



Inter-American Development Bank

FY2007

GEF Annual Monitoring Review

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I. PORTFOLIO OVERVIEW

The 2007 IDB Annual Monitoring Review (AMR) includes 3 ongoing full sized projects (FSP) (two in BD and one in IW) within Latin America and the Caribbean region, that began implementation on or before June 30, 2006 and were under implementation for at least some part of FY 2007 (July 1, 2006-June 30, 2007).¹ None of these projects have gone through midterm evaluation or operational closure.

The total amount of GEF funds allocated to these projects under implementation is \$13,5 million (including PDF grants). In terms of distribution by focal area, 60% is allocated to the projects within the BD focal area and 40% to the project within the IW focal area. As of June 30, 2007 \$300,000 is committed and \$1,500,000 has been disbursed to the projects within the BD focal area and \$25,000 is committed and \$550,000 has been disbursed to the project within the IW focal area.

II. CONTRIBUTIONS OF PROJECTS TOWARDS FOCAL AREA STRATEGIC PRIORITIES

A. BD Strategic priorities

The BD focal area projects have contributed to the following strategic priorities under GEF-3 cohort:

- i) SP1: Catalyzing sustainability of protected areas. Contribution through consolidation of ecosystem management and biodiversity conservation of the Bay Islands in Honduras including elaboration and implementation of management plans for protected areas with local stakeholder involvement. This has also included the establishment of an innovative environmental tariff to ensure sustainability of the decentralized management scheme for the protected area system.
- ii) SP2: Mainstreaming biodiversity in production landscapes and sectors. Contribution through development and implementation of capacity-building strategies in sustainable cultural land use planning in indigenous communities in six eco-regions in Central America. 465 communities have received training and local institutional development plans and business plans for sustainable use of biodiversity are being implemented.

B. IW Strategic priorities

The IW focal area project has contributed to the following strategic priorities under GEF-3 cohort:

- i) Priority B. Expand global coverage of foundational capacity building addressing the two key program gaps and support for targeted learning. Contribution through training and other capacity building measures to expand on the foundational

¹ One other FSP in BD (Regional (El Salvador, Guatemala y Honduras) Integrated Management of the Montecristo Trinational Protected Area) and one FSP in CC (Regional (Mexico, Brazil, and Panama) Clean Tech Fun) have been approved, however their implementation started after June 30, 2006.

capacity of the Gulf of Honduras region and establishment of a transboundary data and information management system of the environmental quality and status of the Gulf, a maritime body and adjacent watersheds directly linked to the health of the Mesoamerican Barrier Reef System (MBRS).

- ii) Priority C. Undertake innovative demonstrations for reducing contaminants and addressing water scarcity. Contribution through the development of replicable demonstration projects to reduce contaminant loads to the marine environment focusing on issues such as shipping safety, port and harbor operations, watershed management, and integrated coastal planning and management.

III. RISK ASSESSMENT

A. Implementation performance

BD. The implementation ratings of the projects are MS. The most significant positive factors are institutional strength of some of the co-implementing local organizations (LO). The most significant negative factors are: slow procurement processes; turnover of personnel in the Project Coordination Unit, key governmental institutions and project participating municipalities; difficulties in setting up the network for project implementation between the Project Coordination Unit and LO in regional projects covering several countries in terms of identifying LO with sufficient institutional capacities and incentives for their participation. Lessons learned: stronger emphasis on identifying, involving and committing LO during project preparation in regional projects. 100% of the projects report marginally satisfactory implementation performance.

IW. The implementation rating of the project is MS. The most significant positive factor is, that the countries have shown commitment and ability to sort out start up barriers and to strengthen the project management setup. The most significant negative factors are weak project management structure and delays in the establishment of the Regional Project Coordination Unit associated with difficulties in recruitment and contracting of specialists delaying the start up of components. These delays were, among other factors, caused by changes of government and key personnel in the host country of the Regional Project Coordination Unit.

B. Likelihood of achieving environmental objectives

BD. The global environmental/development objective ratings of the projects are S. Despite starting up difficulties progress has been made in achieving local ownership by NGOs and private sector and commitment and endorsement of the project from new key personnel in government institutions. 100% of the projects report marginally satisfactory or above.

IW. The global environmental/development objective rating of this project is S. The Project shows strong probability of reaching the objectives among others because of the commitment to the project activities shown by environmental and maritime transportation authorities.

C. Project effectiveness delays

BD. The average elapsed time from CEO Endorsement to start of implementation is 10.5 months. The factors causing the delays have been key personnel turnover in government institution, difficulties in setting up the Project Coordination Unit and institutional arrangements in each country participating in regional projects.

IW. The elapsed time from CEO Endorsement to start of implementation was 10 months. The factors causing this delay were changes in governments and key personnel in the involved institutions complicating the establishment and functionality of the trinational institutional framework.

D. Other performance issues

Communication, transportation infrastructure, and access to beneficiary communities are among the more challenging obstacles, making planning and executing activities difficult and expensive in projects working at the community level. Weak institutional capacities at the community level are also an obstacle in many cases. Even designing activities to strengthen these capacities has proved to be difficult. On the other hand, the involvement of community level organizations is likely to improve, as the project gets further into its execution phase, due to improved understanding of the objectives and scope of the Program among local actors and as benefits at the community level are expected to accrue.

At the institutional level, the involvement in the execution of different organizations with different views and objectives often causes the decision process to be slower than expected.

IV. PROGRESS ON ACTIONS THAT EFFECT PROJECT RESULTS

A. Actions to achieve sustainability

None of the projects are at-risk at this point of not achieving sustainability of project benefits. As an example of actions to achieve sustainability, a new Law introducing an entrance fee for visitors to the archipelago was enacted in January 2007 in Bay Islands. Considered to be a major milestone of the project, this new Law will set aside revenues to be used exclusively to ensure the sustainability of the decentralized institutional framework for environmental management, pollution control measures and the operational costs for protected area management. Another example from Gulf of Honduras is the recent progress achieved in the promotion of the Gulf as a Particularly Sensitive Sea Area (PSSA) under the International Maritime Organization and with the collaboration of the Mesoamerican Hydrographic Commission (MAHC). This is a declaration that would result in significant progress in achieving project sustainability.

B. Replication

It is still too early in the execution to evaluate the impacts in terms of replication. None of the projects are at-risk at this point of not achieving replication. Examples of replicable models developed and promoted as part of the BD projects are: institutional arrangements for integrated ecosystem management involving traditional knowledge and land use practices of indigenous communities; and decentralized and participatory biodiversity conservation models. The IW project develop and promote replicable demonstration projects to reduce contaminant loads to the marine environment, focusing on issues such as shipping safety, port and harbor operations, watershed management, and integrated coastal planning and management. One of the key criteria for demonstration project funding is a clear definition within the proposal of the potential for replication of the lessons learned and the best practices developed from the project. Replication is greatly enhanced through the involvement of regional maritime organizations such as COCATRAM. COCATRAM is committed to promote sharing of lessons learned and best practices developed from this project through its regional network of coastal states in Central America.

C. Adaptive management

In order to strengthen project management operational indicators have been developed together with an improved monitoring system.

FSP and MSP in implementation submitted to AMR 2007 and GEF-3 cohort expected dates for midterm and final review:

Project title	GEF ID	Implementation rating	Global environmental/ Development rating	Expected date midterm review	Expected date final review
BD					
Consolidation of ecosystem management and biodiversity conservation of the Bay Islands (Honduras)	1515	MS	S	March 2008	November 2010
Integrated ecosystem management in indigenous communities (Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama)	1092	MS	S	February 2008	December 2009
IW					
Environmental Protection and Maritime Transport Pollution Control in the Gulf of Honduras (Honduras, Belize, Guatemala)	936	MS	S	February 2009	November 2011

Quarterly Disbursement FY 2007

GEF ID	Name of the Project	Disbursement responsibility	Date Quarterly Report	Disbursed Amount
1515	Consolidation of ecosystem management and Biodiversity conservation of the Bay Islands	Country Office of Honduras	Dec-04	
	PDF-B Resources			\$ 319,376
			Oct-06	\$ 700,000
			Jan-07	\$ 700,000
			Apr-07	\$ 760,000
			Jul-07	\$ 883,000
1092	Integrated ecosystem management in indigenous communities	Country office of Costa Rica	Apr-05	
	PDF-B Resources			\$ 347,889
			Oct-06	\$ 808,000
			Jan-07	\$ 839,000
			Apr-07	\$ 882,000
			Jul-07	\$ 998,000
963	Regional (Belize, Guatemala, Honduras): environmental protection and maritime transport pollution control in the Gulf of Honduras	Country office of Honduras	Jul-05	
	PDF-B Resources			\$ 536,209
			Oct-06	\$ 250,000
			Jan-07	\$ 250,000
			Apr-07	\$ 322,000
			Jul-07	\$ 400,000

Table 2. List of Projects Submitted for AMR 2007

GEF ID	Focal Area	Region	Country	Project Title	Project Start Date	Intended Closing Date	Expected Closing Date	Project Size	Total Project Cost	Total GEF Funding	PDF Funding (if any)	Overall DO Rating (Objective)	Overall IP Rating (Outcome)	Project at Risk Rating
1515	BD	Latin America	Honduras	Consolidation of ecosystem management and biodiversity conservation of the Bay Islands	Dec 2004	Dec 2010	Dec 2011	FSP	\$16,620K	\$2,500K	\$320K	S	MS	N/A
1092	BD	Latin America	Regional (Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama)	Integrated ecosystem management in indigenous communities	Sep 2005	July 2010	July 2010	FSP	\$49,585K	\$9,000K \$5,000K (IDB part)	\$700K \$350K (IDB part)	S	MS	N/A
963	IW	Latin America	Regional (Honduras, Belize, Guatemala)	Environmental Protection and Maritime Transport Pollution Control in the Gulf of Honduras	Feb 2006	Dec 2011	Dec 2011	FSP	\$11,850K	\$4,800K	\$550K	S	MS	N/A

Table 3. List of Projects Under Preparation

GEF ID	Focal Area	Region	Country	Project Title	Work Program Inclusion	Expected CEO Endorsement Date	Expected Project Start Date
2687	BD	Latin America	Guatemala	Improved Management Effectiveness of the Mayan Biosphere Reserve	June 2007	January 2008	March 2008
2688	IW	Latin America	Regional (El Salvador, Honduras, Nicaragua)	Integrated Ecosystem Management of the Gulf of Fonseca	June 2007	March 2008	April 2008
2881	BD	Latin America	Costa Rica	Marine and Coastal Ecosystem Management and Conservation in Puntarenas	December 2008	April 2009	August 2009
2790		Caribbean	Dominican Republic	Integrated Management of the coastal and marine zone of the Samana region	²		
3532	BD	Latin America	Colombia	Protecting Biodiversity in the Southwestern Caribbean Sea	January 2008	April 2009	November 2009
3548	BD	Latin America	Ecuador	Marine and Coastal Biodiversity Conservation	April 2008	October 2009	February 2010
3005	BD	Latin America	Regional (Mexico, Costa Rica, Colombia, Ecuador, Brazil)	Conserving Biodiversity on Private lands in Latin America	April 2008	October 2009	February 2010
	LD	Caribbean	Haiti	Integrated Management of the Upper Parts of Priority Watersheds in Haiti	April 2008	June 2009	October 2009
	CC	Latin America	Chile	Energy Efficiency	April 2008	October 2009	February 2010
	BD	Latin America	Colombia	Promoting the Sustainability of SERAP Macizo	April 2008	October 2009	February 2010

² Presentation for Work Program Inclusion is pending a decision from the Government of the Dominican Republic on restructuring BD projects presented under the RAF.

GEF ID	Focal Area	Region	Country	Project Title	Work Program Inclusion	Expected CEO Endorsement Date	Expected Project Start Date
		America					
	BD	Latin America	Regional (Honduras and Nicaragua)	Sustainable Management and Combat of Deforestation in Central American Pine forests	November 2008	April 2010	July 2010
	IW	Latin America and Caribbean	Regional (countries of the wider Caribbean Basin)	Caribbean Revolving Fund for Wastewater management	November 2008	April 2010	July 2010
	CC	Latin America	Costa Rica	Urban and Cargo Sustainable Transport	July 2008	January 2010	May 2010
	LD	Latin America	Bolivia	Quechua Community-based Land Management in the Altiplano	November 2008	April 2010	July 2010