[**SECTION 8: PROJECT BUDGET AND FINANCING**](#_Toc437941824)

## [8.1 PROJECT BUDGET](#_Toc437941825) OVERVIEW

GEF has allocated the project a total budget of US$9,007,528 over a six-year period. Project activities will take place over the first five years. The sixth year will see activities associated with financial closure, evaluation, systematization of results, and the final report. The project has five components: The first three components deliver project outputs and objectives. The fourth covers monitoring and evaluation activities. The fifth covers project management costs (PMC). PROFONANPE is the primary recipient for the funds from GEF and it will oversee the whole process for procurement and recruitment in coordination with SERNANP.

Component 1 represents 10% of the total budget (US$901,978). Almost 80% of its disbursements will be made in the first two years of project implementation. This is because Component 1 will support establishment of the PdP’s governance structure and many of its activities will occur before and during the establishment of the transition fund (for example, the single close agreement, the operations manual, information and reporting systems, the communications strategy). The component is very important because it will lay the foundation for implementation of Component 3 activities.

Component 2 represents 18% of the total budget (US$1,646,564). Two-thirds of the component´s resources will focus on Output 2.3.4—“Pilot implementation of up to three financial mechanisms at site level, new or improved, with the best score”—the activities of which will take place from years one to five. This is consistent with the objective since financial sustainability requires NPAs to generate their own resources and become self-sustaining in the long term. The pilots will shed light on their financial potential and lay the foundation for replication and/or scaling up the experiences in other NPAs.

Component 3 has the largest budget: US$5,375,557—or 60% of the total allocation. This component makes up the greatest investments in the NPAs and will contribute to improving their management. The majority of the funds will go to the PdP transition fund, the implementation of which will begin during year two. The component includes activities such as equipment and vehicle investment, surveillance system improvements, biological control and monitoring, master plan updating, boundary marking, basic infrastructure construction and repositioning, personnel training (heads, park rangers and specialists), NPA recording in the national register, management committee establishment and operation, resource management plan preparation, and guidelines and methodologies updating.

Component 4 represents 7% of the total budget (US$654,499) and includes monitoring, evaluation, and coordination with the regional program and the other GEF projects—two in Colombia, one in Brazil, and another in Peru. These funds will be executed proportionally over the six years of the project.

The PMC represents 5% of the total budget, or $428,930. It includes part of the time of personnel contracted by the project, the costs of the mid-term review and the final audit, as well as other direct costs of PROFONANPE.

Table 12 sets out the distribution of the project´s six-year budget, at component, outcome, and output level.

Project co-financing totals US$54,460,781. This represents more than six times the total budget allocated by GEF. It comes principally from three institutions—SERNANP, WWF, PROFONANPE. Of the total SERNANP co-financing (US$ 38,000,000), some US$20,000,000 will be in cash and the remainder in kind. WWF will provide US$5,000,000 in cash, plus US$10,000,000 from the Gordon and Betty Moore Foundation, and US$ 1,054,781 in kind. PROFONANPE will provide US$406,000 in kind as part of the PMC.

This co-financing will assist with delivery of some key project outputs, most them associated with Component 3, where three-quarters of the co-financing total (almost US$ 40,000,000) is allocated. The co-financing amounts for components 1 and 2 are similar in size (representing 8.7% and 10.3% of the budget respectively). The allocation for Component 4 represents 5.6%. The PMC allocation represents 2.2%.

Table 13 sets out the distribution of the co-financing by institution at outcome/output level. Within each component, each output is weighted equally.

Table 12 Annual Budget Summary

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Amazon Sustainable Landscapes Program ANNUAL BUDGET SUMMARY** | | | | | | |  |
|  | **PROJECT TOTAL** | **YEAR 1** | **YEAR 2** | **YEAR 3** | **YEAR 4** |  |  |
| **CATEGORY** |  | **YEAR 5** | **YEAR 6** |
| **COMPONENT 1: Development of a multi-partner, public-private initiative for long-term financial sustainability of the NPAs in the Peruvian Amazon** | **901,978** | **533,475** | **157,575** | **77,075** | **59,584** | **47,584.00** | **26,684.98** |
| **1.1 Government and donor commitment secured for a long-term financial sustainability initiative for effective management of Peru’s Amazon NPAs** | **295,091** | **140,758** | **90,358** | **20,358** | **20,361** | **14,361.00** | **8,895.00** |
| 1.1.1 A 10-year integrated conservation and financial Action Plan to consolidate and improve management effectiveness of the Amazon NPAs as agreed between partners of the PdP Initiative | 81,297 | 41,186 | 10,786 | 10,786 | 10,787 | 4,787 | 2,965 |
| 1.1.2 PdP Initiative’s Framework Agreement (Single Close) | 36,897 | 14,786 | 4,786 | 4,786 | 4,787 | 4,787 | 2,965 |
| 1.1.3 Targeted donor communications and fundraising strategy for the PdP Initiative | 176,897 | 84,786 | 74,786 | 4,786 | 4,787 | 4,787 | 2,965 |
| **1.2 PdP Initiative for financial sustainability of NPAs in the Amazon operationalized** | **431,191** | **358,858** | **15,858** | **15,858** | **15,861** | **15,861** | **8,895** |
| 1.2.1 Operations Manual for the PdP Initiative | 47,897 | 25,786 | 4,786 | 4,786 | 4,787 | 4,787 | 2,965 |
| 1.2.2 Governance structure and management systems for the PdP initiative | 36,397 | 8,286 | 6,286 | 6,286 | 6,287 | 6,287 | 2,965 |
| 1.2.3 A comprehensive financial information management system for all sources of financing | 346,897 | 324,786 | 4,786 | 4,786 | 4,787 | 4,787 | 2,965 |
| **1.3 PdP integrated in SERNANP and across other sectors for the management and financing of the Amazon NPAs** | **175,696** | **33,859** | **51,359** | **40,859** | **23,362** | **17,362** | **8,895** |
| 1.3.1 Inter-sectoral coordination mechanisms | 80,897 | 21,286 | 21,286 | 13,786 | 13,787 | 7,787 | 2,965 |
| 1.3.2 Staff training on PdP | 61,897 | 4,786 | 22,286 | 22,286 | 4,787 | 4,787 | 2,965 |
| 1.3.3 Technical support to mainstream PdP into the SINANPE Master Plan | 32,902 | 7,787 | 7,787 | 4,787 | 4,788 | 4,788 | 2,965 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **COMPONENT 2. Diversification of sources to increase NPA financing** | **1,646,564** | **175,480** | **433,430** | **362,830** | **349,830** | **293,322** | **31,671.99** |
| **2.1 NPA values and benefits showcased to increase public and private support for PdP and new financing mechanisms** | **98,266** | **17,320** | **29,820** | **14,820** | **14,820** | **14,818** | **6,668** |
| 2.1.1 Economic impact and valuation studies of NPAs | 52,883 | 8,910 | 21,410 | 6,410 | 6,410 | 6,409 | 3,334 |
| 2.1.2 Targeted communications, learning tours and meetings to leverage government and sectoral support for NPA financing | 45,383 | 8,410 | 8,410 | 8,410 | 8,410 | 8,409 | 3,334 |
| **2.2 Increased options for the sustainable financing of NPAs** | **1,548,298** | **158,160** | **403,610** | **333,010** | **335,010** | **278,504** | **25,004** |
| 2.2.1 Short list of mechanisms to generate revenue for the sustainable financing of Amazon NPAs | 65,383 | 36,410 | 6,410 | 6,410 | 6,410 | 6,409 | 3,334 |
| 2.2.2 Feasibility studies of the shortlisted financial mechanisms | 115,383 | 31,410 | 61,410 | 6,410 | 6,410 | 6,409 | 3,334 |
| 2.2.3 Action plan and guidelines for the development of viable mechanisms | 55,383 | 6,410 | 6,410 | 26,410 | 6,410 | 6,409 | 3,334 |
| 2.2.4 Pilot implementation of up to three financial mechanisms at site level, new or improved, with the best score | 1,091,383 | 37,110 | 282,560 | 256,960 | 256,960 | 234,459 | 8,334 |
| 2.2.5 Proposals of new or improved mechanisms at national/system level | 135,383 | 40,410 | 40,410 | 30,410 | 10,410 | 10,409 | 3,334 |
| 2.2.6 Case studies and strategies for the replication of pilot site mechanisms | 85,383 | 6,410 | 6,410 | 6,410 | 48,410 | 14,409 | 3,334 |
| **COMPONENT 3. Implementation of PdP Action Plan Measures to consolidate and improve the effective management of Amazon NPAs** | **5,375,557** | **70,775** | **1,068,275** | **1,068,275** | **2,068,275** | **1,068,278** | **31,678.98** |
| **3.1 Improvements in effective management levels contribute to the conservation of biodiversity, sustainable forest and natural resources management, and maintenance of ecosystem services in 2 to 4 Amazon NPAs** | **5,375,557** | **70,775.00** | **1,068,275** | **1,068,275** | **2,068,275** | **1,068,278** | **31,679** |
| 3.1.1 Final selection of NPAs from the short list to be financed with GEF contributions to the TF | 96,854 | 19,592 | 17,092 | 17,092 | 17,092 | 17,093 | 8,893 |
| 3.1.2 Work Plan and budget for each selected NPA | 154,354 | 29,092 | 29,092 | 29,092 | 29,092 | 29,093 | 8,893 |
| 3.1.3 Implementation of eligible activities to consolidate and improve effective management in selected NPAs | 5,124,349 | 22,091 | 1,022,091 | 1,022,091 | 2,022,091 | 1,022,092 | 13,893 |
| **COMPONENT 4: Project Coordination and M&E** | **654,499** | **118,101.00** | **113,501.60** | **113,501.60** | **113,501.60** | **113,495.60** | **82,397.60** |
| 4.1 Project M&E informs project management | 365,566 | 67,928.60 | 63,328.60 | 63,328.60 | 63,328.60 | 63,324.60 | 44,327 |
| 4.2 Coordination with Regional program | 288,933 | 50,173 | 50,173 | 50,173 | 50,173 | 50,171 | 38,070 |
| **Project Management** | **428,930** | **62,187.67** | **62,187.67** | **92,187.67** | **62,187.67** | **64,189.67** | **85,989.67** |
| **TOTAL PROJECT COSTS** | **9,007,528** | **960,018.68** | **1,834,969.28** | **1,713,869.28** | **2,653,378.28** | **1,586,869.28** | **258,423.22** |

Table 13 Annual Budget Summary – Co-financing

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Amazon Sustainable Landscapes Program ANNUAL BUDGET SUMMARY - COFINANCING** | | | | | |
| **CATEGORY** | **COFINANCING** | **SERNANP** | **WWF** | **MOORE** | **PROFONANPE** |
| **TOTAL $** |
| **COMPONENT 1: Development of a multi-partner, public-private initiative for long-term financial sustainability of the NPAs in the Peruvian Amazon** | **4,751,556.20** | **4,500,000** | **210,956.20** | **0** | **40,600** |
| **1.1 Government and donor commitment secured for a long-term financial sustainability initiative for effective management of Peru’s Amazon NPAs** | **1,592,641.91** | **1,500,000** | **79,108.58** | **0** | **13,533.33** |
| 1.1.1 A 10-year integrated conservation and financial Action Plan to consolidate and improve management effectiveness of the Amazon NPAs as agreed between partners of the PdP Initiative | 530,880.64 | 500,000 | 26,369.53 | 0 | 4,511.11 |
| 1.1.2 PdP Initiative’s Framework Agreement (Single Close) | 530,880.64 | 500,000 | 26,369.53 | 0 | 4,511.11 |
| 1.1.3 Targeted donor communications and fundraising strategy for the PdP Initiative | 530,880.64 | 500,000 | 26,369.53 | 0 | 4,511.11 |
| **1.2 PdP Initiative for financial sustainability of NPAs in the Amazon operationalized** | **1,566,272.38** | **1,500,000** | **52,739.05** | **0** | **13,533.33** |
| 1.2.1 Operations Manual for the PdP Initiative | 530,880.64 | 500.000 | 26,369.53 | 0 | 4,511.11 |
| 1.2.2 Governance structure and management systems for the PdP initiative | 530,880.64 | 500.000 | 26,369.53 | 0 | 4,511.11 |
| 1.2.3 A comprehensive financial information management system for all sources of financing | 504,511.11 | 500.000 | 0 | 0 | 4,511.11 |
| **1.3 PdP integrated in SERNANP and across other sectors for the management and financing of the Amazon NPAs** | **1,592,641.91** | **1,500,000** | **79,108.58** | **0** | **13,533.33** |
| 1.3.1 Inter-sectoral coordination mechanisms | 530,880.64 | 500,000 | 26,369.53 | 0 | 4,511.11 |
| 1.3.2 Staff training on PdP | 530,880.64 | 500,000 | 26,369.53 | 0 | 4,511.11 |
| 1.3.3 Technical support to mainstream PdP into the SINANPE Director Plan | 530,880.64 | 500,000 | 26,369.53 | 0 | 4,511.11 |
| **COMPONENT 2. Diversification of sources to increase NPA financing** | **5,651,556.20** | **5,400,000** | **210,956.20** | **0** | **40,600** |
| **2.1 NPA values and benefits showcased to increase public and private support for PdP and new financing mechanisms** | **1,412,889.05** | **1,350,000** | **52,739.05** | **0** | **10,150** |
| 2.1.1 Economic impact and valuation studies of NPAs | 706,444.53 | 675,000 | 26.369,53 | 0 | 5,075.00 |
| 2.1.2 Targeted communications, learning tours and meetings to leverage government and sectoral support for NPA financing | 706,444.53 | 675,000 | 26.369,53 | 0 | 5,075.00 |
| **2.2 Increased options for the sustainable financing of NPAs** | **4,238,667.15** | **4,050,000** | **158,217.15** | **0** | **30,450** |
| 2.2.1 Short list of mechanisms to generate revenue for the sustainable financing of Amazon NPAs | 706,444.53 | 675,000 | 26,369.,53 | 0 | 5,075 |
| 2.2.2 Feasibility studies of the shortlisted financial mechanisms | 706,444.53 | 675,000 | 26,369.53 | 0 | 5,075 |
| 2.2.3. Action plan and guidelines for the development of viable mechanisms | 706,444.53 | 675,000 | 26,369.53 | 0 | 5,075 |
| 2.2.4. Pilot implementation of up to three financial mechanisms at site level, new or improved, with the best score | 706,444.53 | 675,000 | 26,369.53 | 0 | 5,075 |
| 2.2.5 Proposals of new or improved mechanisms at national/system level | 706,444.53 | 675,000 | 26,369.53 | 0 | 5,075 |
| 2.2.6 Case studies and strategies for the replication of pilot site mechanisms | 706,444.53 | 675,000 | 26,369.53 | 0 | 5,075 |
| **COMPONENT 3. Implementation of PdP Action Plan Measures to consolidate and improve the effective management of Amazon NPAs** | **39,792,156.20** | **24,500,000** | **5,210,956.20** | **10,000,000** | **81,200** |
| **3.1 Improvements in effective management levels contribute to the conservation of biodiversity, sustainable forest and natural resources management, and maintenance of ecosystem services in 2 to 4 Amazon NPAs** | **39,792,156.20** | **24,500,000** | **5,210,956.20** | **10,000,000** | **81,200** |
| 3.1.1 Final selection of NPAs from the short list to be financed with GEF contributions to the TF | 2,396,078.10 | 2,250,000 | 105,478,10 | 0 | 40.600 |
| 3.1.2 Work Plan and budget for each selected NPA | 2,396,078.10 | 2,250,000 | 105,478,10 | 0 | 40.600 |
| 3.1.3 Implementation of eligible activities to consolidate and improve effective management in selected NPAs | 35,000,000 | 20,000,000 | 5.000.000 | 10,000,000 | 0 |
| **COMPONENT 4: Project Coordination and M&E** | **3,032,756.20** | **2.700.000,00** | **210,956.20** | **0** | **121,800.00** |
| 4.1 Project M&E informs project management | 1,516,378.10 | 1,350,000 | 105,478.10 | 0 | 60.900,00 |
| 4.2 Coordination with Regional program | 1,516,378.10 | 1,350,000 | 105,478.10 | 0 | 60.900,00 |
| **Project Management** | **1.232.756,20** | **900,000** | **210,956.20** | **0** | **121.800** |
| **TOTAL PROJECT COSTS** | **54,460,781** | **38,000,000** | **6,054,781** | **10,000,000** | **406,000** |

\*\*Additional contributions to the Transition Fund (~ USD$20-30 million) is anticipated as additional project co-financing.

Co-financing in cash from SERNANP, WWF, and Moore (US$35,000,000 in total) is allocated to Output 3.1.3: “Implementation of eligible activities to consolidate and improve effective management in selected NPAs.” Table 14 below sets out the logic of the in-kind co-financing budget distribution by institution, reflecting the relative importance each has in respect of fulfillment of the objectives of each component.

Table 14 Co-financing distribution by Component

|  |  |  |  |
| --- | --- | --- | --- |
| **CATEGORY** | **SERNANP** | **WWF** | **PROFONANPE** |
|
| **COMPONENT 1** | **25%** | **20%** | **10%** |
| **COMPONENT 2** | **30%** | **20%** | **10%** |
| **COMPONENT 3** | **25%** | **20%** | **20%** |
| **COMPONENT 4** | **15%** | **20%** | **30%** |
| **PMC** | **5%** | **20%** | **30%** |
| **TOTAL PROJECT COSTS** | **100%** | **100%** | **100%** |

The counterpart contribution will assist with achievement of the project´s outcomes. The project´s main risk is failure to establish the transition fund during the first two years. Its establishment is very important if activities—in particular those in Component 3—are to be delivered in the time frame set. For this reason Component 1 is important, as it lays the foundation for the PdP during the first two years (preparation of the operations manual, establishment of the closing conditions, the fund raising campaign, signature of the memorandum of understanding, establishment of the fund´s governance arrangements). There is a small risk in that some Component 2 national mechanisms will lack the political backing necessary for their establishment. This would reduce the fund raising that has been estimated as potentially available for the system, and the diversification to new income sources. However, this can be offset by implementation of the pilots in the preselected NPAs.

The following table (Table 15) sets out the total distribution of the project´s costs by expenditure category over its six years. The largest category is Grants and Agreements, with a value of US$5,000,000 allocated to the transition fund. Personnel and consultancy costs follow in size, representing 18.8% and 16.7% respectively of the budget.

Table 15 Distribution of Project Costs by Expenditure Category

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **TOTAL PROJECT** | | | | | | | |
|  |  |  |  |  |  |  | **PROJECT** |
| **CATEGORY** | **YEAR 1** | **YEAR 2** | **YEAR 3** | **YEAR 4** | **YEAR 5** | **YEAR 6** | **TOTAL** |
| PERSONNEL | 264,897.01 | 264,897.61 | 264,897.61 | 264,906.61 | 264,899.61 | 182,901.55 | **1,507,400** |
| THIRD PARTY FEES & EXPENSES | 451,500 | 387,250 | 314,750.00 | 269,250 | 229,750 | 38,000 | **1,690,500** |
| GRANTS & AGREEMENTS | 0 | 1,000,000 | 1,000,000 | 2,000,000 | 1,000,000 | 0 | **5,000,000** |
| TRAVEL, MEETINGS & WORKSHOPS | 187,200 | 140,400 | 91,800 | 76,800 | 49,800 | 6,100 | **552,100** |
| OTHER DIRECT COSTS | 31,421.67 | 31,421.67 | 31,421.67 | 31,421.67 | 31,421.67 | 31,421.67 | **188,530** |
| EQUIPMENT | 15,000 | 0 | 0 | 0 | 0 | 0 | **15,000** |
| ADMINISTRATIVE COSTS | 10,000 | 11,000 | 11,000 | 11,000 | 10,998 | 0 | **53,998** |
| **TOTAL PROJECT COSTS** | **960,018.68** | **1,834,969.28** | **1,713,869.28** | **2,653,378.28** | **1,586,869.28** | **258,423.22** | **9,007,528** |

## [8.2 PROJECT BUDGET NOTES](#_Toc437941826)

**8.2.1 Staffing**

In accordance with the institutional arrangements, the Project Management Unit (PMU) is composed of a Project Manager and two specialists: a Financial Sustainability Specialist and an NPA Specialist. The Project Manager´s function is to coordinate and direct the PMU and manage, in coordination with SERNANP and PROFONANPE, the implementation of project components and activities in accordance with the objectives, with the operational and procurement plans, and with the operations manual. The Project Manager will also coordinate strategic and operational planning for the project and coordinate with SERNANP, PROFONANPE, and other relevant stakeholders the implementation of workshops and preparation of reports, the AWP and Budget, among others. The Project Manager´s salary is allocated across the five project components (20% of his or her time per component).

The NPA Specialist´s function is to assist the Project Manager in issues related to adaptive management, strategic planning, governance, conservation priorities in intervention areas, preparation of terms of reference, diagnosis of institutional capacities for NPA management, and priority areas for project intervention. Component 3 will receive the highest share of the specialist´s time (40%) because of the close relationship between his or her responsibilities and the NPA management level work contained in the component.

The Financial Sustainability Specialist´s function is to assist the Project Manager in issues related to NPA financial sustainability, to analyze and update the financial needs of prioritized NPAs, and to assess the efficiency, effectiveness, and sustainability of implementation. The specialist will also be responsible for systematizing and updating NPA financing information. Component 2 will receive the highest share of the specialist´s time (40%) because of the close relationship between his or her responsibilities and financial mechanism design and implementation.

Two additional positions will be established in PROFONANPE for Component 4 and part of the PMC: a Monitoring and Evaluation Specialist and a Financial Assistant. The first will prepare the monitoring and evaluation plan, assess progress against the goals and indicators in the logical framework, implement the GEF monitoring tool, prepare reports, follow up established agreements and commitments, provide evidence of impact to promote project knowledge management and communication, and establish the project information storage system, among other tasks. The Finance Assistant will support preparation of the AWP and Budget, undertake project financial monitoring, coordinate payment requirements, make and record payment estimates, follow up the project's expenditure, record payments made, undertake NPA monitoring visits and administrative supervision, support procurement and contracting processes, and support the preparation of reports, among other tasks.

The following tables (Table 16 and Table 17) set out the budget allocation (by component) of the salary for each of the five positions mentioned above. The first three are distributed across the five components and the remaining two show against components 4 and 5 (project management). The positions will continue throughout the six years of project implementation, except for the Financial Sustainability Specialist and the NPA Specialist (five years).

Table 16 Personnel Budget Distribution by Component

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **COMPONENT** | **Project Manager** | **Fin. Sust. Specialist** | **NPA Specialist** | **NPA M&E** | **Fin. Assist** |
| **COMPONENT 1** | **20%** | **20%** | **20%** | **0%** | **0%** |
| **COMPONENT 2** | **20%** | **40%** | **20%** | **0%** | **0%** |
| **COMPONENT 3** | **20%** | **20%** | **40%** | **0%** | **0%** |
| **COMPONENT 4** | **20%** | **10%** | **10%** | **80%** | **80%** |
| **PMC** | **20%** | **10%** | **10%** | **20%** | **20%** |
| **TOTAL PROJECT COSTS** | **100%** | **100%** | **100%** | **100%** | **100%** |

Table 17 Personnel Budget by Component

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Position Title** | **Summary of responsibilities** | **Average Annual % time** | **Average annual Budget** | **Total Project Budget** |
| **COMPONENT 1** | | | | |
| Project Manager | Support preparation of the draft memorandum of understanding and the PdP operations manual.  Follow up the inter-institutional integrated information system.  Strengthen inter- and intra-institutional coordination so that there is strategic planning with a landscapes vision. | 20% | 14,200  (6 years) | 85,200 |
| NPA Specialist | Support the communications campaign and key messages about conservation and NPA value, tailored to each stakeholder.  Provide technical support to the Directing Plan that incorporates PdP conservation objectives. | 20% | 8,200  (5 years) | 41,000 |
| Financial Sustainability Specialist | Consolidate and update the PdP costing model.  Develop and validate the PdP financial model.  Provide technical support to the Directing Plan that incorporates the system financial sustainability strategy. | 20% | 8,200  (5 years) | 41,000 |
| Technical assistance |  | 100% | 74,871  (5 years) | 74,871 |
| **TOTAL COMPONENT 1** | | |  | **242,071** |
| **COMPONENT 2** | | | | |
| Project Manager | Undertake travel and participate in business meetings with key stakeholders to demonstrate NPA potential.  Support the national mechanisms technical proposal.  Systematize lessons learned and the potential for scale-up of the pilot mechanisms. | 20% | 14,200  (6 years) | 85,200 |
| NPA Specialist | Support feasibility analysis and analysis of the possible environmental and social impact of some of the proposed mechanisms. | 20% | 8,200  (5 years) | 41,000 |
| Financial Sustainability Specialist | Support development of the impact and economic return studies.  Determine the shortlist of potential mechanisms to be evaluated.  Support the estimates and economic projections for the mechanisms. | 40% | 16,400  (5 years) | 82,000 |
| Technical assistance |  | 100% | 74,864  (5 years) | 74,864 |
| **TOTAL COMPONENT 2** | | |  | **283,064** |
| **COMPONENT 3** | | | | |
| Project Manager | Establish a shortlist of NPAs to be financed by the project through the transition fund.  Establish a work plan and budget for each selected NPA. | 20% | 14,200  (6 years) | 85,200 |
| NPA Specialist | Support the identification of selection criteria to determine the shortlist.  Monitor expenditure and investments made in the NPAs. | 40% | 16,400  (5 years) | 82,000 |
| Financial Sustainability Specialist | Link the management results achieved with the new costs of the financial model. | 20% | 8,200  (5 years) | 41,500 |
| Technical assistance |  | 100% | 74,868  (5 years) | 74,868 |
| **TOTAL COMPONENT 3** | | |  | **283,568** |
| **COMPONENT 4** | | | | |
| Project Manager | Ensure proper project management and supervise all components. | 20% | 14,200  (6 years) | 85,200 |
| NPA Specialist | Report on project implementation of NPA adaptive management and strategic planning. | 10% | 4,100  (5 years) | 20,500 |
| Financial Sustainability Specialist | Report on project implementation of NPA financial sustainability, analyze and update the financial needs of priority NPAs. | 10% | 4,100  (5 years) | 20,500 |
| Monitoring and Evaluation Specialist | Prepare and update the monitoring and evaluation plan.  Assess progress against achievement of the established goals and indicators in the logical framework.  Prepare reports and follow up agreements established. | 80% | 25,333  (6 years) | 152,000 |
| Finance Assistant | Support preparation of the AOPs.  Coordinate payment requirements and follow up project expenditure reporting.  Undertake monitoring and administrative supervision visits to NPAs.  Support the procurement, contracting and report preparation processes. | 80% | 24,133  (6 years) | 144,800 |
| Technical assistance |  | 100% | 75,807  (5 years) | 75,807 |
| **TOTAL COMPONENT 4** | | |  | **498,807** |
| PMC | | | | |
| Project Manager | Support project management. | 20% | 14,200  (6 years) | 85,200 |
| NPA Specialist | 10% | 4,100  (5 years) | 20,500 |
| Financial Sustainability Specialist | 10% | 4,100  (5 years) | 20,500 |
| Monitoring and Evaluation Specialist | 20% | 6,333  (6 years) | 38,000 |
| Finance Assistant | 20% | 6,033  (6 years) | 36,200 |
| **TOTAL PMC** | | |  | **200,400** |

Each component also includes technical assistance corresponding to the percentage of PROFONANPE personnel dedicated to project activities. These activities include compliance with high fiduciary standards, such as financial operations transparency; efficient administrative and financial processes; accountability; competitive procurement processes with transparent and effective mechanisms for tender evaluation; proper separation of responsibilities for payment authorization and disbursement; capacity to assure compliance with procurement processes; periodic analysis of processes; and the safeguards necessary to prevent conflict of interest.

**8.2.2 Third Party Fees and Expenses**

The majority of the consultancy costs are in Component 2 because of the need to carefully analyze—using detailed viability, feasibility, and profitability studies—the financial mechanisms to be implemented for the NPA pilots in order to guarantee that they will be successful and can be replicated.

The extent to which third-party costs include design, layout, and printing of documents prepared for the project is noteworthy. These can both generate new funds (by attracting donors through the communications strategies) and document lessons learned from successful experiences (through the systematization of case studies). Components 3 and 5 contain minor costs related to communication, consultations, external audits, and evaluations. The consultancy budget by Component is detailed in Table 18.

Table 18 Consultancy Budget by Component

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Consultant Expertise** | **Summary of responsibilities** | **Project Year/s** | **Average annual Budget** | **Total Project Budget** |
| **Component 1** | | | | |
| Work plan prepared, published and disseminated. | Contract a company to undertake the drafting and printing of the work plan prepared by SERNANP. | 1 | 5,500 | 5,500 |
| Operations manual developed. | Contract a company for the preparation and final drafting of the operations manual previously agreed by PROFONANPE and SERNAP. | 1 | 10,000 | 10,000 |
| Memorandum of understanding prepared. | Contract a consultancy firm for the preparation of the memorandum of understanding in conjunction with partner organizations. | 1 | 5,000 | 5.000 |
| SERNANP all source system designed and implemented. | Contract a company to consolidate the Comprehensive Strategic Planning System for all SERNANP NPA management funding sources. | 1 | 150,000 | 150,000 |
| New SIGA software for PROFONANPE designed and implemented. | Contract a company to design the new SIGA software with a financial monitoring tool that is coordinated with the Comprehensive Strategic Planning System for all SERNANP NPA funding sources. | 1 | 150,000 | 150,000 |
| Communications strategy developed. | Contract a company to prepare a communications strategy with  key messages, communications tools, and targeted materials. | 1 and 2 | 50,000 | 50,000 |
| Communications strategy implemented. | Contract a company to manage the printing and dissemination of the materials identified in the communications strategy. | 1 and 2 | 7,500 | 15,000 |
| Key SERNANP and PROFONANPE personnel trained. | Contract institutions specialized in training on sustainability issues, financial mechanisms, and effective management. | 1 and 3 | 17,500 | 35,000 |
| **Total Component 1** | | |  | **420,500** |
| **Component 2** | | | | |
| NPA impact and economic value studies developed. | Contract consulting companies to undertake impact and economic value studies with the objective of creating awareness among key stakeholders and involving them in the generation of potential funding mechanisms. | 3 | 15,000 | 15,000 |
| Prefeasibility studies developed. | Contract consulting companies to analyze certain mechanisms pre-identified at local level. | 1 | 15,000 | 15,000 |
| Shortlist of potential mechanisms created. | Contract a consulting company to undertake viability studies for the potential mechanisms and evaluate in detail the existing mechanisms. | 1 | 15,000 | 15,000 |
| Viability analysis of the mechanisms developed. | Undertake studies in greater detail about funding mechanism implementation (cost benefit analysis, risk analysis, market value analysis, etc). | 1 and 2 | 25,000 | 75,000 |
| NPA ranking mechanisms developed. | Prepare a prioritized list of the mechanisms identified in the NPAs according to their viability and potential. | 1 | 10,000 | 5,000 |
| Communications materials developed. | Contract a company to prepare, edit, and print communications materials for mechanism implementation. | 1 and 4 | 7,500 | 30,000 |
| Basic infrastructure improved. | Contract a consulting company to make improvements to small-scale infrastructure on the generation of positive net income | 1 and 5 |  | 795,000 |
| Action plan and protocols for pilots developed. | Prepare an action plan for the three pilots and design a road map for mechanism implementation. | 2 | 20,000 | 20,000 |
| Pilot implementation supported. | Contract a consulting company to support implementation of the pilot studies, the legal drafting of agreements, the design of monitoring instruments, and the drafting of amendments to policies, procedures, and guides. | 1 and 3 | 30,000 | 30,000 |
| Safeguards plan developed. | Contract a consultant to develop a safeguards plan. | 1 and 5 | 20,000 | 20,000 |
| Legal and technical studies undertaken. | Contract consultancy companies to support the legal and technical arrangements for commissioning of the mechanisms. | 1 and 3 | 20,000 | 50,000 |
| Successful mechanism case studies systematized. | Contract a company to prepare a document that systematizes successful implementation case studies. | 4 and 5 | 24,000 | 24,000 |
| Publication designed and printed. | Contract a company to design and print the document of case studies and lessons learned from the pilots. | 4 | 26,000 | 26,000 |
| **Total Component 2** | | |  | **1,120,000** |
| **Component 3** | | | | |
| Community consultations - safeguards | Conduct workshops and meetings with communities and interested parties. | 1 to 5 | 10,000 | 50,000 |
| **Total Component 3** | | |  | **50,000** |
| **PMC** | | | | |
| Audits conducted. | Contract an external audit firm. | 1 to 6 | 6,666 | 40,000 |
| Mid-term and terminal evaluation conducted | Contract a company to undertake the mid-term review and the final evaluation required by GEF. | 3 and 6 | 30,000 | 60,000 |
| **Total PMC** | | |  | **100,000** |

**8.2.3. Grants and Agreements**

Table 19 shows a summary of sub recipients. Under Component 3 the GEF finance of US$5,000,000 channeled through the transition fund via PROFONANPE will be used to improve the management levels in some of the six shortlisted NPAs (Table 20; see Appendix 15). Three management levels and their respective goals have been identified: i) Basic (PA Manager trained, boundaries demarcated, recorded in the NPA registry, NPA management plan updated and implemented, management committee established and operating); Structural (surveillance and control through controlled areas, biological monitoring); Optimal (use and management of natural resources, tourism).

Table 19 Sub Recipient Summary

|  |  |
| --- | --- |
| Partner Name | Total sub-recipient Budget |
| PROFONANPE (transition fund) | 5,000,000 |
| **Sub Total Sub Grants** | **5,000,000** |

Table 20 Grants for Component 3

|  |  |  |  |
| --- | --- | --- | --- |
| **COMPONENT 3** | | | |
| **Name of Partner** | **Purpose** | **Location** | **Total** |
| PROFONANPE | To manage the transition fund allocated for implementation of eligible activities to consolidate and improve NPA management effectiveness. | Entire project | 5,000,000 |
|  | *See Appendix 20 for eligible activities under Component 3* |  |  |
| **TOTAL COMPONENT 3** | | | **5,000,000** |

The funding shortfall for the six NPAs to reach the basic and structural level has been identified and costed (Table 21). It exceeds US$3.5 million. The funding shortfall for Pacaya Samiria and Allpahuayo Mishana to reach the optimal level is almost US$ 850,000. Tourism would apply in Tingo María. Together with Pacaya Samiria and Allpahuayo Mishana, the shortfall rises to almost US$1 million before infrastructure costs are included. The total shortfall for all NPAs to reach the basic level and then the structural level, and for some to then reach the optimal level, totals US$ 5.4 million—more than US$ 400,000 beyond the budget.

Hence there is a need to prioritize the six shortlisted NPAs for comprehensive coverage of the proposed activities. The activities most closely related to the goals established for the management levels carry costs associated with training, procurement and repositioning of equipment and vehicles, operational needs, travel for workshops and meetings, consultancies, construction, maintenance of small infrastructure, methodology development, baseline preparation, etc. The activities will be determined once the NPAs to be financed with project funds are identified. Detailed costing will then follow.

Table 21 Shortfall to achieve management goals of the six shortlisted NPAs

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **NPA NAME** | **Shortfall for Basic Level** | **Shortfall for Structural Level** | **Shortfall for Sust Natural Resource Use (Optimal Level)** | **Shortfall for Tourism Development (Optimal Level)** |
|
| **Tingo María** | 265,988 | 782,800 |  | 1,463,000 |
| **Río Abiseo** | 604,961 | 840,790 |  |  |
| **Machiguenga** | 336,432 | 1,536,250 |  |  |
| **Pacaya Samiria** | 918,525 | 2,000,000\* | 1,255,600 | 975,000\*\* |
| **Allpahuayo Mishana** | 655,673 | 1,487,710 | 1,542,600 | 848,000\*\* |
| **Tabaconas Namballe** | 122,644 | 2,190,010 |  |  |
| **TOTALS (S/)** | **2,904,223** | **8,837,560** | **2,798,200** | **3,286,000** |
| **TOTALS (US$)** | **880,068** | **2,678,048** | **847,939** | **995,758** |

**Assumed exchange rate 3.3 (S. / US$)**

**\* Amount underestimated. Pacaya Samiria is validating the information.**

**\*\* Amount underestimated. Infrastructure costs are not included.**

**8.2.4. Travel**

The budget includes ten overseas trips for the heads of SERNANP and PROFONANPE to seek finance from possible donors to the transition fund, the goal for which is US$70 million. Some 140 field trips are budgeted for Component 2 for the analysis, design, and implementation phases of the funding mechanisms. This is the largest number for any component: it is important to contrast the various experiences and evaluate the sustainability of the pilots and this will take place over the project´s full five years. Monitoring and evaluation trips will also occur over the five years under Component 4 in some of the six preselected NPAs. These have a budget of US$76,100. Table 22 details the travel budget for the project.

Table 22 Travel Budget

|  |  |  |  |
| --- | --- | --- | --- |
| **International or Local (state the destination if known)** | **Purpose of Travel** | **Total number of Trips** | **Total Project Costs** |
| **Component 1** | | | |
| **International** | Participation by SERNANP/PROFONANPE and strategic partners in negotiations to access external donor funds. The trips are for the head of each institution. | 10  (10 trips for two people) | 50,000 |
| **TOTAL COMPONENT 1** | | | **50,000** |
| **Component 2** | | | |
| **National** | Local trips to develop the shortlist of potential mechanisms and assess existing mechanisms. | 20  (10 trips for two people) | 10,000 |
| **National** | Local trips for financial sustainability pilot implementation. | 120  (60 trips for two people) | 60,000 |
| **TOTAL COMPONENT 2** | | | **70,000** |
| **COMPONENT 4** | | | |
| **National** | Local monitoring and technical/financial evaluation trips (six NPAs) | 180  (36 trips over five years) | 76,100 |
| **TOTAL COMPONENT 4** | | | **76,100** |

**8.2.5. Workshops and meetings**

The budget for workshops and meetings is US$350,000 allocated as follows: US$180,000 for Component 1, US$121,000 for Component 2, US$10,000 for Component 3, US$40,000 for Component 4. Component 1 has the highest number of coordination meetings because its outputs are closely linked to the establishment of PdP governance, internal coordination, and compliance with inter-institutional agreements. This means that the component constitutes 50% of the budget for this category. Component 2 meetings are aimed at training and coordination in issues related to financial sustainability and the identification of mechanisms. Components 3 and 4 include a single coordination meeting over the life of the project.

Most meeting will take place in Lima. The cost will vary from US$1,000 for basic coordination meetings, to US$40,000 for large events targeted to a particular audience. Meetings that take place in the provinces will cost between US$10,000 and US$45,000, depending on the number of people traveling, the number of nights’ accommodation, the location, and the number of people who attend. Table 23 below details the workshops and meetings budgeted for the project.

Table 23 Workshops and meetings budget

|  |  |  |  |
| --- | --- | --- | --- |
| **Location** | **Purpose of workshop (include number of workshops planned)** | **Describe who will be participating and the estimated number of participants.** | **Total Project Costs**  **(US$)** |
| **Component 1** | | | |
| Lima | To determine and agree the objectives and goals of the PdP. | SERNANP and PROFONANPE officers, partners, PMU | 3,250 |
| National | To determine the criteria for establishing the order of priority for transition fund disbursements (space in macro regional meetings will be utilized). | 25 NPA heads and personnel from SERNANP head office, PMU | 11,250 |
| Project-wide NPAs | To consolidate the cost and finance model. | Six NPA heads and personnel from SERNANP head office, PMU | 24,000 |
| Lima | To disseminate the PdP Work Plan. | SERNANP and PROFONANPE officers, partners, PMU | 6,000 |
| Lima | To develop the operations manual. | SERNANP and PROFONANPE officers, consultant, PMU | 11,000 |
| Lima | To launch the project (signature of the memorandum of understanding). | First year | 5,000 |
| Lima | To establish the structure, functions, and procedures for the Project Steering Committee. | Project Steering Committee, SERNANP and PROFONANPE officials | 7,500 |
| Lima | To train the Project Steering Committee and key SERNANPE and PROFONANPE technical staff about the operations manual. | Project Steering Committee members, SERNANP and PROFONANPE officials, partners | 1,000 |
| Lima | To establish the transition fund that will receive and disburse the financial inputs of various donors. | Project Steering Committee members, SERNANP and PROFONANPE officials, donors | 1,000 |
| Lima | To provide training in use of the SPE | Six NPA heads and personnel from SERNANP and PROFONANPE head offices | 20,000 |
| National | To organize events to establish relationship with media organizations and/or relevant politicians. | Officials from various ministries, communications media. | 25,000 |
| Lima | To organize events and meetings aimed at potential donors and key stakeholders. | Potential donors, partners | 25,000 |
| Project-wide locations | To consolidate and implement inter-institutional coordination, the multi-sectoral planning strategy, and NPA integration. | Regional governors, NPA heads, local stakeholders, private individuals, SERNANP and PROFONANPE officials | 24,000 |
| National | To establish a national working group to coordinate activities in the context of NPA financial sustainability. | Project Steering Committee members, SERNANP and PROFONANPE officials, partners | 15,000 |
| Lima | To provide technical support so that the SINANPE Directing Plan is integrated into the strategic planning process. | 25 NPA heads and personnel from SERNANP head office, PMU | 6,000 |
| **Total Component 1** | | | **185.000** |
| **Component 2** | | | |
| Project-wide locations | To provide training and technical assistance to NPA personnel and local stakeholders. | NPA personnel | 45,000 |
| Project-wide locations | To hold meetings and multi-sectoral working groups. | NPA personnel, local officials | 10,000 |
| Project-wide locations | To deliver workshops about replication of NPA financial mechanisms. | NPA personnel, local officials | 20,000 |
| Lima | To deliver workshops with the multi-sectoral and inter-institutional working groups. | Multi-sectoral and inter-institutional working group members. | 10,000 |
| Lima | To hold inter-institutional coordination meetings. | SERNANPE, PROFONANPE and partner personnel | 6,000 |
| Entire project | To hold national level workshops to validate new mechanisms or improve existing mechanisms at national level. | NPA personnel, officials, partners | 30,000 |
| **Total Component 2** | | | **121,000** |
| **Component 3** | | | |
| Project-wide locations | To conduct safeguards consultations. | Community members and local stakeholders | 10,000 |
| **Total Component 3** | | | **10,000** |
| **Component 4** | | | |
| Lima | To conduct learning exchange workshops. | SERNANP, PROFONANPE and MINAM personnel | 40,000 |
| **Total Component 4** | | | **40,000** |

**8.2.6 Equipment**

Equipment procurement will be limited to the PMU and PROFONANPE (Components 1, 2, 3 and 4), consisting of five laptops, two printers and one small piece of equipment (a cellular phone) (see Table 24). These are for the six years of the project.

Table 24 Equipment costs

|  |  |  |  |
| --- | --- | --- | --- |
| **Equipment**  **Budgeted** | **Project justification for equipment** | **Location** | **Total Costs**  **(US$)** |
| **COMPONENT 4** | | | |
| 5 latops | PMU implementation (distributed across components 1 and 4) | Lima | 12,500  1,200  1,300 |
| 2 printers |
| 1 cellular phone |
| **TOTAL COMPONENT 4** | | | **15,000** |

**8.2.7 Other Direct Costs**

Other direct project costs total US$188,530, with approximately 30% allocated to components 2 and 3 and the remainder for the PMC. These include contingency and PROFONANPE operational costs for project development. They will be incurred consistently throughout the six years of implementation. Table 25 details other direct costs for the project.

Table 25 Other direct costs

|  |  |  |
| --- | --- | --- |
| **Description** | **Project Justification** | **Total Project Costs (US$)** |
| **Component 2** | | |
| Contingencies | A sum budgeted for unanticipated events in project implementation. | 30,000 |
| **TOTAL COMPONENT 2** | | **30,000** |
| **Component 3** | | |
| Contingencies | A sum budgeted for unanticipated events in project implementation. | 30,000 |
| **TOTAL COMPONENT 3** | | **30,000** |
| **PMC** | | |
| Operational costs | Communications (telephone, fax, AV, WP)  Equipment operating costs  Shipping and handling  Office maintenance  Office rent  Insurance  Office security  IT support  Energy and water | 128,530 |
| **TOTAL PMC** | | **128,530** |

## 8.3 PROJECT MANAGEMENT COSTS (PMC)

Project management costs total US$428,930 (equivalent to 5% of the total budget). Salary and benefits are the largest items and represent almost 50% of the total costs. Other direct costs represent more than 30% of the total costs. This item includes operational costs associated with the activities performed by contracted personnel. The sum of US$ 100,000 will be allocated to two consultancies: an external financial audit (US$ 40,000) and a mid-term review (US$ 60,000). Table 26 below details the PMC costs.

Table 26 Project Management Costs

|  |  |
| --- | --- |
| ***Line item*** | **Total (US$)** |
| Salaries and Benefits | ***200,400*** |
| Consultants | ***100.000*** |
| Other Direct Costs | ***128,530*** |
| **TOTAL M&E** | ***428,930*** |
| **TOTAL PROJECT BUDGET** | ***9,007,528*** |
| **% M&E OF TOTAL PROJECT BUDGET** | ***5%*** |

## 8.4 MONITORING AND EVALUATION BUDGET

Monitoring and evaluation costs total US$654,499 (equivalent to just over 7% of the total budget). Salary and entitlements are the largest items and represent 75% of the total costs. Travel follows, representing almost 18%. A smaller amount (almost US$40,000) is allocated for operational costs and equipment (see Table 27 and Table 28 below).

Table 27 M&E summary budget

|  |  |
| --- | --- |
| **Line item** | **Total (US$)** |
| Salaries and Benefits | 498,801 |
| Consultants |  |
| Grants and Agreements |  |
| Travel | 116,100 |
| Workshops |  |
| Equipment | 5,600 |
| Other Direct Costs | 33,998 |
| **TOTAL M&E** | **654,499** |
| **TOTAL PROJECT BUDGET** | **9,007,528** |
| **% M&E OF TOTAL PROJECT BUDGET** | **7.27%** |

Table 28 M&E Budget

| **Description** | **Component under which expense is budgeted** | **Total Costs**  **(M&E only)** |
| --- | --- | --- |
| **Salaries and Benefits (Position and % of time)** | | |
| Manager 20% | Component 4 | 85,194 |
| NPA Specialist 10% | Component 4 | 20,500 |
| Financial Sustainability Specialist 10% | Component 4 | 20,500 |
| M&E Specialist 80 % | Component 4 | 152,000 |
| Administrative and Financial Assistant 80% | Component 4 | 144,800 |
| Technical Assistance | Component 4 | 75,807 |
| **TOTAL SALARIES AND BENEFITS US$ 498,801** | | |
| **Travel** | | |
| Local monitoring and technical/financial evaluation trips (six NPAs) | Component 4 | 76,100 |
| To conduct learning exchange workshops. | Component 4 | 40,000 |
| **TOTAL TRAVEL US$ 116,100** | | |
| **Equipment** | | |
| 2 laptops | Component 4 | 5,000 |
| 1 printer | Component 4 | 600 |
| **TOTAL EQUIPMENT US$ 5,600** | | |
| **Other direct costs** | | |
| Operational costs | Component 4 | 33,998 |
| **TOTAL OTHER DIRECT COSTS US$ 33,998** | | |
| **TOTAL M&E** | | 654,499 |
| **TOTAL PROJECT BUDGET** | | ***9,007,528*** |
| **% M&E OF OVERALL BUDGET** | | 7.27% |

## [8.5 SAFEGUARDS BUDGET](#_Toc437941827)

The budget for safeguards is detailed in Table 29 below.

Table 29 Safeguards budget

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Component under which expense is budgeted** | | **Total Costs**  **(US$)** |
| **CONSULTANTS (Expertise and Purpose)** | | | |
| Contracting of consultants to prepare the safeguards plan. | Component 2 | | 20,000 |
| Contracting of consultants to carry out community consultations. | Component 3 | | 50,000 |
| **TOTAL CONSULTING US$ 70,000** | | | |
| **WORKSHOPS** | | | |
| Workshops for preparation of the safeguards plan. | Component 2 | | 10,000 |
| Community workshops. Consultations with communities and interested parties, and analysis of actions to mitigate potential environmental and social impact will be undertaken based on the safeguards plan prior to presentation to the selection committee. | Component 3 | | 10,000 |
| **TOTAL WORKSHOPS US$ 20,000** | | | |
| **TOTAL SAFEGUARDS** | | 90,000 | |
| **TOTAL PROJECT BUDGET** | | 9,007,528 | |
| **SAFEGUARDS AS % OF OVERALL BUDGET** | | 1% | |

## 8.6 GENDER MAINSTREAMING BUDGET

A gender analysis will take place at the start of implementation to inform a gender integration strategy/action plan for the project. The gender analysis and action plan, including costs to develop and any staff time, will come from co-financing by PROFONANPE.