



2013 Annual Project Review (APR)

Project Implementation Review (PIR) OF UNDP Supported GEF Financed Projects

PIMS 4147 - Project Title: Towards Ecosystem Based Management of the Humboldt Current Large Marine Ecosystem

Focal Area	International Waters
Lead RTA	Mr. Jose Troya
Lead Country(ies)	(CHI) Chile(PER) Peru
Revised Planned Closing Date	31-Mar-2016
Overall Risk rating	High
Overall DO rating	Satisfactory
Overall IP rating	Moderately Satisfactory
GEF grant amount disbursed so far	1,407,763

Project Summary

The Humboldt Current supports one of the world's most productive LMEs, representing approximately 18-20% of the global fish catch and hosting globally significant biodiversity which has led to its designation as a WWF Global 200. High environmental variability in the HCLME has significant impacts on ecosystem productivity and trophic structure. In addition, a range of anthropogenic activities are exerting pressure on this unique ecosystem. In order to provide for long-term ecosystem resilience, the two countries propose to advance towards ecosystem-based management of HCLME by: i) formulating a strategic long-term planning framework for the identification and prioritization of actions needed to preserve and maintain HCLME ecosystem benefits and services through endorsement of a SAP that includes a plan for a system of MPAs of the HCLME; ii) implementation of a number of in-situ interventions (pilots) that validate differentiated management approaches and targeted responses (Outcome 4); iii) priority interventions for effective multi-disciplinary management of the HCLME delivered by developing coordinated fisheries management collaboration experiences, specific MPA management tools and legislation, and common MPA management strategies for up-scaling lessons from the pilots (Outcome 3); and, iv) link the strategic instruments developed under Outcome 1 and the tools for upscaling and advancing the priority interventions under Outcome 3 by strengthening capacities for implementing the strategic planning frameworks by both public and private sectors, including through advancement of market-based mechanisms (Outcome2). The executing agencies will be IFOP and IMARPE, in Chile and Peru, respectively.

UNDP-GEF Technical Advisor's Comments

Explanation for change to Overall DO Rating or Overall IP Rating:

Is this the terminal PIR that will serve as the final project report? No

If the mid-term review (MTR) OR the terminal evaluation (TE) was started but not completed this reporting period, please explain how these are progressing and note if any delays are expected:

MTR was completed after this reporting period in August 2013.

If the mid-term review (MTR) OR the terminal evaluation (TE) was completed this reporting period, or if this is the final APR/PIR, please address the following points here: N/A

UNDP Country Office's Comments

If the mid-term review (MTR) OR the terminal evaluation (TE) was started but not completed this reporting period, please explain how these are progressing and note if any delays are expected: N/A

If the mid-term review (MTR) OR the terminal evaluation (TE) was completed this reporting period, or if this is the final APR/PIR, please address the following points here: N/A

Dates of Project Steering Committee/Board meetings during reporting period:

The PSC meeting to approve the AOPs 2012 and 2013 was held 4th May 2013, just before this reporting period.



Technical Working Group: Causal Chain Analysis - Chile



Technical Working Group: Causal Chain Analysis - Peru

PROGRESS TOWARD DEVELOPMENT OBJECTIVES

Description	Description of Indicator	Baseline Level	Target Level at end of project	Level at 30 June 2009	Level at 30 June 2010	Level at 30 June 2011	Level at 30 June 2012	Level at 30 June 2013
Ecosystem-based management in the HCLME is advanced through a coordinated framework that provides for improved governance and the sustainable use of living marine resources and services	Agreement on and understanding of the ecosystem-level issues of the HCLME as they relate to management of living marine resources (LMR) and biodiversity conservation.	Concerns relative to management of HCLME LMR limited to main shared commercial fishery stocks and impacts of environmental volatility	Countries agree on the scope and priority of ecosystem level issues & develop interventions to address them in the SAP including management of shared fisheries from an EBM perspective				Agreement reached with Chile and Peru re implementation of new TDA-SAP guidelines as part of the TDA-SAP development process. Technical working groups are in the process of being established. This is the start point leading to this main objective.	The TDA-SAP process was advanced via the elaboration of 5 NOAA thematic studies for both Chile and Peru with associated problem analysis at both local and national levels as inputs for Causal Chain Analysis (CCA) workshops in Chile (July 2013) and Peru (May 2013). During the CCA process possible solutions to the problems were registered and these form the start point for the SAP development. Currently the thematic studies are to be combined into an Ecosystem Diagnostic Analysis (EDA) for both Chile and Peru prior to a bi-national and therefore transzonal EDA = TDA.
	Increase in the % of fisheries management decisions that are based on integrated information on multi-specific criteria and multi-disciplinary parameters, including natural and ENSO-related variability	Both Chile and Peru use single stock criteria for fisheries management, responses to ENSO are not precautionary but reactive_x000D_ Note: A management decision matrix will be defined in year 1of project for monitoring this indicator_x000D_	The shared anchovy fishery is managed using multi-specific criteria & multi -disciplinary parameters At least 50% of the decisions in management matrix include multi-specific criteria and multi-disciplinary parameters				The marine boarder dispute between Peru and Chile is about to enter the 'verbal' phase at the Hague. Following the verbal presentations from both countries in December 2012 the judges will take approximately 6-months to pass their judgment. Once deliberation has taken place, the Court will issue a majority opinion. Individual	Unfortunately the International Court of Justice did not issue its decision on the marine border dispute in July 2013 as previously planned. The decision will be forthcoming after the ICJ summer recess sometime in September or October 2013. Until that time the work on the standardization of the anchovy straddling stock cannot continue as requested by the Peruvian Ministry of Foreign Affairs. In preparation for the start of the work ToR have been drafted and approved for two activities so that they can start as soon as the marine border dispute is solved: reproduction indices and standardization of sampling techniques.

							judges may issue separate opinions (if they agree with the outcome reached in the judgment of the court but differ in their reasoning) or dissenting opinions (if they disagree with the majority). No appeal is possible, though any party may ask for the court to clarify if there is a dispute as to the meaning or scope of the court's judgment. Hence it is expected that by August 2013 at the latest the issue will be solved thereby allowing project activities to continue without restrictions related to the shared anchovy stock which straddles the marine boarder.	
	Increased area of priority coastal, coastal-marine and marine habitats in Peru & Chile that are under some form of legal protection that contributes to biodiversity conservation.	Country & Habitat Area ha. Peru: Coastal 216,409 Marine 118,591 Chile: Seamounts MPA* 0 Seamounts VME** 0 *Marine Protected Area **Vulnerable Marine Ecosystem (VME)	Country & Habitat Area (ha.) Peru: Coastal 395,867 Marine 130,491 Chile: Seamounts MPA* 8,300 Seamounts VME** 507,000 *Estimated by 1.5 m round seamount apex **Under increased protection through VME protocol and fishing regulations; area				Peru's coastal National Reserves now amount to a total of 630,556ha in three main parks: San Fernando National Park, Guano Islands, Isles and Capes National Reserve and the Paracas National Park (the latter is the oldest and the other two came into being	The new Fisheries Law in Chile published officially 09.02.2013 establishes that Vulnerable Marine Ecosystems like seamounts and Canyons are protected from fishing activities. This means that 118 registered seamounts in Chile although not all declared MPAs do indirectly have this status. The Project's METT contemplates an area of 4,300 hectares for each seamount hence a total area of 507,400ha are now protected. A proposal for a large (1 million hectares) Multiple Use Marine Protected Area

			estimated as per MPA x # of seamounts				after the project document was signed, hence an additional 295,500ha of National park of which the coastal strip amounts to a marine Protected Area). Chile is currently studying sensitive areas including seamounts and canyons with a view to establishing additional Marine Protected Areas. The project is preparing to initiate work at all pilot sites with activities involving all stakeholders. The Chilean pilot site are has not been visited by the Regional Coordination Unit staff as the Islas Juan Fernandez are difficult and expensive to get to. The Islands will be visited in the Southern summer when sea conditions in the area just North of the 'Roaring (strong westerly winds found in the Southern Hemisphere) improve.	surrounding the Juan Fernandez Islands has been submitted by a group at the University of Concepcion Chile. In Peru three new MPAs have been proposed and are awaiting official approval.
	Increase in the number of certifiable fisheries	The necessary conditions for certifying a fishery are	At least one fishery has the necessary elements				The Regional Coordination Unit has worked at all of the	On 15th April 2013 the project organized a fisheries certification workshop in Valparaiso Chile. The two main certification options

		not yet in place	for certification				<p>Peruvian pilot sites and at one, in San Andres Pischo, has identified a small artisanal anchovy fishery landing fish for direct human consumption. The fishing association requested assistance with the possibility of Marine Stewardship Council http://www.msc.org/ certification. The start point for this process is a pre-assessment during which an evaluation assesses the likelihood that the fishery can comply with the stringent requirements and acquire the prestigious sustainable fishery certificate. This process will be finalized before the end of 2012.</p>	<p>(Marine Stewardship Council MSC and Friend of the Sea) were presented amongst other niche market options to a large number of stakeholders. The Juan Fernandez Rock Lobster Fishery will be assessed for possible MSC certification in 2013. MSC pre-certification work for a small number of artisanal anchovy boats was completed in Paracas Peru. The latter highlighted continued governance problems with the nationwide anchovy fishery management indicating that changes to the way the fishery is managed are required before applying for full MSC certification. MSC recently introduced more stringent certification requirements for species low trophic level fish species like the anchovy. Work is also progressing with other project partners like WWF and TNC regarding other possible target species for certification in both Chile and Peru.</p>
	% increased awareness in identified target groups, of the benefits of applying EBM	% awareness of a defined number of target groups to be determined in the first 6months of the project	30% increase from the baseline value for each target group				<p>Increased awareness of the benefits of applying Ecosystem Based Management (EMB) methodologies for coastal ecosystem protection has been promoted by the delivery of two trainer of trainer courses one</p>	<p>In both Chile and Peru the EBM concept has been promoted at pilot sites and other locations along the length of the Humboldt Current. This has been carried out via local training courses during Environmental Risk Evaluation studies with community groups in both countries at the pilot sites and within the Peruvian Master Plan development for the Guano Island and Capes National Reserve. Questionnaires delivered before and after the</p>

							each in Chile and Peru. A core group of trainers has been formed to deliver follow-up courses in their own institutions. Similarly the project will repeat the courses for stakeholders at the pilot site areas.	training and working group sessions have shown that the inputs have increased knowledge by an average of 30%
Planning and policy instruments for ecosystem-based management (EBM) of the HCLME are agreed and in place at regional and national levels	A Strategic Action Plan (SAP) developed based on up- dated ecosystem information and with an EBM approach is approved by both countries at the highest levels	There is currently no common planning process or definition of priority actions Limited understanding of EBM	Complete SAP is endorsed at the highest levels by both countries				The Strategic Action Plan (SAP) is the end product of a combined analysis Transboundary Diagnostic Analysis (TDA-SAP) with the former listing the major problems faced by the Large Marine Ecosystem and the latter designed to solve these by means of binational and national policy modifications. The project is currently at the stage of identification of TDA-SAP working groups in both countries.	The TDA-SAP process started in September 2012 with the piloting of the new IW:LEARN TDA-SAP guidelines via a training course delivered by IW:LEARN to Chilean and Peruvian experts. Following the training at TDA-SAP kick-off meeting the project contracted consultants to elaborate 5 thematic studies in both countries as a means of analyzing the state of the HCLME and the threats to the delivery of goods and services. The thematic studies (following the NOAA Modular Assessment) identified and prioritized a list of problems some of which are transboundary in nature. Subsequently a Causal Chain Analysis (CCA) workshop further developed the problem list along with suggested mitigating actions. These actions will form the start point for the SAP development after Ecosystem Diagnostic Analyses have been produced for both countries (September 2013) and the TDA (December 2013). The target is to have the SAP approved at the end of 2014.
	National Action Plans (NAPs) developed within the SAP framework and approved in each country	There are no national plans to prioritize actions for HCLM management. Existing plans are sector	NAPs approved at the highest level in each country				National Action Plans have not as yet been drafted.	To date no National Action Plans have been developed apart from the New Fisheries Law in Chile and modifications to the Fisheries Law in Peru both of which are designed to promote sustainable fisheries. The Chilean

		based						Fisheries law establishes the concept of Vulnerable Marine Ecosystems which are now protected from fishing efforts as in the case of the 118 seamounts in Chilean waters.
	% of the priority actions identified in plans that have secure financing: (a) regional level in SAP (b) national level in the NAP	(a) 0 (b) Peru =0 Chile =0	(a)40% (b) Peru =60% Chile =60				Activities related to the funding of priority actions have not yet started. However the RCU is in contact with a mix of public and private entities in order to examine a public-private-partnership style management set-up for coastal marine protected areas.	As the SAP has not been developed yet and the NAPs are related to Fisheries Laws no funding mechanisms have been identified and put in place. Private sector funding has been provided for MSC pre-certification work and the Regional Project Coordinator has attended a workshop in Chile (18-19 April 2013 see back to the office report) with the David and Lucile Packard, Walton and Oak foundations. As yet these foundations have not defined exactly how they will provide funding to help habitat conservation within the HCLME.
	Existence of short, medium and long-term targets for marine & coastal habitat conservation	National protected area system strategies do not have specific targets for coastal marine conservation	NPAS identify priority to reduce habitat representativity gaps and have specific targets & implementation strategies				Currently Peru does not have a comprehensive zoning approach for its marine and coastal areas, in the context of developing baseline data and establishing priority site development. This work will start this year with SERNANP. At Isla Juan Fernández (a region with one of the highest levels of endemism in the world), the Pontificia Universidad Católica de Chile is working in association with the local fishers union to	The project is working closely with SERNANP in Peru to develop a Master Plan for the Guano Islands and Capes National Reserve (RNSIIPG). To date 15 workshops have been held in 2013 to establish a 2033 vision for the National Reserve (NR), management committees at both local and central levels, and a series of stakeholder mapping and consultation processes designed to improve the protection of both land and marine areas within and adjacent to the NR. In Chile the process has focused on the Juan Fernandez Islands and a proposal to establish a Multiple Use Marine Protected Area of 1 million hectares. This proposal is currently undergoing the approval process in the Ministry of the Environment Chile. The Chilean government aims to protect 10% of representative marine habitats in the mid-term with the recently approved Salas y Gomez Islands MPA 150,000km ² 3% of the

							establish via Management and Exploitation Areas (MEAs) a no-take zone and an exclusive fishing-right area around the no-take zone. The major threat to local endemic species at Isla Juan Fernández is the increased fishing efforts by industrial fleets	nation's marine area is under MPAs. In Peru the area is much less at 0.2% however all the MPAs within the 4,016km ² protected areas are coastal.
	Number of sectors represented and level of officials that participate in the national inter-sectoral committees	To be measured in yr 1 as NIC do not yet exist	The numbers of sectors represented and levels when NIC are first formed, are maintained and strengthened throughout the project				The project has set up two National Intersectoral Committees (NIC); one each in Chile and Peru with around 50 institutions represented in each. The NICs have been instrumental in the stakeholder led design of the 2012-13 project work plan.	National Intersectoral Committees operate in both Chile and Peru. They assist with the work plan development process, attend EBM promotion and Ecosystem Risk Evaluation events and have participated in a wide range of Project activities. To date all sectors are represented – however the Energy& Mines and Tourism sectors have fewer members than the artisanal fisherfolk and academic institutions. Numbers remain steady at >50 in each country.
Institutional capacities strengthened for SAP implementation and for up-scaling pilot interventions to the system level	1. % of effective information exchanges in protocols defined within the framework of the Ecosystem Information System (EIS)	Currently, each government manages independent Geographical Information Systems (GIS) with limited information exchange.	70% of protocols for information exchange are functioning at least at minimal levels				The Regional Coordination Unit has liaised with both Chile and Peru to select SIG software to suit both countries GIS platforms. This software will be purchased as soon as the work plan is	The project has purchased GIS software for both IFOP and IMARPE so as to improve the compatibility of information generation and exchange. The as yet unsettled marine border dispute continues to have an impact on the degree to which IFOP and IMARPE and the Environmental Ministries exchange information on a regular and formal basis.

							signed.	
	% of staff profiles and procedures that are aligned with EBM in key institutions (i.e., CONAMA, MINAM, SUBPESCA, Vice-Minist. de Pesquería)	<10% of staff in IFOP, IMARPE have profiles aligned with needs for EBM Staff profiles & procedures for EBM will be determined in yr 1 once standards have been set based on agreed EBM definition	>20% of staff in IFOP, IMARPE have profiles aligned with needs for EBM >70% of the research projects for resource management follow ecosystemic criteria Targets for other institutions to be determined in year 1				An EBM definition has been agreed during the training courses late 2011 and early 2012 with a view to setting standards for staff IFOP & IMARPE profiles based on EBM principles.	Both Chile and Peru subscribe to EMB in their natural resource management policies. Policy and planning decisions must also take into account an ecosystem-based approach (EBA). However although referred to repeatedly it is not easy to pursue despite the fact that the EBA provides a way in which the overall health and integrity of ecosystems can be assessed and the multiple benefits society derives from them are better described and managed. The project is actively promoting use of the Ocean Health Index (see: http://www.oceanhealthindex.org/ and http://www.oceanhealthindex.org/Countries/) as this follows a clearly comparable EBA for marine ecosystem and coastal land management.
	Key institutions (MINAM CONAMA, SUBPESCA), have the capacities and internal processes to prioritize the creation of new MPAs and to manage them effectively.	Baseline to be established with institutional capacity scorecard values applied to relevant institutions on each country	30% above baseline values				As yet institutional capacity scorecard values applied to relevant institutions on each country have not yet been established as a baseline. The intention is to promote this as soon as the work plan is signed.	Typically an institutional evaluation begins with a self-evaluation process conducted by the institution, followed by the identification of good practices and recommendations for improvement. The focus of such an evaluation is the institution as a whole and not individual units. Recommendations and insights are provided on the institutions' structures, processes, policies and culture, to enable them to perform the full range of their activities in line with their strategic plans and objectives, and build the capacity to address change processes. Participating institutions can select a special focus for more in-depth analysis and recommendations with the focus being evaluated within the institutional context. Although the HCLME project has a strong capacity building element there is no institutional analysis contemplated other than the close work with institutions in the

								implementation of activities. This process has allowed project counterparts to improve their ability to identify and promote the establishment and improved management of MPAs in both Chile and Peru. The GEF-Humboldt project has been instrumental in bringing groups together so as to avoid activity overlap. Examples come from the Ministry of the Environment and its national parks group SERNANP in Peru with links created via the project to the integrated coastal land management group. During the work process efficiencies in the approach to MPA development and management have been recorded. In Chile the case is different as there has been less direct contact with the Environment Ministry and SUBPESCA offices both of which have MPA establishment functions. However work with the University of Concepcion has identified MPA proposals elaborated with local communities in the Juan Fernandez Islands and this proposal is now being tracked in the Ministry of the Environment.
	Procedures defined and adopted to promote good fisheries practices and improve market competitiveness within the framework of the HCLME	There are no procedures for promoting good fisheries practices in relation to market competitiveness in either country	At least two mechanisms are adopted that promote good practices and improve market competitiveness within the framework of the HCLME				The work with the Peruvian association of anchovy producers will promote market competitiveness through the certification and chain of custody processes. Work has not started in the Juan Fernandez Islands but similar certification for the lobster fishery amongst others will be	The pre-evaluation of a local scale anchovy fishery in Paracas Peru has been completed with the use of private sector funding. The project has a copy of the report which states that although the fishery (7 artisanal boats providing anchovy for value addition for direct human consumption) could perhaps achieve MSC certification the conditions under 'Principle III' are still not sufficiently improved to guarantee that the certification process will be successful. This reflects the fact that there are still no quotas for artisanal fishing boats and many sell their catch illegally for fishmeal production. The project has provided detailed advice to the Peruvian

							explored in 2013.	Government on how to improve management practices – this process has included the participation of the Project's Senior Project Officer Mariano Gutierrez's participation in many meetings a number of which have been televised live. In Chile the Juan Fernandez lobster fishery is about to undergo MSC certification with a strong likelihood of success. Funding comes from the HCLME counterpart fund via SUBPESCA. The evaluation process has been tendered for and should be completed in 2013.
	Improved understanding of the benefits of ecosystem goods and services of artisanal fisher representatives that participate in fisheries fora (as a proxy indicator of potential compliance with regulatory frameworks)	Baseline level of understanding of ecosystem benefits in will be measured in at project start	Increase of 30% above baseline values				Artisanal fisher representatives have been included in the NIC setup and have attended project initiated meetings at both central and provincial levels in both Chile and Peru.	The project has made several international, national and local presentations of the evaluation of ecosystem goods and services. Counterpart funds have been used to evaluate the economic value of one of Peru's coastal protected areas (San Fernando National Reserve) valued at USD40 million per annum (report available). The SERNANP Guano Islands and Capes National Reserve 'Vision' process has shown considerable improvements in the understanding of HCLME goods and services. In Chile the Juan Fernandez Island community have demonstrated that they have a well advanced understanding of the HCLME goods and services as they depend 100% on the well-being of the ecosystem for their livelihoods.
Implementation of priority MPA & fisheries management tools provides knowledge of options for enhanced protection of HCLME and SAP implementation	Advances in adopting EBM for the shared anchovy stock as measured by the increase in agreed on and coordinated program of activities	Current agreement between IFOP and IMARPE only includes information exchange on stock evaluations and reproductive parameters for main pelagic commercial stocks	Coordinated management agreement includes the use of multi-specific criteria and multi-disciplinary parameters for the establishment of each country's TAC for the shared stock				This work has not started and scientific meetings between the two countries to discuss aspects of combined anchovy stock assessment stopped back in 2008 when Peru filed the	This activity has been delayed due to the Marine border dispute. ToR for two important activities have been developed and approved so the project is ready to continue with this work as soon as the ICJ decision is announced and accepted by both parties.

							court case with the International Court of Justice. As mentioned above a resumption of joint stock information collection will be promoted by the project as from August 2013.	
	Adoption of coordinated management measures for the shared stock, such as closures, quotas and exclusion areas	Each country uses independent criteria for managing their part of the shared stock	Countries use the same criteria for establishing TACs, fishing seasons and exclusion areas				Comment as above.	As above
	Increase in hectares of the coastal-marine interface under improved management - measured by RNSIIPG Master Plan and the tools for monitoring and management effectiveness measurement	RNSIIPG has not yet been established. See ProDoc for METT score by category. Capes and islands of the guano systems are currently managed from an extractive perspective only targeting guano birds as conservation priorities worthy of protection.	RNSIIPG established with a fully developed Management Plan See ProDoc for METT score by category. The GEF METT has been used to establish initial baseline and target values but a more specific M&E tool for marine areas will be developed in the FSP and will also be used to measure management effectiveness gains				The work on the RNSIIPG zoning and associated coastal zone land use planning is ongoing within the SERNANP and Ministry of Environment Departments with counterpart funds. Once approved the 2012-13 work plan will accelerate this process with the use of GEF funds with a special focus initially on the three pilot sites. Marine biodiversity studies have been carried out at the Peruvian pilot sites using counterpart funds.	The RNSIIPG is now established and the project is assisting SERNANP with the development of a Master Plan by means of a series of workshops covering all 33 sites the length of the Peruvian coastline as described above. The METT scores have not improved much as there is no Master Plan developed as yet. Nevertheless work with both communities and SERNANP is showing very positive results as demonstrated by the reports on the Project website.

	Identification of equivalency in conservation management options (PAs) for coastal and marine environments in both countries	Peru has no specific protected area categories for marine areas, but uses terrestrial categories, that follow a gradient from direct to indirect resource use – with no fully intangible protected areas. Chile has three categories for marine areas (Marine Reserves, Marine Parks and MUMPAS). These management schemes and categories are not equivalent for both countries	SNAP and SINANPE MPA conservation categories defined, equated and based on a common concept for both countries				Within the RNSIIPG the zoning process is designed to identify conservation areas and subsequently management strategies for their protection. At present there are insufficient resources available for adequate guarding as reported during the February visit to the Isla Lobos de Tierra in Peru.	The project is working closely with SERNANP in Peru together with NGOs and CSOs. In Chile the approach is different however it also involves a range of public-private entities as well as local level stakeholders in the Juan Fernandez Island archipelago. The recently initiated (Q2 2013) process of RNSIIPG Master Plan development in Peru has involved a series of workshops with stakeholders covering all of the 33 geographically distinct sites within the national reserve. This work will be followed by the zoning of areas with varying degrees of restriction to access i.e. no-take zones, limited access areas plus areas where co-managed fisheries activities can take place under the equivalent of Territorial Use Right Fisheries (TURFs). This will be a move towards the Chilean seabed management areas for benthic fisheries. In Chile a proposal, elaborated by the University of Concepcion and the Island community, for a 10,000km ² multiple use marine protected area (MUMPA) around the Project's Juan Fernandez Islands pilot site has been submitted to the Environment Ministry for approval. There is also a proposal for a large no-take area in the Juan Fernandez Islands vicinity.
	Number of best management practices developed in the project pilot sites that are up-scaled to other protected areas	0	a) Peru: > 3 other sites in the RNSIIPG with management committees and plans b) Chile: at least one other canyon or seamount in the process of adoption the management options				As yet not started.	No up-scaling as yet.
Implementation of pilot MPAs that underpin	1. Increase in management	(a) 3 pilot areas in Peru do not have management	(a) All 3 pilots in Peru with approved management				As yet not started.	METT BD and IW updated. However the RNSIIPG Master Plan is under development

ecosystem conservation and resilience	effectiveness of the pilot MPAs measured a) in Peru with a) Management Plans b) with the Declaration of the area in Chile c)Management effectiveness tracking tool (METT) METT Poor= < 25%; Fair=26–50%;, Good= 51–76%;; Excellent= 77–100%	plans; in Chile only specific fisheries (orange roughy) are currently managed in sea mounts (b) METT values Peru (See ProDoc Logframe for METT score by category) Chile Seamount 1& 2 METT 5/63 = 8% Poor	plans; Ecosystem-based management strategy for 2 sea mounts agreed on by relevant stakeholders (b) (b) METT values Peru (See ProDoc Logframe for METT score by category) Chile Seamount 1&2 METT >30% (Fair or more)					and the Chilean MPA for the Juan Fernandez Islands undergoing an approval process. Hence little or no change in the METT scores and management capacities.
	2. Reduction in the incidence of illegal extractive activities in restricted areas established in the management plans of RNSIIPG pilot sites	No. of reports of illegal extractive activities will be measured once zoning of pilots is complete	Reduction of 50% for RNSIIPG				Illegal extractive activities have been observed and noted. Plans to address these are included in the current work plan.	In Peru illegal dynamite fishing continues even within the National Reserve areas. The Project is working with SERNANP and official inspectors to publicize explosive damage to fish tissue as a means of blocking the sale of fish derived from dynamite fishing. In areas where shellfish are being illegally extracted from the seabed, for example scallops in the Lobos de Tierra Island component of the RNSIIPG, co-management plans are being designed so as to allow a planned extraction while respecting no take areas within the fishery as a means of protecting both habitat and biodiversity.
	3. % management costs of the pilot areas protected that have secure financing (a) a) RNSIIPG pilots (b) b) Seamounts	As neither the RNSIIPG nor the Seamount MPA has been established there are currently no specific management costs.	a) 100% of the RNSIIPG pilots management costs covered of which at least 50% is from resources other than GoP b) Seamount have identified sources for 100% management costs				As yet not started.	In Peru SERNANP derives 70% of the RNSIIPG management costs from the charges levied on tourists visiting the Islas Ballestas in Paracas – one of the Project’s pilot sites. In Chile the Juan Fernandez MUMPA is still awaiting approval; however the multiple use aspects of the MPA should allow cost recovery via co-managed control and vigilance agreements with authorized resource users.

	4. Ecosystem-based management strategy for sea canyons agreed on by the relevant stakeholders	No specific plans for sea canyons exist	Approved management strategy for sea canyons of the HCLME				As yet not started.	Sea canyon data collection work has been completed in Chile and Peru. However management plans have not been developed.
	5. Populations of flagship species at pilots Species will be selected in yr 1	Population levels (distribution and abundance) as estimated in yr 1 for selected flagship and/or indicator species in pilots	Populations maintain at least the same levels as at the beginning of the project or are increasing				Flagship species selection along the length of the HCLME is underway, the intention being to identify at least one species for each major eco-zone. For example from South to North: Islas Juan Fernandez; Northern Chile, RNSIIPG Southern Central and Northern sites, hence at least 5 flagship species.	The following 6 insignia species have been chosen as historical data of abundance is available and is still being collected the length of the HCLME: 1. Humboldt Penguin (<i>Spheniscus humboldti</i>) 2. Fur Seal (<i>Arctocephalus australis</i>) 3. South Pacific Marine Otter (<i>Lontra felina</i>) Keystone 4. Blue footed booby (<i>Sula nebouxii</i>) 5. Scallop (<i>Argopecten purpuratus</i>) 6. Sea snail (<i>Concholepas concholepas</i>)

RATINGS OF PROGRESS TOWARD MEETING DEVELOPMENT OBJECTIVES

DO Rating: Please review the Development Objective Progress page of this APR/PIR and then answer the questions below. A DO rating will be generated based on your answers.	
1	Please rate the cumulative progress being made toward achieving the end-of-project targets as reported in the project results framework in the DO page of this APR/PIR
2	Please rate the likelihood that the project will deliver environmental and social benefits for an extended period after project completion?
3	Please rate the likelihood that social or political risks may threaten the sustainability of project outcomes
Project Manager/Coordinator: Is the person managing the day to day operations of the project.	
MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country or regional projects where appropriate.	
Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum.	
1.	Explain why you gave a specific rating.
2.	Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet.
3.	Fully explain the critical risks that have affected progress.
4.	Outline action plan to address projects with DO rating of HU, U or MU.
Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	Moderately Satisfactory
2013 Rating	Satisfactory
Comments	Over the last year the project has made considerable progress with Ecosystem Based Management Training, Environmental Risk Evaluations, stakeholder meetings, aquatic product value addition and direct human consumption processes, Marine Protected Area (MPA) promotion/improved management and the TDA-SAP process. The IW:LEARN new TDA-SAP guideline and training course piloting held in September 2012 was a great success in that we managed to bring together both Chilean and Peruvian experts from the Technical Working Groups associated with the two National Intersectoral Committees. It is now evident that the project will be able to meet its main development objectives within the five year allocated period April 2011 to April 2016 – even considering the fact that 2011 was very much a year dedicated to hiring staff, drafting work plans and finding solutions to Project Document errors. The slow GEF fund expenditure rate is a product of the time it takes to get binational agreements made on the hiring of key consultants for important training and TDA-SAP work. National counterpart contributions in both countries have been impressive, hence many of the

	<p>advances to date. At the same time adaptive management, in terms of how consultancies are procured, now involve each individual entity's ToR drafting process with subsequent distribution for comments and approval coordinated by the Project implementing agencies (IFOP and IMARPE) and the Regional Coordination Unit. As stated previously the main risk to the implementation of the project has been the marine border dispute and the fact that a settlement expected in July was not forthcoming (now rescheduled for after the summer IJC recession, possibly Q3 2013. Work has been programmed to ensure that the sensitivities relating to the dispute are avoided by keeping the transboundary diagnostic activities at a national level prior to scaling this up binationally with the delivery of the TDA late 2013 or early 2014.</p>
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UNDP Country Office Programme Officer: Is the UNDP programme officer in the UNDP country office who provides oversight and supervision support to the project.

MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country. Not necessary for regional or global projects.

Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum.

1.	Explain why you gave a specific rating, for example, if your rating differs from the rating provided by the project manager please explain why.
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2.	Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet.
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3.	Fully explain the critical risks that have affected progress.
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4.	Outline action plan to address projects with DO rating of HU, U or MU.
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Overall 2009 Rating	
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Overall 2010 Rating	
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Overall 2011 Rating	(-) No rating submitted or requested for this year
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Overall 2012 Rating	(MS) Moderately Satisfactory
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2013 Rating	(S) Satisfactory
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Comments	<p>Progress has been made in achieving some of the expected results, despite that there are risks associated primarily to the results of the maritime dispute (AJA), which will likely require a time of adjustment. Moreover it requires working more closely with the Chilean and Peruvian productive sector to promote the ecosystem approach, a situation that has not been given. This could hinder future development of this component.</p>
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Project Implementing Partner: Is the representative of the executing agency (in GEF terminology). This would be Government (for NEX/NIM execution) or NGO (for CSO Execution) or an official from the Executing Agency (for example UNOPS).

RECOMMENDED but NOT MANDATORY for projects under implementation in one country and regional projects.

Please justify your rating and address the following points in your comments. Please keep word count

between 200 words minimum and 500 words maximum.	
1.	Explain why you gave a specific rating.
2.	Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet.
3.	Provide recommendations for next steps.
<u>Project Implementing Partner</u>	
Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	
2013 Rating	
Comments	
<u>GEF Operational Focal point: Is the government representative in the country designed as the GEF operation focal point.</u>	
HIGHLY RECOMMENDED but NOT mandatory for projects under implementation in one country. Not necessary for regional or global projects.	
Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.	
1.	Explain why you gave a specific rating.
2.	Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet.
3.	Provide recommendations for next steps.
<u>GEF Operational Focal point</u>	
Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	
2013 Rating	

Comments	
Other Partners: For jointly implemented projects, a representative of the other Agency working with UNDP on project implementation (for example UNEP or the World Bank).	
RECOMMENDED but NOT MANDATORY for jointly implemented projects.	
Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.	
1.	Explain why you gave a specific rating.
2.	Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet.
3.	Provide recommendations for next steps.
Other Partners	
Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	
2013 Rating	
Comments	
UNDP Technical Adviser: Is the UNDP-GEF Technical Adviser.	
MANDATORY RATING MUST BE PROVIDED for all projects.	
Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum.	
1.	Explain why you gave a specific rating (do not repeat the project objective).
2.	Note trends, both positive and negative, in achievement of outcomes as per the updated indicators provided in the DO sheet.
3.	Fully explain the critical risks that have affected progress.
4.	Outline action plan to address projects with DO rating of HU, U or MU.
UNDP-GEF Technical Adviser	

Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	(MS) Moderately Satisfactory
2013 Rating	(MS) Moderately Satisfactory
Comments	Comments forthcoming.
Highly Satisfactory (HS)	Project is expected to achieve or exceed all its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as 'good practice'.
Satisfactory (S)	Project is expected to achieve most of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.
Moderately Satisfactory (MS)	Project is expected to achieve most of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits.
Moderately Unsatisfactory (MU)	Project is expected to achieve its major global environmental objectives with major shortcomings or is expected to achieve only some of its major global environmental objectives.
Unsatisfactory (U)	Project is expected not to achieve most of its major global environment objectives or to yield any satisfactory global environmental benefits.
Highly Unsatisfactory (HU)	The project has failed to achieve, and is not expected to achieve, any of its major global environment objectives with no worthwhile benefits.

IMPLEMENTATION PROGRESS RATING

IP rating: Please review the Implementation Progress page of this APR/PIR and then answer the questions below. An overall IP rating will be generated based on your answers.	
1	Please rate the progress in delivery of outputs. For example, do the annual outputs represent sufficient progress in order to achieve the project outcomes (see DO page of this APR/PIR)?
2	Please rate the efficiency in delivery of outputs. For example, in this reporting period are budget resources being spent as planned? (i.e. is project delivery on target?)
3	Please rate the quality of risk management. For example, in this reporting period were project risks managed effectively?
4	Please rate the quality of adaptive management. For example, in this reporting period were actions taken to address implementation issue identified in the APR/PIR last year?
5	Please rate the quality of monitoring and evaluation. For example, in this reporting period were sufficient financial resources allocated to project monitoring and evaluation
Project Manager/Coordinator: Is the person managing the day to day operations of the project.	
MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country or regional projects where appropriate.	
Please justify your rating and address the following points in your comments. Please keep word count between 500 words minimum and 1200 words maximum.	
1.	Explain why you gave a specific rating.
2.	Summarize annual progress and address timelines of project output/activity completion in relation to annual workplans.
3.	Outline the general status of project expenditures in relation to annual budgets, the effectiveness of project management units in guiding project implementation, and the responsiveness of the project board in overseeing project implementation.
Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	(MS) Moderately Satisfactory
2013 Rating	(S) Satisfactory
Comments	As can be seen from the ratings (Progress: Satisfactory; Efficiency: Moderately Satisfactory (slow disbursement); Risk Management: Highly Satisfactory; Adaptive Management: Satisfactory; and Quality of M&E: Satisfactory) the average implementation rating is given as satisfactory because the project is now achieving important results with activity implementation within acceptable limits of advancement albeit with slow

	<p>disbursement of GEF funds due to considerable inputs from counterparts in both countries. Examples of the latter come from MSC certification pre-assessment work carried out at the cost of the private sector. Similarly the promotion of Direct Human Consumption of aquatic products is being funded almost exclusively by private enterprises. IFOP and IMARPE have carried out important activities reported on in their progress reports often using state funds. The UN meeting rooms have been used effectively over 35 times for 1-4 day workshops during the reporting period in Lima and Santiago at no additional cost to the project. Although the Project Steering Committee (SC) met at the start of the reporting period to approve the current work plan the next meeting is scheduled for November 2013 to approve the 2014 plan. The SC has met virtually to discuss costs and the SC co-presidents have also met virtually via Skype to discuss advances and urgent actions to be taken. The National Intersectoral Committees and associated working groups have also met in the contest of EBM, TDA-SAP, Certification, Environmental Risk Evaluation training and other core project activity implementation. Focal groups in both countries have been very active regarding activity implementation monitoring. As stated elsewhere in this report progress against the 4 main expected results has been as follows: 1. Result 1: TDA-SAP approved. The project is developing an Ecosystem Diagnostic Analysis for each country via a series of 5 thematic studies which have now been completed. There have also been national level Causal Chain Analyses workshops in Chile and Peru that have identified and prioritized key problems and their root causes prior together with possible mitigating actions. A procurement process is ongoing to select companies/NGOs/Universities to bring together the 5 thematic studies in ADEs for Chile and Peru (October 2013). Once the two ADEs are approved nationally they will be merged into a binational TDA (December 2013 - January 2014). 2. Result 2: Capacity development in the EBM context. Training courses in a range of EBM and EMB related topics have been successfully delivered at both central and field levels in both countries as demonstrated in the documentation posted on the project's website. 3. Result 3: Development of tools to deliver EBM for the HCLME goods and services. Fisheries certification work, value addition, Direct Human Consumption of aquatic products, MPA establishment and improved management, Natural Reserve Master Plan development (RNSIIPG ongoing). Environmental Risk Evaluation tools, Baseline sampling protocols have all been developed during the reporting period. 4. Result 4: Pilot studies designed to improve and conserve habitat and biodiversity together with the EBM approach to the cost effective and where possible self-sufficient Marine Protected Area administration. Work at the pilot sites started with the mapping of stakeholders operating in the selected areas. Existing studies have been collected as a start point for more detailed baseline survey work planned to start and be finalized at all sites Chile and Peru before the end of 2013. Specific interventions with project partners have involved marine mammal observation training, guano bird counting and feeding regime observations, improved mechanisms for guano collection in the RNSIIPG. AMP proposals. Macroalgae repopulation options together with value addition and employment generation especially for women.</p>
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UNDP Country Office Programme Officer: Is the UNDP programme officer in the UNDP country office who provides oversight and supervision support to the project.

MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country. Not necessary for regional or global projects.

Please justify your rating and address the following points in your comments. The QORs and delivery data in the ERBM portfolio project monitoring report should inform your rating. Please keep word count between 500 words minimum and 1200 words maximum.

1.	Explain why you gave a specific rating. If your rating differs from the rating provided by the project manager please explain why.
2.	Summarize annual progress and address timeliness of project output/activity completion in relation to annual workplans.
3.	Outline the general status of project expenditures in relation to annual budgets, the effectiveness of project management units in guiding project implementation, and the responsiveness of the project board in overseeing project implementation.
Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	(-) No rating submitted or requested for this year
Overall 2012 Rating	(MS) Moderately Satisfactory
2013 Rating	(MS) Moderately Satisfactory
Comments	Have been implemented under the budgeted resources have been observed difficulties in achieving Chilean institutions to incorporate in a more fluid with the project. It is observed that Chile still operates quite autonomous from Peru making it difficult to generate synergies and common visions sought. It is essential to make Chilean actors take ownership over the project.

Project Implementing Partner: Is the representative of the executing agency (in GEF terminology). This would be Government (for NEX/NIM execution) or NGO (for CSO Execution) or an official from the Executing Agency (for example UNOPS).

RECOMMENDED but NOT mandatory for projects under implementation in one country or regional projects.

Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.

1.	Explain why you gave a specific rating.
2.	Note trends, both positive and negative.
3.	Provide recommendations for next steps.

Overall 2009 Rating	(-) No rating submitted or requested for this year
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	
2013 Rating	(-) No rating submitted or requested for this year
Comments	
<u>GEF Operational Focal point: Is the government representative in the country designed as the GEF operation focal point.</u>	
MANDATORY RATING MUST BE PROVIDED for projects under implementation in one country. Not necessary for regional or global projects.	
Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.	
1.	Explain why you gave a specific rating.
2.	Note trends, both positive and negative.
3.	Provide recommendations for next steps.
Overall 2009 Rating	(-) No rating submitted or requested for this year
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	
2013 Rating	(-) No rating submitted or requested for this year
Comments	
<u>Other Partners: For jointly implemented projects, a representative of the other Agency working with UNDP on project implementation (for example UNEP or the World Bank).</u>	
RECOMMENDED but NOT mandatory for jointly implemented projects.	
Please justify your rating and address the following points in your comments. Please keep word count between 200 words minimum and 500 words maximum.	
1.	Explain why you gave a specific rating.
2.	Note trends, both positive and negative.
3.	Provide recommendations for next steps.

Overall 2009 Rating	(-) No rating submitted or requested for this year
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	
2013 Rating	(-) No rating submitted or requested for this year
Comments	
UNDP Technical Adviser: Is the UNDP-GEF Technical Adviser.	
MANDATORY RATING MUST BE PROVIDED for ALL projects.	
Please justify your rating and address the following points in your comments. The QORs and delivery data in the ERBM portfolio project monitoring report should inform your rating. Please keep word count between 500 words minimum and 1200 words maximum.	
1.	Explain why you gave a specific rating. If your rating differs from the rating provided by the UNDP Country Office Programme Officer and/or the Project Manager please explain why.
2.	Summarize annual progress and address timelines of project output/activity completion in relation to annual workplans.
3.	Outline the general status of project expenditures in relation to annual budgets, the effectiveness of project management units in guiding project implementation, and the responsiveness of the project board in overseeing project implementation.
UNDP Technical Adviser	
Overall 2009 Rating	
Overall 2010 Rating	
Overall 2011 Rating	
Overall 2012 Rating	(MU) Moderately Unsatisfactory
2013 Rating	(MS) Moderately Satisfactory
Comments	Comments forthcoming
Highly Satisfactory (HS)	Implementation of all components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as 'good practice'.
Satisfactory (S)	Implementation of most components is in substantial compliance with the original/formally revised plan except for only few that are subject to remedial action.

Moderately Satisfactory (MS)	Implementation of some components is in substantial compliance with the original/formally revised plan with some components requiring remedial action.
Moderately Unsatisfactory (MU)	Implementation of some components is not in substantial compliance with the original/formally revised plan with most components requiring remedial action.
Unsatisfactory (U)	Implementation of most components is not in substantial compliance with the original/formally revised plan.
Highly Unsatisfactory (HU)	Implementation of none of the components is in substantial compliance with the original/formally revised plan.

PROGRESS IN PROJECT IMPLEMENTATION

Outcome 1- Key Outputs this Reporting Period: Planning and policy instruments for ecosystem-based management (EBM) of the HCLME are agreed and in place at regional and national levels

1) Environmental Risk Evaluation work was carried out at each of the pilot sites in Chile and Peru between Q4 2012 and Q1 2013. These reports have been submitted to the respective governments. 2) The new IW:LEARN TDA-SAP guidelines were successfully piloted in the context of the HCLME project in September 2012. This was carried out with the Chilean and Peruvian TDA-SAP working group. 3) Five thematic studies have been completed in both Chile and Peru: A) Productivity; B) Fish and Fisheries; C) Pollution and Ecosystem health; D) Socioeconomic aspects; and E) Governance. These studies are the start point for the TDA-SAP process as problems faced by the Large Marine Ecosystem identified during the studies have been listed and prioritized in terms of mitigation needs. 4) Causal Chain Analyses (CCA) have been carried out in relation to problems identified during the elaboration of five thematic studies in each country. The final stage of the CCA work involved the listing of possible solutions to the problems which will form the basis for National Action Plans and the binational Strategic Action Programme.

Outcome 2- Key Outputs this Reporting Period: Institutional capacities strengthened for SAP implementation and for up-scaling pilot interventions to the system level

1) Training courses in EBM approaches have been delivered at local levels (following on from central level courses delivered in the last PIR reporting period). 2) The CCA workshops were also didactic in that the methodology for problem root cause identification was presented and used. 3) The process of discussing possible solutions to the problem root causes led to the development of a list of possible mitigating actions as the start of the SAP process. This analysis now needs to be taken to the Ministerial decision makers by way of demonstrating how the TDA-SAP process is formulated.

Outcome 3- Key Outputs this Reporting Period: Implementation of priority MPA & fisheries management tools provides knowledge of options for enhanced protection of HCLME and SAP implementation

1) MPAs are in the process of being set up in Chile (Juan Fernandez Islands) with a proposal being processed in the Chilean Ministry of Environment. 2) In Peru the RNSIIPG was set up at the start of the Project and work to date has focused on the development of the Master Plan for its management. 3) Territorial Use Rights in Fisheries (TURF) establishment is being discussed and the project has already co-funded a workshop in Valdivia Chile (2012) to understand better the experience and gather information about successes and failures. In October 2013 a follow-up TURF workshop will be held in Marcona Peru with Chilean experts and fisherfolk participating. 4) Similarly the project is working with leveraged private investment and project stakeholders (MSC, WWF and IFOP) to promote certified fisheries. In Peru a Marine Stewardship Council (MSC) Anchovy fishery pre-assessment has been finalized and in Chile the bidding process for full assessment to attempt MSC certification of the rock lobster fishery is underway with the submission of proposals closed at the end of June 2013.

Outcome 4- Key Outputs this Reporting Period: Implementation of pilot MPAs that underpin ecosystem conservation and resilience

1) The Guano Islands and Capes National Reserve (RNSIIPG) in Peru is new (01.01.2010) and the Project is assisting National Parks service (SERNANP) with the elaboration of a management Master Plan for the 33 coastal sites (22 islands and 11 capes). In 2013 to date this process has involved 15 workshops covering all 33 areas. During these workshops ecosystem based management messages have been delivered to stakeholders from all the sectors with an impact on the marine environment: fishing, marine transport, agriculture, coastal urbanization, energy and mining. At the same time SERNANP collected information regarding the stakeholders 'vision' for the RN in 2033 and local management committees were established. In Q3 and Q4 2013 work coordinated between IMARPE and SERNANP will involve biodiversity baseline work and the zoning process to map no-take areas and possible Territorial Use Rights for Fisheries. 2) Within the RNSIIPG the project has three specific pilot sites (Isla Lobos de Tierra; Islas Ballestas and Punta San Juan) where information for the ongoing TDA-SAP process has been collected and Environmental Risk Evaluation work has been completed – documents can be found on the Project's website www.humboldt.iwlearn.org 3) In Chile the Juan Fernandez (IJF) archipelago Project pilot site has a multiple use marine protected area (MUMPA) proposal submitted to the Ministry of the Environment. 4) The international NGO Oceana has proposals for a very large no-take zone close to the IJF. A complete survey of the IJF seamounts is planned for the end of 2013 or early 2014.

Adjustments

Adjustments to Project Milestones, Project Strategy and Risk Management.

Key Project Milestones

Have significant delays occurred in the project start, inception workshop, Mid-term Review, Terminal Evaluation or project duration?

If yes, were these changes reported in a previous APR/PIR?

Key project milestone	Scope of delay (in months)	Briefly describe change or reason for change	Briefly describe the implications or consequences this has had on project implementation
Project Start (i.e. project document signature date)	6	From project signing by UNOPS - 2nd September 2010 - to the arrival of the Regional Project Coordinator and first expenditure i.e. project start. In reality 6 months from ProDoc signing to having a manager in place is not a long time.	Once the Regional Project Coordinator was at post he started the recruitment process for the other staff members: Financial and Administration Assistant (recruited May 2011) and the Senior Project Officer (recruited November 2011). Agreements as to the recruitment of the 4th member of the UNOPS team were not reached until June 2013. The latter had a negative impact on the links with Chile and the focal point entity IFOP.
Inception Workshop	7	A project inception workshop usually takes place within the first six months of the start. In the HCLME case it was scheduled to take place on the 17th November 2011 in Lima Peru which was at the outer end of the inception period. However the planned event was cancelled by the Peruvian Ministry of Foreign Affairs (MFA-P) due to a discrepancy in the Project Document where reference was made in article 302 to a Standard Basic Agreement between UNDP and the Peruvian Government. However no such agreement	The delay in the first official bi-national meeting with the presentation and approval of the first annual work plan delayed the implementation of activities which started in July 2012.

		exists. After four months this was solved by means of an exchange of letters between UNDP and the MPA-Peru (7th March 2012) and the article was corrected. The inception workshop was then held in May 2012 and the first work plan was approved at the Steering Committee.	
Mid-term Review	13	The Project MTR was scheduled to have taken place 2-years after the planned project start i.e. mid 2012. As the project's first work plan was only approved in July 2012 the MTR scheduled for August 2013 is actually one year early in terms of activity implementation. Nevertheless required so as to assess the delays in implementation and to study the prospects of the project reaching its objectives with or without a one year no cost extension as requested by IFOP and IMARPE in Chile and Peru respectively.	The fact that the MTR will effectively take place after 12 months of activity implementation means that there will be limited results to assess especially in terms of the updated METT. However the TDA-SAP and capacity building aspects have advanced well within the first year.
Terminal Evaluation	12	As yet of unknown possible delay. The terminal evaluation is scheduled to take place March 2015 as per the original documentation. However this would be delayed one year in the event that the one-year no cost extension is accepted.	None as yet although a March 2015 end to the project would mean that there were only three years of effective implementation and not the planned 5.
Project Duration (i.e. project extension)	12	Please see comments under Terminal Evaluation	Please see comments under Terminal Evaluation

Adjustments to Project Strategy

Has the project made any changes to its strategy (i.e. logframe/results framework) since the Project Document was signed?

No

If yes, were these changes reported in a previous APR/PIR?

Change Made to	Yes/No	Briefly describe the change and the reason for that change
Project Objective	No	
Project Outcomes	No	
Project Outputs/Activities	No	

Risk Management

List number of critical risks as noted in the ATLAS risk log and briefly describe actions undertaken this reporting period to address each critical risk.

# of Critical Risks (type/description)	Risk management measures undertaken this reporting period
Political	As mentioned in other areas within this APR/PIR the marine border dispute has been very disruptive to the project and the level of cooperation between scientific research institutes in the two project countries. Project management has had to delay all work on the straddling anchovy stock and proceed with caution with regards to the generation and use of maps and diagrams essential to all aspects of holistic Large Marine Ecosystem management.
Financial	Both implementing agencies in Chile and Peru (IFOP and IMARPE) have made comments about the perceived high costs of Project implementation. The GEF focal point person in Chile wrote a letter to UNDP-GEF New York asking about these costs as the management amount exceeded the 10% referred to in the Project document. There has been some confusion regarding the UNDP GEF agency fee (10%) and the management fee paid to UNOPS and the Regional Coordination Unit. This was clarified in a letter from Yannik Glemarec on the 3rd August 2012. Nevertheless questions relating to UNDP and UNOPS costs continue. The financial sustainability of current and proposed MPAs will depend on self funding options relating to co-managed natural resource use. In general terms there continues to be underfunding from the state for National Reserves and MPAs. However there are some encouraging results e.g. in Peru 70% of the RNSIIPG costs come from tourism fees at just one of the 33 sites (Islas Ballestas) thereby demonstrating that further investment in sustainable tourism and eco-tourism could make the RN fully self sufficient within the next decade. The same applies to Chile with MSC certified fisheries options and product value addition together with

	tourism contributions.
Operational	The approval process for Terms of Reference (ToR) for project activities is very slow as the documentation generated by the Regional Coordination Unit (RCU) then has to go to several state agencies in one or both countries for comments. Over the last 12 months this process has speeded up as the implementation agencies are also drafting ToR for RCU comment. The recruitment process for consultants both international and national is slow - partly due to the ToR approval process but also to the UN recruitment system. The project adopts the Request for Quotes (RFQ) human resource process wherever possible as this is controlled by the RCU.
Political	Changes in government staff in key positions (Directors and Vice Ministers) has been an issue in that both focal point entities in Chile and Peru have changed their Directors during the reporting period and the Production Ministry in Peru has had a Vice Minister change. Peru has seen changes in Ministers recently and in Chile there will be presidential elections with inevitable changes in some staff at the end of 2013. The only action available is to establish good working relations with the new staff as and when they take office. In the case of IFOP and IMARPE the transition has been relatively smooth without too much loss of direction.
Environmental	The Environmental Ministries in both Chile and Peru are relatively new and have roles and functions regarding National Protected Areas that can have some overlaps with other longer established Ministries e.g. SUBPESCA in Chile and PRODUCE in Peru both of which have fisheries management functions. While the project is not able to influence the speed at which decisions are made relating to MPA establishment and management, it can make all the stakeholders aware of the need for action relating to information gathering to assist the decision making process e.g. the 15 'Vision' workshops designed to gather information at the 33 Island and Capes in the RNSIIPG in Peru and the Multiple Use MPA proposal for the Juan Fernandez Islands in Chile.

Adjustments general comments:

The Project partners in both Chile and Peru have worked within the national systems to mitigate the risk of project closure due to the marine boundary dispute. The Regional Coordination Unit has also made considerable efforts to ensure that the value of the goods and services of the HCLME is better understood by the many actors operating along its 4,000km length together with the need to ensure that the system continues to be resilient to the major threats faced from mainly anthropogenic origins. The TDA-SAP process and associated Causal Chain Analyses have successfully flagged the main problems and root causes within the HCLME area.

Finance: cumulative from project start to June 30 2013

DISBURSEMENT OF GEF GRANT FUNDS

How much of the total GEF grant as noted in Project Document plus any project preparation grant has been spent so far? (e.g. PPG + MSP or FSP amount. Do not break down by PPG or project budget.)

Estimated cumulative total disbursement as of 30 June 2013. (i.e.CDR information up to 20 June 2013)	1407763.00
Add any comments on GEF Grant Funds	The total project budget is listed as USD7 million. From this amount the project fee of USD75,000 was paid prior to the implementation team's arrival. Funds spent on activity implementation to date (23.07.2013) amount to USD1,332,763 including staff salaries and associated costs plus the UNOPS management fee. Total expenditure to date amounts to 20% of the GEF grant.

DISBURSEMENT OF CO-FINANCING

How much of the total Co-financing as noted in Project Document has been spent so far? Co-financing is the amount committed in the project document for which co-financing letters are available

Estimated cumulative total co-financing disbursed as of 30 June this year. Please breakdown by donor.	5745000.00
Add any comments on co-financing including other types and amounts of additional co-financing such as in-kind, private sector, grants, credits and loans.	Planned co-financing during the 18 month work plan July 2012 to December 2013 amounts to USD8,256,905 hence 70% has been contributed as in kind payments to date.

ADDITIONAL LEVERAGED RESOURCES

These additional resources can be from the same donors or new donors.

Estimated cumulative leveraged resources as of 30 June 2013	35000.00
Add any comments on Leveraged Resources.	Additional funding has come from NOAA, APEC and UNDP for travel costs to international LME events. IW:LEARN has covered some of the costs of the TDA-SAP guideline training course during the piloting of the new guidelines and training materials. MSC certification costs relating to the pre-assessment of the anchovy fishery in Peru have been covered by the private sector.

Other Financial Instruments

Does the project provide funds to other Financial Instruments?	N
If yes, please discuss developments that occurred this reporting period only.	

Communications and KM

Tell the Story of Your Project and What has been Achieved this Reporting Period

In Peru stakeholder groups operating in the areas associated with the Guano Islands and Capes National reserve (RNSIIPG) have benefited from their participation in training events promoting ecosystem based management and associated risk analysis, problem analysis and possible mitigation actions. The National Park management entity (SERNANP) has benefitted from project funding and facilitation at a series of 15 RNSIIPG 'vision' workshops and the drawing up of local stakeholder lists and the establishment of National Park management committees. During this process there was a historic moment at the Punta San Juan pilot site as artisanal fisherfolk entered the national reserve for the first time and a request was received from the local mayor to allow children to also visit and enjoy the spectacular view of the fur seal populations and guano bird populations including the charismatic Humboldt penguin. In September 2012 the project delivered a TDA-SAP training course to the Chile-Peru TDA-SAP working group. Despite the on-going border dispute the training course was delivered successfully with open reference to terminology banned to date e.g. binational, transboundary and related terms. The delivery of the 5 modular assessments following the NOAA Large Marine Sustainable Development strategy has enabled the project to start the TDA-SAP process. The reports also provided the start point for the Causal Chain Analysis workshops in both Chile and Peru where problems identified in the 5 modular studies were prioritized and the root causes identified. At the same time possible mitigating actions were listed and these will be used for the basis of National Action Plan proposals and the binational Strategic Action Programme development. The advances in the TDA-SAP process probably amount to the greatest project success to date as in 2011 there were concerns that it would be impossible to initiate any meaningful dialogue. The project has hosted xx workshops at the UN compound in Lima and a similar number in IFOP-SUBPESCA and private venues in Chile. Over the last year the project has been instrumental in bringing together a range of stakeholders from public and private entities including NGOs and CSOs. The project has also started to change the way people consider the marine environment in terms of the value of the goods and services delivered and what would happen when habitat changes due to pollution and over-fishing impact on the system's resilience.

Adaptive Management this Reporting Period

The main problem faced by the implementation teams at the two Fisheries Institutes in Chile and Peru and therefore the Regional Coordination Unit, continues to be the marine boundary dispute at the International Court of Justice (ICJ) in The Hague. It was hoped that the judgment would be announced mid to late July 2013 but this was not the case and the new date is September-October 2013. Until the decision is made and accepted by the two countries work on the improved management coordination for the joint anchovy stock cannot proceed. At the same time the transboundary aspects of the Large Marine Ecosystem diagnostic analysis relating to the anchovy fishery together with other fisheries like that of the jack mackerel as they are transboundary

(straddling stocks) by nature have been kept on standby. The solution to the problem has been multifaceted: • Agreements were reached to leave the work related to straddling fish stocks until after the ICJ decision; • Training courses have been delivered in both countries separately (EBM, Risk Analysis, and in the case of the modular LME assessments and Causal Chain Analysis workshops these events were held at national levels); • The piloting of the new GEF IW:LEARN TDA-SAP training course and guideline was carried out at a bi-national level with the course given by Dr. Martin Bloxham in Lima, Peru. An agreement was made to the effect that the TDA-SAP bi-national workshops will alternate between the two countries; • At the same time the TDA-SAP development process has continued by way of national level thematic studies (5 in each country now completed) and subsequent Causal Chain Analyses workshops for both countries (completed), leading to Ecosystem Diagnostic Analyses (ADE) Chile and Peru (due October 2013). These ADE will then be combined into a bi-national Ecosystem-Transboundary Diagnostic Analysis (E-TDA) which is in effect the TDA or science based analysis which will provide the basis for the Strategic Action Programme. The advantage of this stepwise process is that the EDA will allow the development of National Action Plans some of which will in turn form part of the bi-national SAP; •

Work at the pilot sites in both countries has included the concept of aquatic product value addition by promoting the certification of fisheries. Workshops have been held in both countries to present the range of certification schemes available and to explain the associated costs and benefits. Marine Stewardship Council (MSC) work has started in Peru with a pre-assessment of a fishery that pertains to the northern HCLME anchovy stock while in Chile the Juan Fernandez rock lobster fishery is about to start the pre-assessment stage; • Links and partnerships have been developed with a wide range of stakeholders in both countries. These aim to promote science based LME cooperation with academia, the private sector, NGOs and civil society groups. Additional problems include: •

The time it takes to approve Terms of Reference: typically the Regional Coordination Unit (UCR) drafts ToR for consultancies in either or both countries. The ToR are then circulated to two focus groups representing the key government stakeholders. Comments are then incorporated or discussed as to their relevance. Once approval is reached the procurement process starts. There can easily be a gap of three months from the original circulating of the draft ToR to the consultant starting his/her assignment. The solution is to encourage the entity requiring the service to draft the ToR and for the UCR to comment and rapidly collect the agreement from the stakeholders by highlighting the key aspects – the objectives and products to be delivered plus timing. • The fact that some stakeholders don't participate in key meetings: frequently the stakeholders closely linked to ecosystem habitat and biodiversity reduction (usually through contaminants entering the system) i.e. oil & gas exploration, mining, marine transport, coastal agriculture and tourism are often not present at working sessions designed to identify problems and possible solutions via the promotion of the EMB approach. In Peru this is also occasionally the case with local government officials not attending meetings organized at the pilot sites. The solution is to work with those stakeholders who register and participate actively at the meetings in order to list problems and possible solutions and then to take these in the form of a summarized report delivered as a presentation to local officials and stakeholders in order to collect their comments and reactions.

Lessons Learned

- Don't underestimate the time it takes to get agreements made.
- There has to be some very energetic following up regarding agreements and commitments.
- All meetings need to be minuted with agreements and action to be taken carefully recorded including deadlines for actions to be taken.
- Where possible formal agreements need to be drawn up between state

agencies outlining responsibilities both within and outwith the context of the project. • Local government officials in Peru need to have key meetings and information exchanges taken to them rather than inviting them to attend stakeholder meetings. • In both Chile and Peru the Ministries of the Environment are relatively new; hence their roles and functions re ecosystem based management of the marine environment are still being defined in relation to those of longer established fisheries management entities (SUBPESCA in Chile and PRODUCE in Peru). As a result the coordination between Ministries relating to the establishment of Marine Protected Areas (MPA) or co-management fisheries activities within these MPAs can take some time to be approved. • Links between the public sector and NGOs are at times poor. This may relate to occasional poor service delivery by NGOs, their ephemeral existence (in some cases) or simply because NGOs sometimes manage to gain popular support and are deemed to get credit for activities that are often a mix of public-private investment. Whatever the reasons for this, sometimes antagonized relationship, it is important to maintain close links and partnerships between public and private entities (by private we refer to companies, NGOs and CSOs). • Frequently UN entities do not keep sister UN agencies informed of their activities – some of which frequently overlap. This is true between UNDP, UNEP, FAO, WFP, WHO, UNOPS and in effect any UN agency that has a direct or indirect responsibility for marine conservation. Some of these activities may be coordinated via a third party like for example the Comisión Permanente Pacifico Sur (CPPS) who work with UNEP and FAO on a number of ecosystem based management initiatives. Fortunately the HCLME project has a good network of contacts so we usually hear about the events and are able to coordinate synergistic activities. However sometimes we hear about the events too late to avoid overlaps. The lesson learnt being to proactively ask on a regular basis what other UN agencies are doing in the HCLME area.

PARTNERSHIPS

Civil Society Organisations/NGOs

The Project works with a range of CSOs exclusively from the fisheries sector. The associations of artisanal fisherfolk are promoting co-managed fisheries or the responsible collection of beached macro-algae. Work has started in bringing the CSOs together with the state agencies responsible for MPAs and the areas of sea within the National Reserves like the Guano Islands and Capes NR. At the end of 2012 and early 2013 in Peru and Chile respectively, Environmental Risk Evaluations were carried out by way of training workshops at all of the Project's pilot sites. Fisherfolk and state authorities participated and learnt the methodology together with the value of such analyses. The results are published on the Project's website.

NGOs have provided many inputs to the project in the last year. Both international and national NGOs form part of the Project's National Intersectoral Committees (NIC) in Chile and Peru. The facilitation of workshops with local communities requires considerable skill – hence the project was pleased with the results of the 15 National Reserve 'vision' meetings held the length of the Peruvian coastline facilitated by two local NGOs: EcOceanica and Planeta Oceana. WWF and TNC have provided counterpart funds for activities designed to promote sustainable fisheries including certification possible future assessments together with the evaluation of bycatch reduction.

Indigenous Peoples

The project works will all ethnic groups living in the coastal areas but does not have any positive discrimination policies. If members of stakeholder groups and collaboration committees are of ethnic origin they participate in the activities without any special needs or complications. Typically ethnic

groups are those most likely to prosper under co-managed resource use scenarios as they are interested in attaining exclusive user right status within the Territorial Use Rights for Fisheries (TURF) activities.

Private Sector

The project works actively with the private sector and has promoted closer ties between the public and private sectors;

There have been some difficulties faced in getting all the sectorial committees to work together. However common ground is rapidly being registered at the National Intersectoral Committee meetings.

GEF Small Grants Programme

The project has approached the GEF SGP in 2012 and again in 2013 regarding the grant postulation process. On both occasions the projects submitted by artisanal fisherfolk to the GEF SGP were not successful.

Other Partners

Other partners include the Benguela Current Commission and other GEF LME projects worldwide: Gulf of Mexico; Caribbean; Yellow Sea; South China Sea; Bay of Bengal; Mar de Plata; and Agulhas and Somali Current. We also work closely with the Marine Stewardship Council (MSC) and their fisheries certification programme.

PROGRESS IN ADDRESSING GENDER EQUALITY

Has a gender or social needs assessment been carried out?

Yes

If a gender or social assessment has been carried out what were the findings?

A detailed process of stakeholder mapping has been carried out in the project pilot sites in both Chile and Peru together with work at 15 workshops along the length of the Peruvian coast in association with the SERNANP RNSIIPG 'Vision' process in Peru. The reports are held in the Regional Coordination Unit office.

Does this project specifically target women or girls as direct beneficiaries?

Yes

Have there been any changes in specifically targeting women or girls as direct beneficiaries this reporting period?

Yes

If yes, please explain:

There have been changes in that the project now has a better idea about the involvement of women as stakeholders via the social assessment work carried out in the thematic studies and the stakeholder analyses at the pilot sites in Chile and Peru.

Please discuss any of the points above further or provide any other information on the project's work on gender equality undertaken this reporting period

Some points to consider: impact of project on daily workload of women, # of jobs created for women, impact of project on time spent by women in household activities, impact of project on primary school enrolment for girls/boys, increase in women's income etc. Be as specific as possible and provide real numbers (e.g. 100 women farmers participating in sustainable livelihoods programme).

The project promotes value addition of marine aquatic products which are typically handled by women. The project also encourages the concept of fisheries co-management which encourages women to take an active part in the management process. Similarly the reporting of illegal fishing practices often involves women as they are often responsible for the marking of fish from a wide range of sources. UNDP has a special gender mainstreaming program with a specialist currently working with the project in Lima. Similar activities are being promoted by IFOP in Chile.

ENVIRONMENTAL OR SOCIAL GRIEVANCE

What environmental or social issue was the grievance related to?

What is the current status of the grievance?

How would you rate the significance of the grievance?

Please describe the on-going or resolved grievance noting who was involved, what action was taken to resolve the grievance, how much time it took, and what you learned from managing the grievance process (maximum 500 words). If more than one grievance was addressed this reporting period, please explain the other grievance (s) here: