

# MEMORANDUM

File Classification: PO-PUS DR-X1001

RE2/EN2-556257

DATE: 21 de junio de 2005

**TO:** Mr. Miguel E. Martínez, Manager  
Regional Operations Department II

**FROM:** Robert N. Kaplan, Chief *M.H.J. for*  
Environment and Natural Resources Management Division (RE2/EN2)

**SUBJECT:** DOMINICAN REPUBLIC. PDF B: Integrated management of the coastal and marine zone of the Samaná Region (DR-X1001)

The attached Plan of Operations is for the preparation of a Global Environment Facility (GEF) project entitled: Integrated management of the coastal and marine zone of the Samaná Region. Preparation of the GEF project will be financed by a PDF B grant of US\$250,000 to be administered by the Bank pursuant to the approved program for the administration of such grants (GN-2304-1).

The PDF B grant was approved by the CEO of the GEF Secretariat on May 19, 2005 following receipt of the project document and the Department's Regional Management Committee review on March 30, 2005.

We are recommending this individual PDF B operation for your approval in accordance with the delegation of authority signed on November 28, 2004.

**PLAN OF OPERATIONS**  
**GLOBAL ENVIRONMENTAL FACILITY**  
**CONCEPT PAPER AND PROPOSAL FOR PROJECT DEVELOPMENT FUNDS (PDF)**  
**Block B Grant**

<b>PREPARATION:</b>	
<b>Project Name:</b>	PDF-B: Integrated management of the Coastal and Marine Zone of the Samaná Region
<b>Project Number:</b>	DR-X1001
<b>Country:</b>	Dominican Republic
<b>Requesting Agency:</b>	Secretariat of Environment and Natural Resources
<b>Executing Agency for PDF Block B:</b>	Inter-American Development Bank (IDB)
<b>PDF Block B Funds Requested:</b>	US\$250,000
<b>Country Endorsement:</b>	Endorsement letter attached
<b>Duration:</b>	Execution: 8 months; Disbursement: 10 months

<b>FULL PROGRAM:</b>	
	The above PDF Block B is being requested for the preparation of a GEF Full program. The basic data for the Full program appears below. The concept and PDF B have been presented for review at the same GEF Council meeting.
<b>Project Title:</b>	Integrated management of the Coastal and Marine Zone of the Samaná Region
<b>GEF focal areas:</b>	Biodiversity
<b>Operational Program:</b>	Coastal, marine and freshwater ecosystems (OP2)
<b>Country Eligibility:</b>	The Dominican Republic is eligible to receive assistance from the GEF
<b>Total Cost:</b>	US\$11,000,000
<b>GEF Contribution (including PDF B):</b>	US\$4,000,000
<b>Government Contribution:</b>	US\$1,000,000
<b>Executing Agency:</b>	To be defined.
<b>Project Duration:</b>	5 years
<b>Project Team:</b>	Michele Lemay, Team Leader (RE2/EN2), Juan Carlos Paez (COF/CDR), Coral Fernandez (RE2/EN2), Nadine Schiavi (RE2/EN2), Sergio Ardila (RE2/EN2), Henrik Franklin (RE2/EN2), Maria Cristina Landazuri-Levey (LEG/OPR), Eliana Smith (RE2/EN2).

## I OVERVIEW AND PRIORITY ASSIGNED TO THE THE SAMANÁ REGION

1.1 Located along the northern coast of the Dominican Republic, the Samaná region encompasses a wide variety of coastal and marine ecosystems, including Samaná Peninsula and Bay, numerous small coastal watersheds, the mangroves of the Lower Yuna river (the largest contiguous extension in all the Caribbean), wetlands and lagoons, keys and offshore rocks, the Natividad Marine Bank, and major reef complexes and seagrass meadows. The location of the island of Hispaniola, and particularly the Samaná Region, at the point where the North Atlantic meets the Caribbean Sea further contributes to the region's productivity and biological diversity. Past studies have reported a high incidence of endemism as well as the presence of large populations of terrestrial, coastal and marine species of regional and global importance, including the humpback whale, four species of marine turtle, the manatee, and crocodiles and lizards. Samaná Bay and the adjacent Natividad Marine Bank also support the largest fisheries in the Dominican Republic, providing income for almost one-third of the country's fishers.

1.2 Acknowledging the importance of Samaná Bay and the need to protect it, the Government has declared several protected areas in the region (see table below) including Los Haitises National Park, one of the most visited and used protected areas in the Dominican Republic. Encompassing over 1300 km<sup>2</sup> of land and 3,700 km<sup>2</sup> of marine area, only one of these protected areas, Los Haitises, has a management plan.

PROTECTED AREA	ENABLING LEGISLATION	EXTENSION Km2	MANAGEMENT PLAN	PLAN IMPLEMENTED
Los Haitises NP	D-233/96	826	Yes	Partially
Lower Yuna NP	D-233/96	285	No	
Redondo and Limon WR	D-1315-83	55	No	
Silver Bank Marine Mammal Sanctuary	D-233/96	3,748	No	
Salto El Limon	D-233/96	18	No	
Cayo Levantado	D-233/96	3.5	No	
Cabo Cabron NP	D-233/96	152	No	

1.3 The Samaná region is still in good condition compared to other coastal zones in the country since, until very recently, it had not been a target of the tourism industry. Nonetheless, there are several problems, which, if not addressed, could endanger the region's relative high value for biodiversity conservation. Included among the threats are: (i) sedimentation and pollution originating in the Yuna watershed and other smaller coastal watersheds draining into Samaná Bay; (ii) reduced levels of mixing of fresh and saline waters in the mangroves and the bay due to the extraction of water resources in the middle and upper watersheds; (iii) pollution from solid waste; (iv) overharvesting of marine species, mangrove wood and hunting/capture of manatees, turtles, reptiles, and birds for their meat or to be sold as pets; and (v) the proliferation of species of exotic flora that are displacing associations of native species. Studies have been conducted that suggest strong linkages between hydrological processes in the upper parts of the Yuna and the dynamics of the estuarine complex in Samaná Bay.<sup>1</sup> Changes in the salinity structure and increases in nutrients and toxins may be affecting estuarine productivity and

<sup>1</sup> Coastal Resources Center and the Nature Conservancy. 2004. Impacts of altered freshwater flows to estuaries: Yuna River Watershed and Samana Bay. USAID.

resilience, species composition and biodiversity. The research undertaken to date indicate that the Samaná region must be managed as a complex of ecosystems upon which the biodiversity and health of the Bay depend.

- 1.4 Recognizing the situation of the country's natural resource base, the National Government and the Inter-American Development Bank (IDB) signed an agreement for a technical cooperation grant (ATN/SF-8558-DR) to help prepare an investment loan (DR-L1004) that would address the main problems in the country's priority watersheds and coastal areas in an integrated manner. The Program is currently under preparation with an estimated IDB loan of US\$50 million to be approved in 2006. The IDB has also received a request from the Government for a grant from the Global Environmental Facility (GEF) for the purposes of coastal and marine biodiversity conservation in the priority region of Samaná and as a complement to the investments to be financed by the IDB loan.
- 1.5 Hence, the proposed GEF/IDB project has been conceived as financing for a biodiversity conservation component of a broader Program for watershed and coastal area management expected to receive financing from an IDB loan. The GEF project concept recognizes the strategic importance of the Samaná region, and the need to promote sustainable use of biodiversity and strengthen the capacity of national Government, local governments, civil society and the private sector to work together to manage the Bay and its tributary watersheds in an integrated manner.

## II PROJECT RATIONALE AND OBJECTIVES

### A. Sustainable baseline scenario

- 2.1 **Main threats to biodiversity:** While the region of Samaná Bay is in relatively good environmental condition, it faces many of the same anthropogenic pressures that have contributed to the degradation of other coastal and marine areas throughout the country. Although there are existing initiatives aimed at reducing some of these pressures, an analysis of the baseline scenario indicates that the threats will persist unless a more integrated approach is taken to address root causes. The main threats to coastal and marine biodiversity in the Samaná Region are:
  - a. *Unregulated urban and tourism development without environmental management.* At present, most of the tourism infrastructure is on the north and eastern shore of Samaná Peninsula; but the pressure is increasing along the south side and in the south and east coast of Samaná Bay. The poor selection of sites for infrastructure and combined with poor construction practices (dredging of seagrass beds, extracting quarry material on the coast, destruction of mangroves, placing breakwaters, piers, and jetties) result in the degradation of coastal watersheds, sedimentation of coral reefs, increased turbidity of marine waters, erosion of beaches and the loss of native vegetation and the fauna that depend on it. The tourism and urban areas, when developed without careful planning, generate liquid waste (wastewater, pesticides) and solid waste that result in bacteriological and organic contamination, proliferation of algae on reefs and, other permanent changes to coastal and marine associations, and a loss in scenic quality. The overextraction of surface water and groundwater in the tourism and urban areas is provoking conflicts among traditional users and saline intrusion in the coastal aquifers.

- b. *Inappropriate operation of ports.* In the urban and tourism areas that have ports (Sánchez, Arroyo Barril, Samaná, and Sabana de la Mar) there are severe problems of pollution due to fuel, lubricants, paint, solvents, heavy metals and organic loads due to waste disposal (wastewaters, waste from shellfish and fish processing) and solid waste, from both the port facilities and the boats. Where there are landings for cruise ships (Samaná), the unplanned arrivals of hundreds of tourists generate even more solid and liquid waste, discharged into the coastal waters without treatment.
- c. *Overfishing/catch of marine and coastal species.* The area's fishers violate the rules established to ensure the sustainability of the fisheries. The demands on the resource brought to bear by an excessive harvesting capacity (1,800 boats and 3,000 fishers) surpass the capacity of the stocks to recover. The use of opportunistic fishing equipment, such as the "blender" cast-nets (*atarrrayas*) results in the catch of all species of all sizes, and the waste of unwanted by-catch. The overfishing of herbivorous fish species has resulted in the proliferation of algae in the coral reefs. An additional problem is fishing during the closed season and in sites where fish aggregate during their reproduction, especially red snapper and grouper. There is also over-harvesting of crabs, mollusks, and shrimp in the mangroves and in Samaná Bay, resulting in a decrease in the size of their populations as well as illegal catch of marine turtles and their eggs and manatees, for their meat.
- d. *Unsustainable agricultural practices:* The use of traditional methods of cultivation on the slopes of the middle and high basins, based on systems of slash-and-burn agriculture (and forest fires) is accelerating soil erosion, increasing the intensity of floods, and worsening sedimentation of the coasts, bays, and coral reefs. At the same time, the improper use of agrochemicals in the rice-growing areas of the lower Yuna basins pose a serious threat of loss of biodiversity, which would affect mostly the populations of flora and fauna in the wetlands and mangroves of the Lower Yuna basin, and the marine species of crustaceans, mollusks, fish, mammals, and herpefauna. In addition, vast expanses of mangrove in the Lower Yuna have been deforested and drained for use as pastureland for cattle. While this practice has been curbed in recent years, extraction of mangrove from the region persists, for use in construction and for charcoal.
- e. *Indiscriminate and illegal hunting and gathering of species:* This is a traditional practice of several residents who live within or adjacent to the protected areas (especially Los Haitises National Park and the Lower Yuna Wetlands National Park), where there is a relative abundance of fauna of commercial value, for both family consumption and to sell. In addition, the local population generally collects small animals and birds as pets or to sell; the same is true of certain plants (ferns, orchids, bromeliads, and certain medicinal herbs).

2.2 **Structural causes of the threats.** There are several structural causes that give rise to these threats. At the national level, the policies of the National Government have not effectively incorporated environmental management into their development plans, and there are no environmental controls for many private sector activities, in particular for the construction of infrastructure. The lack of land use planning and zoning to direct urban and tourism development has contributed to environmental problems in practically every tourism zone of the country. The limited capacity of national government agencies, including the Secretariat of Environment and Natural Resources (SEMARN) and

especially the Vice-Ministry of Coastal and Marine Resources, to promote compliance with policies and rules under their mandate represents another obstacle to biodiversity conservation in protected areas and their buffer zones.

- 2.3 Past attempts to develop management plans in the Samaná Region have failed, often from a lack of attention to the economic underpinnings to unsustainable land use practices and insufficient understanding of institutional barriers to managing the Bay and its tributary watersheds as a system. Furthermore, agricultural subsidies encouraged the destruction of thousands of hectares of mangrove and the draining of wetlands in the lower Yuna, and the inappropriate use of agrochemicals. While public investments are now being made sanitation infrastructure, priority is being given to highly degraded coastal destinations such as Puerto Plata. Preventive approaches to maintaining environmental quality in areas such Samaná Bay have yet to be taken. Moreover, the lack of reliable information on the real value derived from the environmental services provided by coastal and marine ecosystems and their tributary basins has led to apathy with respect to environmental management and biodiversity protection. Resource users such as small tourism businesses and fishers have resorted to unsustainable practices, often owing to a lack of understanding of alternatives and their benefits. Finally, resource users, civil society organizations and local governments have had little participation in or input to development planning, even though they are the ones are most directly impacted by the problems of natural resource degradation. Decentralized institutional/coordination mechanisms that would enable greater local ownership in decisions that have an impact on environmental quality do not exist in the Samaná Region.
- 2.4 **Other projects:** In 1992, GEF approved the Project for Biodiversity Conservation and Management in the Coastal Zone of the Dominican Republic (GEF/UNDP/ONAPLAN, GEF ID-195). This project, despite delays in its initial phase, was executed from 1996 to 1998, with three main results: (i) ecological assessments of three priority coastal and marine zones (Morro de Monte Cristi National Park, Jaragua National Park, and the Samaná Bay/Los Haitises National Park); (ii) pilot projects in local planning and management of coastal and marine resources; and (iii) training of personnel from NGOs, government agencies, and representatives of some community organizations and human resources. A management plan was drawn up for the Samaná Region, but its content is very general, overlooks social and economic considerations, and is made up mostly of strategic considerations, without much prioritizing or detail on specific activities, assignment of responsibilities, or budget.<sup>2</sup> The final evaluation conducted of the project concluded that while the involvement of stakeholders had been a major element of success, it had failed to address institutional and policy issues and had overlooked opportunities for ensuring financial sustainability.<sup>3</sup> The final evaluation recommended the execution of a second stage to take advantage of the outcomes generated and lessons learned however the preparation of the proposal for the second stage was set-aside with a subsequent change in government administration. Recommendations from this final evaluation have been incorporated into the design of the proposed GEF project presented in this document.

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<sup>2</sup> Betancourt-Fernández, Liliana. 1997. Plan de Manejo Integrado de la Biodiversidad Marino-Costera para la Región de Samaná.

<sup>3</sup> University of Rhode Island Coastal Resources Center, Dominican Republic Final GEF Evaluation.

- 2.5 In terms of on-going projects, the Dominican Republic office of The Nature Conservancy (TNC), with USAID financing, has been studying the dynamics of the groundwater entering Samaná Bay from the Yuna river basin, and its impact on the coastal-marine ecological associations, in order to propose a regime for managing water resources. There is also a technical assistance program (rural development, both agriculture and forestry) for the communities living in the buffer zone of the Los Haitises National Park, with financing from GTZ and USAID.
- 2.6 As mentioned above, the IDB is financing a technical cooperation (ATN/SF-8558-DR) to support the country in the design of a Program for Integrated Management of Watersheds and Coasts that will establish priorities for action, bearing in mind the fiscal restrictions of the Government and the economic development impacts of the various activities proposed. This Program is a key element of the national strategy because of its contribution to reducing the vulnerability of some water supply systems, resolving conflicts in water resource management, setting in motion activities to control water pollution and improve environmental management in the coastal area, and promoting sustainable uses of natural resources.
- 2.7 The IDB loan (DR-L1004) would include two main components (watershed management and environmental management). The thematic areas of the watershed management component would be: (i) soil conservation and erosion control, (ii) increasing the efficiency of water use, solving conflicts (improving the processes for allocating water, promotion and incentives for investments by the users in maintaining and improving the irrigation infrastructure), (iii) emergency investments to reduce the risk of sedimentation in the Valdesia and Aguacate reservoirs, and the stability risks of the Sabana Yegua dam. The thematic areas of the environmental management component would include: (i) environmental management of water quality in rivers, streams, irrigation channels, and coastal zones (normative and diagnostic aspects, monitoring and control, which should be done by the national environmental authority), (ii) local environmental management (improvement of the services offered by the municipal governments, including solid waste management and land-use planning, land use dispute resolution mechanisms, environmental licensing, urban green areas, and stormwater management), and (iii) management of coastal and marine ecosystems (protected areas, wetlands, mangroves, ecotourism, and others) and promotion of sustainable use of biodiversity. The proposed GEF project would finance the incremental activities of this last subcomponent of the program with the IDB loan providing co-financing through the other subcomponents..

**B. Alternative scenario (with GEF Project)**

- 2.8 The GEF project's development objective is: to establish a socially, economically, and ecologically viable operational framework for integrated planning and management of coastal and marine ecosystems in the Samaná region. The global objective is to strengthen the conservation and sustainable use of biodiversity of global importance that depends on these ecosystems.
- 2.9 The specific objectives of the project are to:
- a. Improve and improve the coordination between land use planning and coastal and marine resources management in the Samaná Region;

- b. Disseminate best practices for natural resource use in the Samaná Region with a view of maintaining and/or restoring the ecosystems represented and safeguarding their biodiversity;
  - c. Improve the information base on the conditions and valuation of biodiversity and environmental goods and services offered by the ecosystems in the Samaná Region;
  - d. Strengthen the local capacity to manage coastal and marine areas in the Samaná Region.
- 2.10 The proposed project is fully consistent with the GEF Operational Program 2, Coastal, Marine, and Freshwater Ecosystems, as it seeks to (i) promote on-site conservation of the various coastal and marine ecological associations in Samaná Peninsula and Bay, and their associations with the tributary watersheds of the small coastal rivers and of the Yuna river; (ii) contribute to national, regional, and global efforts to protect the biodiversity endemic to the island of Hispaniola and the Samaná Region, and the coastal-marine species of the North Atlantic and the Caribbean Sea, and the migratory birds of the Western hemisphere; and (iii) disseminate and adopt best practices for biodiversity protection and for sustainable use of natural resources, considering the premises of economic production, participation and social welfare of the local populations, and maintaining the integrity of the ecosystems represented.

### **III PLANNED ACTIVITIES**

3.1 The four components and their associated incremental activities are as follows In order to achieve its overall and specific objectives, the project would have the following four components:

#### **A. Land use planning and coastal and marine resources management**

3.2 This component would be process-oriented with a view to creating decision-making tools and capabilities that incorporate biodiversity conservation. These tools would be designed keeping in mind the role, responsibilities and capacities of the institutional players likely to contribute to a permanent institutional framework for management of the Samaná Region (see Component 4). Drawing from the experience of the previous GEF project, an issue-driven approach to management would be adopted, thus ensuring effective use of financial resources and measurable results. The following activities are to be carried out under this component:

- a. Participatory preparation of a basic land use and coastal and marine management plan for the Samaná Region, encompassing Samaná Peninsula and Bay, and the surrounding coasts and coastal watersheds, the Lower Yuna wetlands, the Natividad Marine Bank, the reef complexes, and the adjacent protected areas.
- b. Consolidation of protected areas and improvement of management effectiveness by updating and/or preparing operational management plans, consistent with the land use plan for the Samaná Region. This will include support for sustainable institutional arrangements for managing the areas, including co-management regimes. The operational plans will include a business strategy aimed at generating revenues from ecotourism and other services provided either directly or through concessions.
- c. Preparation and promulgation of the legal instruments needed to implement the land use plan, related zoning and resource use measures. It is anticipated that SEMARN and the local governments will act in coordinated fashion, developing a series of regulations and/or ordinances and subsequently ensuring their enforcement by the Municipal Environmental Management Units. This would include support to promote compliance with regulations and more effective surveillance and enforcement.:

#### **B. Dissemination of best practices**

3.3 This component would finance technical assistance aimed at enabling resources users and communities of the Samaná Region to solve problems through their own initiatives by adopting best practices that have been demonstrated to prevent environmental damage. Rather than only relying on conventional enforcement of regulations, the intent would be to foster group involvement in setting voluntary standards and governing a local resource. This activity would be closely coordinated with other components of the Program for Integrated Management of Watersheds and Coasts (IDB), the management program for the Los Haitises National Park (GTZ, USAID), and other national and regional projects and programs for promoting the adoption of best practices for the sustainable use of coastal and marine resources in the following thematic areas:

- Sanitation for liquid and solid waste;
- Pollution control at point and non-point sources;
- Environmentally feasible coastal-marine tourism, including scuba diving and environmentally sustainable ecotourism, and the promotion of programs for environmental management in hospitality businesses, including schemes for certification such as Blue Flag and Green Globe;
- Sustainable management of fisheries;
- Conservation and restoration of native vegetation; and
- Soil and water conservation.

3.4 As an extension of the above, this activity would entail pilot projects/models and training for vocational conversion in alternative activities that are economically, socially, and environmentally sustainable, such as: microenterprises of ecotourism guides/operators, scuba diving, birdwatching, and sports fishing (catch/release); research and conservation assistants; crafts, “greed products” and folkloric events; nurseries for native plants and recycling.

**C. Characterization of the conditions and valuation of biodiversity**

3.5 The component will encompass the following activities:

- a. Using a set of socioeconomic and ecological indicators to be selected during project preparation (see PDF B activities), the status of the coastal and marine ecosystems and biodiversity as well as trends in land and resource use will be monitored. This could include the design of a user-friendly hydrological model linking the bay and its ecosystems (mangroves, estuaries, lagoons) to its tributary watersheds as a tool for analyzing the impact of upstream construction and land use change on environmental conditions critical for coastal and marine biodiversity. The aim is to involve local governments, national academic institutions and NGOs with a view of strengthening science-based decision-making.
- b. Based on the financial sustainability plan to be developed with the PDF B resources, the project will promote financial mechanisms and instruments to raise funds to pay the value of the environmental goods and services offered by the ecosystems and biodiversity in the coastal-marine zone and its tributary watersheds. The most promising alternatives will be applied on pilot basis in locations where such measures are most likely to succeed and where a consensus exists on the need to pay recurrent costs of routine operations initiated under the project.
- c. Program geared to disseminating the information generated by the project at all levels (scientific and universities, government officials, private sector, groups of resource users, NGOs, schools, representatives of other projects, etc.) for educational and research purposes, to promote best practices, and to provide support in the execution of all other project activities, and the replication of best practices. A geographic information system, information center, and web page will be established to facilitate the handling and dissemination of information on the project.

**D. Strengthening the local capacity to manage coastal and marine areas**

- 3.6 This component will support the formal establishment of an Advisory Council (Consejo Consultivo) to oversee the project made up of local representatives of SEMARN, INDRHI, SECTUR, the Navy, local governments, NGOs, community groups, business associations, tourism operators, industries, associations of farmers and fishermen, and representatives of other active projects and programs in the Samaná Region. The Council will be a regional forum for consultation and participation of the various groups interested in the planning, implementation, and evaluation of the project's activities, and resolving conflicts among the users of coastal-marine resources. The Council would represent the first stage in establishing a more permanent coordination mechanism for management of the Samaná Region. The institutional analysis and process leading up to the creation of the Council as well as the tools needed for its functioning will be activities undertaken during project preparation (see PDF B).
- 3.7 The component would also include activities such as the following:
- a. Consolidation and strengthening the Municipal Environmental Management Units (UGAM: Unidades de Gestión Ambiental Municipales) and the regional offices of SEMARN (there are 11 regional stations to regulate fishing and for coastal management) to promote compliance with environmental management regulations for tourism and urban development.
  - b. Strengthening the capacity and operational structure of the Vice-Ministry of Coastal and Marine Resources in respect of coastal-marine planning and management, including marine habitat protection and restoration, the allocation of fisheries resources and regulation of the activity.
  - c. Program for training in best practices of protected areas management for the administrators of the protected area of the Samaná Region, which will encompass aspects such as zoning and operational planning, regulation of sustainable uses, visitor management, maintenance and restoration of ecosystems, and dispute resolution.
  - d. Training program in best practices in management and sustainable use of the coastal and marine resources and watersheds, for representatives and organized groups from: SEMARN, INDRHI, SECTUR, the Navy, local governments, NGOs, community groups, hotel and restaurant associations, tourism operators, various industries, farmers' association, and associations of fishermen.
  - e. Implementation of the communication strategy for the project, including the development of a supplementary environmental education curriculum addressing the issues from a local perspective, and disseminating it to the schools in the Samaná Region, and training teachers to teach it.

**IV STAKEHOLDER INVOLVEMENT/INTENDED BENEFICIARIES**

- 4.1 Since the technical cooperation for preparing the Program for Integrated Management of Watersheds and Coasts was approved by the IDB, a series of consultations have taken place with representatives of the Technical Secretariat of the Presidency, SEMARN and its units, the Ministry of Tourism, the National Institute for Hydraulic Resources

(INDRHI: Instituto Nacional de Recursos Hidráulicos), the National Aquarium, the Asociación Nacional de Hoteles y Restaurantes, municipal governments, NGOs, and bilateral and multilateral development agencies to determine the level of interest, needs, and policy and technical directives for the program under consideration. The Technical Committee of the Coastal Watersheds and Zones Management program was formed, made up of representatives of the Technical Secretariat of the Presidency, SEMARN, and INDRHI to guide the preparation of the project in keeping with the emerging policies of the National Government. This Technical Committee will provide the high-level forum for monitoring the preparation of both the IDB-financed loan and the GEF/IDB project, thus ensuring ownership and coordination at that level.

- 4.2 In June 2003, the IDB sponsored a national workshop called “Main Environmental Problems and Priorities in Watersheds and Coastal Zones of the Dominican Republic” (Abt Associates Inc., June 2003, Jacabacoa) precisely to determine priority issues and geographic areas for the possible project. The coastal and marine zone of the Samaná Region was identified among the top priorities in view of its biological diversity of national and global importance. Subsequent consultations were held to ascertain the scope and focus of a possible initiative to be financed through a GEF grant.
- 4.3 The project targets a broad range of beneficiaries that includes fishers, small tourism businesses, micro-enterprises, community and user based organizations, Dominican academic institutions, NGOs, local governments and SEMARN. Other central government institutions such as the Tourism Secretariat and Public Works would also be invited to participate in the process. The preparation of this GEF/IDB project will include an analysis of stakeholders in all the productive sectors of the Samaná Region. Project preparation includes the design of a comprehensive communication strategy to ensure the broadest involvement of those interested in the Region, and will involve a series of surveys, group interviews, workshops, and town meetings with the groups that express interest and potential beneficiaries at the local levels.

## **V IMPLEMENTATION ARRANGEMENTS FOR THE FULL-SIZED PROGRAM (FSP)**

- 5.1 The proposal is for SEMARN to be the umbrella executing agency for the project with the day-to-day administration to be carried out by a Project Coordination Unit backed by an Advisory Council (Consejo Consultivo). The Advisory Council will oversee the formal consultation for the project to facilitate the acceptance and participation of the various interested parties, beneficiaries, and/or persons affected in the preparation of the annual plans of the project and the monitoring of its execution. Membership of the Council will be established during preparation to ensure that its membership is representative. During the preparation of the GEF/IDB project, this structure will be analyzed in detail and a determination will be made as to the institutional and administrative requirements for carrying out the project. In addition, the coordination arrangements with entities participating in the co-financing or responsible for related projects will be defined and negotiated during preparation.

## **VI ESTIMATED BUDGET FOR THE FULL SIZED PROGRAM (FSP)**

- 6.1 The preliminary estimate for the total cost of the program is US\$11 million of which US\$4 million would be financed by a GEF Full-Sized Project grant.
- 6.2 The main source of co-financing for the GEF project would come from the proposed IDB loan for the Program for Integrated Management of Watershed and Coasts currently under preparation. The following additional potential co-financing sources include: contribution of the National Government in cash and in kind (estimated at US\$1 million); in-kind contribution from the municipal governments, farmer and fishermen's organizations, associations of hotel and restaurant operators, and the local NGOs; the technical cooperation from Germany/GTZ and the United State Agency for International Development/USAID (Los Haitises National Park); the Water and Sanitation Project in Tourism Areas (World Bank) and other projects anticipated for the Samaná Region.

## **VII DESCRIPTION OF PROPOSED PDF ACTIVITIES**

- 7.1 A PDF B grant of US\$250,000 has been requested to develop the comprehensive design of a project for the Samaná Region in keeping with the requirements of the GEF, which will be a replicable model for other coastal-marine zones in the country. The PDF B resources are key in building consensus at the national and local levels for the proposal to establish the Advisory Council, the regional land use plan and the other activities of the project. Specifically, the PDF-B resources will support the contracting of specialized consulting services, workshops for consultation and planning to carry out the following tasks:

### **1. Updating of assessments, complementary studies and the preparation of a monitoring and evaluation system**

- 7.2 Project preparation funds will finance the consolidation and updating of the ecological-environmental, social, economic, cultural, and institutional-organizational assessments in the Samaná Region. These assessments will be supplemented only with the studies required to have a solid basis for planning and designing the project's activities, and to establish the baselines and indicators needed to monitor and evaluate the condition and dynamic of the relevant elements of the coastal and marine biodiversity and socioeconomic conditions of the beneficiary and/or impacted population. The specifications for designing a hydrological model of the Samaná watershed and Bay will be developed. Particular emphasis will be placed on the institutional analysis, which will include assessments of capacities and needs of key institutions (governmental and non-governmental) for biodiversity conservation. The requirements for applying the tracking tools to measure: (a) the coverage and impact targets of SP1 in terms of improvements in the management effectiveness of protected areas and replication; and (b) the coverage and impact targets of SP2 in terms of biodiversity gains in productive systems, sustainable livelihoods, replication and mainstreaming will also be established as part of the project's monitoring and evaluation system.

### **2. Preparation of institutional design and financial sustainability plan**

- 7.3 The results of the institutional assessment combined with consultations (see below) will be used to design the administrative-organizational framework for executing the

GEF/IDB project, the design and functioning of the Advisory Council (including its operating regulations), and the establishment of formal coordination mechanisms with other on-going projects where potential synergies exist. This task will also encompass a comparative analysis of alternative mechanisms to raise funds to pay the value of the environmental goods and services offered by the coastal and marine ecosystems of the Samaná Region. The analysis will result in the selection and detailed design of one or two mechanisms to be implemented on a pilot basis during implementation of the GEF project. A business strategy to ensure sustainability in the operations of the Advisory Council will also be designed. The final product of this task would be a fully-endorsed financial sustainability plan.

### **3. Consultations and participatory design activities**

- 7.4 This activity will finance a stakeholder analysis, consultation activities (interviews, surveys) and participatory planning activities (workshops, thematic working groups, town meetings, etc.). It will also encompass the design of the communication strategy for project execution. The aim is to maintain informed and involve from the outset interested local groups, national government institutions (Secretariat of the Presidency, SEMARN, INDRHI, SECTUR, Ministry of Agriculture, Ministry of Education, the Navy, etc.), local governments, NGOs, community groups, business associations, tourism operators, industries, associations of farmers and fishermen, and representatives of other projects/programs working in the Samaná Region. This will enable a genuinely participatory design process and foster local ownership of the activities to be proposed.

### **4. Project Design and Formulation of the Full GEF Project**

- 7.5 Support will be provided for the preparation of the documentation required by the GEF and the IDB for their consideration and approval of the Project, including the preparation of the detailed terms of reference for the main Project activities, the incremental cost analysis, the Project's logical framework, and all other documents required to submit it to the consideration of the Bank as ExA and to the GEF. For each component, the work will entail the identification of options; technical justification of the approach recommended; preparation of specifications, budgets, schedules, execution mechanisms, and other documentation needed for implementation of the Full GEF Project. The monitoring and evaluation system for the GEF project will be designed. Agreements will be reached with other donors and grant organizations to secure the co-financing required by the project.

## **VIII PDF BLOCK B OUTPUTS**

- 8.1 The expected outputs of the PDF Block B grant will be:
- a. Consolidated and updated ecological, socioeconomic, and institutional-organizational assessments for the Samaná region, including a proposal for the creation of the Advisory Council.
  - b. Thematic analysis of threats and root causes, in part using the geographic information system for the Samaná Region and the Yuna river basin, including both terrestrial and coastal and marine data.
  - c. Participatory planning results and communication strategy for execution.

- d. The project's logical framework, description of the baseline and incremental activities, costs and detailed terms of reference of the activities financed by the GEF/IDB Project.
- e. Analysis of incremental costs and its matrix.
- f. Institutional framework, implementation plan, and operational regulation of the project.

## **IX BUDGET FOR THE PDF BLOCK B**

9.1 The budget of the PDF Block B is presented below:

<b>Activities</b>	<b>GEF (PDF-B) US\$</b>	<b>Local Contribution US\$</b>	<b>Total US\$</b>
Updating assessments, complementary studies, preparation of a monitoring system and financial sustainability plan	150.000	20.000	170.000
Activities for consultation and participatory design	50.000	5.000	55.000
Preparation of the GEF and IDB documents, and technical documents	50.000	5.000	55.000
<b>TOTAL</b>	<b>250.000</b>	<b>30.000</b>	<b>280.000</b>

9.2 The national contribution will be in kind for the organization and support of workshops and logistical support for surveys.

## **X EXECUTION OF THE PDF BLOCK B**

10.1 The IDB will be responsible for the administration of the PDF Block B grant. Basic and technical responsibility will rest with the Environment and Natural Resources Management Division of Region II at IDB Headquarters in Washington D.C., in close collaboration with the IDB's Country Office in the Dominican Republic. RE2/EN2 will carry out administration missions and participate in the project preparation workshops and meetings.

## **XI EXPECTED DATE OF COMPLETION OF PREPARATION ACTIVITIES**

11.1 The studies to be financed by the PDF-B grant are expected to start in August 2005, with an expected duration of 8 months. Work Program inclusion of the Full Sized Project is expected in June 2006.

## **XII RESPONSIBILITY IN THE BANK**

12.1 The team leader of the project is Michele Lemay (RE2/EN2) (Tel. (202) 6231838, Fax (202) 6231304, email: michelel@iadb.org). The other members of the team are Juan Carlos Paez (COF/CDR), Coral Fernandez (RE2/EN2), Sergio Ardila (RE2/EN2), Nadine

Schiavi (RE2/EN2), Henrik Franklin (RE2/EN2), Maria Cristina Landazuri-Levey (LEG/OPR).

### **XIII CERTIFICATION**

- 13.1 This operation was approved for financing by the donor of the Global Environment Facility Fund on May 19, 2005, as confirmed through an electronic mail dated May 24, 2005 and signed by Ramesh Ramankutty, Head of Operations & Business Strategy, Global Environment Facility Secretariat. The Global Environment Facility Trust Fund has certified that there are funds available for up to two hundred and fifty thousand U.S. Dollars (US\$250,000) in order to finance the activities described and budgeted in this document. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this Plan of Operations. Amounts greater than the certified amount may rise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, for which the Fund is not at risk.

Vo. Bo.

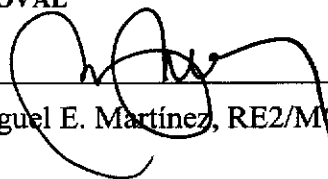


Robert N. Kaplan, EN2/CHF



Lionel Y. Nicol, RE2/DEP

### **XIV APPROVAL**



Miguel E. Martínez, RE2/MGR

JUN 28 2005



## Global Environment Facility

1818 H Street, NW  
Washington, DC 20433 USA  
Tel: 202.473.0508  
Fax: 202.522.3240/3245  
Internet: [www.gefweb.org](http://www.gefweb.org)

May 24, 2005

Ms. Janine Ferretti  
Environment Division Chief  
Inter-American Development Bank  
1300 New York Avenue, NW W0500  
Washington DC 20577  
USA

Dear Ms. Ferretti:

I am pleased to inform you that the CEO has approved entry into the GEF Pipeline of the project ***Dominican Republic: Integrated Management of the Coastal and Marine Zone of the Samana Region***, on May 19, 2005. Pipeline entry was discussed at the scheduled Project Review Meeting between the GEF Secretariat and the IADB on May 3, 2005.

It is understood (i) that during preparation, the comments of GEF Secretariat, Implementing Agencies, and other organizations will be taken into account to address technical issues and to ensure coordination of activities, and (ii) that when the project is submitted for Work Program inclusion it will be well advanced in preparation and responsive to the general project review criteria as well as to specific comments in the Secretariat's Project Review Sheet.

I am also pleased to inform you that the request for PDF resources for \$250,000 has been approved by the CEO on May 19, 2005.

Please find attached a copy of the project tracking sheet for your records.

Sincerely,

Ramesh Ramankutty  
Head, Operations and Business Strategy



## *Secretariado Técnico de la Presidencia*

0320

Señor  
**Moisés Pineda**  
Representante  
Banco Interamericano de Desarrollo  
Su Despacho

24 FEB 2005

Asunto: ATN/SF-8558-DR, Programa Manejo de Cuencas  
Y Zonas Costeras

Distinguido Señor Pineda:


Cortésmente, solicito de su colaboración a fin de que ese Banco apruebe una Cooperación Técnica no Reembolsable con recursos "Project Development Facility-Gobal Envaironmental Facitty" (PDF-GEF) para apoyar al programa citado en el asunto.

En otro orden, cúpleme informarle que el objetivo del **Programa Manejo de Cuencas y Zonas Costeras**, se inscribe dentro del Plan Estratégico de Desarrollo del País y del Tercer Eje Fundamental del Programa de Gobierno de la Republica Dominicana, "Un Fuerte Compromiso con la Cohesión Social y Territorial" en el área de Sostenibilidad Ambiental, concerniente al Manejo y Conservación de Recursos Naturales.

Al respecto, reafirmamos la intención de las autoridades en continuar desarrollando programas de cooperación de esta naturaleza, así como los proyectos resultantes del mismo.

Aprovecho la ocasión para saludarle.

Atentamente,

  
Ing. Juan Temístocles Montás  
Secretario Técnico de la Presidencia



JTM/AB/gt