



Management Response to the Midterm Evaluation Report

Project title	Securing the Future of Peru's Natural Protected Areas (Amazon Sustainable Landscapes Program)
GEF ID / WWF GEF ID	GEF PMIS Number: 9374 (Child Project ID); 9272 (Program ID)
Evaluation completion date	November 2021

Copy of MTE evaluation provided to:	GEF Secretariat, OFP, PMU, project partners
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Introduction

This management response presents feedback from the WWF GEF Project Agency to the GEF regarding the Mid Term Evaluation report for the project, "Securing the Future of Peru's Natural Protected Areas". This feedback has been prepared by the WWF GEF Agency, in collaboration with the Project Management Unit (PMU) at SERNANP, the Project Technical Executing Agency. The management response clarifies some inaccuracies of the MTE report that were not adequately addressed by the Evaluation Team (ET) and presents a follow-up Action Plan to respond to the key MTE recommendations. The WWF GEF Agency looks forward to continuing working with the Lead Executing Agency on further improving an already promising project.

Part I. Accuracy of the MTE Report

Clarifications to inaccuracies and gaps identified in the MTE report include:

- **Page 3 wrongly lists GBMF, AAF, WWF, and GCF as project executing partners.** GBMF, AAF and WWF are project co-financiers. GCF is not yet an executing partner or a project co-financier (there is a GCF project proposal under preparation that would support PdP but it hasn't been approved yet).
- **Page 14 includes a statement of the limitations the ET (Evaluation Team) encountered while implementing the assignment, a statement with which the PMU and WWF GEF Agency don't agree.** The ET mentions "...the lack of guidance on the information provided by the PMU and the GEF Agency team" as one of the limitations of the assignment. The PMU and the WWF GEF Agency team explained the information collected in the shared folder and were available for clarifications.
- **Page 17 presents information for the PdP financial model that is incorrect.** The analysis presented is outdated and doesn't correspond with the current financial model, which has

improved with respect to the previous version. This was noted to the consultancy team, but the ET did not update the paragraph nor include information on the recent financial model update exercises (PdP cost model was updated in 2020 and PdP financial model was updated in 2021 – information included in the project progress reports shared with the ET).

- **The assessment of the Implementing Agency performance didn't take into consideration the broad range of supervision and technical assistance roles the Agency performs** (provide technical advice and support technical aspects of the project, gender, safeguards and financial management; monitoring and reporting, etc.). Page 43 rates the role of WWF-GEF performance during project implementation as marginally satisfactory. The only justification provided is that *"they seem not to have noticed that - although the Prodoc refers a participation approach for stakeholders – the project did not explicitly develop it and instead adopted SERNANP's approach. The same applies for the limited inter-sectoral and inter-agency interaction, which were identified as barrier in the Prodoc, yet not given much attention by the project."* The agency does not agree with this statement. Challenges on intersectoral coordination, specifically with regard to the project FMs, have been identified and discussed with the PMU and SERNANP during project meetings and supervision missions. Those discussions are reflected in meeting minutes, and project progress reports (documents shared with the ET).
- **Several stakeholders reported difficulties understanding the questions the ET asked during interviews.** Other key project stakeholders reported not to have been contacted by the ET. We note the difficulties of a remote evaluation in the time of a pandemic, but the PMU and the GEF Agency did make suggestions for improving the interviews that were not considered by the ET.
- **The ET was not able to provide an analysis of whether the financial mechanisms proposed by the project would support the diversification of SERNANP's portfolio and fulfill project commitments under the PdP Initiative,** even if this was an important aspect of the evaluation. The ET also didn't assess the status of the new financial monitoring system in SERNANP that coordinates directly with the EMMA system of PROFONANPE.

Part II. Follow-up Actions to Recommendations done by the MTE report.

	Specific Recommendations	Response and Priority	Response Actions	Time-frame	Entity responsible
	<i>Specific recommendations listed below</i>	<i>Do you agree/disagree? What priority would you place on the recommendation (low, medium, high)?</i>	<i>Indicate what actions should be taken in response to the recommendation. Insert new rows if you list multiple actions.</i>	<i>Indicate the deadline for each action to be completed.</i>	<i>Indicate who must carry out the action.</i>
1.	It is recommended to explicitly develop a participatory methodology , which can start from the systematization of the experience itself, complemented with lessons learned, that serve as a guiding axis for all those who have a role within the Project.	Agree. High priority.	The project participatory strategy is indicated in the ProDoc, under the Stakeholder Engagement section. However, for improving the clarity and detail of this strategy, the PMU, with support from WWF GEF Agency, will develop a stakeholder engagement action plan, indicating key stakeholders and stakeholder engagement activities, per Component and Outcome, to be implemented until the end of the project. This will include, but won't be limited to: <ul style="list-style-type: none"> - Facilitation of the sustainable finance table for SINANPE'S Master Plan update. - Intersectoral and interinstitutional coordination platforms associated to each FM proposed by the project. - Collaboration with relevant projects (see 11) that work on FM. - Local stakeholder engagement activities at NPA level. 	Stakeholder engagement plan to be developed during the second quarter of 2022.	PMU with support from WWF GEF Agency.

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2.	Prioritize the support to the preparation process of SERNANP's Strategic Plan that anchors PdP to its strategies and policies, among others by advocacy talks with SERNANP management on its relevance and urgency and through the facilitation of intersectoral and inter-agency consultation tables.	Agree but already happening. Medium priority.	The update of SINANPE'S Master Plan is not responsibility of the project, but of SERNANP. It is a process the project has been partially supporting from its inception, by providing technical assistance to the sustainable financing aspect of the Master Plan. The project will continue to support this process, facilitating the effectiveness management and sustainable finance table that is expected to be operative at the beginning of 2022. The project will support the integration of PdP's sustainable finance objectives in the new SINANPE'S Master Plan.	Sustainable Finance Table will be operative in the second quarter of 2022.	PMU under SERNANP'S guidance.
3.	Prepare and adopt at Government level, a Sustainable Financing Policy, incl. Protected Areas System Sustainable Financing Strategy and roadmap to enable articulation of Financial Mechanisms across sectors and increase scalability of FMs. The development of the Sustainable Financing Policy as well as the Protected Areas System Sustainable Financing Strategy should be prioritized together with the revision and updating of the Protected Areas Master Plan.	Disagree.	The preparation of a Sustainable Finance Policy including a Protected Areas System Sustainable Financing Strategy and roadmap goes beyond the mandate and scope of the project. However, the PMU and WWF recognize the need for SERNANP to have a clear roadmap on financial mechanisms , that establish priorities at the national and amazon levels with clear objectives and activities. The PMU can provide support to the Financial Sustainability UOF in SERNANP to define a roadmap on financial mechanisms. In the context of SINANPE'S Master Plan update, there is an opportunity to incorporate strategic sustainable finance approaches at the PA system level, as stated in (2). In this context, the project will facilitate the Sustainable Financing Table and will continue to lobby for an integration of PA sustainable financing approaches in the strategic planning of the whole PA system.	SINANPE'S MASTER PLAN update will continue in 2022. Meeting to discuss SERNANP'S FM priorities and feasibility of supporting new FMs, during the Annual Support Mission, at the end of February 2022.	Sustainable Finance UOF PMU WWF GEF Agency

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4.	There is an urgent need to establish and strengthen coordination that transcends beyond the PA network actors , i.e. establishment of inter-institutional coordination and dialogue platforms that include institutional actors such as Ministry of Economy Finance, Ministry of Environment, Ministry of Foreign Trade and Tourism, Ministry of Mining and Energy, Ministry of Agriculture and its agencies the National Water Authority (ANA) and the Forest Service (FORNANP).	Agree, but only in the aspects under the project's responsibility. High Priority.	<p>The coordination and engagement with project stakeholders until the end of the project will be detailed in the stakeholder engagement plan referred to in (1).</p> <p>The project will promote the coordination with other institutional actors relevant for the project activities, especially with actors relevant to the project FMs and local actors at the NPA level. This coordination will be done for each specific FM, and under the guidance and leadership of SERNANP management and the SF UOF.</p> <p>As presented under (2), in the context of SINANPE, the PMU will facilitate the effectiveness management and sustainable finance table in which some of the suggested institutions will be represented. This will be a very good opportunity to promote the inter-institutional coordination suggested.</p>	Stakeholder engagement plan to be developed during the second quarter of 2022 (see 1.)	PMU with support from WWF GEF Agency.
5.	Consider to combine the review of the ToC of GEF6-PdP with that of the wider PdP Initiative as both are practically serving the same objective (with the difference that GEF6-PdP focusses on the development of some specific FMs and the support to the 4 pilot NPAs). The same could apply for the review of the M&E plan of the GEF-6 PdP and the UC-PdP, making M&E more consistent and its results better comparable.	Agree but already happening. Medium priority.	The project PMU and the UC-PdP work together and have periodic coordination meetings. The GEF 6 Project contributes to the overall PdP strategy and is part of PdP overall ToC. The UC-PdP participates and contributes to the GEF 6 project TOC reviews and participates in the supervision meetings of the GEF 6 project.	-	-

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6.	<p>Strengthen the implementation of the existing communication plan and the visibility of successful cases, as a decisive factor in increasing the commitment of the stakeholders.</p> <ul style="list-style-type: none"> - Upscale inter-institutional and inter-sectoral communication and public awareness activities on sustainable financing, financial mechanisms, value of natural capital. - “Improve the fluid communication channel between the project technical team and the beneficiaries, disseminate the achievements of the GEF6 Project- PdP, share the lessons learned from the GEF6-PdP Project for the effective management of the ANP. 	<p>Agree and already planned.</p> <p>High priority.</p>	<p>A new marketing and communications specialist, that will work specifically on the promotion and facilitation of the project FMs, will join the PMU in 2022. The specialist will work, amongst others, on developing and implementing the communication strategy for each FM and on supporting inter-institutional and inter-sectoral communication and public awareness activities on sustainable financing.</p> <p>The 4 NPA’s heads participate in the annual supervision missions, and the project will organize specific sessions with them during those supervision missions. Further presentations of the project, using appropriate and friendly language, will be done to the NPA management committees. This could happen annually, when the METTs are assessed in each NPA.</p>	<p>New marketing and communications specialist will join the PMU in second quarter of 2022.</p>	<p>PMU</p>
7.	<p>Analyze the cost-effectiveness of the support approach for each of the 4 beneficiary NPAs considering the achievement of the reduction of the financial gap as well as the replicability at the level of other NPAs.</p>	<p>Agree.</p> <p>Medium priority.</p>	<p>The project identified a long list of potential FMs. From that list, prefeasibility assessments in Year 2 supported an initial selection of FMs to be supported by the project. Criteria for selecting the FM included not only cost-effectiveness criteria, but also technical and political feasibility criteria.</p> <p>WWF and the PMU agree on the need to promote national FM that have an impact on reducing PdP financial</p>	<p>Meeting to discuss SERNANP’S FM priorities and feasibility of supporting new FMs, during the Annual Support Mission, at the</p>	<p>Sustainable Finance UOF</p> <p>PMU</p> <p>WWF GEF Agency</p>

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			gap. The PMU will assess the political and technical feasibility of supporting additional national FMs that could have a bigger impact in reducing this financial gap, and that weren't supported yet by the project due to technical / political reasons.	end of February 2022.	
8.	Establish the “business case” for investments in conservation and nature protection, and to showcase the value of natural capital (human health, life and culture, economic sustainability), which is to be achieved by setting up relevant environmental and ecosystems accounts framework and conduct ecosystems services valuation studies on PAs and related areas of intervention, to showcase their economic importance for local communities, and for general national welfare.	Agree, but already happening. Medium priority.	A review of PA economic valuation studies (including Peruvian and LAC studies) was carried out by project in Y2. Findings and lessons learnt from the reviewed valuation studies are informing the design of the financial mechanisms supported by the project. The information from this review will also be also used by the communication specialist to build key messages in communication materials to influence perceptions of the general public and decision making of key project stakeholders (see 6). Additionally, specific economic valuation assessments are done in the context of each FM development, to inform the design of each financial mechanism supported by the project.	-	-
9.	The focus of financial mechanisms needs to be on FMs that are innovative and outside traditional revenue streams (e.g. decrease reliance on tourism) to diversify revenue streams and increase financial resilience. It is important to effectively operationalize the	Partially agree. High priority.	WWF and the PMU agree on the need to promote national FM that have an impact on reducing PdP financial gap. Those don't need to be necessarily innovative but need to generate and diversify revenue and effectively facilitate closing the system financial gap, in the long term. The PMU will assess the political feasibility of supporting additional national FMs that could have a bigger impact in reducing the financial gap of the system, and that	Meeting to discuss SERNANP'S FM priorities and feasibility of supporting new FMs, during the Annual Support Mission, at the	Sustainable Finance UOF PMU WWF GEF Agency

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	FMs so that income is effectively generated, reducing the financial gap, and relevant lessons can be learned in view of upscaling intentions and sharing and promotion of the concepts with decision makers. It is thus essential that not only protocols for FMs are developed, but that these are sufficiently tested in practice and validated with relevant stakeholders and independent experts, before they are promoted for multiplication.		<p>weren't supported yet by the project due to technical / political reasons.</p> <p>In parallel, the PMU will continue working on existing financial mechanisms, that have, perhaps, smaller financial impact but are less risky, politically, to increase its impact and efficiency, with the objective of promoting sustainable and gradual revenue increases.</p> <p>The PMU will document the experiences on developing and implementing FMs and will disseminate lessons learnt.</p>	end of February 2022.	
10.	Increase the capacity of the project to support increasing national awareness on the value of natural capital, and to deal with the rather complex structure and context of developing financing mechanisms, sustainable financing processes, and the operationalization thereof (which is the very core of the project), it is recommended to (for the remainder of the project) include in the PMU additional full-time senior economic expertise on: sustainable financing,	Agree. High priority	<p>As presented in (6), a new marketing and communication specialist will join the PMU in 2022, to support the implementation of the project FMs.</p> <p>There is the need to strengthen the Sustainable Finance Unit (SF UOF) at SERNANP. This is the unit that has been created to lead the work on FMs and, in part, is responsible to continue the project activities, once the project has finished. The unit needs to complete hiring its staff and requires a clear definition of roles and responsibilities and good coordination mechanisms with the PMU and the Uc-PdP. Related to this, as presented in (3), there is the need to have a clear roadmap, approved by SERNANP, on the work on financial mechanisms.</p> <p>Additionally, once there is clarity on the political feasibility of pursuing other potential national financial</p>	<p>New marketing and communications specialist will join the PMU in second quarter of 2022.</p> <p>Senior political advisor could be hired in the first semester of 2022.</p> <p>Meeting to discuss SERNANP'S FM</p>	<p>Sustainable Finance UOF</p> <p>PMU</p> <p>WWF GEF Agency</p>

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	ecosystem valuation, ecosystem services assessment, natural capital accounting.		mechanisms, the PMU could hire a senior political advisor to help facilitate high level lobby and coordination between relevant institutions, such as Ministry of Tourism, Ministry of Finance, ANA, etc. to support the project work on national FMs.	priorities and feasibility of supporting new FMs, during the Annual Support Mission, at the end of February 2022.	
11.	Critically reflect on the results, outputs, outcomes, and products developed in previous projects implemented in Peru during the last 15 years (see for example section 3.2.2 on Coherence), as there are many relevant projects that touch upon the very essence of the PdP, as well as include several FMs that have been tested and tried.	Partially Agree. High priority.	<p>An analysis of lessons learnt by previous projects was done during the PPG phase, three years ago, and informed the design of the project. It is part of the ProDoc.</p> <p>However, WWF and the PMU agree it is important to establish coordination mechanisms between active projects working on related sustainable financing topics to establish synergies. From the project list identified by the ET, a preliminary analysis done by the PMU has identified 4 of them as projects that are relevant to the financial mechanism work the project is conducting. Further coordination will be sought with the following projects:</p> <ul style="list-style-type: none"> - Proyecto Amazonia Resiliente - Eba Amazonia - Bases para un Gestión efectiva en el Parque Nacional Yaguas - BIOFIN Peru <p>Meetings and interviews with focal points from those identified projects will be organized to present the GEF 6</p>	The PMU will review the 4 mentioned projects and will integrate lessons learnt in the development of the 4 financial sustainability strategies of the 4NPAs.	PMU

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			project, learn from the other projects, and identify opportunities for collaboration.		
12.	It is recommended to provide the project with a budget neutral extension of 6 month or one year (length depending on the situation by that time), so that there is more chance for the project to finalize its products, to provide the necessary TA and training and to validate and share its experiences.		The PMU and WWF GEF Agency will discuss this proposal during the Annual Support Mission, to be held at the end of February, 2022.	Annual Support Mission. February 2022	PMU WWF GEF Agency