a plan to better ensure the sustainability of the subproject investments in the post-project period. The next implementation support mission is scheduled for June/July 2019.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Moderate	● Moderate
Macroeconomic	--	● Low	● Low
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	--	● Moderate	● Moderate
Fiduciary	--	● Moderate	● Moderate
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Moderate	● Moderate
Other	--	● Low	● Low
Overall	--	● Moderate	● Moderate

Results

PDO Indicators by Objectives / Outcomes

Conserve globally significant biodiversity through improved mgmt effectiveness of Protected Areas				
►Areas brought under enhanced biodiversity protection (ha) (Hectare(Ha), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	362,817.00	431,817.00	550,000.00
Date	01-May-2014	10-Apr-2018	14-Dec-2018	30-Dec-2019
Comments:	78 percent of the end target. Project activities implemented to enhance biodiversity protection include: training of park rangers in 12 protected areas (with delivery of Park Ranger Diploma); demarcation (overall mapping of the territory including physical identification and signaling) to support the monitoring			



systems of three PAs; scientific monitoring to update the documentation regarding biodiversity; and strengthening of Park Ranger offices with equipment for fire monitoring and control; among others. Final progress with this indicator will be assessed using the final application of the GEF-Tracking Tool around the time of project closing in December 2019.

Conserve globally significant biodiversity through biodiversity mainstreaming in buffer zones

►Landscapes certified by internationally or nationally recognized environmental standards that incorporate biodiversity considerations (ha) (Hectare(Ha), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	78.00	1,200.00
Date	01-May-2014	10-Apr-2018	14-Dec-2018	30-Dec-2019
Comments:	6.5 percent. Limited change with this indicator despite good progress with the certification process currently underway for products that include cocoa, coffee and plantain plantations and covering around 1300 Ha. In coordination with the Ministry of Agriculture and a partner private agency, a detailed action plan to is underway to directly support the completion of the process before closing. Because of the nature of the certification processes (e.g., organic, rain forest, fair trade, green seal) that is lengthy and time-consuming, the completion of these processes with the final obtaining of the certifications for at least 1200 hectares is expected during the second half of 2019 before closing.			

Intermediate Results Indicators by Components

Sustainable Management of Protected Areas				
►Endowment fund to support sustainable management of PAs established and operating (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	90.00	100.00	100.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	100 percent of the end project target. The Trust Fund for Water, Protected Areas and Forest Life (also known as the Super Fund) was established on July 11, 2017 through Executive Decree 69 with the Endowment Fund (EF) to enhance the sustainable management of PAs as one of its windows. The initial capitalization of the EF has been made effective and already received contributions in a total amount of US\$7.5 Million (US\$4.3 M from the government and US\$2.7 from the private firm AES) and well exceeding the initial target of at least US\$3.5 M. The disbursement conditions for the GEF contribution (US\$1.5 M) met in late August 2018 and the transfer of the US\$1.5 M made effective on Oct 25, 2018. The EF has been fully operating since the last quarter of 2018.			
►Number of operating concessions for administration or services to support the management of 3 PAs (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	3.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	66 percent of end target. After some delays, two concessions under Ecotourism schemes are now in place (with NGO Vision Verde in National Park Omar Torrijos and University of Panam in National Park Altos de Campana). Potential for two additional ones are under consideration (Volcan Baru and Omar Torrijos national Parks).			
►Number of PAs where the SNIMDB is implemented (Number, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	6.00	6.00	8.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	75 percent of the end target. With work for the implementation of National Biodiversity Information and Monitoring System (SNIMDB) to be conducted during the first half of 2019 in four additional PAs (fauna monitoring in Nargana, demarcation and signalization consultancy for San San Pon Sak Wetland, National Park Cerro Hoya and Forest Reserve Fortuna) it is expected that a total of 10 PAs will be incorporated in the SNIMDB by the end of the Project.			
Biodiversity and Sustainable Productive Landscapes				
►Producer association groups implement at least 30 sub-projects (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	22.00	21.00	30.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	70 percent of the end target. It was confirmed during the mission that 21 subprojects are currently under implementation by producer groups for the promotion of agroforestry systems (e.g. improvement of cocoa farm production through the implementation of good agricultural and environmentally friendly practices, using organic fertilization, natural shade harvesting, increased productivity to stop expansion of the agricultural frontier, etc.). 9 additional subproject are expected to start implementation in February 2019. The second batch of subprojects are short-term investments and technical assistance expected to be completed by the end of the project.			
►Two business alliances with buyers for marketing of biodiversity-friendly products are established (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	4.00	2.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	200 percent of the end target. Business partnerships established with COCABO and COOBANA, cooperatives dedicated to the export of organic cacao (Swiss market, USA, other European countries) and organic banana (German market). Two new additional partnerships are also in place for commercialization with domestic supermarkets: APRE (organic coffee) and GORACE (organic horticulture and fruits).			
►Number of municipalities that have implemented activities in their environmental plans (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	3.00	6.00
Date	01-May-2014	10-Apr-2018	14-Dec-2018	30-Dec-2019
Comments:	50 percent of the end target. 3 municipalities have completed activities of their Environmental Plans (Boquete, Renacimiento and Tierras Altas) as part of the implementation of their joint ecotourism subproject "Circuito del Café". Furthermore, two other municipalities (Bolega and San Lorenzo in addition to Boquete) are currently implementing activities of their joint ecotourism sub-project "Corredor Biológico Altitudinal". It is also anticipated that four additional municipalities (Capira, Chame, Mariato and Ola) will initiate and complete by mid-2019 similar activities of their municipal environmental plan recently adopted.			
►Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	62,355.00	112,667.00	80,000.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	141 percent of the end target of 80,000 (revised upward from 48,450 during the April 2018 MTR). The current beneficiary population is the result of implemented project activities in the Municipalities of Capira and Chame, and based on the current status of implementation of productive sub-projects and other project activities in project intervention areas.			
Female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	45.00	45.00	50.00
Knowledge Management, Training, and Communications				
Number of outreach or educational activities to promote the benefits of biodiversity and the public's role in conservation (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	37.00	45.00	50.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	150 percent of the original end target of 30 and 90 percent of the revised end target of 50. Based on the current status of implementation of outreach activities and the additional ones under preparation, the end-target has been revised upward from 30 to 50 during the MTR.			
Analysis of financial gap for the entire PA system published (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	The study is currently being finalized (the final report is expected by the end of February 2019). A draft version of the report was presented during the mission; preliminary estimates indicate that the financial needs of the PAs under a basic management scenario are approximately US\$16.7 million per year and goes up to US\$27.4 million for an optimal management. The current financial allocation covers 40 percent of basic needs and the Endowment Fund could have the potential to cover an additional 30 percent.			
At least one biodiversity-friendly product (i.e., coffee, cacao, orange, or banana) receives bio-labels and/or denomination of origin. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	1.00	1.00
Date	01-May-2014	31-Oct-2018	14-Dec-2018	30-Dec-2019
Comments:	100 percent of the end target. Original target achieved through the certification of 78 hectares of organic coffee per Organic Panama certification in the province of Chiriqui and Veraguas was achieved.			

Data on Financial Performance

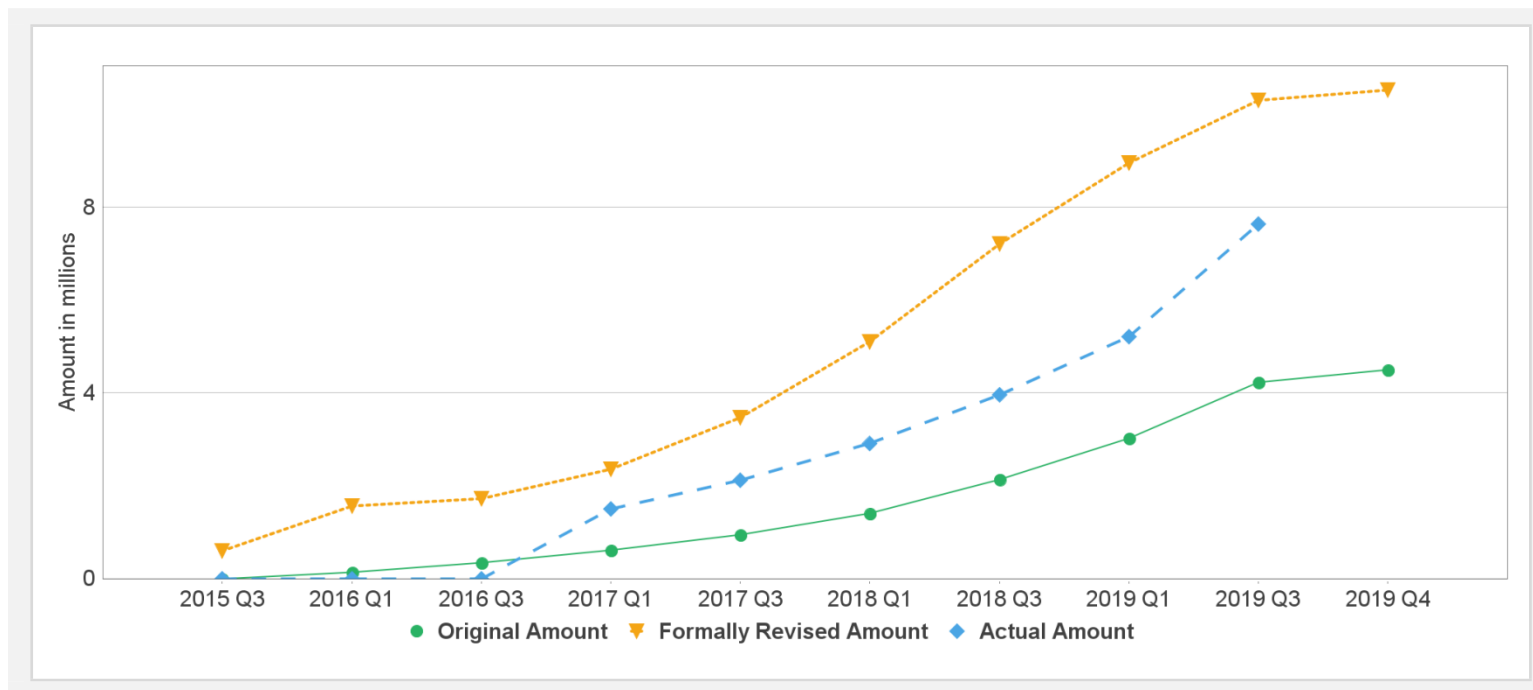
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P145621	TF-18972	Effective	USD	9.59	9.59	0.00	7.63	1.96	80%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P145621	TF-18972	Effective	09-Feb-2015	09-Jul-2015	04-Feb-2016	30-Dec-2019	30-Dec-2019

Cumulative Disbursements



Restructuring History

Level 2 Approved on 21-Jul-2015

Related Project(s)

There are no related projects.