



2014

Project Implementation Review (PIR)

of

PIMS 4147



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Towards Ecosystem Based Management of the Humboldt Current Large Marine Ecosystem

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A. Basic Project and Finance Data

Executing Agency:	UNOPS
GEF Focal Area:	International Waters
Country(ies)	(CHI) Chile(PER) Peru
Project Start Date:	02-Sep-2010
Planned Project Closing Date:	31-Mar-2016
Revised Planned Closing Date:	31-Mar-2016
Dates of Project Steering Committee/Board meetings during reporting period:	November 2013
Overall Risk rating	High
Overall DO rating	Satisfactory
Overall IP rating	Moderately Satisfactory
GEF grant amount disbursed so far	\$ 3,162,969.11

B. Project Summary

C. Project Evaluation

Initially the project documentation called for a MTR in 2012, however as the project's first AOP was approved in 2012 it was agreed to delay the MTR until July 2013 when it took place as rescheduled. The MTR mission in both Chile and Peru went ahead as planned. The Management Response was also delivered on time but comments from project partners took until 2014 to be formally received. And

The MTR agreed with the Chile and Peru requests that the project should be extended until 31.03.2016 (effectively a 7-month extension) allowing 43 months out of the initial 60 for activity implementation. Hence the Terminal Evaluation is scheduled for March 2016. And Mid Term Review (MTR) of the Project recommended (Recommendation number 1) that the EBM focus should be further strengthened. The IUCN 12 principles referred to since Project start-up continue to be mentioned and the links to other processes is now underlined e.g. the selection of the EcoQOs and the development of the TDA-SAP. The Management response was uploaded as a support document and is copied again in this e-mail. There were 13 recommendations as follows:

- 1) Promote Ecosystem Based Management (EMB) – we were as its central to the Project, however we agreed to repeatedly underline the concept at all meetings;
- 2) Need for Multisectorial involvement in the Project – we have two National Intersectoral Committees one in each country with approximately 80 participants in each, hence the review comment is not totally valid. However we agreed to actively promote better cooperation with sectors that typically do not want to be involved i.e. Energy & Mines and Education;
- 3) Good Capacity building – the Project received praise for good capacity building results;
- 4) Poor Project design and choice of pilot sites – not a Project implementation issue;
- 5) Poor Project design and the UNDP-UNOPS agreement including a lack of reference to UNOPS costs in the PRODOC – this is a PRODOC error which on signing both Ministries of Foreign Affairs in Chile and Peru didn't notice;
- 6) Financial Audit called for – the MTR consultant was asked in her ToR to make an analysis of the funds spent and products delivered in order to make an assessment regarding the likelihood of the Project achieving its objectives within budget and timeframe. The consultant said that she was not able to do this and called for an 'audit of funds spent'. The latter objected to in the

terms in which the consultant made the reference i.e. that she was not able to carry out an analysis as requested. Formal financial audits were of course agreed to and have been scheduled;

7) Lack of clarity re Regional Coordination Unit (RCU) role – clarity was requested in the management responsibilities although operating procedures were designed in Spanish and distributed to both focal point entities. A ‘competencies matrix’ was developed (attached);

8) Inadequate UNDP role – apparently the MTR consultant received comments to the effect that UNDP’s role was not understood by project stakeholders. Furthermore the UNDP technical backstopping role was said to be absent. This was challenged as it was / is not the case;

9) Poor Project visibility - this was recognized before the MTR and two part-time communication experts were hired, one in each country. The marine border dispute at the UN International Court of Justice meant that from project start-up to January 2014 we were not able to have a high profile as certain aspects of the work were banned by the Peruvian Ministry of Foreign Affairs e.g. work to promote shared fish stock management improvements;

10) Poor synergies with other GEF projects - this comment was clearly erroneous as the project had evidence of contact with other GEF projects within the region and worldwide;

11) Need to increase binational activities – this was agreed to but of course the marine border dispute complicated matters as stated at 9 above;

12) Need to improve the monitoring of the AOP implementation – this was agreed to as the more monitoring the better. However one reason behind the comment was that the RCU carries out additional activities – functions not stipulated in the AOP i.e. looking for additional counterpart funds or new project stakeholders. A restriction of these catalytic activities was not accepted by the Project Manager;

13) Transzonal activities need to be enhanced – this is a repeat of recommendation 11, hence comments at 9 and 11 above apply.

The MTR report was of poor quality but did nevertheless deliver 13 recommendations that have been commented on in the Management Response and which are currently being acted on.

The Management Effectiveness tracking Tool (METT) was updated at the time of the MTR, however at that time the advances noted above had not been achieved hence there was little change in the initial and Mid-Term values. It would be useful to have all the Tracking Tool instructions in Spanish so as to assist counterparts with their use.

D. Adjustments

Project Planning				
Key project milestone	Status	Original Planned Date (Month/Year)	Actual or Expected Date (Month/Year)	Comments, including reasons for delays and their implications
Inception Workshop	delayed/completed	November - 2011	May - 2012	The inception workshop was effectively split into a November 2011 \information Workshop\ at the insistence of the Ministry of Foreign Affairs Peru

				<p>and a formal 1st AOP approval event in 2012. The former involved a visit to one of the pilot sites in Peru including visits to one of the pilot sites and a private sector anchovy processing plant for Direct Human Consumption of the product.</p>
Mid-term Review	delayed/completed	7 - 2013	2 - 2014	<p>Initially the project documentation called for a MTR in 2012, however as the project's first AOP was approved in 2012 it was agreed to delay the MTR until July 2013 when it took place as rescheduled. The MTR mission in both Chile and Peru went ahead as planned. The Management Response was also delivered on time but comments from project partners took until 2014 to be formally received.</p>
Terminal Evaluation	delayed/pending	December - 2015	March - 2016	<p>When the Project Regional Coordinator arrived to start activities in late March 2011 the actual project start date had not been agreed. At a much later date, after a series of queries from the governments of Chile and Peru, it was agreed that the date would be that of the last signature on the ProDoc (UNOPS on 02.09.2010) - even though the Project Coordinator arrived in 2011 and the management team was complete (ex-Chilean post) by November 2011. The MTR agreed with the Chile and Peru requests that the project should be extended until 31.03.2016</p>

				(effectively a 7-month extension) allowing 43 months out of the initial 60 for activity implementation. Hence the Terminal Evaluation is scheduled for March 2016.
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Critical Risk Management	
Critical Risks Type(s)	2014
Political	Changes in the administration in both countries affect the continuity of the SAP development process. Peru had a new government as of 2011 (new elections 2016) and Chile in 2014. During the period 2011 to date the Peruvian government has had reshuffles on 5 occasions due to forced Prime Minister resignations resulting in Minister changes and their associated confidants in this case there have been 5 different Directors at the Peruvian Fisheries Institute since the project started. Recent changes in the Peruvian Production (Fisheries) Ministry (Minister and heads of Departments) have brought positive changes. The new Chilean government (2014) is bringing in many reforms which are generally considered to be positive.
Political	The current commitment to cooperate between both countries is diminished: the marine border dispute at the international court of justice has had an impact on cooperation between the two countries with respect to project activities. The ICJ ruling of 27.01.2014 has been accepted by both countries. Relations between the two Fisheries Institutes have improved in that the Peruvian Ministry of Foreign Affairs has allowed binational workshops to take place on topics related to a coordinated management of the joint anchovy stock. The TDA-SAP process continues to progress positively with agreements made on the use of terminology.
Environmental	Environment Ministries are new and although they now have full EIA responsibilities over other line Ministries it will take time for this responsibility to be effectively implemented in the light of the importance of mining activities in the region. Environmental risks associated with the natural and anthropogenic variations of the Humboldt current temperature and productivity (Niño-Niña and climate change scenarios respectively) are being adapted to via a series of actions designed to promote value addition for marine products (MSC certification) while actively restoring marine habitats like the macroalgal beds at a pilot area in Peru (Paracas Bay). In Chile a consultancy was started this reporting period to identify sensitive marine areas which could form the basis of new Marine Protected Areas along the Chilean coast in the Humboldtian Eco-region. A recent Government of Peru decision rescinding existing environmental legislation to stimulate economic growth is both an environmental and regulatory risk
Organizational	Limited will to share information between institutions in public and private sectors and bi-national levels. This continues to be a considerable problem for the project and indeed the two countries as

	information sharing within institutions and between entities is poor. The situation is even worse when it comes to data sharing.
Financial	Financial stability of MPAs established under the pilots is weak. Fortunately this risk has diminished somewhat in that there are initiatives in place to attract private sector funding for the protection and continued development of key National Reserve areas. For example the Cayetano Heredia's initiative to get financial support from two zoos in the USA (Kansas and Chicago) who would pay the National Parks entity in Peru a fee for access to carry out research work at a specific site on a renewable 5-year contract.

General comments:

The above Risk Factors have been updated in order to provide an accurate risk analysis for this project after the UN International Court of Justice ruling was accepted by Chile and Peru.

In general terms the high level political risks caused by the marine border dispute have been dramatically reduced. Changes in government policy may have increased the risks associated with environmental damage - however at the same time the process leading towards the approval of the Transboundary Diagnostic Analysis will help to ensure that actions agreed in the Strategic Action Programme will help mitigate these risks.

The project is implemented by UNOPS, therefore the delivery of the budget shows in our system with a 3 month delay, after PDR approval and validation.

The project budget has undergone a substantial revision, decreasing from USD 2,166,683 to USD 1,806,683. The delivery up to June 30 was USD 753,613 (representing 35% execution of the original budget and 42% of the revised budget).

E. Progress toward Development Objective

Description	Description of Indicator	Baseline Level	Target Level at end of project	Level at 30 June 2009	Level at 30 June 2010	Level at 30 June 2011	Level at 30 June 2012	Level at 30 June 2013	Level at 30 June 2014
Ecosystem-based management in the HCLME is advanced through a coordinated framework that provides for improved governance and the sustainable use of living marine resources and services	Agreement on and understanding of the ecosystem-level issues of the HCLME as they relate to management of living marine resources (LMR) and biodiversity conservation.	Concerns relative to management of HCLME LMR limited to main shared commercial fishery stocks and impacts of environmental volatility	Countries agree on the scope and priority of ecosystem level issues & develop interventions to address them in the SAP including management of shared fisheries from an EBM perspective				Agreement reached with Chile and Peru re implementation of new TDA-SAP guidelines as part of the TDA-SAP development process. Technical working groups are in the process of being established. This is the start point leading to this main objective.	The TDA-SAP process was advanced via the elaboration of 5 NOAA thematic studies for both Chile and Peru with associated problem analysis at both local and national levels as inputs for Causal Chain Analysis (CCA) workshops in Chile (July 2013) and Peru (May 2013). During the CCA process possible solutions to the problems were registered and these form the start point for the SAP development. Currently the thematic studies are to be combined into an Ecosystem Diagnostic Analysis (EDA) for both Chile and Peru prior to a bi-national and therefore transzonal EDA = TDA.	Two EDAs have been produced and are available for consultation. These documents have been combined and further developed into a draft TDA which is currently being discussed by both countries with a view to its approval in Q4 2014. A consultant has been hired to assist with the SAP development process and in conjunction with the finalization of the TDA and initiation of the SAP. Ecosystem Quality Objectives (EcoQOs) have been proposed as the SAP goals to address the problems and impacts identified in the HCLME TDA.
	Increase in the % of fisheries management decisions that are based on integrated information on multi-specific criteria and multi-disciplinary parameters,	Both Chile and Peru use single stock criteria for fisheries management, responses to ENSO are not precautionary but reactive_x000D	The shared anchovy fishery is managed using multi-specific criteria & multi-disciplinary parameters				The marine boarder dispute between Peru and Chile is about to enter the 'verbal' phase at the Hague. Following the verbal presentations from both countries in December 2012 the judges will take approximately 6-	Unfortunately the International Court of Justice did not issue its decision on the marine border dispute in July 2013 as previously planned. The decision will be forthcoming after the ICJ summer recess sometime in September or October 2013. Until that time the work on the standardization of the anchovy straddling stock cannot continue as requested by the Peruvian Ministry of Foreign Affairs. In preparation for the start of the work ToR have been drafted and approved for two	The International Court of Justice issued its decision on 27.01.2014 and it was subsequently accepted by both countries resulting in an agreed marine frontier. The project has requested the Ministries of Foreign Affairs to allow the use of the term 'transboundary' instead of 'transzonal', however ther request was refused. A definition of Transzonal has been agreed: \"A problem that arises in one country and which causes a negative impact on the provision of HCLME goods and services in the territorial waters of both countries\" The joint anchovy stock workshops between IFOP and IMARPE have started (for the first time since 2008) with positive results.

	including natural and ENSO-related variability	Note: A management decision matrix will be defined in year 1 of project for monitoring this indicator _x000D_	At least 50% of the decisions in management matrix include multi-specific criteria and multi-disciplinary parameters			months to pass their judgment. Once deliberation has taken place, the Court will issue a majority opinion. Individual judges may issue separate opinions (if they agree with the outcome reached in the judgment of the court but differ in their reasoning) or dissenting opinions (if they disagree with the majority). No appeal is possible, though any party may ask for the court to clarify if there is a dispute as to the meaning or scope of the court's judgment. Hence it is expected that by August 2013 at the latest the issue will be solved thereby allowing project activities to continue without restrictions related to the shared anchovy stock which straddles the marine boarder.	activities so that they can start as soon as the marine border dispute is solved: reproduction indices and standardization of sampling techniques.	
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Increased area of priority coastal, coastal-marine and marine habitats in Peru & Chile that are under some form of legal protection that contributes to biodiversity conservation.	Country & Habitat Area ha. Peru: Coastal 216,409 Marine 118,591 Chile: Seamounts MPA* 0 Seamounts VME** 0 *Marine Protected Area **Vulnerable Marine Ecosystem	Country & Habitat Area (ha.) Peru: Coastal 395,867 Marine 130,491 Chile: Seamounts MPA* 8,300 Seamounts VME** 507,000 *Estimated by 1.5 m round seamount apex **Under increased			Peru's coastal National Reserves now amount to a total of 630,556ha in three main parks: San Fernando National Park, Guano Islands, Isles and Capes National Reserve and the Paracas National Park (the latter is the oldest and the other two came into being after the project document was signed, hence an additional 295,500ha of National park of which the coastal strip amounts to a marine Protected Area). Chile is currently studying sensitive areas including seamounts and canyons with a view to establishing additional Marine Protected Areas. The project is preparing to initiate work at all pilot sites with activities involving all stakeholders. The Chilean pilot site are has not been visited	The new Fisheries Law in Chile published officially 09.02.2013 establishes that Vulnerable Marine Ecosystems like seamounts and Canyons are protected from fishing activities. This means that 118 registered seamounts in Chile although not all declared MPAs do indirectly have this status. The Project's METT contemplates an area of 4,300 hectares for each seamount hence a total area of 507,400ha are now protected. A proposal for a large (1 million hectares) Multiple Use Marine Protected Area surrounding the Juan Fernandez Islands has been submitted by a group at the University of Concepcion Chile. In Peru three new MPAs have been proposed and are awaiting official approval.	A one million hectare Multiple Use Marine coastal Protected Area (MUMPA) has been established around the Robinson Crusoe Islands in Chile. The project is currently assisting the Ministry of the Environment in Chile to design a Management Plan for this large MUMCPA. At the same time a seamount survey will be undertaken to assess the biodiversity on three key seamounts in the Robinson Crusoe Island chain. To do this a fund transfer mechanism has been set up (currently undergoing final adjustments) via a Grant Agreement between IFOP and UNOPS. In Peru work is progressing with the biodiversity baseline studies (being undertaken by IMARPE) at the three pilot sites within the Guano Islands and Capes National Reserve (RNSIIPG) with the summer baseline completed and the winter sampling about to start. The project is also working with SERNANP and IMARPE with the development of a Management plan for the RNSIIPG. At the time of reporting the Vision for the RNSIIPG has been finalized via a participatory process, management committees have been established for all 33 sites and conservation objectives have been agreed for 2 of the 3 pilot sites.
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		(VME)	protection through VME protocol and fishing regulations; area estimated as per MPA x # of seamounts			by the Regional Coordination Unit staff as the Islas Juan Fernandez are difficult and expensive to get to. The Islands will be visited in the Southern summer when sea conditions in the area just North of the 'Roaring (strong westerly winds found in the Southern Hemisphere) improve.		
Increase in the number of certifiable fisheries	The necessary conditions for certifying a fishery are not yet in place	At least one fishery has the necessary elements for certification			The Regional Coordination Unit has worked at all of the Peruvian pilot sites and at one, in San Andres Pisco, has identified a small artisanal anchovy fishery landing fish for direct human consumption. The fishing association requested assistance with the possibility of Marine Stewardship Council http://www.msc.org/certification . The start point for this process is a pre-	On 15th April 2013 the project organized a fisheries certification workshop in Valparaiso Chile. The two main certification options (Marine Stewardship Council MSC and Friend of the Sea) were presented amongst other niche market options to a large number of stakeholders. The Juan Fernandez Rock Lobster Fishery will be assessed for possible MSC certification in 2013. MSC pre-certification work for a small number of artisanal anchovy boats was completed in Paracas Peru. The latter highlighted continued governance problems with the nationwide anchovy fishery management indicating that changes to the way the fishery is managed are required before applying for full MSC certification. MSC recently introduced more stringent certification requirements for species low trophic level fish species like the anchovy. Work is also progressing	The Robinson Crusoe (Juan Fernandez Islands) Rock Lobster (<i>Jasus frontalis</i>) is currently under the process of full-assessment for MSC certification. http://www.msc.org/get-certified/news/newsitem/chilean-juan-fernandez-rock-lobster-fishery-begins-msc-full-assessment-process The independent certifier Intertek Moody Marine is carrying out the full-assessment with Project counterpart funds provided by SUBPESCA. In Peru work is progressing towards the MSC certification of the northern Peruvian anchovy stock. The project has participated in discussions at both industry, Production Ministry and MSC management levels with regards to this process. Initiatives have been made to convince MSC that they should consider the certification of sustainable marine macroalgae extraction. Discussions held in Ecuador Q1 2014, in which the project participated, were encouraging. There are plans to study the macroalgae management underway in San Juan de Marcona (Project pilot site) as a MSC pilot for tis certification process.	

						assessment during which an evaluation assesses the likelihood that the fishery can comply with the stringent requirements and acquire the prestigious sustainable fishery certificate. This process will be finalized before the end of 2012.	with other project partners like WWF and TNC regarding other possible target species for certification in both Chile and Peru.	WWF continues to promote the certification of both anchovy (industrial fishmeal production = indirect human consumption) whereas the Project is promoting direct human of the same product. WWF is also promoting the possible certification of Mahi Mahi common dolphinfish (<i>Coryphaena hippurus</i>) http://peru.panda.org/en/keep_updated/news/?206878/Mahimahi
	% increased awareness in identified target groups, of the benefits of applying EBM	% awareness of a defined number of target groups to be determined in the first 6 months of the project	30% increase from the baseline value for each target group			Increased awareness of the benefits of applying Ecosystem Based Management (EBM) methodologies for coastal ecosystem protection has been promoted by the delivery of two trainer of trainer courses one each in Chile and Peru. A core group of trainers has been formed to deliver follow-up courses in their own institutions. Similarly the project will repeat the courses for stakeholders at the pilot site areas.	In both Chile and Peru the EBM concept has been promoted at pilot sites and other locations along the length of the Humboldt Current. This has been carried out via local training courses during Environmental Risk Evaluation studies with community groups in both countries at the pilot sites and within the Peruvian Master Plan development for the Guano Island and Capes National Reserve. Questionnaires delivered before and after the training and working group sessions have shown that the inputs have increased knowledge by an average of 30%	The Mid Term Review (MTR) of the Project recommended (Recommendation number 1) that the EBM focus should be further strengthened. The IUCN 12 principles referred to since Project start-up continue to be mentioned and the links to other processes is now underlined e.g. the selection of the EcoQOs and the development of the TDA-SAP. The Projects Communications strategy and implementation plans have generated a communications group in Peru '\ConserMar\' "Amigos del Mar" (Friends of the Sea). This group of 15 communicators from both public and private sectors is actively promoting the EBM concept. Once the communications expert position is filled in Chile the intention is to replicate the experience there.

Planning and policy instruments for ecosystem-based management (EBM) of the HCLME are agreed and in place at regional and national levels	A Strategic Action Plan (SAP) developed based on updated ecosystem information and with an EBM approach is approved by both countries at the highest levels	There is currently no common planning process or definition of priority actions Limited understanding of EBM	Complete SAP is endorsed at the highest levels by both countries				The Strategic Action Plan (SAP) is the end product of a combined analysis Transboundary Diagnostic Analysis (TDA-SAP) with the former listing the major problems faced by the Large Marine Ecosystem and the latter designed to solve these by means of binational and national policy modifications. The project is currently at the stage of identification of TDA-SAP working groups in both countries.	The TDA-SAP process started in September 2012 with the piloting of the new IW:LEARN TDA-SAP guidelines via a training course delivered by IW:LEARN to Chilean and Peruvian experts. Following the training at TDA-SAP kick-off meeting the project contracted consultants to elaborate 5 thematic studies in both countries as a means of analyzing the state of the HCLME and the threats to the delivery of goods and services. The thematic studies (following the NOAA Modular Assessment) identified and prioritized a list of problems some of which are transboundary in nature. Subsequently a Causal Chain Analysis (CCA) workshop further developed the problem list along with suggested mitigating actions. These actions will form the start point for the SAP development after Ecosystem Diagnostic Analyses have been produced for both countries (September 2013) and the TDA (December 2013). The target is to have the SAP approved at the end of 2014.	The TDA has been developed and is currently undergoing revision and approval with final editing expected to be finalized by the end of 2014. The SAP process has been started in that a consultant has been hired and a work-plan with road map approved. The EcoQO selection process (SAP goals) was advanced via workshops in Chile (2-3 June 2014) and Peru (5-6 June 2014) prior to a binational SAP kick-off workshop scheduled for October 2014.
	National Action Plans (NAPs) developed within the SAP framework and approved in each country	There are no national plans to prioritize actions for HCLM management. Existing plans are sector based	NAPs approved at the highest level in each country				National Action Plans have not as yet been drafted.	To date no National Action Plans have been developed apart from the New Fisheries Law in Chile and modifications to the Fisheries Law in Peru both of which are designed to promote sustainable fisheries. The Chilean Fisheries law establishes the concept of Vulnerable Marine Ecosystems which are now protected from fishing efforts as in the case of the 118 seamounts in Chilean waters.	Pending TDA-SAP approval the NAPs will be developed. It was initially intended to have the SAP ready for approval at the end of 2014 however delays in the TDA approval mean that the SAP will probably be approved Q3 2015.
	% of the priority actions	(a) 0	(a)40%				Activities related to the funding of	As the SAP has not been developed yet and the NAPs are related to Fisheries Laws no	Discussions were held in 2013 and again in 2014 with several Foundations from the USA; Walmart, Packard, Oak and

<p>identified in plans that have secure financing:</p> <p>(a) regional level in SAP</p> <p>(b) national level in the NAP</p>	<p>(b) Peru =0</p> <p>Chile =0</p>	<p>(b) Peru =60%</p> <p>Chile =60</p>			<p>priority actions have not yet started. However the RCU is in contact with a mix of public and private entities in order to examine a public-private-partnership style management set-up for coastal marine protected areas.</p>	<p>funding mechanisms have been identified and put in place. Private sector funding has been provided for MSC pre-certification work and the Regional Project Coordinator has attended a workshop in Chile (18-19 April 2013 see back to the office report) with the David and Lucile Packard, Walton and Oak foundations. As yet these foundations have not defined exactly how they will provide funding to help habitat conservation within the HCLME.</p>	<p>Rockefeller. Similarly the Cayetano Heredia University in Peru is working with the Chicago Zoological Society and Kansas City Zoo regarding possible funding for the Punta San Juan MPA site within the RNSIIPG. In Chile the one million hectare Juan Fernandez Islands MUCMPA Management Plan will include financial management option suggestions (report due at the end of 2014).</p>
<p>Existence of short, medium and long-term targets for marine & coastal habitat conservation</p>	<p>National protected area system strategies do not have specific targets for coastal marine conservation</p>	<p>NPAS identify priority to reduce habitat representativity gaps and have specific targets & implementation strategies</p>			<p>Currently Peru does not have a comprehensive zoning approach for its marine and coastal areas, in the context of developing baseline data and establishing priority site development. This work will start this year with SERNANP. At Isla Juan Fernández (a region with one of the highest levels of endemism in the world), the Pontificia Universidad Católica de Chile is working in association with the local fishers</p>	<p>The project is working closely with SERNANP in Peru to develop a Master Plan for the Guano Islands and Capes National Reserve (RNSIIPG). To date 15 workshops have been held in 2013 to establish a 2033 vision for the National Reserve (NR), management committees at both local and central levels, and a series of stakeholder mapping and consultation processes designed to improve the protection of both land and marine areas within and adjacent to the NR. In Chile the process has focused on the Juan Fernandez Islands and a proposal to establish a Multiple Use Marine Protected Area of 1 million hectares. This proposal is currently undergoing the approval process in the Ministry of the Environment Chile. The Chilean government aims to protect 10% of representative marine habitats in the mid-term with the recently approved Salas y Gomez Islands MPA 150,000km² 3% of the nation's marine area is under MPAs. In Peru the area is much less at 0.2% however</p>	<p>Based on IUCN principles SERNANP in Peru have identified conservation objectives for 2 of the 3 RNSIIPG pilot sites. The third site will be studied and workshops held in August 2014.</p> <p>In Chile the Robinson Crusoe (Juan Fernandez Islands) MUCMPA management plan with conservation and zoning aspects (a mix of no-take and managed resource extraction areas) is currently under development and will be published at the end of 2014.</p>

						<p>union to establish via Management and Exploitation Areas (MEAs) a no-take zone and an exclusive fishing-right area around the no-take zone. The major threat to local endemic species at Isla Juan Fernández is the increased fishing efforts by industrial fleets</p>	<p>all the MPAs within the 4,016km2 protected areas are coastal.</p>	
	<p>Number of sectors represented and level of officials that participate in the national inter-sectoral committees</p>	<p>To be measured in yr 1 as NIC do not yet exist</p>	<p>The numbers of sectors represented and levels when NIC are first formed, are maintained and strengthened throughout the project</p>			<p>The project has set up two National Intersectoral Committees (NIC); one each in Chile and Peru with around 50 institutions represented in each. The NICs have been instrumental in the stakeholder led design of the 2012-13 project work plan.</p>	<p>National Intersectoral Committees operate in both Chile and Peru. They assist with the work plan development process, attend EBM promotion and Ecosystem Risk Evaluation events and have participated in a wide range of Project activities. To date all sectors are represented – however the Energy& Mines and Tourism sectors have fewer members than the artisanal fisherfolk and academic institutions. Numbers remain steady at >50 in each country.</p>	<p>Numbers have increased to around 80 in each country. However some key stakeholders are not participating, hence the Project's communication strategy will take important messages to the following non-participating (or with limited participation) Ministries: Energy, Mining, Education, Housing, Transport and Agriculture.</p>
<p>Institutional capacities strengthened for SAP implementation and for up-scaling pilot interventions</p>	<p>1. % of effective information exchanges in protocols defined within the framework of the</p>	<p>Currently, each government manages independent Geographical Information Systems (GIS) with limited</p>	<p>70% of protocols for information exchange are functioning at least at minimal levels</p>			<p>The Regional Coordination Unit has liaised with both Chile and Peru to select SIG software to suit both countries GIS platforms. This</p>	<p>The project has purchased GIS software for both IFOP and IMARPE so as to improve the compatibility of information generation and exchange. The as yet unsettled marine border dispute continues to have an impact on the degree to which IFOP and IMARPE and the Environmental Ministries exchange</p>	<p>GIS platforms are being coordinated at a number of levels between the two countries at both government and INGO levels. During Q2 2014 ArcGIS courses were delivered to a range of project stakeholders using the new software purchased by the project for IFOP and IMARPE (the two fisheries institutes).</p>

to the system level	Ecosystem Information System (EIS)	information exchange.				software will be purchased as soon as the work plan is signed.	information on a regular and formal basis.	
	% of staff profiles and procedures that are aligned with EBM in key institutions (i.e., CONAMA, MINAM, SUBPESCA, Vice-Minist. de Pesquería)	<10% of staff in IFOP, IMARPE have profiles aligned with needs for EBM Staff profiles & procedures for EBM will be determined in yr 1 once standards have been set based on agreed EBM definition	>20% of staff in IFOP, IMARPE have profiles aligned with needs for EBM >70% of the research projects for resource management follow ecosystemic criteria Targets for other institutions to be determined in year 1			An EBM definition has been agreed during the training courses late 2011 and early 2012 with a view to setting standards for staff IFOP & IMARPE profiles based on EBM principles.	Both Chile and Peru subscribe to EMB in their natural resource management policies. Policy and planning decisions must also take into account an ecosystem-based approach (EBA). However although referred to repeatedly it is not easy to pursue despite the fact that the EBA provides a way in which the overall health and integrity of ecosystems can be assessed and the multiple benefits society derives from them are better described and managed. The project is actively promoting use of the Ocean Health Index (see: http://www.oceanhealthindex.org/ and http://www.oceanhealthindex.org/Countries/) as this follows a clearly comparable EBA for marine ecosystem and coastal land management.	As the 12 IUCN EBM principles are covered within the 10 goals promoted by the Ocean Health Index and the latter is now being implemented at local levels within interested countries, there is now an opportunity to promote this holistic approach in the coastal regions within both countries. One of the project stakeholders, Conservation International (CI), recently promoted a Colombian government funded workshop for Central and South American countries at which both Chilean and Peruvian representatives participated. The USA state department was also represented by, Jenniffer Solorzano SolorzanoJ@state.gov from the Embassy in Bogotá. If Peru and Chile adopt the Index, as Columbia has, as the official Ocean Health monitoring mechanism the annual national (and binational LME level) and sub-national assessments will reflect the implementation of EBM in a sustainable way. The focal point within CI is Erich Pacheco epacheco@conservation.org
	Key institutions (MINAM, CONAMA, SUBPESCA), have the capacities and internal processes to prioritize the	Baseline to be established with institutional capacity scorecard values applied to relevant institutions on	30% above baseline values			As yet institutional capacity scorecard values applied to relevant institutions on each country have not yet been established as a baseline. The intention is to	Typically an institutional evaluation begins with a self-evaluation process conducted by the institution, followed by the identification of good practices and recommendations for improvement. The focus of such an evaluation is the institution as a whole and not individual units. Recommendations and insights are provided on the institutions' structures,	In 2014 the Chilean Government endorsed a Ministry of the Environment (MMA) proposal for a 1 million ha Multiple Use Coastal Marine Protected Area (MUCMPA) around the Juan Fernandez (Robinson Crusoe) Islands 1,000km off Valparaiso. The HCLME project is currently assisting MMA with the design of a management plan for this large MUCMPA. In Perú the Government Agency responsible for Protected Areas (SERNANP – under the Ministry of the Environment) had the right to identify and approve new MPAs under the 2009 Environmental

	creation of new MPAs and to manage them effectively.	each country					promote this as soon as the work plan is signed.	<p>processes, policies and culture, to enable them to perform the full range of their activities in line with their strategic plans and objectives, and build the capacity to address change processes. Participating institutions can select a special focus for more in-depth analysis and recommendations with the focus being evaluated within the institutional context. Although the HCLME project has a strong capacity building element there is no institutional analysis contemplated other than the close work with institutions in the implementation of activities. This process has allowed project counterparts to improve their ability to identify and promote the establishment and improved management of MPAs in both Chile and Peru. The GEF-Humboldt project has been instrumental in bringing groups together so as to avoid activity overlap. Examples come from the Ministry of the Environment and its national parks group SERNANP in Peru with links created via the project to the integrated coastal land management group. During the work process efficiencies in the approach to MPA development and management have been recorded. In Chile the case is different as there has been less direct contact with the Environment Ministry and SUBPESCA offices both of which have MPA establishment functions. However work with the University of Concepcion has identified MPA proposals elaborated with local communities in the Juan Fernandez Islands and this proposal is now being tracked in the Ministry of the Environment.</p>	<p>Law. However this ability has now been modified to include a multisectorial Ministerial Committee – in theory more in line with the EBM concept but in practice this is viewed by some as limiting the ability to identify new MPAs by the Environment Ministry and then get them approved.</p>
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	Procedures defined and adopted to promote good fisheries practices and improve market competitiveness within the framework of the HCLME	There are no procedures for promoting good fisheries practices in relation to market competitiveness in either country	At least two mechanisms are adopted that promote good practices and improve market competitiveness within the framework of the HCLME			The work with the Peruvian association of anchovy producers will promote market competitiveness through the certification and chain of custody processes. Work has not started in the Juan Fernandez Islands but similar certification for the lobster fishery amongst others will be explored in 2013.	The pre-evaluation of a local scale anchovy fishery in Paracas Peru has been completed with the use of private sector funding. The project has a copy of the report which states that although the fishery (7 artisanal boats providing anchovy for value addition for direct human consumption) could perhaps achieve MSC certification the conditions under 'Principle III' are still not sufficiently improved to guarantee that the certification process will be successful. This reflects the fact that there are still no quotas for artisanal fishing boats and many sell their catch illegally for fishmeal production. The project has provided detailed advice to the Peruvian Government on how to improve management practices – this process has included the participation of the Project's Senior Project Officer Mariano Gutierrez's participation in many meetings a number of which have been televised live. In Chile the Juan Fernandez lobster fishery is about to undergo MSC certification with a strong likelihood of success. Funding comes from the HCLME counterpart fund via SUBPESCA. The evaluation process has been tendered for and should be completed in 2013.	The pre-feasibility study for the MSC certification of the Juan Fernandez rock lobster was successful hence the full assessment is now underway in Chile. In Peru both the HCLME and WWF are assisting with work to attain MSC certification of the Northern Anchovy stock. At the same time 2014 has seen the initiation of talks in terms of the coordinated management of the shared anchovy fishery (northern Chile southern Peru): meetings between the two fisheries institutes (IFOP & IMARPE) on standardized sampling techniques.
	Improved understanding of the benefits of ecosystem goods and services of artisanal fisher representatives that participate in	Baseline level of understanding of ecosystem benefits in will be measured in at project start	Increase of 30% above baseline values			Artisanal fisher representatives have been included in the NIC setup and have attended project initiated meetings at both central and provincial levels in	The project has made several international, national and local presentations of the evaluation of ecosystem goods and services. Counterpart funds have been used to evaluate the economic value of one of Peru's coastal protected areas (San Fernando National Reserve) valued at USD40 million per annum (report available). The SERNANP Guano Islands and Capes National Reserve 'Vision' process has	In the second semester of 2014 the GEF-UNDP Project will undertake an economic valuation of the HCLME Ecosystem Goods & Services. Work to produce and approve the TDA document has involved both artisanal and industrial fishery representatives. At the southernmost pilot site in Peru (Punta San Juan) artisanal fisherfolk are following EBM principles to manage marine macroalgae beds. In December 2013 the Project assisted SERNANP with a national level Guano Island National Reserve 'vision' workshop, with over 80 artisanal fisherfolk association leaders attending, at which EBM principles were

	fisheries fora (as a proxy indicator of potential compliance with regulatory frameworks)						both Chile and Peru.	shown considerable improvements in the understanding of HCLME goods and services. In Chile the Juan Fernandez Island community have demonstrated that they have a well advanced understanding of the HCLME goods and services as they depend 100% on the well-being of the ecosystem for their livelihoods.	underlined related to the process of managing fish and shellfish stocks while at the same time promoting conservation measures and Ecosystem Quality Objectives (EcoQOs).
Implementation of priority MPA & fisheries management tools provides knowledge of options for enhanced protection of HCLME and SAP implementation	Advances in adopting EBM for the shared anchovy stock as measured by the increase in agreed on and coordinated program of activities	Current agreement between IFOP and IMARPE only includes information exchange on stock evaluations and reproductive parameters for main pelagic commercial stocks	Coordinated management agreement includes the use of multi-specific criteria and multi-disciplinary parameters for the establishment of each country's TAC for the shared stock				This work has not started and scientific meetings between the two countries to discuss aspects of combined anchovy stock assessment stopped back in 2008 when Peru filed the court case with the International Court of Justice. As mentioned above a resumption of joint stock information collection will be promoted by the project as from August 2013.	This activity has been delayed due to the Marine border dispute. ToR for two important activities have been developed and approved so the project is ready to continue with this work as soon as the ICJ decision is announced and accepted by both parties.	During this reporting period two important binational workshops/seminars have taken place. The first in Peru looked at methods of assessing the shared stock reproduction potential. The second meeting looked at means of standardizing stock assessment methods between the two countries.
	Adoption of coordinated management measures for the shared stock, such as closures, quotas and	Each country uses independent criteria for managing their part of the shared stock	Countries use the same criteria for establishing TACs, fishing seasons and exclusion areas				Comment as above.	As above	As yet coordinated management measures have not been adopted as the process of initiating the discussion group work between the two countries (absent since 2008) was restarted with assistance from the project at the end of 2013 in Lima Peru with a second meeting in Valparaiso Chile in April 2014.

	exclusion areas								
	Increase in hectares of the coastal-marine interface under improved management - measured by RNSIIPG Master Plan and the tools for monitoring and management effectiveness measurement	<p>RNSIIPG has not yet been established.</p> <p>See ProDoc for METT score by category.</p> <p>Capes and islands of the guano systems are currently managed from an extractive perspective only targeting guano birds as conservation priorities worthy of protection.</p>	<p>RNSIIPG established with a fully developed Management Plan</p> <p>See ProDoc for METT score by category.</p> <p>The GEF METT has been used to establish initial baseline and target values but a more specific M&E tool for marine areas will be developed in the FSP and will also be used to measure management</p>				<p>The work on the RNSIIPG zoning and associated coastal zone land use planning is ongoing within the SERNANP and Ministry of Environment Departments with counterpart funds. Once approved the 2012-13 work plan will accelerate this process with the use of GEF funds with a special focus initially on the three pilot sites. Marine biodiversity studies have been carried out at the Peruvian pilot sites using counterpart funds.</p>	<p>The RNSIIPG is now established and the project is assisting SERNANP with the development of a Master Plan by means of a series of workshops covering all 33 sites the length of the Peruvian coastline as described above. The METT scores have not improved much as there is no Master Plan developed as yet. Nevertheless work with both communities and SERNANP is showing very positive results as demonstrated by the reports on the Project website.</p>	<p>The RNSIIPG Master Plan development process has established conservation measures for two of the three project pilot sites: Islas Ballestas and Punta San Juan in Marcona. There are proposals to increase areas under protection but as separate entities to the RNSIIPG, for example the Mancora Bank.</p>

			effectiveness gains					
Identification of equivalency in conservation management options (PAs) for coastal and marine environments in both countries	<p>Peru has no specific protected area categories for marine areas, but uses terrestrial categories, that follow a gradient from direct to indirect resource use – with no fully intangible protected areas.</p> <p>Chile has three categories for marine areas (Marine Reserves, Marine Parks and MUMPAS).</p> <p>These management schemes and categories are not equivalent for both countries</p>	SNAP and SINANPE MPA conservation categories defined, equated and based on a common concept for both countries				<p>Within the RNSIIPG the zoning process is designed to identify conservation areas and subsequently management strategies for their protection. At present there are insufficient resources available for adequate guarding as reported during the February visit to the Isla Lobos de Tierra in Peru.</p>	<p>The project is working closely with SERNANP in Peru together with NGOs and CSOs. In Chile the approach is different however it also involves a range of public-private entities as well as local level stakeholders in the Juan Fernandez Island archipelago. The recently initiated (Q2 2013) process of RNSIIPG Master Plan development in Peru has involved a series of workshops with stakeholders covering all of the 33 geographically distinct sites within the national reserve. This work will be followed by the zoning of areas with varying degrees of restriction to access i.e. no-take zones, limited access areas plus areas where co-managed fisheries activities can take place under the equivalent of Territorial Use Right Fisheries (TURFs). This will be a move towards the Chilean seabed management areas for benthic fisheries. In Chile a proposal, elaborated by the University of Concepcion and the Island community, for a 10,000km² multiple use marine protected area (MUMPA) around the Project’s Juan Fernandez Islands pilot site has been submitted to the Environment Ministry for approval. There is also a proposal for a large no-take area in the Juan Fernandez Islands vicinity.</p>	<p>In Chile the establishment of a >1 million ha MUCMPA surrounding the Juan Fernandez Islands using project counterpart funds is being followed-up by the use of GEF funds to establish a Management Plan for the MUCMPA. In Peru work is on going with a range of stakeholders to establish baselines for the RNSIIPG sites prior to the zoning and use of benthic resource management plans. These will include the management of macroalgae (a repopulation trial is well under way in Paracas) plus gastropod and bivalve molluscs including the most important scallop beds associated with the Project’s Isla Lobos de Tierra pilot site in the north of Peru.</p>

	Number of best management practices developed in the project pilot sites that are up-scaled to other protected areas	0	a) Peru: > 3 other sites in the RNSIIPG with management committees and plans b) Chile: at least one other canyon or seamount in the process of adoption the management options				As yet not started.	No up-scaling as yet.	Good management practices have been identified and evaluated at the pilot sites - with special reference to the management of macroalgae in Marcona Peru. However these have not as yet been scaled up. In Chile the new (2013) Fisheries Law developed with Chilean Government counterpart funds gives a degree of protection for all 118 seamounts within the Chilean EEZ as any abstractive activities on or close to these areas require a prior EIA approval.
Implementation of pilot MPAs that underpin ecosystem conservation and resilience	1. Increase in management effectiveness of the pilot MPAs measured a) in Peru with a) Management Plans b) b) with the Declaration of the area in	(a) 3 pilot areas in Peru do not have management plans; in Chile only specific fisheries (orange roughly) are currently managed in sea mounts (b) METT values Peru (See ProDoc	(a) All 3 pilots in Peru with approved management plans; Ecosystem-based management strategy for 2 sea mounts agreed on by relevant stakeholders (b) (b) METT values Peru (See				As yet not started.	METT BD and IW updated. However the RNSIIPG Master Plan is under development and the Chilean MPA for the Juan Fernandez Islands undergoing an approval process. Hence little or no change in the METT scores and management capacities.	The MUCMPA for the Juan Fernandez Islands has been approved with the two seamounts within the area declared as Marine Reserves i.e. not subject to Multiple Use activities. A MUCMPA management plan will be presented to the local communities and Ministry of the Environment at the end of 2014 for implementation in 2015. In Peru Conservation objectives have been established for 2 out of the 3 pilot sites. Ecosystem Quality Objectives (EcoQOs) have been identified for the HCLME as part of the TDA-SAP process - these will be confirmed during 2015.

	Chile c)Management effectiveness tracking tool (METT) METT Poor= < 25%; Fair=26–50%.; Good= 51–76%.; Excellent= 77–100%	Logframe for METT score by category) Chile Seamount 1& 2 METT 5/63 = 8% Poor	ProDoc Logframe for METT score by category) Chile Seamount 1& 2 METT >30% (Fair or more)						
2. Reduction in the incidence of illegal extractive activities in restricted areas established in the management plans of RNSIIPG pilot sites	No. of reports of illegal extractive activities will be measured once zoning of pilots is complete	Reduction of 50% for RNSIIPG				Illegal extractive activities have been observed and noted. Plans to address these are included in the current work plan.	In Peru illegal dynamite fishing continues even within the National Reserve areas. The Project is working with SERNANP and official inspectors to publicize explosive damage to fish tissue as a means of blocking the sale of fish derived from dynamite fishing. In areas where shellfish are being illegally extracted from the seabed, for example scallops in the Lobos de Tierra Island component of the RNSIIPG, co-management plans are being designed so as to allow a planned extraction while respecting no take areas within the fishery as a means of protecting both habitat and biodiversity.	The Project continues to assist the Peruvian state officials via cooperation with their setting up of a multisectoral and Bi-regional Bureau (Piura and Lambayeque) developed through the Attorney Specializing in Environmental Matters in the city of Chiclayo, due to an extreme problem related to the illegal removal of Scallops from natural beds close to the Isla Lobos de Tierra.	

	<p>3. % management costs of the pilot areas protected that have secure financing</p> <p>(a) a) RNSIIPG pilots</p> <p>(b) b) Seamounts</p>	<p>As neither the RNSIIPG nor the Seamount MPA has been established there are currently no specific management costs.</p>	<p>a) 100% of the RNSIIPG pilots management costs covered of which at least 50% is from resources other than GoP</p> <p>b) Seamount have identified sources for 100% management costs</p>				<p>As yet not started.</p>	<p>In Peru SERNANP derives 70% of the RNSIIPG management costs from the charges levied on tourists visiting the Islas Ballestas in Paracas – one of the Project’s pilot sites. In Chile the Juan Fernandez MUMPA is still awaiting approval; however the multiple use aspects of the MPA should allow cost recovery via co-managed control and vigilance agreements with authorized resource users.</p>	<p>The Cayetano Heredia University in Peru is working with the Chicago Zoological Society and Kansas City Zoo regarding possible funding for the Punta San Juan MPA site within the RNSIIPG. In Chile the one million hectare Juan Fernandez Islands MUCMPA Management Plan will include financial management option suggestions (report due at the end of 2014).</p>
	<p>4. Ecosystem-based management strategy for sea canyons agreed on by the relevant stakeholders</p>	<p>No specific plans for sea canyons exist</p>	<p>Approved management strategy for sea canyons of the HCLME</p>				<p>As yet not started.</p>	<p>Sea canyon data collection work has been completed in Chile and Peru. However management plans have not been developed.</p>	<p>A consultation process is on-going between the Chilean government and stakeholders regarding the new laws on Vulnerable Marine Ecosystems.</p>
	<p>5. Populations of flagship species at pilots</p> <p>Species will be selected in yr 1</p>	<p>Population levels (distribution and abundance) as estimated in yr 1 for selected flagship and/or indicator species in pilots</p>	<p>Populations maintain at least the same levels as at the beginning of the project or are increasing</p>				<p>Flagship species selection along the length of the HCLME is underway, the intention being to identify at least one species for each major eco-zone. For example from South to North: Islas Juan Fernandez; Northern Chile, RNSIIPG Southern</p>	<p>The following 6 insignia species have been chosen as historical data of abundance is available and is still being collected the length of the HCLME:</p> <ol style="list-style-type: none"> 1. Humboldt Penguin (<i>Spheniscus humboldti</i>) 2. Fur Seal (<i>Arctocephalus australis</i>) 3. South Pacific Marine Otter (<i>Lontra felina</i>) Keystone 	<p>Data is available for some but not all of the flagship species. There is also an issue with the access to data for those species where data has been collected over the last decade e.g. Humboldt penguin, and scallops.</p>

							Central and Northern sites, hence at least 5 flagship species.	4. Blue footed booby (<i>Sula nebouxii</i>) 5. Scallop (<i>Argopecten purpuratus</i>) 6. Sea snail (<i>Concholepas concholepas</i>)	
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F. Progress in Implementation

Outcome 1	Planning and policy instruments for ecosystem-based management (EBM) of the HCLME are agreed and in place at regional and national levels
<p>Outputs Reported The TDA document has been developed on the basis of an Environmental Diagnostic Analysis for both countries, each of which was in turn developed from the 5 modular assessments for sustainable LME development. The ICJ decision was finally delivered 27.01.2014 - nevertheless the Project is still banned from using the term Transboundary hence 'transzonal' is used as a synonym (although strictly speaking the terms are different). the definition of a Transzonal problem in terms of project activities is: "A problem that occurs or happens in territorial waters in one country and which causes an affect in the provision of goods and services provided by the HCLME in the territorial waters of both countries". Both countries want to approve the TDA by a range of 5 government entities per country: Fisheries Institutes, Fisheries Ministries, Environmental Ministries, National Parks Authorities and Ministries of Foreign Affairs.</p>	
Outcome 2	Institutional capacities strengthened for SAP implementation and for up-scaling pilot interventions to the system level
<p>Outputs Reported Capacity building work at both national and binational levels was classified by the Mid Term Review as being one of the project's most impressive achievements to date. The concept of EBM has been emphasized at all training sessions from coastal communities to Ministerial levels. The new IW:LEARN TDA-SAP guide has been piloted on the HCLME Project and Ecosystem Quality Objective (EcoQO) courses given to help with the selection of EcoQOs at the LME level. Similarly the process of selecting conservation objectives at the pilot sites in Peru has been scaled up to the national (coastal) level at 33 sites the entire length of Peru within the context of the Guano Island and Capes National Reserve (RNSIIPG). In Chile the development of the new 1 million + ha Multiple Use Coastal Marine Protected Area (MUCMPA) is being added to with a management plan involving local inhabitants and authorities at both Island and National levels.</p>	
Outcome 3	Implementation of priority MPA & fisheries management tools provides knowledge of options for enhanced protection of HCLME and SAP implementation
<p>Outputs Reported Post International Court of Justice ruling 27.01.2014, which was accepted by both Chile and Peru, there have been important advances in relations between the two Fisheries Institutes IFOP (Chile) and IMARPE (Peru) towards the coordinated management of the shared anchovy stock. This has amounted to two binational seminars sponsored by the Project during this reporting period. Marine Stewardship Council (MSC) certification of the Juan Fernandez Islands Rock Lobster will be achieved late 2014 or early 2015 as the feasibility study was positive and the full-scale assessment is currently underway. Advances have also been made this reporting period regarding the MSC certification of the northern anchovy stock in Peru (the biggest single fishery in the world). A Management Plan vision process for the Guano Islands and capes National Reserve in Peru has established management committees for the 33 sites within the RNSIIPG thereby allowing the scaling up of improved management plans being implemented at the 3 project pilot sites. The latter include the establishment of conservation objectives. Similarly in Chile a management plan for the new 1 million ha MUCMPA in the Juan Fernandez Islands is under participatory development during 2014.</p>	
Outcome 4	Implementation of pilot MPAs that underpin ecosystem conservation and resilience
<p>Outputs Reported Preparations of National Reserve and MPA management plans in Peru and Chile respectively include financial assessments regarding investment from the private sector. In the case of Peru this process of negotiation for one specific pilot site (Punta San Juan) is on-going between the Project partner Cayetano Heredia University and the Zoos of Chicago and Kansas City. The aim being that the Zoos would contract research options from the Peruvian National Parks authority (SERNANP) over a 5-year renewable period. The multi-million dollar funds would be invested in improved management and community access to the protected area to view the wide range of species biodiversity at the site. In Chile a similar initiative with three of the large foundations in the USA (Packard, Oak and Walton) is underway re MPA funding - this will depend on the funding provided by the Chilean government and will be related to the approval of the MUCMPA Management Plan being developed by the Project in 2014.</p>	

General comments:

The ICJ decision of 27.01.2014 regarding the marine border dispute was accepted by both countries and this has allowed renewed contact between the two fisheries institutes regarding shared fish stock cooperation measures. Progress continues with the baseline work in both countries and the establishment of new MPAs in Chile. Management plans for Protected Areas in both countries are developing well. All four expected outcomes are being advanced positively.

G. Ratings and Comments on Project Progress

Progress toward Development Objectives	
Project Manager/Coordinator	Satisfactory
<p>Bearing in mind that the project has only been implementing approved AOPs since July 2012 and will have therefor have had 75% of the intended 60 month operational period at the project\'s close (31.03.2016), the achievements have been considerable. It is expected that all 4 planned outputs will be achieved in addition to a number of additional outputs (including the promotion of regional Ocean Health Index analyses) thus paving the way for a possible SAP implementation phase.</p>	
UNDP Country Office Programme Officer	Satisfactory
<p>Since the beginning of the project, the team has established a strong coordination and has fostered agreements between Peru and Chile, supported by technical groups and scientific studies. Technical and thematic studies have been successfully developed for both countries and have gone through a process of consultation and discussion, involving decision-makers at high levels. This has brought the project closer to achieving its Development Objective and the 4 planned outcomes.</p> <p>There have been certain setbacks caused by external factors, such as the delay in issuing a decision regarding the marine border dispute between Peru and Chile. This problem is now solved and related activities are expected to resume as planned.</p>	
Project Implementing Partner	
GEF Operational Focal point	
Other Partners	
UNDP Technical Advisor	Satisfactory
<p>This is an important project to reach a common understanding on the main transboundary environmental issues shared between Chile and Peru in the Humboldt Current Large Marin Ecosystem, a highly productive area which hosts the world's biggest single fishery. The project is also critical in promoting the use of Ecosystem Based Management (EBM) for establishing the key strategic actions to address these transboundary issues as well as in supporting the management of marine protected areas in both countries.</p> <p>The preparation of two Ecosystem Diagnostic Analysis (EDA) texts, one for each country, has been a critical step towards developing this common understanding. A Transboundary Diagnostic Analysis (TDA) has been drawn up and is currently being discussed by both countries involving several and diverse stakeholders in Peru and Chile –although some key institutions still need to be engaged (e.g. Ministries of Energy, Mining, Education, Housing, Transport and Agriculture). On the key strategic actions to address these transboundary issues, a work plan with road map for the Strategic Action Plan (SAP) has been approved and Ecosystem Quality Objectives (EcoQOs) have been proposed as the SAP goals to address the problems and impacts that are being identified in the HCLME TDA.</p> <p>For the first time since 2008 joint collaboration between Peru and Chile for fisheries management has started. In 2014 the</p>	

joint anchovy stock workshops between the two fisheries institutes, IFOP and IMARPE, took place with positive result. The initiation of talks in terms of the coordinated management of the shared anchovy fishery (northern Chile southern Peru) included meetings between the two fisheries institutes on standardized sampling techniques.

Capacity building work at both national and binational levels continues to be one of the key assets of the Project. The concept of EBM has been emphasized at all training sessions from coastal communities to Ministerial levels, and the Ecosystem Quality Objective (EcoQO) courses given to help with the selection of EcoQ Objectives at the LME level. This capacity building work has been instrumental for increasing the area of marine protected areas in both countries. In Peru the work at pilot sites on selecting conservation objectives in marine protected areas has been scaled-up to the national (coastal) level at 33 sites in Peru within the context of the Guano Island and Capes National Reserve (RNSIIPG), while in Chile the development of a new coastal and marine protected area category is being supported by the Project through the preparation of a management plan involving local inhabitants and authorities at both Island and National levels.

The Project has also helped to in the process of increasing the number of certifiable fisheries. In Chile Project counterpart funds are financing the process of full-assessment of the Juan Fernandez Islands Rock Lobster for MSC certification; while in Peru work is progressing towards the MSC certification of the northern Peruvian anchovy stock (Project is promoting direct human consumption).

The RTA would like to highlight the priority placed on this project by the Fisheries institutions of both countries in spite of the maritime dispute affecting part of the project's area of intervention till January 2014 when the International Court of Justice issued its decision on the final marine border between Chile and Peru. At the same time, the RTA recommends that additional efforts should be made to engage key stakeholders of the project such is the case of the Ministries of Energy, Mining, Education, Housing, Transport and Agriculture.

Since the Project is on track to achieve the development objective and yield satisfactory global environmental benefits, the RTA gives a Satisfactory rating to the DO progress.

General Comments

Progress in Implementation	
Project Manager/Coordinator	Satisfactory
<p>During this reporting period the project has advanced significantly with the TDA-SAP process in addition to work at the pilot sites in terms of Management Plan developments. The rate of GEF expenditure is up and risk management has been successful.</p>	
UNDP Country Office Programme Officer	Moderately Satisfactory
<p>The IP rating differs from the Project Manager/Coordinator rating mainly due to delays in project delivery and implementation. The Project has been extended until the end of 2015 and the remaining budget should be spent during that period.</p> <p>The project budget has undergone a substantial revision, decreasing from USD 2,166,683 to USD 1,806,683. The delivery up to June 30 was USD 753,613 (representing 35% execution of the original budget and 42% of the revised budget).</p>	
Project Implementing Partner	
GEF Operational Focal point	
Other Partners	
UNDP Technical Adviser	Moderately Satisfactory
<p>Progress in delivering outputs in order to achieve the project outcomes is adequate, as it is the case of the Outcome 1 – planning and policy instruments for ecosystem-based management (EBM) of the HCLME– which have a solid basis with the preparation of the two Ecosystem Diagnostic Analysis (EDA) texts, one for each country. In the case of Outcome 2, the institutional capacities are being strengthened for SAP implementation and for up-scaling pilot interventions to the system level thanks to the delivery of workshops where the Ecosystem Based Management approach is emphasized at all training sessions from coastal communities to Ministerial levels and the latest TDA/SAP methodology has been piloted. Project's activities have instrumentally supported the process of selecting conservation objectives at the pilot sites in Peru which have been scaled up to the national level, as well as the operationalization of a new category of marine protected areas in Chile.</p> <p>For Outcome 3 –implementation of priority MPA & fisheries management tools– there are critical outputs such as the workshops where both countries have restarted their talks on managing the shared anchovy stock; the activities for MSC certification for northern anchovy stock in Peru and Rock Lobster in Chile; and the preparation of participatory management plans for marine protected areas. In case of Outcome 4 –implementation of pilot MPAs that underpin ecosystem conservation and resilience– the most important outputs refer to the financial assessments regarding private sector investments in National Reserve and MPA management plans in Peru and Chile respectively.</p> <p>Although project delivery is not on target (i.e. 45.7% of total delivery when project has less than two years to close), it is expected that project manages to spend the entire budget on time according the new closure date (March, 2016), compensating the critical delays occurred at the beginning of the project related to initial government staff rotation and errors in the text of the signed project document. What still needs to be determined is the amount of resources needed to ensure the adequate completion of project's programmable activities –i.e. those which are not related to project management– taking into account that these delays would end increasing the project management costs based on the fact</p>	

that project management activities will last longer than originally scheduled.

The main political risk related to the maritime dispute has dramatically been reduced once the ICJ issued its decision on January 2014 on the final marine border between both countries. Project has supported the process that emerged after the acceptance of ICJ decision and helped to consolidate the joint work in fisheries management providing technical and operational support for the binational workshops on the shared anchovy stock. On adaptive management, the Project still needs to analyze current budget structure to ensure it is fully aligned with achieving their global environmental benefits, both those related to IW and those to BD conservation.

Finally, the quality of monitoring and evaluation has been adequate in terms of conducting the mid-term review according to the adjusted date (July 2013), preparing the MTR management response plan, and implementing the measures agreed on by the parties for addressing the MTR recommendations.

Since implementation of most components is in compliance with the revised plan, but delivery is below what is scheduled, the RTA gives a Moderately Satisfactory rating to the implementation progress.

General Comments

H. Communications and Knowledge Management

The Story of This Project

The Humboldt Current Large Marine Ecosystem Project aims to promote the use of Ecosystem Based Management (EBM) in this important highly productive area which hosts the world's biggest single fishery - the Peruvian Anchovy fishery and contributes around 20% of global marine fish yields. There are 4 main expected outcomes: 1) EBM Policy and Planning mechanisms in place with specific actions agreed via an approved Strategic Action Programme (SAP); 2) Institutional capacities for SAP implementation strengthened; 3) Implementation of priority Marine Protected and Fisheries Management tools developed by the project; and 4) The implementation of pilot MPAs that underpin ecosystem conservation and resilience. With respect to the first outcome the project has managed to advance with a series of analytical processes starting with 5 modular assessments (Productivity; Fish and Fisheries; Pollution & Ecosystem Health; Socioeconomic aspects and Governance) in each of the two participating countries: Chile and Peru. These technical documents were used as the basis for two Ecosystem Diagnostic Analysis (EDA) texts, one for each country. Following this a Transboundary Diagnostic Analysis has been drawn up based on the aforementioned texts. The consultation process has involved around 80 stakeholders in each country from both government and non-government entities including local communities. The TDA will be approved in 2014 and the SAP developed in 2015 with approval expected in the fourth quarter. Under the second outcome capacity building has been advanced and well received by both countries at all levels. In terms of the third outcome MPA management plans are being developed for the Guano Islands and Capes National Reserve in Peru (33 sites) and a new one million hectare MPA in the Robinson Crusoe Islands in Chile. In addition to this Marine Stewardship Council (MSC) certification is being fought for the Robinson Crusoe Rock Lobster fishery and the northern Peruvian anchovy fishery. Pilot site work under outcome 4 has included baseline surveys, pilot scale recuperation of macroalgal beds, benthic resource management plans and a bathymetric survey of important seamounts in the Robinson Crusoe Islands.

Adaptive Management this Reporting Period

The main problem faced by the project to date has been the border dispute between the two participating countries as this

had paralysed cooperative work between the two Fisheries Institutes (project focal points) since 2008 until the decision from the United Nations International Court of Justice was accepted shortly after its delivery on 27.01.2014. During the interim period 01.04.2011 to 26.01.2014 the project advanced via a series of activities that allowed essential work to proceed in both countries without direct reference to transboundary events. In essence most of the planned activities were implemented with the exception of binational workshops to promote the coordinated management of shared fish stocks. Adaptive management involved organising workshops in one or other of the two countries - especially for the Ecosystem Diagnostic Analysis (EDA) process. The advantage of this is that the National Action Plans that will be developed under the umbrella of the Strategic Action Programme (SAP) will be more meaningful as they can be based on detailed national analyses developed on the basis of a fully consultative process with user groups along the length of the HCLME.

A related but nevertheless distinct problem has been the process to develop the Transboundary Diagnostic Analysis (TDA), although user groups have confirmed that there has been a steady decline in the quality and quantity of marine aquatic products over the last decade the state authorities do not agree that this is a product of habitat deterioration and species biodiversity loss. A TDA meeting held 23-24 January 2014 in Valparaiso Chile was close to being a failure. The reason behind the latter was due to the negative and pessimistic views held by the political department within the Ministry of Production Peru related to the identification of problems, impacts and the causal chain - essentially a denial that the area of the Humboldt current within the Peruvian EEZ is suffering from the impacts of pollution, sub-optimal fisheries management and coastal development activities damaging sensitive marine habitats. Project management noted that both thematic studies, the EDA and draft TDA all refer to a problem with governance and limited multisectorial coordination. The response was a query as to how the quality of governance was measured. The reply and adaptive management response was that the Ocean Health Index (OHI) with its 10 indicator goals is by default a means of measuring governance in the EEZ of the 221 countries with access to the oceans and that the adoption of a regional assessment in the two HCLME countries would be a useful tool to show how improved governance with the application of the EBM results in a better OHI score. A representative from the Peruvian Ministry of the Environment emphasized the use of the precautionary principal and referred to the Ocean Health Index which registered a decline in marine water quality and biodiversity in both Chile and Peru over the period 2012-2013. The project has promoted the assistance of key government staff at OHI workshops both virtual and face-to-face via project partners at Conservation International. A further example of adaptive management has been the application of the communication strategy.

As mentioned above there is a tendency for inter-ministerial communications to be weak, hence the communication plan has identified the communications experts in each of the key Ministries, private sector and NGO stakeholders and brought them together in a group called 'Friends of the Sea'. This group meets on a monthly basis and has a series of actions designed to promote EBM within the HCLME area. The initiative has proved to be successful and will be written up as a project case study.

Lessons Learned

With regards to the establishment of Ecosystem Quality Indicators its best to follow those that have already been agreed internationally or which are applied by international entities on the basis of readily available information over the Internet - like the Ocean Health Index. This can then be adapted and improved at the local level to allow governments to see where urgent actions are required to mitigate serious ecosystem health issues.

The communications strategy and associated plan of action has established the group 'Friends of the Sea' (as described in the section above) and this has been very successful.

Although it may seem very obvious, projects often suffer from the negative impact of one or more individuals in a position of power who do not agree with the project's objectives. It is therefore very important to make strategic alliances with more positive government officials and thereby dilute or remove the negative aspects. An example of this was the binational TDA workshop in Chile where there was evidence of an act of 'sabotage' by the Director of the Political Department within the Production Ministry in Peru. Comments post workshop from Peruvian officials coupled with those from the project

management team to UNDP led to the replacement of the obstructive individual coupled with a very positive attitude from the new member of staff.

General Comments

The project has produced a video entitled 'Between the Land and the Sea - an environmental story. It tells the story of an association of artisanal fisherfolk at one of the project sites in Sothern Peru - San Juan de Marcona. These fisherfolk have been protecting a 23km stretch of coastline and they collect beached macroalgae for drying and marketing for value addition. Their coastal protection efforts have been instrumental in protecting species biodiversity within the algal beds where important commercial benthic species are protected by the algal beds.

Please see at <http://vimeo.com/90764518> the password to access the video is copmar

The title in Spanish 'Entre la Tierra y el Mar'

I. Partnerships

Partners	Innovation and Work with Partners
Civil Society Organisations/NGOs	<p>The project has an important and proactive link with Conservation International and their work to promote the understanding of the Ocean Health Index and its global + regional assessments. See http://www.oceanhealthindex.org/</p> <p>The setting up of the group 'Friends of the Sea' (Amigos del Mar) - a group of communication experts from both the public and private sectors. ConserMar: Conservando Nuestro Mar NGOs associated with this initiative include WWF and several national NGOs in Peru https://es-es.facebook.com/consermar</p> <p>The project continues to work the Civil Society group COPMAR at the project pilot site at San Juan de Marcona regarding the collection of beach macroalgae. Similarly the project is working another CSO in Paracas to recover a degraded macroalgal bed area (initially 25ha) with the aim to increase the area to 100ha.</p> <p>In the Chilean Juan Fernandez Islands pilot site the project is working with a Conservation CSO to help develop a Management Plan for the new MUCMPA.</p>
Indigenous Peoples	<p>The CSO artisanal fisher organizations are made up from a range of indigenous and mixed groups from many different areas of both Chile and Peru. While some of the fishers come from generations of fisher folk others are more recent additions to the sector having migrated from the Andean hinterland in the search of an improved lifestyle. Improved management practices are encouraged by the project.</p>
Private Sector	<p>The project continues to work with the Spanish Company Consorcio and the promotion of Direct Human Consumption of Anchovy via a link with the UK based international certification entity Marine Stewardship Council (MSC).</p>

	<p>Other work with MSC includes the certification of the Juan Fernandez Islands Rock Lobster with Chilean government co-financing and the possibility of a macroalgae certification standard in the near future.</p> <p>Links with the Industrial Fisheries sector include initiatives to make use of sonar data collected on fishing trips to monitor changes in the Minimum Oxygen Zone and relative abundance of key fish and molluscan species (giant squid).</p>
<p>GEF Small Grants Programme</p>	<p>To date the project has been unsuccessful in its applications for GEF SGPs in Peru have not been approved. Similarly attempts to get direct applications from CSOs and NGOs working with climate change and productive activities in the coastal zone have not been successful.</p> <p>At the GEF-IWC-7 event in Barbados discussions were held with the GEF SGP leadership.</p>
<p>Other Partners</p>	<p>The project works closely with a range of universities in both Chile and Peru together with other international universities.</p> <p>Links with NOAA have brought an important partnership to promote the OHI application and improved MPA management.</p> <p>Other initiatives involve looking at the new Google marine view concept whereby underwater images of marine ecosystems are to be portrayed via Google.</p> <p>The project is also attempting to create the use of special coin and stamp editions to portray aspects of ecosystem based management in the HCLME area in addition to images of 10 insignia species in the area.</p> <p>Contact has been made with Dr. Simon Costanzo from the University of Maryland Centre for Environmental Science, USA to look at ways of promoting user friendly concise information through their Integration & Application Network (IAN).</p>

General Comments

Partnerships with other GEF projects (CLME, GoMLME, BoBLME, ASCLME) have been important when seeking advise on the TDA-SAP development and approval process.

The project has entered into a twinning arrangement via IW:LEARN with the Benguela Current Commission and will also have a similar partnership with the GloBallast project.

J. Progress toward Gender Equality

Findings of gender/social needs assessment	Actor mapping, the involvement of women in the productive activities in the coastal zone and socio-economic assessments show the active involvement of women in the process of fisheries post harvest value addition.
Changes in targeting women/girls	<p>The project actively encourages women to participate in pilot activities and capacity building sessions. In addition the process of Management Plan development in both Chile (Juan Fernandez Islands) and Peru (RNSIIPG) encourages the active participation of women.</p> <p>Within the anchovy joint stock and TDA-SAP processes there is a good gender balance as can be seen by the attached photos.</p>
Additional information on the project's work on gender equality	<p>Capacity building: a 50:50 gender balance is encouraged.</p> <p>Post harvest value addition: processing plants hire more women than men - in part due to better levels of quality control and manual dexterity.</p> <p>The CoserMar \ 'Friends of the Sea\ ' communication group is made up mainly of women.</p>

General Comments

The project operates in a sector where key stakeholders have many women working on a range of value addition activities:

Fisheries - post harvest value addition and marketing

Tourism - marketing, management, food preparation etc

Agriculture - manual harvesting.

National Parks - management

Education - teaching aspects of environmental protection

Local NGOs - most of the local NGOs with which the project operates are owned and directed by women: prodelphinus
<http://www.prodelphinus.org/en/index.html>

EcOceanica <http://www.ecoceanica.org/>

Planeta Oceano <http://www.planetaoceano.org/>

K. Environmental \ Social Grievances

Related environmental or social issue	
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Status	
Significance	
Detailed description	

L. Project Contacts and Links

Partner	Contact Name	Email Address
Project Coordinator / Manager	Michael J Akester	MichaelA@unops.org
UNDP Country Office Programme Officer	Jorge Alvarez (Peru) Paloma Toranzos (Chile)	Jorge.Alvarez@undp.org
Project Implementing Partner	IFOP (Chile) and IMARPE (Peru) achipol@imarpe.gob.pe	jorge.castillo@ifop.cl
GEF Operational Focal Point	Chris Severin	cseverin@thegef.org
Other Partners	5 each in Chile and Peru including fisheries & environment	MichaelA@unops.org
UNDP Technical Adviser	Mr. Jose Troya	jose.troya@undp.org

Project website, etc.	<p>Website: www.humboldt.iwlearn.org</p> <p>Facebook: https://www.facebook.com/gef.humboldt</p> <p>Twitter: @GEFHUMBOLDT</p> <p>Flickr: https://www.flickr.com/photos/116279959@N03/sets/72157645874383182/</p> <p>YouTube: https://www.youtube.com/watch?v=kEtiHbPUUKU // https://www.youtube.com/watch?v=ZdVCZjJECtM</p> <p>Issuu: http://issuu.com/gefpnudhumboldt</p>
Links to media coverage	<p>http://www.unesco.org/new/es/media-services/single-view/news/mas_de_250_pescadores_voluntarios_y_funcionarios_celebraron_el_dia_mundial_de_los_oceanos_en_peru/#.U96MBPI5NJI</p> <p>http://www.ifop.cl/?p=6805</p>

http://www.pe.undp.org/content/peru/es/home/operations/projects/environment_and_energy/hacia-un-manejo-con-enfoque-ecosistemico-del-gran-ecosistema-mar/

<http://www.aqua.cl/tag/proyecto-gef-pnud-humboldt/>

<http://www.youtube.com/channel/UCc8xjNAhrM3-oeeqkX3VU3A>

http://issuu.com/gef-pnud-humboldt/docs/boletin_n__7

<https://www.facebook.com/media/set/?set=a.10151831115098953.1073741838.127016678952&type=3>

<http://oceanografos.wordpress.com/2012/04/18/proyecto-gef-internacional-manejo-ecosistemico-de-la-corriente-de-humboldt/>

<http://www.mediosciudadanos.cl/tag/gef-humboldt/>

http://www.industriaspesqueras.com/noticias/ultima_hora/31321/chile_y_peru_colaboran_en_el_proyecto_gef_humboldt.html

<http://www.pucp.edu.pe/climadecambios/index.php?tmpl=articulo&id=1677>

<https://www.sustainablefish.org/fisheries-improvement/small-pelagics/peruvian-southern-chilean-northern-anchovy>

<http://anapesca.cl/noticias.php?id=12329>

http://www.salmonxpert.cl/?page_id=147&article_id=106811

M. Annex 1 - Ratings Definitions

Implementation Progress Ratings Definitions

Highly Satisfactory (HS): Implementation of all components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as 'good practice'.

Satisfactory (S): Implementation of most components is in substantial compliance with the original/formally revised plan except for only few that are subject to remedial action.

Moderately Satisfactory (MS): Implementation of some components is in substantial compliance with the original/formally revised plan with some components requiring remedial action.

Moderately Unsatisfactory (MU): Implementation of some components is not in substantial compliance with the original/formally revised plan with most components requiring remedial action.

Unsatisfactory (U): Implementation of most components is not in substantial compliance with the original/formally revised plan.

Highly Unsatisfactory (HU): Implementation of none of the components is in substantial compliance with the original/formally revised plan.

Development Objective Progress Ratings Definitions

Highly Satisfactory (HS): Project is expected to achieve or exceed all its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as 'good practice'.

Satisfactory (S): Project is expected to achieve most of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.

Moderately Satisfactory (MS): Project is expected to achieve most of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits.

Moderately Unsatisfactory (MU): Project is expected to achieve of its major global environmental objectives with major shortcomings or is expected to achieve only some of its major global environmental objectives.

Unsatisfactory (U): Project is expected not to achieve most of its major global environment objectives or to yield any satisfactory global environmental benefits.

Highly Unsatisfactory (HU): The project has failed to achieve, and is not expected to achieve, any of its major global environment objectives with no worthwhile benefits.