



Global Environment Facility  
Evaluation Office

Fourth Overall Performance Study Country Case Study  
for Chile

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## **ACRONYMS**

CBD	Convention on Biological Diversity
CBOs	Community-Based Organizations
CCS	Country Case Studies
CDM	Clean Development Mechanism
CED	Center for Development Studies
CEO	Chief Executive Officer
CGTS	General Coordination Office for the Transport of Santiago
CHM	Clearing House Mechanism
CIPMA	Center for the Research and Planning of the Environment
CNE	National Energy Commission
CONAF	National Forestry Corporation
CONAMA	National Environment Commission
EA	Enabling Activity
EIAS	Environmental Impact Assessment System
FSP	Full Sized Project
GEF	Global Environmental Facility
GIS	Geographical Information System
IEA	International Energy Agency
IGA	Isla Grande de Atacama
INN	Institute of Regulation Standardizations
LML	Lafken Mapu Lahual
MSP	Medium Sized Project
MUMPAs	Multi – Use Marine and Coastal Protected Areas
NBSAPs	National Biodiversity Strategy and Action Plans
NCRE	Non Conventional Renewable Energies
NCSA	National Capacity Self-Assessment
NGOs	Non Governmental Organizations
NIP	National Implementation Plan
OECD	Organisation for Economic Co-operation and Development
OPS4	Fourth Overall Performance Study
PCBs	Polychlorinated Biphenyls
PDF	Project Development Facility
PIF	Project Identification Form
PIR	Project Implementation Review
POPs	Persistent Organic Pollutants
PPA	Private Protected Area
PPCH	Parks for Chile Organization
PRODOC	Project Document
RAF	Resource Allocation Framework
REP	Rural Electrification Program
SGP	Small Grant Programme
SINIA	National System of Environmental Information
UNCCD	United Nations Convention to Combat Desertification
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change

## **CONTENT**

CHAPTER 1: Study Framework	1
1.1. Background and Objectives	1
1.2. Study Methodology	2
CHAPTER 2: Results	3
2.1. Global Environmental Impacts by Focal Area and in Multi – Focal Area Activities	3
2.2. Risks to sustainability of Results	12
CHAPTER 3: Relevance	15
3.1. GEF support and sustainable development and environmental priorities	15
3.2. GEF support and global conventions and international waters agreements	16
3.3. GEF support as regards GEF mandate	17
3.4. Country Ownership	18
CHAPTER 4: Performance	20
4.1. GEF portfolio in Chile	20
4.2. Roles and Responsibilities	23
4.3. GEF Focal Point Mechanism	25
4.4. Lessons Learned by focal areas	25
4.5. Synergies: linkages between projects	27
ANNEX I. Key Questions	28

## **CHAPTER 1. Study Framework**

### **1.1 Background and Objectives**

The GEF Evaluation Office (GEF EO) has the central role of ensuring the evaluation function within the GEF, of setting minimum requirements for monitoring and evaluation, of ensuring oversight of the quality of monitoring and evaluation systems on program and project level and of sharing evaluative evidence within the GEF partnership.

The overall objective of the Fourth Overall Performance Study is to assess the extent to which the GEF is achieving its objectives and to identify potential improvements. More than in previous overall performance studies, OPS4 will report on portfolio outcomes, the sustainability and catalytic effect of those outcomes and the impacts that were achieved in its focal areas. There are five clusters of questions on which OPS4 will focus:

- Role and added value of the GEF: to assess the relevance of the GEF within the international architecture for tackling global environmental problems, of which the various multilateral environmental agreements are important building blocks.
- Results of the GEF: to assess concrete, measurable and verifiable results (outcomes and impacts) of the GEF in its six focal areas, and in multi-focal area efforts and how these achievements relate to the intended results of interventions and to the problems that they were targeted at.
- Relevance of the GEF to the conventions it serves as a financial mechanism and to recipient countries.
- Performance of the GEF: to investigate whether the performance is up to the best international standards or whether improvements are needed.
- Resource mobilization and financial management: on the level of the Facility itself.

In this context the Country Case Study for Chile will focus on three of the five clusters: results, relevance and performance and will have the following objectives:

- Report on concrete, measurable and verifiable results (outcomes and impacts) of GEF supported activities (particularly at the national level, but when applicable and relevant national results coming from regional and global activities with national components in the country).
- Assess the relevance of the GEF support in the country from several points of view: national sustainable development and environmental frameworks/strategies/priorities; the GEF mandate to achieve global environmental benefits; and the guidance to conventions.
- Report on performance issues affecting results of the GEF such as the functioning of the GEF Focal Point mechanism, project cycle, Resource Allocation Framework (RAF) implementation, cost-effectiveness of GEF activities, preparation, supervision and evaluation of projects.

## 1.2 Study Methodology

The study included quantitative and qualitative methods to collect and analyze data. The consultant interviewed key GEF stakeholders, particularly at the national level, as well as several implementers and beneficiaries of GEF projects. A few field visits to project sites were also conducted. Reviews of documents from GEF projects, GEF Agencies and government agencies were carried out, these include:

- a. National sustainable development agendas, environmental priorities, and strategies;
- b. GEF-wide Focal Area strategies and action plans;
- c. Global and national environmental indicators;
- d. Evaluative evidence at the country level developed by the GEF Evaluation Office;

A Project Review Template was prepared to assess some national projects and a selected number of regional and global projects. This project review includes the basic project data (i.e. focal area, amount of GEF support and co-financing, GEF Agency, project cycle, etc.) as well as information on the projects' objectives, expected outcomes, impacts, achievements, challenges and lessons learned. The key questions covered in the Project Review Template were oriented to assess the quality and quantity of results, relevance and performance of the Country since the first support of the GEF in 1995. This consultancy relied primarily on the desk review of the following documents:

- a. The Project document (PRODOC)
- b. The annual Project Implementation Reports (PIRs)
- c. The Mid-term Evaluation (were available)
- d. The Terminal Evaluation (were available)
- e. The Terminal Evaluation Review (were available)

The scope of the assessment included 14 national projects currently completed or under implementation as well as 2 regional, 1 global and SGP projects in which Chile participates.

## **CHAPTER 2. RESULTS**

### **2.1. Achievements by GEF Focal Areas**

The GEF support to Chile has resulted in the preparation of National Strategies, Implementation Plans, Actions Plans and Communications to the Conference of the Parties to the main Conventions ratified by Chile and supported by the GEF. It has also promoted capacity building at a Governmental and National level. For example, without these initiatives the current national agendas on Climate Change and POPs would not have started, and in the case of Biodiversity there would have developed at a slower pace.

In the Biodiversity Focal Area, GEF support has provided funding to expand the Protected Area system in globally significant areas and incorporating private lands to conservation, which will ensure that important ecosystems and species be safeguarded. In the other Focal Areas, even though no immediate global environmental benefits have been reported, the GEF projects (completed or under implementation) have had a great influence at the foundational level.

In some cases especial financial incentives such as courses to enable stakeholders to be of service to tourists, such as eco and ethnic-tourism programs, in protected areas that were being recently created, were carried out to promote sustainable development particularly in sectors with indigenous communities.

There have also been a few initiatives that did contemplate non - monetary incentives which are also essential and often regarded as highly valuable and that facilitated the participation of stakeholders in the projects. Amongst these last ones can be found access to expert information about basic conservation concepts, as well as field training and technical assessment that involved support activities. In other cases the projects developed activities to promote the public awareness of the main stakeholders on the benefits of conservation at a site level which will necessarily lead to catalyzing some changes in their attitudes and behaviors.

As in the case of Chile's GEF portfolio of MSPs, FSPs, and Enabling Activities, SGP grants are heavily weighted toward the biodiversity focal area which is most relevant to national environmental and sustainable development priorities. Reflecting the length of SGP operations in Chile, 193 projects totaling US \$5.6 million in grants have been completed or are under implementation within the portfolio.

SGP grants are made directly to community-based organizations (CBOs) and non-governmental organizations (NGOs) in recognition of the key role they play as a resource and constituency for environment and development concerns. The maximum grant amount per project is of US \$50,000, but averages are around US \$23,442.4. Grants are channeled directly to CBOs and NGOs.

The majority of the SGP projects have been undertaken in the northern part of the Country and also some in the South. This concentration in part reflects a strategy of supporting the buffer communities around protected areas and coastal zones. The SGP's supports projects that have helped to target vulnerable communities as well as indigenous groups. Furthermore, women lead or are actively involved in a number of SGP projects.

Replication can be effective in most of the Projects implemented in Chile. This holds especially true with Enabling Activities and SGP Projects which are the ones that have generated the most visible and tangible results. Biodiversity projects in general are easy to replicate and due to the nature of

their activities can easily achieve the necessary funding mechanisms. In the case of Climate Change these can be replicated, yet they require large sums of financing which will make it difficult for some countries to do so.

### **2.1.1 Biodiversity Focal Area**

Projects under implementation in this Focal Area:

- N° 1236 Conserving Globally Significant Biodiversity along the Chilean Coast
- N° 1725 Biodiversity Conservation in Altos de Cantillana
- N° 1207 Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest.
- N° 2772 Building a Comprehensive National Protected Areas System: A Financial and Operational Frame

Projects completed in this Focal Area:

- N° 809 National Biodiversity Strategic Action Plan, Report to the CBD, CHM
- N° 844 Valdivian Forest Zone: Private-Public Mechanisms for Biodiversity Conservation
- N° 1021 Conservation and Sustainable Use of Chiloé Globally Significant Biodiversity (pending Terminal Evaluation)
- N° 1300 Ecosystem Management of the Salar del Huasco for Biodiversity Conservation and Sustainable Use Outside Protected Areas
- N° 1377 Santiago Foothills: Mountain Ecosystem Conservation
- N° 33 An Indicator Model for Dryland Ecosystems in Latin America
- N° 145 Biodiversity Data Management Training in Developing Countries and Networking Biodiversity Information

#### **2.1.1.1 Overview of Results**

The main result of the GEF support to Chile so far has been at two levels: development and implementation of the country's policy framework regarding biodiversity (including capacity development) and improvement in the management and/or expansion of the protected area system (with the protection of about 140,000 hectares of marine and terrestrial PAs equivalent to 0.19% of the national territory increasing the already 19% of territory under legal protection), particularly within private lands. These last ones, PPAs, do not count yet with the legal framework for their creation, thus can only be certified by the National Forestry Corporation (CONAF) in order to have some institutional support from the government and recognition.

These areas contemplate the protection of endemic fauna species such as the world's smallest deer, the endangered pudú (*Pudu pudu*), South America's largest woodpecker, the Magellanic woodpecker (*Campephilus magellanicus*), Chilean Mockingbird (*Mimus thenca*), the Giant Hummingbird (*Patagona gigas*), and the Humboldt penguin (*Sphniscus humboldti*). These ecosystems are also home to some extraordinary flora such as the tall Alerce trees (*Fitzroya cupressoides*) as well as the Chilean Wine Palm (*Jubaea chilensis*) and the *Sclerophyllous* forest. Other species protected in the marine ecosystems include the Chilean dolphin (*Cephalorhynchus eutropia*), Burmeister's porpoise (*Phocoena spinipinnis*), Marine otter (*Lutra felina*), Southern sea lion (*Otaria flavescens*), and South American fur seal (*Arctocephalus australis*).

SGP Projects completed or under implementation in this Focal Area total 110 and are equivalent to 57% of all the grants in the Country with a total amount of US \$ 3,261,393 with an average investment of US \$29,032 per grantee.

Project N° 809 has been the most relevant in this Focal Area by aiding in the Country's policy framework development through its results which include: a) the preparation and delivery of the First National Communication to the Conference of the Parties to the Convention on Biological Diversity (CBD), b) the preparation and approval of the National Biodiversity Strategy and c) the preparation and approval of the National Action Plan for the Implementation of the National Biodiversity Strategy 2004-2015.

Project N° 844 has been influential in the area of Private Protected Areas (PPAs) in Chile with the following two key outputs: a) the Project significantly influenced the formation of relevant regulations included in the Regulations for Private Protected Wild Land Areas, which gave official recognition and eligibility criteria to establish PPAs in Chile and b) it also succeeded at getting special incentives for PPAs included in the Law No. 20,283 on the Recovery of the Native Forest and Incentivizing Forestry (Ley del Bosque Nativo).

The following 3 projects have aided in increasing the Country's protected areas:

- Project N° 844: The main result was the creation of the first three PPAs in Chile, totaling 2,394 hectares.
- Project N° 1236: Three legal Multiple Use Marine and Coastal Protected Area (MUMPAs) were established: a) Lafken Mapu Lahual (LML) in 2004, b) Isla Grande de Atacama (IGA) in 2004 and c) Francisco Coloane in 2003. These total 75,306 marine hectares and 42,305 terrestrial hectares that are under legal protection each one of the MUMPAs is located in a different biogeographical region.
- Project N° 1377: The Project managed to protect, conserve and restore in-situ a 13,352 ha area located in the Mediterranean-mountainous ecosystem known as the Santiago Foothills Park, which may eventually become a private protected area.

The following 2 projects have aided in increasing Chile's capacity building:

- Regional Project N° 33 provided a new tool through the development and later refinement of the Monitor proprietary software to model the interaction of biophysical and socioeconomic factors in the arid ecosystems. However, it is perceived that this Project should have been catalogued as Land Degradation and not Biodiversity given its achievements.
- Global Project N° 145 Has made a positive contribution towards improving biodiversity data management at the national biodiversity units, national focal institutions and various other institutions that participated in the project implementation.

Other results, applicable to most of these projects, include the preparation of environmental and ecological baselines, the establishment of Geographic Information Systems (GIS), development of environmental education strategies, development of Conservation Plans, capacity building programs for institutional and local stakeholders, environmental zonings, mappings and training activities for the stakeholders involved.



In 1998, Chile's Environmental Policy for Sustainable Development, prepared by the National Environment Commission (CONAMA), acknowledged the importance of the conservation and sustainable use of Chile's biodiversity and specifically underscored that it was the responsibility of the State to adopt actions and measures to conserve the country's ecosystems, species and genetic resources. The Policy specifically recognized the importance of maintaining the capacity and integrity of ecosystems through the integrated management and increased knowledge of their uses and value including the "goods and services" provided by habitats and recreational areas.

In general the Projects with GEF support have had some project activities that contributed to changing institutional behaviors.

In the Biodiversity Focal Area the National Action Plan for the Implementation of the National Biodiversity Strategy 2004-2015 has redirected the environmental agenda of the Country by influencing and including new tasks for several institutions, mainly the National Environment Commission (CONAMA) and the National Forestry Corporation (CONAF), at a Governmental level.

The creation of Multi-Use Protected Areas (MUMPAs), which include terrestrial and marine ecosystems, are a product of agreements and institutional arrangements between the Office of the Under-Secretary for the Navy (Ministry of Defense), CONAMA, and the Ministry of National Property, since the country does not yet possess specific regulatory powers to designate areas for marine and coastal conservation.

One of the enabling activities has generated awareness within CONAMA to the need of keeping an updated data base on the natural resources of the Country.

As far as sustained follow-on financing from Government and/or other donors as a contribution of the implementation of the Projects, this has proved to be a difficult task. Only two of the completed Projects to date have had follow-on financing, these are Projects N° 1377 and N° 145.

In the first case Project N° 1377 Santiago Foothills: Mountain Ecosystem Conservation the financing comes from the private landowners and the governmental municipalities participating in the initiative and have been obtained through the increased awareness of these stakeholders in the need to protect the Chilean Matorral Ecoregion, which was successfully achieved by the implementation of the Project.

The second case derives from Project N° 145 Biodiversity Data Management Training in Developing Countries and Networking Biodiversity Information. Through the implementation of this Project the General Environmental Framework Law (Law 19.300) was enacted and in its article 70, mandates CONAMA to maintain a National System of Environmental Information (SINIA) thus ensuring the follow-on financing for this initiative.

Overall, the majority of the changes have been catalyzed by direct actions undertaken by NGOs such as the case of "*Parques para Chile (Parks for Chile)*", "*Protege (Protection)*" and the "*Centro de Estudios para el Desarrollo – CED (Center for Development Studies)*".

#### **2.1.1.2 Geographical Distribution**

GEF support in Chile concentrated on the key globally significant areas, both terrestrial and marine. Chile has a total of 9 ecoregions (5 Terrestrial, 1 Freshwater and 3 Marine) identified under the Global 200 out of these the GEF portfolio has aided in the protection of the following 4 Terrestrial

Ecoregions: 76 - Valdivian Temperate Rainforests, 109 - Central Andean Dry Puna, 122 - Chilean Matorral, 133 - Atacama Sechura deserts, and 1 Marine Ecoregion: 210 - Humboldt Current.

Project N° 844 and N° 1021 were developed within the Valdivian Temperate Rainforests Ecoregion (76 according to the Global 200) which is one of the world's five major temperate rainforests and the only one in all of South America. This area is also recognized as the “Chilean Winter Rainfall – Valdivian Forests” the only existing Hotspot in Chile according to Conservation International.

Project N° 1236 was the only one that included marine ecosystems. These Protected Areas correspond to the following Global 200 Marine Ecoregion 210 Humboldt Current.

Project N° 1300 was developed in the Global 200 Terrestrial Ecoregion 109 - Central Andean Dry Puna and 133 Atacama-Sechura Deserts.

Projects N° 1377 and N° 1725 were carried out in the Global 200 Terrestrial Ecoregion 122 Chilean Matorral that includes the protection of a portion of Chile’s *Sclerophyllous* forest of the Andean cordillera. This is the only example of Mediterranean scrub ecoregion found in all of South America and is only one of five such ecosystems in the world. It is also a national, high-priority site for biodiversity conservation in Chile, according to the CONAF’s Red Book on High-Priority Sites.

Projects N° 809, N° 33 and N° 145 are considered to have an influence at a National level for influencing policies and generating tools for governmental decision making.

#### **2.1.1.3. Synergies**

##### **National Institutions in the Biodiversity Focal Area**

The institutions working as executing agency of the following Projects have been identified as generating synergies:

- The Center for the Research and Planning of the Environment (CIPMA) as Executing Agency of Project N° 844 *Valdivian Forest Zone: Private-Public Mechanisms for Biodiversity Conservation*.
- The Foundation for Natural Heritage and Biodiversity as Executing Agency of Project N° 1021 *Conservation and Sustainable Use of Chiloé Globally Significant Biodiversity*.
- The National Environment Commission (CONAMA) as Executing Agency of the following Biodiversity Projects: N° 809 *National Biodiversity Strategic Action Plan, Report to the CBD, CHM*; N° 1236 *Conserving Globally Significant Biodiversity along the Chilean Coast*; N° 1300 *Ecosystem Management of the Salar del Huasco for Biodiversity Conservation and Sustainable Use Outside Protected Areas*; N° 1377 *Santiago Foothills: Mountain Ecosystem Conservation*; N° 1725 *Biodiversity Conservation in Altos de Cantillana*; N° 145 *Biodiversity Data Management Training in Developing Countries and Networking Biodiversity Information*.

#### **2.1.2 Climate Change Focal Area**

Projects under implementation in this Focal Area:

- N° 843 Removal of Barriers to Rural Electrification with Renewable Energy
- N° 1349 Sustainable Transport and Air Quality for Santiago

Projects completed in this Focal Area:

- N° 270 Enabling Chile to fulfill its commitments to the UNFCCC
- N° 1321 Climate Change Enabling Activity (Additional Financing for Capacity Building in Priority Areas to Project N° 270)
- N° 372 Reduction of Greenhouse Gases

Projects under preparation or in the GEF pipeline in this Focal Area:

- N° 3599 Promoting and Strengthening an Energy Efficiency Market in the Industry Sector. (Council Approved)

### **2.1.2.1 Overview of Results**

GEF support to climate change has been crucial to the development of this sector in Chile, particularly through the preparation, approval and implementation of the National Action Plan on Climate Change, 2008-2012 to support Chile's responsibilities to the UNFCCC. The Climate Change portfolio in Chile has not produced significant reduction or avoidance of GHG emissions yet neither market transformations in the energy efficiency or renewable energy sectors.

However, Chile has promoted Clean Development Mechanism (CDM) projects with several countries such as Japan, Holland, Canada, Denmark and the United Kingdom. These Projects include solar energy production, improvement of the urban transport system in Santiago, the extensions of the subway transport, reforestation, and control of methane from landfills as well as others. To date there have been 32 Projects carried out.

SGP Projects completed or under implementation in this Focal Area total 16 and are equivalent to 8.3% of all the grants in the Country with a total amount of US \$ 516,063 with an average investment of US \$32,559 per grantee. These projects have mainly consisted on providing electrification to rural areas through Non-Conventional Renewable Energies (NCRE) which have included the installation of PV systems to indigenous communities. Another area of support has been through the development of solar kitchens and pots in rural areas, these projects have been primarily lead by women with the intention of reducing the need of firewood in these communities.

Projects N° 270 & N° 1321 are considered as one since the second is the additional financing to the first, they have been the most relevant to this Focal Area through the following results: a) the preparation and delivery of the First National Communication to the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC), b) the formulation of strategic guidelines in the area of climate change, approved by the National Environment Commission (CONAMA) in 1998, c) the ratification of the Kyoto Protocol by Chile in 2002 and finally d) the preparation, approval and implementation of the National Action Plan on Climate Change for 2008-2012. These policies set the grounds for future decision making processes and a more complete institutional framework with proper guidance on the subject of climate change. An indirect result of this Project was the preparation, approval and implementation of the National Climate Change Strategy of 2006.

As a result of Project N° 372, an electric generation plant was built, with a generation capacity of 40 kW based on fire wood. It delivers electric energy to 32 families. This is the only Project in the study that showed signs of tradeoff prioritizing the generation of electricity rather than the environment, however, the pollution is not significant.

Project N° 843 is still under implementation, however, the following results have been identified to date:

- a portfolio of 92 rural electrification projects with NCRE along the country has been prepared. A preliminary evaluation indicates that these NCRE projects will contribute to reduce over 72 Gg of CO2 emissions by the year 2020;
- 44 standards for Rural Electrification with Non-Conventional Renewable Energies (NCRE) were elaborated, published and approved as Chilean Official Standards (7 standards for wind systems, 18 for hydropower systems, 4 for hybrid systems and 15 for photovoltaic systems);
- based on an in-depth study of international certification systems (solar, wind and small hydro power), specific certification procedures have been elaborated and established for each renewable energy technology applied to rural electrification in Chile;
- the project developed a specific strategy to work with the regional governments, rural municipalities, local authorities and communities, to promote the use of NCRE in rural electrification;
- the project has organized 17 workshops and seminars, providing training for end users, technicians, consultant companies, technology providers, local government and municipalities, professionals, etc. A specific training program for PV systems was prepared and executed, providing, up to date, training to well over 3.500 trainees;
- a large scale PV project has been executed between December 2005 and April 2007, 3,064 PV systems have been installed in the IV Region. In addition a total of 25 PV projects have been prepared and presented to the Government;
- the project has prepared a portfolio of productive projects with NCRE in the IV and VII Regions. Demonstrative projects of PV irrigation and small scale biogas plants have been executed;
- an extensive campaign of wind resource evaluation has been executed. Data from 40 locations of the country are now available and
- dissemination activities include the establishment of a project web page on 2004, seminars, elaboration of printed documents and brochures.

Project N° 1349 is still under implementation and to date the following results have been identified as remarkable: a) chassis dynamometer was acquired this is the first of its kind in the Country and one of few in existence in South America and b) the Transantiago has advanced in diminishing the local GHG emissions due to the renovation of transport technologies and the reduction in the amount of busses functioning in the city. However, it is expected to participate with a CDM Project in the future.

In 2006, the National Strategy on Climate Change, prepared by the National Assessment Committee on Climate Change, was approved and provided the following guidelines:

- Adaptation to the impacts of Climate Change.
- Mitigation of the Emissions of Greenhouse Gases.
- Creation and Promotion of the Capacities on Climate Change.

In this Focal Area the National Action Plan for 2008-2012 has necessarily changed the institutional behavior at a national Governmental level by providing a new agenda in this focal area. The incorporation of the Institute of Regulation Standardizations (INN) in the elaboration of standards for solar, hydro, wind and hybrid technology has helped broaden the scope of its influence at a national level.

### 2.1.2.2 Distribution according to GHG sources

The main sources of Greenhouse Gases (GHG) in Chile are those shown in Table 1.

**Table 1. CO2 Emissions and Energy Consumption**

	<b>Electricity</b>
	<i>Unit: GWh</i>
<b>Total Final Consumption</b>	<b>50646</b>
Industry	34135
Transport	325
Residential	8546
Commercial and Public Services	7459
Agriculture / Forestry	181
<b>Total Final Emissions</b>	
<b>CO<sub>2</sub> Emissions ** (Mt of CO<sub>2</sub>)</b>	<b>59.84</b>
<b>CO<sub>2</sub>/TPES (t CO<sub>2</sub>/toe)</b>	<b>2.01</b>
<b>CO<sub>2</sub>/Population (t CO<sub>2</sub>/capita)</b>	<b>3.64</b>
<b>CO<sub>2</sub>/GDP (kg CO<sub>2</sub>/2000 US\$)</b>	<b>0.62</b>
<b>CO<sub>2</sub>/GDP (PPP) (kg CO<sub>2</sub>/2000 US\$ PPP)</b>	<b>0.33</b>

*\*\*CO<sub>2</sub> Emissions from fuel combustion only. Emissions are calculated using IEA's energy balances and the Revised 1996 IPCC Guidelines.*

**Source:** OECD/IEA 2006

Projects N° 270 & N° 1321 and N° 843 are considered to have an influence at a National level for influencing policies and generating tools for governmental decision making.

Project N° 1349 is been carried out only in the Metropolitan Region of Chile, which harbors 1/3 of the Country's entire population, therefore, this Project aims at reducing GHG emissions in the key area of Chile were they are produced.

### 2.1.2.3. Synergies

#### National Institutions in the Climate Change Focal Area

The institutions working as executing agency of the following Projects have been identified as generating synergies:

- The National Environment Commission as Executing Agency of Projects *N° 372 Reduction of Greenhouse Gases in Chile as well as N° 270 Enabling Chile to Fulfill its Commitments to the UNFCCC and N° 1321 Climate Change Enabling Activity (Additional Financing for Capacity Building in Priority Areas).*
- The General Coordination Office for the Transport of Santiago (CGTS) of the Ministry of Transport and Telecommunications as Executing Agency of Project *N° 1349 Sustainable Transport and Air Quality for Santiago.*
- The National Energy Commission as Executing Agency or Project *N° 843 Removal of Barriers to Rural Electrification with Renewable Energy.*

### **2.1.3 International Waters Focal Area**

There are currently no Projects in preparation, under implementation or completed in this Focal Area. Project N° 936 Water Resources and Biodiversity Management was classified as Biodiversity and was cancelled and N° 3749 Towards Ecosystem Management of the Humboldt Current Large Marine Ecosystem was classified as Multi Focal and is currently under the status “Council Approved”. Project N° 1236 Conserving Globally Significant Biodiversity along the Chilean Coast that was the only one that included marine ecosystems was classified as Biodiversity.

### **2.1.4 Persistent Organic Pollutants Focal Area**

Projects completed in this Focal Area:

- N° 2825 Development of National Implementation Plans for the Management of Persistent Organic Pollutants – Chile

#### **2.1.4.1 Overview of Results**

GEF support to POPs has been limited to the preparation and approval of the NIP, which corresponds to the development state of this focal area.

Project N° 2825 had as its main result the preparation and approval of the National Implementation Plan (NIP) for POPs management Phase I: 2006-2010.

The development of the National Implementation Plan (NIP) for the Management of POPs Phase I: 2006-2010, will allow the Country to comply with the commitments established in the Stockholm Convention, adopting measures tending to reduce or eliminate the liberation of POPs in order to protect human health and the national environment.

The preparation of the NIP was based in the environmental Chilean policy that has as conceptual basis the sustainable development, which seeks to combine environmental protection with economic development in a framework of social equity and public transparency.

In the Persistent Organic Pollutants (POPs) Focal Area the preparation and approval of the National Implementation Plan (NIP) for POPs management Phase I: 2006-2010 was key to providing a new vision and work plan in this area, thus influencing institutional behavior primarily at a Governmental level.

### **2.1.5 Land Degradation Focal Area**

There are currently only SGP Projects in preparation, under implementation or completed in this Focal Area. However, Project N° 33 An Indicator Model for Dryland Ecosystems in Latin America which is relevant to the Focal Area was classified as Biodiversity.

SGP Projects completed or under implementation in this Focal Area total 22 and are equivalent to 11.4% of all the grants in the Country with a total amount of US \$ 569,303 with an average investment of US \$6,448 per grantee. These projects have been carried out not only with GEF funds but also with help from the European Union. The main activities include reforestation of degraded lands with native species.

### 2.1.6 Multi Focal Area

Projects completed in this Focal Area:

- N° 2206 National Capacity Self-Assessment (NCSA) for Global Environment Management
- N° 1310 Building Wider Public and Private Constituencies for the GEF in Latin America and the Caribbean: Regional Promotion of Global Environment Protection through the Electronic Media

Projects under preparation or in the GEF pipeline in this Focal Area:

N° 3749 Towards Ecosystem Management of the Humboldt Current Large Marine Ecosystem currently under the status “Council Approved”

#### 2.1.6.1 Overview of Results

SGP Projects completed or under implementation in this Focal Area total 45 and are equivalent to 23.3% of all the grants in the Country with a total amount of US \$ 1,255,020 with an average investment of US \$25,730 per grantee. The efforts in this area have concentrated in building the necessary capacity at a local community level to promote and develop eco-etnotourism activities that are environmentally friendly and that will provide sustainable livelihood options to rural areas.

Project N° 2206: The main result of the Project was the preparation and approval of the “*National Capacity Self-Assessment of the Country’s Needs in the Themes of Biodiversity, Climate Change and Land Degradation, Final Report with Recommendations*”. Project N° 2206 is considered to have an influence at a National level for influencing policies and generating tools for governmental decision making.

Project N° 1310: The main result was the broadcasting of the television programs titled “*Conserving the mountain*”, “*Producing without Contaminating*” and “*Goodbye, dusty roads*” in Cable Television in Chile. Project N° 1310 is also considered to have an influence at a National level for broadcasting the television programs through cable television.

The preparation and approval of the “*National Capacity Self-Assessment of the Country’s Needs in the Themes of Biodiversity, Climate Change and Land Degradation, Final Report with Recommendations*” the Project has changed the institutional behavior at a national level by providing a new agenda in these work areas.

### 2.2. Risks to Sustainability of Results

In the financial arena, the most important risk encountered in MSPs and FSPs is that the project’s budgets are often based upon an exchange rate of the period in which the proposal was prepared. However, the actual rate at which the money is then exchanged during the implementation could be consistently lower or higher than the reference rate during the project’s duration which plays an important role when deciding which activities can actually be funded in the case of a decrease in the rate, since the money does no longer cover all that it was intended to.

This happened in the case of Project N° 1236 Conserving Globally Significant Biodiversity along the Chilean Coast where the budget was based upon an exchange rate of CL\$710 pesos per US\$1. The actual rate was consistently lower than the reference rate during the project’s duration. The exchange rate had dropped to CL\$440 pesos per US\$1 dollar and is to date at CL\$540 pesos per

US\$1 dollar. This signified an actual budget of approximately CL\$5.278.043.760 compared to the estimated CL\$8.516.843.340 where the difference was of approximately 38% less funding.

The biggest problem of sustainability at a political level, as often described in the documents of the projects reviewed during this study, is the high rotation of mid- and higher-level government officials in Chile which affects the adequate continuity to the implementation of project activities posing unexpected challenges and requiring extra time to inform and teach about the project philosophy and operation and delaying data gathering thus the need to re-enchance these authorities is cyclical.

In terms of Institutional framework and governance the main risks exist due to the fact that the regulations for the creation of private protected areas have not yet been ratified. Therefore the private conservation areas depend solely on the goodwill of the private landowners and the municipalities involved.

On the positive side, the current government's agenda provides an emphasis on environmental issues, which diminishes political risks and improves likelihood of sustainability. As a part of this agenda the President sent to Congress a bill, on June 2008, amending the General Environmental Framework Law (Law 19,300 of 1994). The Bill creates the Ministry of the Environment, the Environmental Evaluation Service, and the Superintendent of the Environment, and contains other provisions aimed at modernizing Chile's environmental legal framework. The Bill was approved by Chamber of Representatives and has yet to pass the approval in the Senate Chamber as of the date of this study.

The Bill recognizes the difficulties presented by fragmented environmental powers and responsibilities held by a multitude of administrative agencies, and the lack of a clear definition concerning the legislative goal of coordination among them. The bill also takes note of the politicization of environmental decision-making procedures, the often confusing and contradictory decisions reached by ministries and other administrative agencies with environmental responsibilities, and weaknesses in the national and local enforcement systems. Furthermore, the Bill acknowledges the frailty of local environmental authorities, the inconsistency in application of the Environmental Impact Assessment System (EIAS), and the myriad of unconnected, overlapping, and outdated environmental provisions. This Bill is known as Mensaje N° 352 – 356 is available in Spanish: <http://www.conama.cl/portal/1301/article-43344.html>

To address these issues, the Bill creates the Ministry of the Environment as an entity in charge of designing and implementing policies, plans, and programs related to environmental protection, the conservation of biological diversity and renewable natural resources, and the promotion of sustainable development. The Environmental Evaluation Service, on the other hand, which represents the legal continuation of the current National Environmental Commission (CONAMA), is a decentralized organ with full jurisdiction over the EIAS, and includes the implementation and promotion of public information and participation mechanisms within the EIAS.

Environmental risks depend mostly on the region of Chile where the projects are being carried out. In the North the main threat is the need for firewood as a source of energy as well as the scarcity of water resources. In the South intensive logging and conversion of forests to timber plantations are the major threats. As a general rule illegal activities such as poaching cause the main threat primarily in rural areas.

The main technological risk, especially important for Climate Change related projects, is the Country's severe energy production problem. Chile depends of the supply of natural gas from



Argentina which makes it unreliable. Hydroelectric and nuclear based energy as frowned upon. And in the case of solar energy and wind power these require an enormous investment which the Country cannot afford. In turn this situation makes the industries have to rely on petroleum based energy which is pollutant, a problem for climate change and highly expensive. At a general level the low resources available for follow-on activities make it hard to implement and update technologies such as the geographical information systems (GIS).

## **CHAPTER 3. RELEVANCE**

### **3.1. GEF Support and Sustainable Development and Environmental Priorities**

In the '90s, the protection of the environment became an important governmental priority. Prior to 1990, there was only fragmented regulation of the environment. Therefore, it became necessary to review the existing environmental legal regime. To meet those needs, the General Environmental Framework Law N° 19.300 went into effect in 1994 establishing a legal framework to which all other environmental legislation must refer, and provided CONAMA with extended powers, as a public body that operates as a decentralized service under a special regime (with a public legal authority and assets).

In 1998, the CONAMA approved the “Sustainable Development Environmental Policy” which was brought about by President Frei’s Administration. Subsequently, President Lagos’ Administration launched the new “Environmental Agenda 2002-2006 for Clean and Sustainable Development.” The underlying purpose of this agenda was to achieve a national growth that is sustainable while promoting greater social fairness. The Governmental Agenda of current President Michelle Bachelet also provides an emphasis on environmental issues.

The GEF began funding Projects in Chile in 1995 with the Pilot Project N° 372 Reduction of Greenhouse Gases. To date there have been Projects in the Focal Areas of Biodiversity, Climate Change, Persistent Organic Pollutants and Multi Focal Areas.

By the end of 1994, and in response to the initiative of President Eduardo Frei to incorporate all segments of Chile’s population in economic development, an agreement was developed by the Comisión Nacional de Energía (CNE, or National Energy Commission) to initiate a Rural Electrification Program (REP) as part of a Poverty Alleviation Program. The purpose of the REP was to provide solutions for the lack of electricity in rural areas, by incorporating the concepts of equity, reduction of migration, productive development, and decentralization of decisions. The support of the GEF also comes through aiding in national development needs such as this one.

In this context the promotion of Non-Conventional Renewable Energies (NCRE) that are environmentally friendly in terms of climate change are very important. Chile’s geographic and climatic diversity presents an excellent potential for the use of renewable energies throughout the country. Solar energy is abundant in the north, hydro and biomass/agricultural energy are in the south, and there is potential for wind energy in coastal and southern-most areas. Further development needs have been identified in the “National Capacity Self-Assessment of the Country’s Needs in the Themes of Biodiversity, Climate Change and Land Degradation, Final Report with Recommendations” of 2008. As previously discussed, the issue with renewable energies is the high levels of investments necessary and that are not available in the country.

Through the GEF Enabling Activities decision making processes have been influenced by setting the grounds for the generation of new initiatives, policies and regulations. More specifically, in the area of Climate Change, during 2007, 44 standards for Rural Electrification with NCRE were generated, published and approved as Chilean Official Standards. Two National Strategies have derived directly or been influenced by the GEF Projects, these are:

- National Biodiversity Strategy of 2003.
- National Climate Change Strategy of 2006.

Three action or implementation plans that are vital in complying with the generation of new frameworks in environmental protection in Chile were prepared through the support of the GEF covering themes such as Biodiversity, Climate Change and Persistent Organic Pollutants. These are:

- National Action Plan for the Implementation of the National Biodiversity Strategy (2004-2015).
- National Action Plan on Climate Change (2008-2012).
- National Implementation Plan for the Management of POPs Phase I: (2006-2010).

### **3.2. GEF Support and Global Conventions and International Waters Agreements**

Chile has signed several Multilateral Environmental Conventions or Agreements which divided in the Focal Areas identified by the GEF could be summarized as follows:

#### **3.2.1. Biodiversity Focal Area**

There are currently 13 existing conventions and agreements ratified that are related to this Focal Area. The Convention on Biological Diversity (CBD) ratified in 1994 is considered to be the most relevant within the Country.

The commitments to this Convention include:

- Preparation of National Communications to the Convention.
- Preparation and implementation of the National Strategy and Action Plan to protect biological diversity.
- Integration of the conservation and the sustainable use of the biological diversity in the plans, programs and policies of the Country.

With the support of the GEF the necessary capacity has been built in the Country to adequately respond to these commitments through the implementation of Project N° 809 National Biodiversity Strategic Action Plan, Report to the CBD, Clearing House Mechanism (CHM).

#### **3.2.2. Climate Change Focal Area**

There are currently 2 existing conventions and agreements ratified that are related to this Focal Area. The United Nations Framework Convention on Climate Change (UNFCCC) ratified in 1995 is considered to be the most relevant within the Country.

The commitments to this Convention include:

- Preparation of National Communications to the Convention.
- Develop, periodically update, publish and make available to the Conference of the Parties, national inventories of anthropogenic emissions.

The support of the GEF has aided the Country in complying with the commitments through the implementation of the Project N° 270 & N° 1321 enabling Chile to fulfill its commitments to the UNFCCC.

### **3.2.3. International Waters Focal Area**

There are currently 7 existing conventions and agreements ratified that are related to this Focal Area. Project N° 3749 *Towards Ecosystem Management of the Humboldt Current Large Marine Ecosystem* was classified as Multi Focal and is currently under the status “Council Approved” and would have great impact in this Focal Area.

### **3.2.4. Land Degradation Focal Area**

There is currently only one convention existent in this Focal Area. The United Nations Convention to Combat Desertification (UNCCD) which was ratified in 1997.

The commitments to this Convention include:

- Adopt an integrated approach addressing the physical, biological and socio-economic aspects of the processes of desertification and drought.

The support of the GEF is providing the country with capacity building activities through the implementation of SGP Projects channeled by CBOs and NGOs which will help Chile to comply with the commitments to the UNCCD.

### **3.2.5. Persistent Organic Pollutants Focal Area**

There are currently 2 existing conventions and agreements ratified that are related to this Focal Area. The Stockholm Convention on Persistent Organic Pollutants ratified in 2005 is considered to be the most relevant within the Country.

The commitments to this Convention include:

- Develop an action plan or, where appropriate, a regional or subregional action plan within two years of the date of entry into force of this Convention for it, and subsequently implement it as part of its implementation plan.

Chile has responded to this commitment through the implementation of the Project N° 2825 Development of National Implementation Plans for the Management of Persistent Organic Pollutants – Chile.

### **3.3. GEF Support as Regards GEF Mandate**

It has been noted that all GEF funded projects were developed and approved on the basis of their relevance to the GEF mandate and focal area strategies. However, not all focal areas are yet represented in Chile under these Projects.

### **3.3.1. Sources of co-financing**

The flow of co-financing from the regional governments, is the most important financial risk encountered in Chile, since it has often been affected by repeated changes of regional authorities something that also holds true for governmental agencies involved. Other sources proceed from NGOs, private landowners or private companies such as mining companies or institutions such as universities. The primary form of co-financing in Chile is through in-kind donations by the main stakeholders of the Projects usually referring to office space and administrative personnel.

### **3.3.2. Future sources of funding for the Projects**

The study found that the sustainability of project results could be jeopardized by slow or non-existent follow-on financial support from the government as well as from private institutions. This is particularly derived from the high rotation of personnel at decision making levels in both the public and private sectors in Chile, which translates in changing commitments from the new authorities with the policies and projects carried out by the previous individuals/administrations.

In Chile governmental policies such as National Strategies, National Action Plans and National Implementation Plans do not include an attached budget since they are not considered Laws. The budgets for these activities are assigned by each Ministry in charge of the policy, and at the same time the budget for each Ministry is designated by the Congress on the basis mainly of the revenues obtained from the State's cooper industry during the previous year amongst other factors. This translates on a fluctuating allocation of funds to these policies and their associated projects.

### **3.3.3. Leveraged funding**

There are only three Projects to date, N° 844 Valdivian Forest Zone: Private-Public Mechanisms for Biodiversity Conservation, N° 1377 Santiago Foothills: Mountain Ecosystem Conservation, and N° 1725 Biodiversity Conservation in Altos de Cantillana that have leveraged funding for their implementation. However, there is still a possibility that those Projects under implementation may increase or obtain leveraged funding during its execution.

These funds come in the form of Grants, Loans, Credits, Donations, In-kind and Volunteer work from a wide array of donors, primarily private organizations.

## **3.4. Country Ownership**

Since the '90s Chile has demonstrated its concern for global environmental issues by signing and regularly reporting to several international conventions as previously mentioned in this report. This has been carried out under the vision of development with sustainability which in turn has driven the society to cover the basic needs of the population while at the same time preserving the environment.

This trend in Chilean policies and governmental agendas has proven to be effective and has bestowed upon the Country the characteristics which make it eligible for GEF funding. It is expected that this tendency continue to grow and strengthen itself once President Bachelet's, previously mentioned bill, be approved and create the Ministry of the Environment.

There have been no evident signs of tradeoffs with the Projects implemented to date in the Country on the contrary there is a good balance between global environmental issues and the development of Chile.

Such is the case of Project N° 1300 Ecosystem Management of the Salar del Huasco for Biodiversity Conservation and Sustainable Use Outside Protected Areas which was intended to assist stakeholders in applying species and habitat planning and management techniques in the framework of a conservation plan for sustainable use of biodiversity in the Salar del Huasco. Within the implementation of the Management Plan, the eco and ethnic-tourism program has been consolidated by the local actor (communities) to generate a financing strategy (local development + conservation).

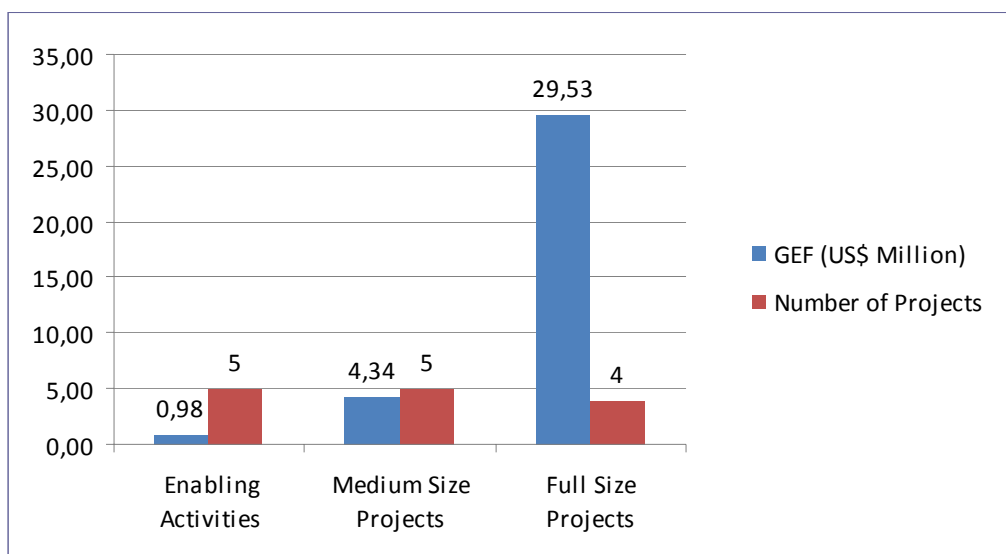
Through Project N 1236 Conserving Globally Significant Biodiversity along the Chilean Coast in LML, the regional coordination body has signed a cooperation agreement with the Mapu Lahual Indigenous Association which brings together 9 neighboring Huilliches communities around LML, to carry out a joint program of local development funded by New Zealand. The Huilliches communities participating in the design of the pilot Project, are being trained with scuba-diving courses to enable them to be of service to tourists, and are involved in infrastructural works in the area. They are getting ready to receive tourists which implies a commitment by them to develop and maintain conditions within their territory which satisfy the expectations of tourism in terms of ethnic characteristics and nature.

## CHAPTER 4. PERFORMANCE

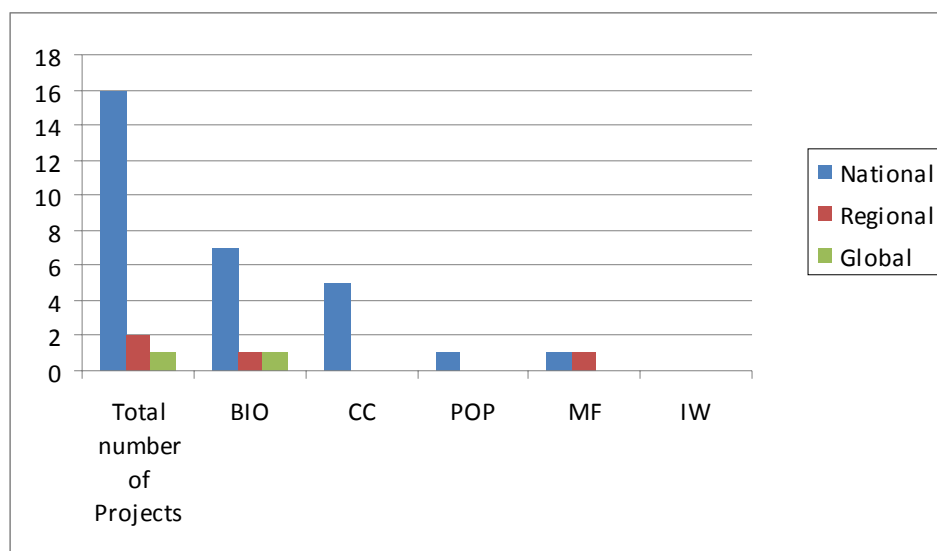
### 4.1. GEF Portfolio in Chile

The following section includes tables and figures present GEF portfolio in Chile.

**Figure 1. GEF Funding for the 14 National Projects included in the study (for currently completed or under implementation status and relevance with the Country)**

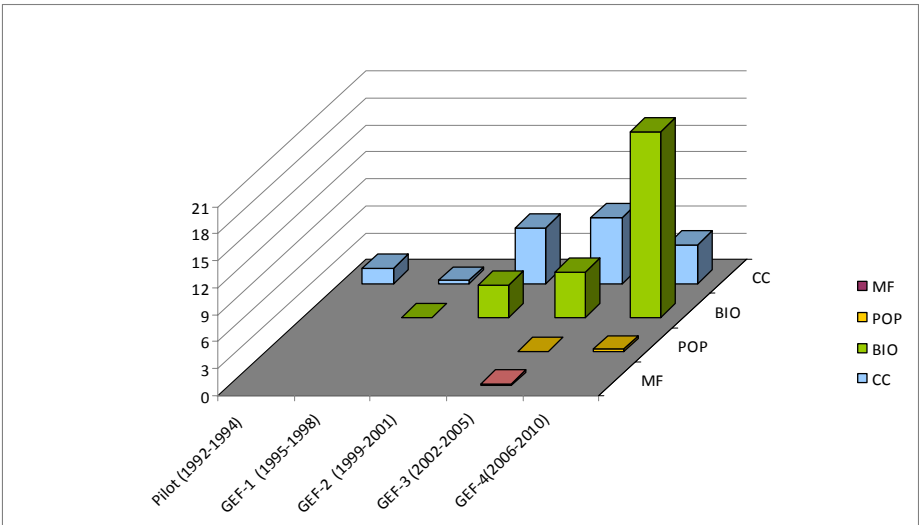


**Figure 2. GEF Projects by Focal Area for the 17 Projects included in the study (for currently completed or under implementation status and relevance with the Country)**



BIO: Biodiversity; CC: Climate Change; POP: Persistent Organic Pollutants; MF: Multi – Focal Area; IW: International Waters.

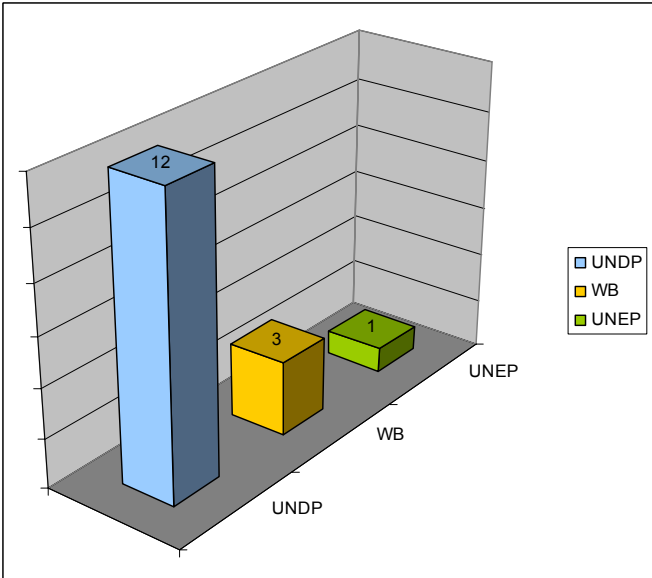
**Figure 3. GEF Funding by GEF Replenishment phase in Million Dollars (for National Projects in all of the available status)**



BIO: Biodiversity; CC: Climate Change; POP: Persistent Organic Pollutants; MF: Multi – Focal Area

Chile’s participation in the GEF Pilot and GEF-1 Phases was not very strong due to the GEF Country eligibiliy at the time. The main Conventions such as the CBD, the UNFCCC and the UNCCD were all signed at the end or during these Phases in 1994, 1995 and 1997 respectively. Thus Chile achieved a higher accordance with the GEF’s eligibility criteria only for the GEF-2 Phase. The Kyoto Protocol was signed in 2002 and the Stockholm Convention only in 2005, which explains why the POP focal area is only present in the last two Phases.

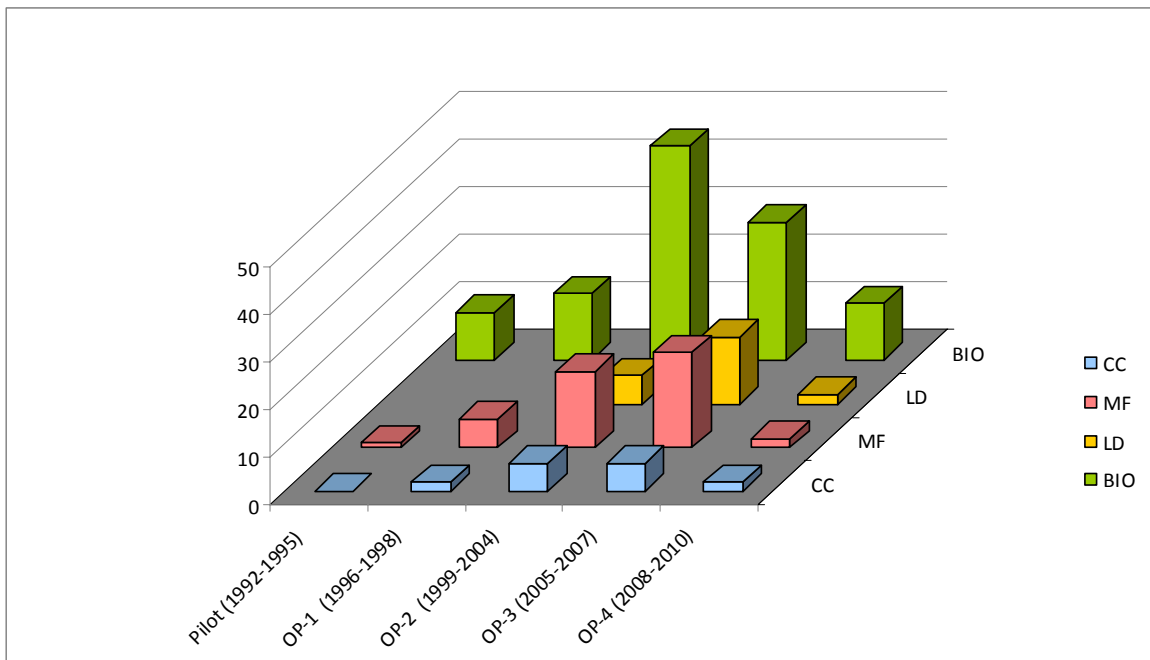
**Figure 4. Number of Projects by Implementing Agency of the 14 National Projects studied (for currently completed or under implementation status National Projects)**



UNDP: United Nations Development Programme  
UNEP: United Nations Environment Programme  
WB: World Bank

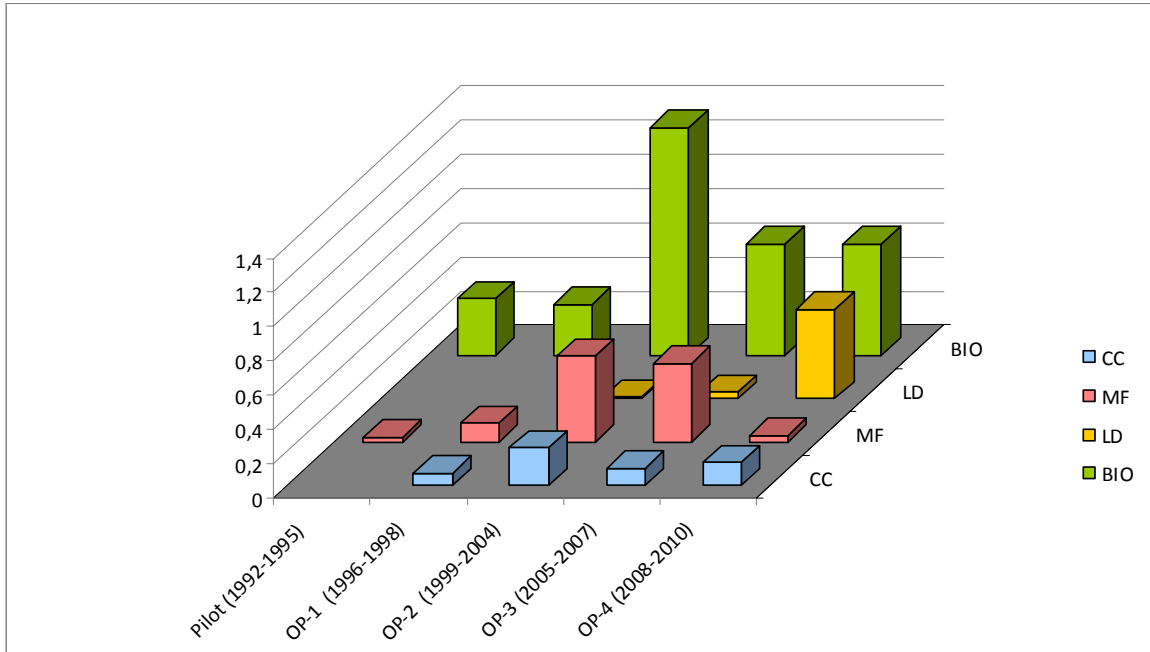
**Figure 5. SGP Portfolio in Chile by Operational Phase (OP) (for currently completed or under implementation status)**





BIO: Biodiversity; CC: Climate Change; LD: Land Degradation; MF: Multi – Focal Area

**Figure 6. SGP Portfolio Funding in Chile by Operational Phase (OP) in Million Dollars (for currently completed or under implementation status)**



BIO: Biodiversity; CC: Climate Change; LD: Land Degradation; MF: Multi – Focal Area

## 4.2. Roles and Responsibilities

The GEF Focal Points in Chile are:

### **Political Focal Point:**

**Alvaro Sapag**

Executive Director

Comisión Nacional del Medio Ambiente (CONAMA)  
(CONAMA)

### **Operational Focal Point:**

**Ximena George Nascimento**

Comisión Nacional del Medio Ambiente

(CONAMA)

Chile has already assigned its maximum range of funds for the Focal Areas of Biodiversity and Climate Change for the ongoing GEF – 4 phase, according to allocations received through the RAF. It is for this reason, due to the fact that the resource amounts are fixed for four years, that it will not be possible to accept Projects in these two Focal Areas until after July 2010, the expected date for the next GEF phase, GEF - 5.

The Focal Point developed project selection criteria for GEF - 4. In 2006 the GEF Focal Point in Chile, CONAMA, only accepted Project proposals related to: a) international waters, b) persistent organic pollutants and c) land degradation. For the years 2007 and 2008 the acceptance of Project proposals related only to a) international waters and b) persistent organic pollutants.

Out of the 17 Projects analyzed by this study all of them were approved or finished before the RAF was implemented, therefore there was no influence on this particular area.

### **Executing and Implementing Agencies involvement**

The 17 of the Projects evaluated during this study (completed or under implementation) had as Executing Agency the following institutions:

- The National Environment Commission (CONAMA) was Executing Agency for 11 of the 17 Projects.

### **Biodiversity Focal Area**

National Projects:

- ⇒ N° 809 National Biodiversity Strategic Action Plan, Report to the CBD, CHM
- ⇒ N° 1236 Conserving Globally Significant Biodiversity along the Chilean Coast
- ⇒ N° 1300 Ecosystem Management of the Salar del Huasco for Biodiversity Conservation and Sustainable Use Outside Protected Areas
- ⇒ N° 1377 Santiago Foothills: Mountain Ecosystem Conservation
- ⇒ N° 1725 Biodiversity Conservation in Altos de Cantillana

Global Projects:

- ⇒ N° 145 Biodiversity Data Management Training in Developing Countries and Networking Biodiversity Information

### **Climate Change Focal Area**

National Projects:

- ⇒ N° 270 & N° 1321 Enabling Chile to fulfill its commitments to the UNFCCC
- ⇒ N° 372 Reduction of Greenhouse Gases

### **Persistent Organic Pollutants Focal Area**

National Projects:

- ⇒ N° 2825 Development of National Implementation Plans for the Management of Persistent Organic Pollutants – Chile

### **Multi Focal Area**

National Projects:

- ⇒ N° 2206 National Capacity Self-Assessment (NCSA) for Global Environment Management
- General Coordination Office for the Transport of Santiago (CGTS) of the Ministry of Transport and Telecommunications was the Executing Agency for the National Project N° 1349 Sustainable Transport and Air Quality for Santiago of the Climate Change Focal Area.
- Center for the Research and Planning of the Environment (CIPMA) was the Executing Agency for the National Project N° 844 Valdivian Forest Zone: Private-Public Mechanisms for Biodiversity Conservation of the Biodiversity Focal Area.
- Foundation for Natural Heritage and Biodiversity was the Executing Agency for the National Project N° 1021 Conservation and Sustainable Use of Chiloé Globally Significant Biodiversity of the Biodiversity Focal Area.
- The Natural Heritage Institute was the Executing Agency for the Regional Project N° 33 An Indicator Model for Dryland Ecosystems in Latin America of the Biodiversity Focal Area.
- The Television Trust for the Environment was the Executing Agency for the Regional Project N° 1310 Building Wider Public and Private Constituencies for the GEF in Latin America and the Caribbean: Regional Promotion of Global Environment Protection through the Electronic Media of the Multi Focal Area.
- The National Energy Commission was the Executing Agency for the National Project N° 843 Removal of Barriers to Rural Electrification with Renewable Energy of the Climate Change Focal Area.

There were three implementing agencies in charge of the 17 Projects. UNDP was in charge of 12, the World Bank managed 3 and the UNEP carried out 2.

### **Stakeholder involvement in the Projects occurred primarily through:**

- participation of executing agencies in project implementation;
- institutional representation on the Project Steering Committees;
- beneficiaries who participated directly in the project, mainly through training and technical assessment activities; and
- indirect beneficiaries

The range of local stakeholders involved (from indigenous communities to private mining companies). In addition to local stakeholders participation, national and regional government agencies have been key to the implementation process of the projects. Specifically the National Forestry Corporation (CONAF) the governmental agency mandated to the restoration and protection of Chilean natural heritage has been responsible for disseminating project information and linking the projects with public and private organizations whose work is related.

### **4.3. GEF Focal Point Mechanism**

CONAMA, as GEF Focal Point in Chile, has analyzed the new GEF criteria, and has decided to transform it into a Country-opportunity. The policies, strategies and action plans on the themes covered by the GEF Focal Areas will be the criteria applied during the GEF – 4 replenishment period. For GEF - 5, once the GEF applies the RAF to all Focal Areas, CONAMA will also extend to these criteria in the same manner.

Governmental as well as non-governmental organizations are eligible to apply to GEF funds. The Project proposals are received during the months of June and December and must be addressed with a cover letter to the Executive Director of CONAMA, Mr. Alvaro Sapag through mail or be delivered at the Reception Office of CONAMA in Santiago. The Project proposals as well as the cover letter must also be sent through electronic mail to the Operational Focal Point of the GEF Mrs. Ximena George-Nascimento. The Project proposals must be prepared in the corresponding PIF format.

All of the project proposals are evaluated by a team from CONAMA competent in the project's focal area. Those that involve themes not covered by CONAMA are sent to the pertinent governmental agencies for assessment. The proposals are analyzed using a matrix and they are chosen based on the rankings obtained during the process. The project PIFs are endorsed by the Operational Focal Point, Ximena George. The endorsed PIFs are then processed through the GEF project cycle by one of the GEF Agencies.

### **4.4. Lessons Learned as described in the documents of the projects reviewed by this study**

#### **4.4.1. Lessons Learned by Strategic Objective in the Biodiversity Focal Area**

##### **Regarding protected area systems**

There were five main lessons learned:

- The involvement of project stakeholders sometimes proves particularly weak due to the failure of the agencies to promote the importance of the initiative amongst the local region's political authorities.

- It is necessary that an adequate baseline be prepared upon the start up of the project, including a definition of biodiversity indicators which must take into consideration seasonal weather changes, due to their strong influence on the incidence of the various populations of migratory species in the Country and the impact this could have in the surveys.
- It is important to recognize the value of using a multidisciplinary approach to the preparation of projects related to the conservation efforts in peri-urban settings given the complexity of the task.
- The need to create a network of national and international support in biodiversity Projects is essential and should be contemplated especially to help disseminate lessons learned.
- Changes in Government personnel matter. A common project assumption is that Government partners and collaborators will remain constant in order to offer adequate continuity to the implementation of the project. This assumption often proves false for mid- and higher-level officials in Chile, posing unexpected challenges and requiring extra time to inform and teach them about the project philosophy and operation thus usually delaying data gathering.

#### **Regarding biodiversity in production landscapes/seascapes and sectors**

The main lesson learned is at a community capacity building level where a permanent effort needs to be done to support community process towards empowerment.

#### **4.4.2. Lessons Learned by Strategic Objective in the Climate Change Focal Area**

##### **Regarding the promotion of the use of renewable energy for the provision of rural energy services off – grid**

There were three main lessons learned:

- That sustainability is a key element in project success. No rural electrification project with NCRE should advance to the implementation stage, without a sustainable management plan.
- That stakeholder's true involvement in the different stages of project development is fundamental for project success. It is important to create, as early as in the project identification stage, the necessary alliances and consensus among the different stakeholders, to ensure proper project approval, funding and execution.
- That training is a key element in project success in rural electrification with NCRE. The use of energy in a conscientious and efficient way is critical. Through training, users and local technicians learn to appreciate the value of energy and electricity, and how to manage consumption in a rational manner.

#### **4.4.3 Lessons Learned by Strategic Objective in the Persistent Organic Pollutants Focal Area**

##### **Regarding the reduction and elimination and production, use and releases of POPs**

There were three main lessons learned:

- The need for strengthened POPs management infrastructure and raised public awareness on POPs.
- The need to achieve a high level of public awareness of the POPs issue and sustained ownership of the NIP among all stakeholders.
- That the NIP generated theoretical and practical bases for cost-benefit evaluation on the different possibilities of mitigation and elimination of POPs in Chile.

#### **4.4.4 Lessons Learned Multi Focal Area**

To deepen Chile's knowledge on the needs of the Country in the themes of Biodiversity, Climate Change and Land Degradation and the possibility of introducing measures.

#### **4.5. Synergies**

##### **Linkages between GEF Projects:**

- *Project N° 809 National Biodiversity Strategic Action Plan, Report to the CBD, CHM:* This project will assist the Government of Chile to bridge the gap between current activities and the capable identification, conservation and management of Chile's biological diversity, through the preparation of the Biodiversity Strategy and Action Plan and First National Communication to COP. The project have synergies with all of the Biodiversity Focal Area Projects since it sets the grounds for their focus.
- *Project N° 270 Enabling Chile to Fulfill its Commitments to the UNFCCC:* Executing Agency National Environment Commission (CONAMA) and *Project N° 1321 Climate Change Enabling Activity (Additional Financing for Capacity Building in Priority Areas):* Executing Agency National Environment Commission (CONAMA). Have direct synergies with all of the Climate Change by setting the guidelines on the actions needed in this specific area.
- *Project N° 145 Biodiversity Data Management (BDM) Training in Developing Countries and Networking Biodiversity Information.* The overall objective of the Biodiversity Data Management Project is to enhance the capacity of developing countries in data and biodiversity information management to support the implementation of the Convention on Biological Diversity. The BDM project complements three other global projects of UNEP related to the conservation and sustainable use of biodiversity. These are, first, the project on support to the preparation of biodiversity country studies, phases I and II; second, the Global Biodiversity Assessment; and, third, the National Biodiversity Strategy and Action Plans (NBSAPs) and the first national reports to the Convention on Biological Diversity.

## ANNEX I. KEY QUESTIONS

During the course of this consultancy a Project Review Template to evaluate the under implementation or completed Projects was prepared. The key questions of the Protocol were designed as follows:

### GEF EO OPS 4 PROJECT REVIEW TEMPLATE QUESTIONS

#### 1. PROJECT SUMMARY

#### 2. RESULTS

2.1. Which concrete, measurable and verifiable results have been achieved by the GEF?

a) Overview of Results; b) Lessons Learned; and c) Geographical Distribution:

2.2 Which concrete, measurable and verifiable results have been achieved by the GEF in supporting national and local development priorities?

a) Compliance with meeting obligations of conventions in Chile; b) Helping build up the national and local capacity to comply; and c) How this has increased Global Environmental Benefits.

2.3. Catalytic role and replication effects?

a) Have the project activities provided incentives (socio-economic / market based) to contribute to catalyzing changes in stakeholders?

b) Have the project activities contributed to changing institutional behaviors?

c) Have project activities contributed to policy changes (and implementation of policy)?

d) Did the project contributed to sustained follow-on financing from Government and / or other donors? (this is different than co-financing)?

e) Have changes (listed above) been catalyzed by particular individuals or institutions (without which the project would not have achieved results)?

f) Can the Project be Replicated?

2.4. Risks to Sustainability of Results: (identify the primary risk in each section)

a) Financial resources; b) Socio-economic / political; c) Institutional framework and governance; d) Environmental and e) Technological

### 3. RELEVANCE

#### 3.1. Relevance and support of the Project with priorities:

a) National Sustainable Development Agenda; b) Environmental Priorities; c) National Development Needs and Challenges; d) Decision Making Processes; e) Action Plans.

#### 3.2. Relevance and support of the Project with conventions and agreements:

a) National Conventions and Agreements.

#### 3.3. Relevance and support of the Project with the GEF mandate:

a) Amount and Sources of Co-financing; b) Future sources of Funding for the Project; and c) Leveraged Funding.

#### 3.4. Country Ownership:

a) Has country ownership affected project outcomes and sustainability; and b) Have there been evident tradeoffs in the Project.

### 4. PERFORMANCE

#### 4.1. Time Effort and Money:

a) Type of Project; b) Implementation time of the Project; and c) Funding for the Project.

#### 4.2. Roles and Responsibility:

a) Roles of Stakeholders in the implementation of the Project.

#### 4.3. GEF Focal Point Mechanism

a) GEF Operations changes after the introduction of the RAF.

#### 4.4. Lessons Learned:

a) Have the Lessons Learned been disseminated? and b) If yes, at what level?

#### 4.5. Synergies:

a) Linkages between GEF Project, GEF Agencies, National Institutions and Other Donors and activities.