

ACTA NÚMERO 06/20
SESIÓN ORDINARIA DE JUNTA DIRECTIVA
FONDO AMBIENTAL DE EL SALVADOR (FONAES)

Reunidos en la Sala de Sesiones del Fondo Ambiental de El Salvador, el presidente y el director del Fondo, ubicado sobre Calle la Reforma, casa N°. 219, en la Colonia San Benito de la ciudad de San Salvador, a partir de las ocho horas y treinta minutos, del día veintinueve de mayo del dos mil veinte, siendo éstos el lugar, día y hora a la que fueron convocados los Directores Propietarios y Suplentes, de la Junta Directiva en representación del Ministerio de Agricultura y Ganadería (MAG), Ministerio de Salud (MINSAL), Ministerio de Medio Ambiente y Recursos Naturales (MARN) y del Instituto Salvadoreño de Desarrollo Municipal (ISDEM); para mantener una reunión presencial de forma telemática. No obstante se realiza la convocatoria a ambos Directores, es responsabilidad del Director Propietario delegar la participación al Director Suplente.

PUNTO UNO. COMPROBACIÓN DE QUÓRUM.

El presidente Jorge Alejandro Aguilar Zarco, habiendo verificado y establecido el quórum necesario, procede a dar inicio a la sesión, contando con la presencia de:

1. Jorge Alejandro Aguilar Zarco, Presidente de la Junta Directiva.
2. Mario César Guerra Álvarez, Director Propietario, en representación del Ministerio de Agricultura y Ganadería.
3. Ernesto Ahmed Menjivar, Director Propietario, en representación del Instituto Salvadoreño de Desarrollo Municipal.
4. Luís Alberto Guerrero, Director Suplente, en representación del Ministerio de Salud
5. José Alfredo Rodríguez Flamenco, Director Ejecutivo, en su carácter de secretario con voz, pero sin voto.

PUNTO DOS. LECTURA Y APROBACIÓN DE AGENDA

Al inicio de la sesión, el Director Ejecutivo da lectura a la agenda propuesta, la cual fue modificada en el orden de los puntos, quedando aprobada por unanimidad de la siguiente manera:

- I. Comprobación de Quórum.
- II. Lectura y aprobación de agenda.
- III. Lectura del acta anterior.
- IV. Informe sobre proyecto financiado por GIZ.
- V. Varios.

PUNTO TRES. LECTURA DEL ACTA ANTERIOR.

El Director Ejecutivo da lectura al acta 05/20.

PUNTO CUATRO. INFORME SOBRE PROYECTO FINANCIADO POR LA GIZ.

El director ejecutivo, informa que con fecha 5 de mayo del corriente, nos llegó correo electrónico donde se nos remitía el contrato para el financiamiento del proyecto denominado: "Centro Regional de Semillas Forestales para distribución, conservación y restauración ecológica, Fase I", el cual tendrá una duración de dieciocho meses a partir del uno de junio del corriente. Y será financiado por la Agencia Alemana de Cooperación Internacional (GIZ). Por un monto total de €500,00.00 (quinientos mil 00/100 euros).

El Proyecto del Centro Regional de Semillas Forestales se sustenta en amplio marco político-estratégico en el Programa Nacional de Restauración de Ecosistemas y Paisajes (PREP), el cual tiene por objetivo alcanzar el desarrollo de una agricultura resiliente con el clima y amigable con la biodiversidad, así como para el desarrollo sinérgico de la infraestructura física y natural, y la restauración y conservación inclusiva de ecosistemas críticos como manglares, humedales y bosques naturales.

El proyecto se orienta a fortalecer los procesos institucionales para el manejo de fuentes de semillas, conservación genética y distribución de germoplasma forestal, aspectos necesarios para implementar el Programa Nacional de Restauración de Ecosistemas y Paisajes y las proyecciones particulares de desarrollo del sector forestal.

Para el éxito del Proyecto, es necesaria la ejecución de cinco resultados fundamentales:

- i) Modernización, equipamiento y certificación según estándares internacionales del Banco de Semillas Forestales;
- ii) Participación e inserción en las redes regionales e internacionales de los centros de semillas forestales;
- iii) Conservación de especies prioritarias y fortalecimiento de capacidades;
- iv) Establecimiento de un Mecanismo de Sostenibilidad del Centro Regional de Semillas Forestales; y
- v) Fortalecimiento de capacidades nacionales en Biotecnología y Sistema de Información; y desarrollo de recursos genéticos forestales.

El concepto del Centro de Semillas Forestales incluye la participación de las dependencias del Ministerio de Medio Ambiente y Recursos Naturales (MARN) (Laboratorio de Biología Molecular) y Ministerio de Agricultura y Ganadería (MAG) (Centro de Desarrollo Forestal CEDEFOR, con su Unidades de banco de semillas). Un número significativo de áreas naturales protegidas y rodales identificados complementar la iniciativa, con sitios de recolección temporal y colecta de material de propagación.

El Fondo Ambiental de El Salvador (FONAES) se servirá como un receptor y ejecutor directo de los fondos no reembolsables de la Cooperación Alemana (GIZ). Para mayor información ver Anexo 1. Contrato cooperación GIZ-FONAES.

Los miembros de Junta Directiva se dan por informados acerca del proyecto que será financiado por la Agencia Alemana de Cooperación Internacional (GIZ).

PUNTO CINCO. VARIOS.

El director ejecutivo informa que para este año, por las condiciones generadas por la pandemia, no se podrá financiar, la parte correspondiente al porcentaje asignado a temas de investigación ambiental con estudiantes universitarios, según se tenía previsto. Se ha avanzado en la elaboración de la normativa que regulará dicho proceso, pero las condiciones actuales, no han permitido hacer las consultas pertinentes al MARN para enriquecer dicha propuesta.

Los miembros de Junta Directiva se dan por informados que para este año, por las condiciones generadas por la pandemia, no se ha generado la normativa para financiar los

trabajos de investigación ambiental con los estudiantes universitarios; y que por tanto, por las mismas condiciones se dificulta dicho financiamiento.

Y no habiendo más que tratar, la Junta Directiva ACUERDA cerrar la presente sesión a las diez horas y treinta minutos; se da por terminada la presente acta la cual ratificamos y para constancia firmamos.



Jorge Alejandro Aguilar Zarco
Presidente
Fondo Ambiental de El Salvador



Mario César Guerra Álvarez
Director Propietario
Ministerio de Agricultura y Ganadería



Ernesto Ahmed Menjivar
Director Propietario
Instituto Salvadoreño de Desarrollo
Municipal



Luis Alberto Guerrero
Director Suplente
Ministerio de Salud



José Alfredo Rodríguez Flamenco
Secretario de la Junta Directiva
Fondo Ambiental de El Salvador

Anexo 1. Contrato cooperación GIZ-FONAES.

Grant Agreement

The

**Fondo Ambiental de El Salvador (FONAES)
Calle la Reforma #219, Col. San Benito 503
San Salvador
El Salvador**

- hereinafter referred to as "the Recipient" –

and

**Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH
Friedrich-Ebert-Allee 32 + 36
53113 Bonn
Federal Republic of Germany**

- hereinafter referred to as the "GIZ" -

herewith enter into the following Agreement for the Project

**Forest Landscape Restoration in Central America and the
Dominican Republic and Implementation of the Green Development
Fund for Central America (REDD-Landscape)**

Country: **El Salvador**

Communication details (must be quoted in all correspondence and invoices)

Contract number: 81255949

Project processing number: 15.9068.6-005.00

Unit responsible for the budget

Organisational unit: 2500

Responsible officer: Jan Bock

Procurement and Contracting

Organisational unit: E2B0

Responsible officer: Alexandr Savchenko

Financial processing of the contract

Responsible officer: Gertrudis Sola Ripoll

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices
Bonn and Eschborn, Germany

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Registered at
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Bonn, Germany
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Frankfurt am Main, Germany
Registration no. HRB 12394
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Chairman of the Supervisory Board
Martin Jäger, State Secretary

Management Board
Tanja Gönner (Chair)
Thorsten Schäfer-Gümbel

Commerzbank AG Frankfurt am Main
BIC (SWIFT): COBADEFFXXX
IBAN: DE45 5004 0000 0588 9555 00

The basis for the grant for Fondo Ambiental de El Salvador (FONAES) is the commission from Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (hereinafter referred to as BMU) dated 30 May 2018. GIZ shall provide the grant pursuant to this agreement exclusively on behalf of and for the account of BMU.

Article 1

Amount and Purpose of the Grant

1.1 Commissioned by the Government of the Federal Republic of Germany, the GIZ shall make available to the Recipient a grant of

up to EUR 500,000.00

in words: **(five hundred thousand euros)**

1.2 The Recipient shall use the grant exclusively for expenditures within the Project described in Article 2 as attributed to the GIZ grant according to the budget lines below and the Schedule of Estimated Expenditures which sets out details of the Project expenditures. The Schedule of Estimated Expenditures is attached hereto (Annex 1) and forms an integral part of the Agreement.

1.	External Experts	up to	EUR	287,904.00
2.	Transportation/Travel Costs	up to	EUR	11,070.00
3.	Training Costs	up to	EUR	7,290.00
4.	Procurement of Goods	up to	EUR	140,165.00
5.	Administration Costs (up to 12%)	up to	EUR	53,571.00

1.3 The grant is made available for the period from 01 May 2020 to 31 October 2021. Only expenditures effected during this period and relating to activities carried out during this period may be financed from the grant. Otherwise the written approval of GIZ is required. The GIZ shall have the right to refuse disbursements after 31 December 2021.

1.4 The Recipient shall use the GIZ grant only for necessary and reasonable expenditures in accordance with sound business principles.

- 1.5 The GIZ grant may be used only for expenditures not already financed under other subsidies or long-term loans.
- 1.6 The Recipient shall be entitled to spend up to 20% more than the amounts of the budget lines mentioned in Article 1.2 (except administration costs if contractually agreed) for any budget line provided that expenditures are reduced by the same amount in one or more of the other budget lines
- 1.7 With respect to the reports produced pursuant to Article 3 and 6 and all studies, documents or other work results, including computer programs, resulting from the project implementation and financed in whole or in part from the grant, the Recipient herewith grants the GIZ an irrevocable, non-exclusive and transferable right of use in all areas and fields, including their processing and translation and use in electronic media. The Recipient shall hand over one copy of the materials to the GIZ promptly on request by the GIZ. The GIZ is entitled to grant simple sub-user rights to third parties.
- 1.8 The Recipient is entitled to pass on some of the funds awarded under this Grant Agreement to third parties (final recipients). In doing so, the Recipient shall ensure that the terms and conditions of this Grant Agreement are applied equally to the contractual relationship between the Recipient and the final recipient, in particular albeit not exclusively the stipulations relating to the use of the grant and to the disbursement and reporting procedures. In the contract with the final recipient, the Recipient shall also ensure that the final recipient is not entitled to pass on the funds received or any part thereof to other recipients.

The Recipient must provide evidence of the use of the funds awarded under this Grant Agreement by submitting appropriate financial reports and supporting documents. In this respect, the Recipient is obliged to check the contractual and financial evidence presented by the final recipient and to forward this evidence to GIZ, together with the findings of its own checks on that evidence, when settling the amounts due from GIZ under the terms of the Grant Agreement. The Recipient is responsible for ensuring that the (partial) grant funds passed on to the final recipient are used by the latter and settled in accordance with the Grant Agreement.

If the final recipient has not yet been specified when the Grant Agreement is signed, the Recipient must submit a written list of potential final recipients to GIZ and obtain GIZ's approval before passing on any of the funds.

Article 2

The Project

2.1 The primary aim of the Project promoted by the grant is Establish the Regional Center for Forest Seeds to sustainably improve the availability of quality seed, for the restoration of ecosystems and landscapes at national and regional levels. This overall objective is defined by the following benchmarks:

- Have the technical capabilities and protocols established to operate under the country's restoration demands.
- To sustain an effective Inter-Institutional Coordination that allows stable governance for forest seeds in El Salvador.

2.2 In order to achieve this aim, the following measures are planned:

- Certified Forest Seed Bank and Temporary Collection Centers, according to international standards.
- Regional Center for Forest Seeds inserted in regional and international networks.
- Conservation of priority species and capacity building.
- Sustainability mechanism of the Regional Forest Seed Center
- Strengthening of Biotechnology, Research and Development Units of Forest Resources.

Details are laid down in the Project Proposal of December 2019, which is attached hereto (Annex 2) and forms an integral part of the Agreement.

2.3 The Recipient shall submit the following, still outstanding documents for approval to the GIZ in good time before commencement of the measures detailed in Section 2.2:

- Planning documents in accordance with the information sheet "Construction" attached as Annex 5.

Article 3

Disbursement Procedure

- 3.1 After entering into the contract, but no later than with the first request for disbursement, the Recipient **shall submit a schedule of financial requirements** drawn up in the contract currency (see specimen in Annex 3) **with quarterly amounts for the entire term of the contract**, unless this has already been submitted when the contract was entered into. In accordance with the schedule of financial requirements, the Recipient **shall request quarterly disbursements** in the contract currency to the amount of the expected financial requirement for the following quarter, taking into account any funds still available. The call for each disbursement shall be submitted in one copy originally signed and must include the project number and the contract number (see specimen in Annex 3).
- 3.2 The amount of EUR 50,000.00 shall be withheld from disbursement. The amount withheld shall be disbursed with the final request for disbursement as soon as all obligations by the Recipient arising from the Agreement, in particular those regarding the evidence of use of the funds for the purpose stipulated and the reporting, have been met.
- 3.3 All payments by the GIZ shall be made into the Recipient's account:

Account holder:	Fondo Ambiental de El Salvador FONAES
Name and place of bank:	Banco Agricola S.A El Salvador
Account number:	132-002332-3
Account currency:	USD
Swift code:	CAGRSVSS

The Recipient shall open a separate sub-account with its bank or a separate cost unit in its own accounts to settle the financial transactions involved in this Grant Agreement and shall confirm to GIZ that this has been done when submitting its first payment request. All the funds made available under this Grant Agreement must be accounted for separately from any funds provided by other donors.

All amounts paid by the GIZ shall remain in the afore-mentioned account as trust funds until they are used for paying the supplies and/or services to be financed from the grant.

The amounts paid into the afore-mentioned account by the GIZ shall receive interest as far as permissible within the scope of the relevant legal provisions.

The interest accruing in this connection shall be used for payment of the measures to be financed and shall be indicated separately in the submission of accounts. The GIZ reserves the right to deduct such interest from the pledged amount of the grant.

The GIZ may at any time require prompt submission by the Recipient of a copy of the interest agreement and/or interest calculation by the bank, or confirmation by the bank that interest cannot be paid on the credit balance in the account.

- 3.4 The Recipient shall keep a separate project record exclusively for the funds disbursed by the GIZ. In this project record all receipts and expenditures related to the measures and/or expenditure categories to be financed from the GIZ grant are entered in chronological order and according to the regulations for proper and orderly accounting. These expenditures shall be subdivided into the categories specified in the Schedule of Estimated Expenditures and shall contain the following items at least:

Receipts:

- a) Entry number
- b) Date of receipt
- c) Origin of receipt
- d) Amount of and reason for receipt

Expenditures:

- a) Entry number
- b) Date of payment
- c) Recipient of payment
- d) Amount of and reason for payment

- 3.5 Except for the first and second instalment the Recipient shall submit with each call for disbursement a financial statement originally signed (see specimen in Annex 3) providing evidence of the use of the payment before the foregoing disbursement and an inventory on the goods purchased according to Article 4.4. The financial statement must be made up in the currency of the contract.

The expenditures shall be entered chronologically and broken down according to expenditure categories or measures as specified in the Schedule of Estimated Expenditures (Annex 1).

If the budget lines presented in 1.2 above contains administration costs, these must be settled separately as a lump sum. The upper limits specified in the budget lines presented in 1.2 above must not be exceeded. All other cost categories shown under 1.2 above will be settled against evidence.

Any remaining funds held by the Recipient will be offset against the following disbursement. The Recipient's request shall become due upon expiry of a verification period of 15 days after the financial statement has been received. Payment shall be made by the GIZ not later than 30 days after the requests become due, to the amount established and where applicable, corrected, by the GIZ.

- 3.6 If the Recipient does not submit a financial statement or an inventory in the correct manner or by the due date, the GIZ can suspend payments until such a financial statement or inventory is presented.
- 3.7 The Recipient shall submit proof by the bank of the amount that has been credited in the currency of account for the funds disbursed by GIZ. The expenditure in the currency of account shall be converted to the contract currency at the exchange rate resulting from the amount credited to the account and the disbursement in the currency of the contract.

Settlements for expenditure in a currency different to the contract currency or the currency of account shall be made at the rate based on the foreign-exchange purchase vouchers presented in evidence of the amount charged. In the absence of the required documentation, the GIZ may choose either to reimburse the expenditures in foreign currency or to convert the expenditures on the basis of the exchange rate in the EU currency converter that can be accessed by the Recipient (www.giz.de/en/, Procurement, Currency Exchange Rates) and reimburse them in the contract currency.

- 3.8 Upon completion of the Project, but not later than 8 weeks after the completion of all measures, the Recipient shall submit to the GIZ a final financial statement originally signed (see specimen in Annex 3) and provide the GIZ with evidence of how the amounts disbursed have been used.

The financial statement must be made up in the currency of the contract. The expenditures shall be entered chronologically and broken down according to expenditure categories or measures as specified in the Schedule of Estimated Expenditures (Annex 1). If the budget lines presented in 1.2 above contains administration costs, these must be settled separately as a lump sum. The upper limits specified in the budget lines presented in 1.2 above must not be exceeded. All other cost categories shown under 1.2 above will be settled against evidence. Any funds remaining from the grant, including any interest accrued, shall be returned to the GIZ in the contract currency immediately and without separate request at the exchange rate resulting from the latest advance disbursement/s credited to the account (see article 3.7). To minimize the risk of repayment the recipient shall monitor the effective balance of funds before the final advance disbursement is requested.

- 3.9 Any financial statement shall be accompanied by copies of supporting documents for every single expenditure exceeding the amount of EUR 1,000.00.
The Recipient shall submit all documents either in German, English, French or Spanish, or shall attach a translation into one of these languages.
- 3.10 The recipient must follow the rules in the information sheet "Construction" attached as Annex 5, which forms a constituent part of this Agreement.
- 3.11 GIZ will commission a certified public accountant to audit the project. This audit will examine whether the measure has been implemented and administered properly and correctly in accordance with the relevant terms of this Grant Agreement in respect of cash and invoice management, the use of grant funds and the award of contracts for goods and services.

The periods to be covered by the audit are shown below:

1. Audit period: 01 May 2020 up to 31 January 2021
2. Audit period: 01 February 2021 up to 31 October 2021

The Recipient must permit GIZ and/or the certified public accountant commissioned by GIZ to inspect the accounts and any other documents related to the purpose of this Grant Agreement at any time.

On completion of the audit report, GIZ shall inform the Recipient of the main findings. The Recipient shall promptly implement the recommendations made by GIZ on the basis of the audit findings and provide evidence thereof if requested by GIZ.

3.12 The Recipient shall

- a) secure the full financing of the Project and, upon request, furnish the GIZ with evidence proving that all expenditures not financed from the present grant are covered;
- b) keep for five years after submission of the final financial statement books, records and the originals of the supporting documents, clearly identifying all expenditures for the services and supplies for the Project and those services and supplies financed from the grant;
- c) document the transfer of ownership of those items which are destined for third parties according to the Project Proposal and support its financial statements with copies of such documents;
- d) enable the representatives of the GIZ at any time to consult such books and any other records and documents relevant for the implementation of the Project and to visit all installations related thereto;
- e) supply any information on the Project and its further progress which the GIZ may request;
- f) of its own accord promptly inform the GIZ of any circumstances seriously affecting or jeopardizing the accomplishment of the purpose of this Agreement or the implementation of the Project;
- g) pay, upon request, interest at a rate of 5 percentage points above the respective rate applied by the European Central Bank to its main refinancing transactions p. a. for any amount not spent for the Project according to Article 1.2 and 1.3 from the day of receipt to the day of use for expenditures within the Project;

- h) not use the grant for expenditures completely financed under other subsidies or long-term loans.

Article 4

Purchasing of Goods and Services

- 4.1 When awarding contracts for supplies and services to be financed in full or in part from the grant, the Recipient shall observe the regulations for public procurement which apply in El Salvador, but shall in any case comply with the provisions in Annex 4 (Award Procedure), which form a constituent part of this Grant Agreement. The corresponding documents shall be kept with the accounting vouchers pertaining to the Project (see Article 3).
- 4.2 The Recipient shall ensure, upon entering into contracts for supplies and services to be financed from the grant, that
 - a) the terms of payment of these contracts conform to customary trade practices; import duties, which may not be financed from the grant, are to be indicated separately in the contracts to be entered into and in the invoices;
 - b) the supplies to be financed are insured against transportation risks to an adequate and customary extent in order to provide for the goods to be replaced or restored to their original state, imported goods being insured in freely-convertible currencies, as far as possible;
 - c) reimbursement, insurance, security, warranty or similar payments which may be claimed on the basis of those contracts, are to be transferred to the account indicated in Article 3.3 and reemployed for the Project. The Recipient shall notify GIZ of the amount of such payments within the scope of the project reports.
- 4.3 The items procured or produced for the Project by the Recipient must be used solely for the purposes of the project. This purpose-specific stipulation shall apply for an indefinite period, subject to the stipulations of Article 4.5.

If the items are used for purposes other than those for which they were intended, the Recipient shall provide GIZ with appropriate compensation for their value at a level to be set by the GIZ.

- 4.4 The Recipient is obliged to submit current inventories with the financial statement at the end of each year and with the final financial statement.

All items financed from the GIZ grant whose purchase or manufacturing cost exceeds EUR 400.00 must be inventoried.

With submission of the respective inventory in which the inventoried items are listed for the first time, ownership of the inventoried items is transferred from the Recipient to the GIZ to secure any claims of the GIZ against the Recipient arising from or in connection with this Agreement (incl. possible reverse handling claims), and at the same time the items shall be provided on loan to the Recipient by the GIZ until completion of the Project.

- 4.5 After completion of the Project at the latest, the items procured or produced for the Project shall become the property of those to whom they are to be transferred in accordance with/consistent with/depending on the purpose of the Project. The GIZ and the Recipient shall agree on the final recipients in due course, at the latest prior to submission of the final financial statement. The transfer of ownership shall be noted in the financial statement and the related certificate of assignment shall be submitted.

Article 5

Suspension of Disbursements, Termination and Repayment

- 5.1 The GIZ shall be entitled to suspend disbursements if
- a) the Recipient is not able to furnish evidence proving the use of the grant for the purpose stipulated in this Agreement;
 - b) goods purchased by the Recipient for the Project and financed from the grant are not used or cease to be used for the purpose of the Agreement;

- c) the Recipient has violated any other obligation under this Agreement;
 - d) before conclusion of the Agreement or during its execution, the Recipient has given false information or withheld relevant information affecting the allocation or disbursement of the grant;
 - e) any extraordinary circumstances have arisen which preclude or seriously jeopardize the purpose of the grant, the implementation of the Project, or the performance of the obligations assumed by the Recipient under this Agreement; or
 - f) the Government of the Federal Republic of Germany terminates, suspends or modifies the relevant contract with GIZ which is the basis for this Agreement.
- 5.2 The GIZ shall be entitled to terminate the Agreement with immediate effect if any of the circumstances referred to in Article 5.1 a) to f) arise. In case any of the circumstances referred to in Article 5.1 a) to d) arise, the GIZ shall be entitled to terminate the Agreement if these circumstances have not been remedied within a period to be stipulated by the GIZ, which shall, however, be not less than 30 days.
- 5.3 Accordingly, the GIZ shall be entitled to demand immediate repayment of all or part of the grant if any of the circumstances referred to in Article 5.1 a) to d) arise and have not been remedied within this period to be stipulated by the GIZ. Where Article 5.1 a) applies, only those amounts shall be repaid for which the Recipient is unable to furnish evidence of the use for the purpose stipulated in this Agreement. Where Article 5.1. b) applies, only those amounts relating to the goods concerned shall be repaid. Where Article 5.1 e) or Article 5.1.f) apply, only those amounts shall be repaid which have not been irrevocably committed by the Recipient for the purpose stipulated in this Agreement before the written notice on termination was received by the Recipient. Amounts are only deemed to be irrevocably committed if incurred for periods less than 90 days after the receipt of the notice on termination but shall in any case not cover periods after the end of the contract period.

The irrevocable commitment for the purpose stipulated in this Agreement has to be proven by the Recipient to the GIZ.

Article 6

Implementation of the Project

- 6.1 The description of the measures in Article 2.2 including the Project Proposal (Annex 2) constitutes the binding framework for the implementation of the Project.
- 6.2 Major changes to the measures described under Section 2.2 including the Project Proposal, or major changes to the estimated expenditures, must be reported immediately to the GIZ. Such measures may be commenced only on the basis of revised planning and with the prior approval of the GIZ.
- 6.3 The Recipient shall submit half-yearly progress reports. The first report will be due at the end of October 2020. The reports shall be submitted to the GIZ not later than two months after the reporting date.
- 6.4 The Recipient shall draw up a final report describing the implementation and results of the Project in the light of the aims set and submit it to the GIZ not later than two months after the completion of all measures.
- 6.5 In any publication on the Project, the Recipient shall always indicate in an appropriate manner that it is conducting or conducted its activities within the framework of a Project financed or cofinanced by the GIZ commissioned by the Government of the Federal Republic of Germany.
- 6.6 Special details shall be given regarding the outcome of the acceptance inspection of the buildings, the settlement of any warranty claims and also the following-up and enforcement of contractual guarantee periods.

Furthermore, photographs of all buildings and facilities constructed shall be attached. The final report shall be signed by the Recipient and shall be submitted to the GIZ two months after completion of all the financed measures.

Article 7

Anti-bribery and anti-terrorism financing

- 7.1 The Recipient shall ensure that the persons it entrusts with the preparation and implementation of the Project and the awarding of contracts for the provision of materials and services to be financed do not demand, accept, provide, grant, promise or accept promises for illegal payments or any other advantages in connection with these tasks.
- 7.2 The Recipient must take appropriate steps to ensure that it enters into business and maintains such business relations only with such third parties that are reliable and to whom no statutory ban on entering into business applies. In particular, it will ensure that the funds provided are neither directly nor indirectly made available to third parties that are listed on a sanctions list issued by the United Nations Security Council and the EU as well as the Federal Republic of Germany. Furthermore, it will ensure that it does not engage in any activity which would constitute a breach of embargoes or any other trade restrictions issued by the United Nations, the EU or the Federal Republic of Germany.
- 7.3 The Recipient will inform GIZ, promptly and of its own accord, of the occurrence of any event which results in the Recipient, any member of its management bodies or other governing bodies or any of its shareholders, being listed on a sanctions list issued by the United Nations Security Council, the EU or the Federal Republic of Germany.

- 7.4 The Recipient will inform GIZ, promptly and of its own accord, of the occurrence of any breach of a provision of this Article 7. GIZ's rights according to Article 5 remain unaffected.

Article 8

Final Provisions

- 8.1 In the event of a provision of this Agreement being invalid, this shall not affect the validity of the remaining provisions. Any deficiency in consequence thereof shall be remedied by a provision consistent with the purpose and intent of this Agreement.
- 8.2 The Recipient shall not assign or transfer, pledge or mortgage any rights under this Agreement.
- 8.3 This Agreement shall be governed by German law.
- 8.4 Place of performance for payments shall be Frankfurt am Main.
- 8.5 Place of jurisdiction shall be Frankfurt am Main, provided the Recipient is a merchant/trader, a legal entity under public law or a special fund under public law, or has no general place of jurisdiction in Germany. The GIZ may also take legal action against the Recipient at the court responsible for the Recipient's place of residence.

Budget / Schedule of Estimated Expenditures

Name of the Recipient: Fondo Ambiental de El Salvador (FONAES)

Description	Amount	Unit (e.g. person, vehicle, room, unit, ...)	Quantity	Unit (e.g. months, days, trainings, unit, ...)	Eligible up to in EUR	Total GIZ Contribution in EUR (up to)	Own Funds / Third party financing in EUR (up to)	TOTAL in EUR (up to)
<i>Staff (Job Title)</i> <i>(Note: This budget line will be settled against paylips and, if partially financed, against paylips and time sheets.)</i>						-		-
1. External Experts / Consultant (Job Title)						€ 287.904,00		€ 287.904,00
Elaboration of technical folders for the renovation of infrastructures of the Seed Center: Temporary Collection Centers and Laboratory	1	Consultancy	1		€ 18.065,00	€ 18.065,00		€ 18.065,00
Supervision of construction works at the Seed Center, Temporary Collection Centers and Laboratory for the study of forest species	1	Consultancy	1		€ 9.050,00	€ 9.050,00		€ 9.050,00
Remodeling and expansion of the cold room and seed drying patios of the Seed Bank	1	Construction company	1		€ 105.860,00	€ 105.860,00		€ 105.860,00
Construction of well its supply and installation of pumping equipment, and change of the system of hydraulic and electrical installations of the buildings linked to the Seed Bank	1	Construction company	1		€ 30.745,00	€ 30.745,00		€ 30.745,00
Construction of 6 Temporary Collection Centers for forest seeds	1	Construction company	1		€ 54.730,00	€ 54.730,00		€ 54.730,00
Construction of the building that will house the Molecular Biology Laboratory	1	Construction company	1		€ 45.200,00	€ 45.200,00		€ 45.200,00
Development of a technical protocol for the identification, collection, preparation, storage, dissemination, certification and regional exchange of the Regional Center for Forest Seeds	1	consultancy	1		€ 1.074,00	€ 1.074,00		€ 1.074,00
Support for the implementation of technical protocol for the Regional Center of Forest Seeds	1	consultancy	1		€ 2.700,00	€ 2.700,00		€ 2.700,00
Verify compliance with the processes for the certification of forest seeds by a certifying organization	1	consultancy	1		€ 4.250,00	€ 4.250,00		€ 4.250,00
Identification, selection, collection and management of priority seed sources	1	consultancy	1		€ 4.500,00	€ 4.500,00		€ 4.500,00
Preparation and execution of the Training Plan for technical personnel	1	consultancy	1		€ 4.300,00	€ 4.300,00		€ 4.300,00
Technical, legal-administrative design of financial sustainability instruments of the Regional Center for Forest Seeds	1	consultancy	1		€ 2.715,00	€ 2.715,00		€ 2.715,00
Proposal for the establishment of the Rotating Fund of Forest Seeds	1	consultancy	1		€ 2.715,00	€ 2.715,00		€ 2.715,00
Design and edition of diffusion materials	1	consultancy	1		€ 2.000,00	€ 2.000,00		€ 2.000,00
2. Transportation / Travel Costs						€ 11.070,00		€ 11.070,00
Seminar on the Exchange of experiences of Forest Seed Banks (Product: Technical Proposal for the certification of consensus seed banks; with 4 international technicians)	1	evento regional	4	una vez	€ 1.380,00	€ 5.520,00		€ 5.520,00
Exchange experiences for 5 people to the Seed Bank of the Dominican Republic (Product: Standardized Technical Protocol Model)	1	evento regional	5	una vez	€ 1.110,00	€ 5.550,00		€ 5.550,00
3. Training costs						€ 7.290,00		€ 7.290,00
Development of technical operations protocol for the Regional Forest Seed Center (technical work meetings)	1	reuniones	5	trimestral	€ 270,00	€ 1.350,00		€ 1.350,00
Development of communication and information mechanism with national and regional platforms (work meetings)	1	reuniones	5	trimestral	€ 270,00	€ 1.350,00		€ 1.350,00
Development of a defined driving mechanism (strategic and technical meetings)	1	reuniones	5	trimestral	€ 270,00	€ 1.350,00		€ 1.350,00
Definition and review of instruments for planning and monitoring progress (work meetings)	1	reuniones	6	bimensual	€ 270,00	€ 1.620,00		€ 1.620,00
Development of database line and information system on forest species (technical meetings)	1	reuniones	6	bimensual	€ 270,00	€ 1.620,00		€ 1.620,00
								-

GIZ will be unable to finance partial costs within one budget line (with the exception of staff costs - position 1 - which can be financed partially). The 'own funds / third party financing' will have to be used for different budget lines, which are not already financed from GIZ.

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4. Procurement of Goods						€ 140.165,00		€ 140.165,00
Acquisition of scaling equipment for Collection Units (Ex: pruning shears, scaling harness, ropes, pins, pins, etc.)	1	kit de equipamiento	1	una vez	€ 20.600,00	€ 20.600,00		€ 20.600,00
Acquisition of machinery, equipment and supplies of the Processing Unit (eg Zarandas, sieve, easels, fumigation pumps, barrels, etc)	1	kit de equipamiento	1	una vez	€ 19.700,00	€ 19.700,00		€ 19.700,00
Acquisition of equipment for condensing unit of cold room (Ex.: temperature controller and air conditioning, etc.)	1	kit de equipamiento	1	una vez	€ 6.350,00	€ 6.350,00		€ 6.350,00
Acquisition of equipment and supplies for routine analysis and packaging (Ex.: polyethylene bags, gloves, oven, containers, mill, etc.)	1	kit de equipamiento	1	una vez	€ 8.815,00	€ 8.815,00		€ 8.815,00
Acquisition of equipment and processing supplies in the Temporary Collection Centers (Eg: blower, wheelbarrows, screens, tarpaulins, etc.)	1	kit de equipamiento	1	una vez	€ 4.400,00	€ 4.400,00		€ 4.400,00
Acquisition of furniture, shelves and air conditioners building of the Forest Seed Bank (Eg: shelves, metal shelf, chairs, apparatus and air conditioning regulator, etc.)	1	kit de equipamiento	1	una vez	€ 3.500,00	€ 3.500,00		€ 3.500,00
Acquisition of equipment, materials, reagents and investment in the Laboratory (Ex: Silicone, desiccators, sieves, analytical balance, light source, magnifiers, etc.)	1	kit de equipamiento	1	una vez	€ 64.800,00	€ 64.800,00		€ 64.800,00
Acquisition of equipment and supplies for the information system (eg, computer, screen, software, etc.)	1	kit de equipamiento	1	una vez	€ 10.000,00	€ 10.000,00		€ 10.000,00
Acquisition of equipment, computer, photographic materials, etc. for the information system (eg, memories, usb, camera, lenses, etc.)	1	kit de equipamiento	1	una vez	€ 2.000,00	€ 2.000,00		€ 2.000,00
								-
Subtotal - direct costs						€ 446.429,00		€ 446.429,00
5. Supporting cost / Administration costs						53.571,00		53.571,00
General administrative expenses (communication, rent, bank charges, etc.)	up to 12%	unit	1	unit	€ 53.571,00	€ 53.571,00		€ 53.571,00
6. Forwarding of Funds								-
- a detailed budget needs to be provided -								-
								-
7. Own funds / third party financing								-
								-
Grand Total (up to - against evidence)*						€ 500.000,00	-	€ 500.000,00

*All budget lines (with the exception of the administration costs) will be settled against evidence.



**Regional Center for Forest Seeds for distribution, conservation and
ecological restoration
Phase I
Project proposal**

December, 2019

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Acronyms and abbreviations

CA	Conservation Areas
NPA	Natural Protected Area
CAT	Temporary Collection Centers
CCAD	Central American Commission for Environment and Development
CEDEFOR	Forest Development Center
FONAES	Fondo Ambiental de El Salvador (Environmental Fund of El Salvador)
FRS	Rotary Forest Seed Fund
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (Cooperación Alemana, por sus siglas en alemán)
MAG	Ministry of Agriculture and Livestock
MARN	Ministry of Environment and Natural Resources
PRCFS	Project of Regional Center for Forest Seeds
PREP	Ecosystem and Landscape Restoration Program

Executive Summary

The Regional Forest Seed Center Project is based on a broad political-strategic framework known as the National Ecosystem and Landscape Restoration Program (PREP), which aims to achieve in El Salvador, the development of climate-resilient and biodiversity-friendly agriculture, as well as for the synergistic development of physical and natural infrastructure, and the restoration and inclusive conservation of critical ecosystems such as mangroves, wetlands and natural forests.

It is in this framework, to carry out the restoration of ecosystems and agroecosystems, high quality germplasm is required, for which it is necessary to establish a nursery system and a Seed Center that guides the activities of collection, transport, study, storage and supply of forest seeds, guaranteeing germplasm of high genetic and physiological quality, as well as good sanitary quality.

According to above context, the Project of the Regional Center for Forest Seeds (PRCFS) is aimed at strengthening the inter-institutional processes for the Management of Seed Sources, Genetic Conservation and Distribution of Forest Germplasm, aspects necessary to implement the National Program of Restoration of Ecosystems and Landscapes and particular projections of the development of the forestry sector.

For the success of the Project, the execution of five fundamental results will be necessary: i) Modernization, equipment and certification according to international standards of the Forest Seed Bank; ii) Participation and insertion in the regional and international networks of the Forest Seed Centers; iii) Conservation of priority species and capacity building; iv) Establishment of a Sustainability Mechanism of the Regional Center of Forest Seeds and v) Strengthening of national capacities in Biotechnology and Information System and Development of Forest Genetic Resources.

The concept of the Forest Seed Center includes the participation of the Ministry of Environment and Natural Resources (MARN) (Molecular Biology Laboratory) and Ministry of Agriculture and Livestock (MAG) (CEDEFOR Forestry Development Center, with its Seed Bank) units. A significant number of Protected Natural Areas and stands identified complement the initiative, with sites for temporary collection and collection of propagation materials.

The Environmental Fund of El Salvador (FONAES) will be served as a recipient of no reimbursement German Cooperation Funds, as well as, directly will execute the finance funds.

This document will break down the operation for the Project proposal, the activities for its execution, as well as the financing to achieve the expected results in a term not exceeding two years. This proposal is considered the first phase of a middle term projection.

I. Context

Central America has a forest cover, estimated as of 2010, at 19,479 million hectares (38% of the territory), contains 8% of the world's mangroves and it is considered the second longest barrier reef in the world.

The region has a wide range of forests, including mangroves, deciduous forests and oaks, high tropical rainforest, coniferous forest, mixed forest, dry forest and tropical savanna. Mesoamerica is considered to concentrate 12% of the world's biological wealth, in only 2% of the continental area; with a biological diversity with more than 20,000 species of flora and fauna.

Despite the environmental and natural resources richness in these countries, the socioeconomic situation of the population is not prosperous, stable or safe. All the natural potential of the region is threatened by natural phenomena, by the effects of climate change and by the inappropriate use of natural resources. As a result of the foregoing, the agricultural frontier advances, the fragmentation of habitats, the processes of deforestation and contamination of soils and water continue, resulting in an increase in the loss of biodiversity and the deterioration of natural resources (CCAD, 2014).

Despite this reality, in the field of sustainable management of natural resources in the Central America Region, El Salvador has a total of 176 properties scattered throughout the territory, which have been declared as Protected Natural Areas (ANPs); these are grouped into 14 Conservation Areas (CA), which are the national basis of biodiversity protection and represent various natural ecosystems, currently 27 000 hectares under public protection status.

In order to alleviate the situation described, the Government of El Salvador, through the Ministry of Environment and Natural Resources (MARN), has focused on the restoration of ecosystems and landscapes, creating political - strategic and technical instruments and implementing Restoration actions through different techniques to restore the ecological functionality of the landscape, to provide the ecosystem services demanded by the population. Due to the above, the landscape restoration approach has been positioned on international platforms such as the Bonn Challenge, making the country one of the world's benchmarks. The effective restoration of the landscape requires the planting of millions of trees, for which it is necessary to have enough high-quality forest seed.

During the last 50 years, the Ministry of Agriculture and Livestock (MAG) with competences in the forestry field through the General Directorate of Forest Management, Watershed and Irrigation, has attended the provision of forest seeds through the Forest Development Center (CEDEFOR), with its Forest Seed Bank; However, so far there has been no capacity to meet all the demand, because the installed capacity is insufficient and it is in a state of gradual deterioration.

In addition, MARN has contributed decisively in recent years to strengthening national capacities in the forestry area of El Salvador. For example, the updated information resulting from the realization in 2018 of the National Forest Inventory, which determined 37.9% of forest cover in the country under different modalities; in addition to various studies and characterizations of flora inventories in different Natural Protected Areas; Listings of Endangered or Endangered Species and their corresponding database; and making maps of potential distributions for some species.

MARN has facilities with capacities to build the Biotechnology and Molecular Biology Laboratory, strengthening national expertise for the characterization of plant genetic diversity. This is the basis for establishing and strengthening the Information System on Forest Genetic Resources.

In addition to above, FONAES had experimented an increase capacity building on the past 24 years, including administrative also technical execution about diverse financial funds. These initiatives had focused in biodiversity conservation, pollution control, water resources conservation, environmental education, ecosystem restoration, etc.

Description

A. Executing entity

FONAES will be responsible for administering the funds coming from the Financing Contract that for this purpose is signed with the GIZ.

The main purpose of FONAES is raise cooperation financial funds and the correct administration of them, in order to endorsement plans, programs, projects and any other activities relatives decrease the environment degradation, risk and Climate Change effects, according to the national priorities. Recently, FONAES has been accredited by German Cooperation as an institution with expertise required to develop this project.

FONAES has an Institutional Financial Unit, which is responsible for coordinating institutional financial management; for which it has the areas of: accounting, budget, treasury and projects, also unit of Programs, involved in the operations of the Projects.

B. Institutional Arrangements

The Ministry of Environment and Natural Resources (MARN) of El Salvador is the Secretary of State of the Government of El Salvador, responsible for the formulation, planning and implementation of policies on the environment and natural resources at the national level. Within the framework of the project, it has the role of its technical and operational entity, reporting to FONAES the implementation results.

In MARN, the unit directly responsible for the project is the General Direction of Ecosystems and Biodiversity, which is responsible for "promoting the restoration and inclusive

conservation of critical ecosystems and wildlife habitats." It has two Managements to involve: the one of Protected Natural Areas and Biological Corridor and the Management of Wildlife.

For the purposes of the technical and operational execution of the project, MARN and MAG have signed an Inter-Institutional Cooperation Agreement, for the joint management of the Regional Forest Seed Center, within the framework of the National Landscape Restoration Program. The agreement aims to create inter-institutional cooperation mechanisms to combine technical and administrative efforts for the establishment and management of a Regional Center for Forest Seeds; dividing responsibilities between the 2 entities, according to their current infrastructure conditions, capacities and fields of action.

It is intended that, when carrying out the collection, processing, handling and proper storage of the seeds, it will allow to have quality germplasm and in the necessary quantities that allow the country to respond to the commitments in the restoration of ecosystems and landscapes. For this, MARN and MAG will be allocating human resources, specialized technical support, spaces and equipment available to facilitate the development of the Project.

II. Objective

Establish the Regional Center for Forest Seeds to sustainably improve the availability of quality seed, for the restoration of ecosystems and landscapes at national and regional levels.

A. Location

The Project will be developed based on the facilities of the Ministry of Environment and Natural Resources, in the Molecular Biology Laboratory, Building 3 of MARN; In addition to actions to be carried out at the Forest Development Center (CEDEFOR) belonging to the Ministry of Agriculture and Livestock (MAG), where the Forest Seed Bank is currently located.

Likewise, field activities will be carried out into the six Conservation Areas that are within the National System of Natural Protected Areas, with National Protected Areas distributed around the entire country, under the competence of the Ministry of Environment and Natural Resources (MARN).

B. Target group

The Project is expected to benefit public-private institutions, State institutions, Non-Governmental Organizations (NGOs) and communities involved in restoration projects, individual involves in reforest activities and international Seed Banks.

III. Results

Result 1: Certified Forest Seed Bank and Temporary Collection Centers, according to international standards.

The Regional Forest Seed Center, through its Seed Bank and its support network, will certify and distribute forest seeds of species for the purpose of restoration and conservation of threatened or endangered species; as well as commercial species for reforestation; supplying competitive products at the regional level.

To fulfill this result, the Project will require three fundamental stages: the first, modernize, readjust and partially expand the facilities of the current Seed Bank and the corresponding Temporary Collection Centers.

In the second instance, it will be necessary to equip these facilities, so that by having the necessary equipment and supplies, the processing, management and storage of forest seeds can be guaranteed in an adequate manner.

And as a third stage a technical protocol should be developed that standardizes the processes for all the phases is required the entire process from the collection to the distribution of the seed.

Activity 1.1. Modernization and expansion of the Seed Bank of the Forest Seed Center and build of Temporary Collection Centers.

For the Project, partial modernization of the current facilities of the CEDEFOR Seed Bank is fundamental in order that its operation guarantees the reception, processing, conservation, and proper management of the forest germplasm. In turn, it has also been considered necessary to adapt spaces in conservation areas, which serve as "Temporary Collection Centers (CAT by Spanish acronyms)". The CAT's will allow a preprocessing of the forest seeds collected in the Protected Areas of each Conservation Area, before arriving at the Seed Center to optimize their management.

Within activity 1.1, the following measures are contemplated:

- Elaboration of technical folders for the renovation of infrastructures of the Seed Center, Temporary Collection Centers and Laboratory
- Supervision of construction works at the Seed Center, Temporary Collection Centers and Laboratory for the study of forest species
- Remodeling and expansion of the cold room and seed drying patios of the Seed Bank
- Construction of well its supply and installation of pumping equipment, and change of the system of hydraulic and electrical installations of the buildings linked to the Seed Bank
- Construction of 6 Temporary Collection Centers for forest seeds

- Construction of the building that will house the Molecular Biology Laboratory

Activity 1.2. Equipment of the Temporary Collection Centers and the Forest Seed Center.

MARN considered the Natural Protected Areas (public and private) seed sources will be available to provide the expected quality of the seeds, so is essential to have equipment and supplies that allow efficient seed collection.

Similarly, it is necessary to have appropriate machinery and equipment in the CAT's and the Forest Seed Bank to ensure proper processing, management and conservation of the seeds.

In that sense, the following measures will be carried out about the follow equipment:

- Equipment for Collection Units of Collection Centers and Forest Seed Bank.
- Machinery, equipment and supplies of the Processing Unit of the Forest Seed Bank.
- Condensing unit of the cold room of the Forest Seed Bank.
- Equipment and supplies for the Routine Analysis and Packaging Unit of the Forest Seed Bank.
- Equipment and processing supplies in the Temporary Collection Centers.
- Furniture, computer equipment and air conditioners for Forest Seed Bank building

Activity 1.3. Preparation of the technical protocol for the operation and certification of the Forest Seed Center.

A detailed protocol will be developed that will standardize the different stages of the process required by forest seed, from identification and collection, to distribution to end users. In the preparation of this instrument, MARN and MAG personnel will be mainly involved, who may consult other seed centers in the region, mainly in Honduras, Guatemala and the Dominican Republic, in order to obtain inputs to convert the initiative into a regional instrument.

The planned measures for this activity are:

- Development of a technical protocol for the identification, collection, preparation, storage, dissemination, certification and regional exchange of the Forest Seed Center.
- Support for the implementation of technical protocol for the Regional Center of Forest Seeds.
- Verification of compliance with the processes for the certification of forest seeds by a certifying body.

Result 2: Regional Center for Forest Seeds inserted in regional and international networks.

The second result aims to link the Forest Seed Center with other international centers, in order to share lessons and experiences.

Activity 2.1. Participation and insertion in the regional and international networks of the Forest Seed Centers.

It is expected that two major activities will be carried out within the framework of regional and international networks, these being a Seminar for the Exchange of experiences of Forest Seed Banks, to obtain a Technical Proposal for the certification of consensus seed banks; in addition to an Exchange visit to the Seed Bank of the Dominican Republic; to generate a standardized Technical Protocol model.

The complementary realization of scientific meetings, technical forums, trainings, among others, with seed centers and national, regional and international experts is not ruled out. Likewise, the country can host interns or cooperators who work on the subject.

The execution of this activity will involve the following measures:

- Development of a Technical Seminar to exchange experiences of Forest Seed Banks.
- Exchange / s of international experience / s with other Seed Centers for the technical personnel involved in the Project, proposing the Seed Bank of the Dominican Republic.

Activity 2.2. Linking to national and regional information platforms.

This activity consists of establishing links with existing national and regional information platforms, such as the El Salvador Forest Information System (SIFES), in order to share and disseminate technical information of national and regional interest.

The measure to be implemented for the fulfillment of this activity consists in establishing links and sharing information with national and regional platforms; taking advantage of the existing links in both Ministries and the GIZ.

Under current modern conditions, according to technological advances and natural sciences the link between different entities, research centers, cooperation agencies, public and private users, among others, is a first level need.

Result 3: Conservation of priority species and capacity building.

The Project will establish and execute protocols on the management of seed sources, collection, processing and storage for the genetic conservation of species with commercial value, considered threatened, endangered and/or for restoration processes, so it will be

necessary to establish seed sources required; both *in situ* techniques, within Protected Areas, and *ex situ* techniques, future projects and particular plantations.

It is considered essential that the technical and administrative staff that will carry out these protocols be strengthened and/or renew their knowledge through theoretical and practical training.

Activity 3.1. Identification, inventory, collection and conservation of priority species.

For the Project, it is a priority to identify and inventory the seed sources of the different priority species selected, which will serve to supply the minimum quantities of collection.

These sources are found in at least 30 different Natural Protected Areas (ANPs), identified in 6 Areas that contain Integrated Conservation Areas (CAs) administered by MARN, these being considered as priorities complemented with plantations and private sites identified by MAG and MARN.

The 6 Zones, which include merged and selected Conservation Areas are: Zone 1: AC Trifinio- AC Alotepeque- La Montañona- AC Alto Lempa; Zone 2: AC El Imposible- Barra de Santiago- AC Apaneca- Ilamatepec; Zone 3: AC Chingo Volcano; Zone 4: AC Balm Coast - AC El Playón; Zone 5: AC Bahía de Jiquilisco and Zone 6: AC Nahuaterique.

The collection will be carried out with the Forest Seed Collection Brigades, which will be mainly made up of Protected Areas Resource Rangers and by the staff of the Seed Bank in private seed sources.

A total of 6 MARN Collection Brigades are planned, each one attached to the 6 Collection Zones mentioned and one Collection Brigade attached to the MAG, under the direct supervision of CEDEFOR.

Subsequently, a protocol on the management of these sources must be established, to carry out an effective process of collection, treatment and storage of seeds for the genetic conservation of species with commercial value, considered threatened, in danger of extinction and / or used in processes of restoration.

This implies determining the precise actions to develop *in situ* conservation processes and the *ex situ* management of extractions or different modalities implemented.

The activity will involve carrying out the following measure:

- Identification, selection, collection and management of priority seed sources.
- Georeferenced mapping of inventoried seed sites and sources.

Activity 3.2. Technical staff training.

To carry out the training of technical personnel, a Training Plan will be developed and executed that will include theoretical and practical courses using the modality of forestry field schools, mainly.

These will impart knowledge ranging from the identification of seed sources, characteristics of promising species, knowledge of the different types of seeds and the relevant techniques of collection, management, conservation and proper preservation.

Issues related to climbing and harvesting techniques, which require specific and specialized equipment, will be facilitated by personnel who perform these functions at the Seed Bank; Likewise, MAG and MARN technicians will participate as facilitators of the training process of the forest seed management personnel of the Temporary Collection Centers and the Seed Bank in CEDEFOR.

The activity will require the following measure:

- Preparation and execution of Training Plan for technical personnel.

Result 4: Sustainability mechanism of the Regional Forest Seed Center

The Regional Center of Forest Seeds will establish favorable conditions for sustainability in the medium and long term, considering creating an inter-institutional management committee between MARN and MAG for its proper functioning. Likewise, the Project will create its own financial mechanism for related activities.

Activity 4.1. Foundation and coordination of an inter-institutional management committee MARN-MAG for the Forest Seed Center

For the activities of collection, processing, management and distribution of forest seeds to be carried out properly, a management committee between MARN and MAG must be established in order to provide inter-institutional sustainability through the coordination of the Regional Seed Center Forestry

For the end of the activity, the following measures will be required:

- Strategic and technical meetings to define the driving mechanism.
- Meetings for planning and monitoring the progress of operational personnel and project compliance.

Activity 4.2. Implementation of a Rotating Fund of Forest Seeds.

In order for the Project to have its own financial mechanism that provides sustainability, a permanent Rotary Forest Seed Fund will be created, which will function as a circulating fund for the activities linked to the Project. The Rotating Forest Seed Fund (FRS by Spanish

acronyms) will be established with aims to provide financial sustainability to the Regional Center for Forest Seeds. The resources of this Fund can provide services such as: purchase of seeds from private seed sources identified in the national territory, purchase of seeds abroad for those species of which there are no sources managed in the country, expanding the genetic base of future forest plantations, and as a circulating fund for activities linked to the Regional Seed Center Forestry.

The planned measures for this activity are:

- Technical, legal-administrative design of the Forest Seed Rotary Fund.
- Establishment of the Rotating Fund of Forest Seeds.

Activity 4.3 Design and implementation of a Communication Strategy

During the execution of the Project, it is expected to have the development and implementation of a Communication Strategy that will make visible the activities contemplated in the work of the Regional Center for Forest Seeds.

This includes the socialization of technical and strategic activities in addition to social issues and inter-institutional relations with the different national and regional entities. In that sense, the following measures will be carried out:

- Development of the Disclosure Strategy of the Regional Center for Forest Seeds.
- Design, edition and publication of dissemination materials (posters, newsletters and electronics, technical-scientific manuals, etc.).

Result 5: Strengthening of Biotechnology, Research and Development Units of Forest Resources.

Strengthening the capacity installed in MARN is required to favor the conservation and sustainable use of forest genetic resources and integrate an Information System on the subject.

In this sense, actions not available for the region and the country are contemplated, this being an added value of the project, which could generate: the characterization and genetic viability of species and varieties, search for traits of commercial and research interest, database on species, biogeographic characterization of plant genetic resources of interest, as well as the development of other studies on identification and characterization of pathogens, soil microbiology and ecology.

Activity 5.1 Design and implementation of Laboratory activities for the study of Forest Species.

During the execution of the Project, it is expected to start with the planning and implementation of own and specialized activities of the Laboratory of Biotechnology and

Molecular Applications of MARN, to carry out different procedures and research that will strengthen the country's forest development, analyzing and recording genetic resources.

For this, the following activities will be carried out:

The construction of the laboratory includes a two-level work, the first one, with an estimated work area of 5 meters x 7.50 meters, in which microscopy and PCR (Polymerase Chain Reaction) areas will be established, wet and dry work areas and, a warehouse for input protection (See attached predesigns). In the second level, it will present common areas that will be shared with the General Direction of the Environmental Observatory of MARN, an operational unit that will provide a constructive technical folder that will be updated and adequate operation.

The construction work will be established in a property owned by the state and Government of El Salvador, in which the Ministry of Environment and Natural Resources (MARN) will be operates the laboratory in permanent way with specialized personnel.

Considering the nature of the laboratory and its location, building permits are not required. As part of the counterpart of the Ministry of Environment and Natural Resources, will be provide the land for construction and a partial technical folder (that must be updated), as well as the conceptualization of the design and permanent operation.

The laboratory will have complementary equipment, materials and reagents necessary for its permanent operation, which will allow the potential realization of knowledge generation activities, including extraction, quantification, purification, replication, amplification and multiplication of DNA by PCR (Chain Reaction of the Polymerase), implementation of electrophoresis systems and the running of molecular techniques, among others, microsatellites (SSR), restriction fragment amplification (AFLP), random fragment amplification (RAPDs), as well as molecular characterization of species, evidence of seed viability, molecular accession screening, in vitro propagation, among other aspects.

The construction and adequacy of facilities will be used the legal mechanisms of Environmental Fund of El Salvador (FONAES by Spanish acronym), which together with the MARN, will be prepare the basis for the processes of update of the technical folder and construction of the work, following the guidelines of the GIZ

Activity 5.2. Design and execution of the Forest Genetic Resources Information System.

To strengthen the capacities installed in MARN to systematize the available technical and scientific information and to obtain forest genetic resources, database management of

species, varieties and collection sites, gene banks, monitoring of on-site actions, among other. In addition to requiring the appropriate equipment for this purpose of computer, photographic, field and provide the project with specialized and suitable technical support.

In that sense, the following measures will be carried out:

- Database development and Information System on forest genetic resources.
- Complementary equipment, computer, photographic materials, etc.

IV. Expected Impacts

The Project will be contributing to obtain the follow issues:

1. to be a regional reference for distribution, conservation and ecological restoration purposes.
2. to have the technical capabilities and protocols established to operate under the country's restoration demands.
3. to sustain an effective Inter-Institutional Coordination that allows stable governance for forest seeds in El Salvador.
4. to strengthen regional integration ties between Seed Banks and experts in Central America and the Dominican Republic.
5. to allow forest scientific research, for novel forms of propagation, generation of varieties, the genetic characterization of species of interest; in addition to a detailed record of the available genetic resources.

V. Direction structure

The Project will have three committees for execution:

1. Project Management Level represented by the Presidency and the FONAES Executive Director; With the direct accompaniment of the Minister of Environment and Natural Resources (MARN), its functions will be:

- Maintain the direct relationship with the cooperators for the execution of the Project,
- Guarantee the institutional counterparts.
- Facilitate compliance with Project activities.
- Define the delegation of administrative and technical personnel that will execute the Project.
- Request progress reports to the Strategic Coordination Committee on the execution of the Project.
- And other functions deemed relevant for the sustainability of the Project.

2. The Strategic and Operational Coordination Committee formed by a delegate of Executive Direction of FONAES, the General Director of Ecosystems and Biodiversity of MARN and the General Director of Forest Management of Watershed and Irrigation of the MAG. This Committee has the following functions:

- Guarantee the financial budget and the allocation of personnel for the execution of the Project,
- Manage and support the hiring and / or assignment of personnel for the execution of the Project,
- Provide technical and operational guidelines to the Coordinators of each institution for the operation of the Regional Forest Seed Center.
- Inform about the progress of the activities and management.

3. The Technical Committee of the Regional Forest Seed Center shall be constituted by a delegate for FONAES, the head of the Forestry Development Center (CEDEFOR) of the MAG and the technician designated by MARN. This Committee has the functions of:

- Prepare an Annual Operational Plan for the development of the activities contemplated in the Project.
- Coordinate periodic meetings for the implementation of the Research Strategy.
- Generate an annual technical-financial report that will be presented to the Project Strategic and Operational Coordination Committee.
- Preparation of a list of forest species for seed collection, in accordance with the provisions of the Project activities.
- Define the protocols and forms that will be used for the identification and management of seed sources, collection, distribution and use of forest seeds.
- Identify and delegate the appropriate personnel to follow up on the specialized activities of the Project.