



Global Environment Facility

Monique Barbut
Chief Executive Officer
and Chairperson

1818 H Street, NW
Washington, DC 20433 USA
Tel: 202.473.3202
Fax: 202.522.3240/3245
E-mail: mbarbut@TheGEF.org

August 07, 2009

Dear Council Member,

IADB as the Implementing Agency for the project entitled: ***Haiti: SFM Sustainable Land Management of the Upper Watersheds of South Western Haiti under the Global: SFM Programme Framework for Projects under the GEF Strategy for Sustainable Forest Management***, has submitted the attached proposed project document for CEO endorsement prior to final approval of the project document in accordance with IADB procedures.

The Secretariat has reviewed the project document. It is consistent with the proposal approved by Council in July 2008 and the proposed project remains consistent with the Instrument and GEF policies and procedures. The attached explanation prepared by IADB satisfactorily details how Council's comments and those of the STAP have been addressed.

If by September 04, 2009, I have not received requests from at least four Council Members to have the proposed project reviewed at a Council meeting because in the Member's view the project is not consistent with the Instrument or GEF policies and procedures, I will complete the Secretariat's assessment with a view to endorsing the proposed project document.

We have today posted the proposed project document on the GEF website at www.TheGEF.org. If you do not have access to the Web, you may request the local field office of UNDP or the World Bank to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Barbut', with a long horizontal stroke extending to the right.

Attachment: Project Document

Copy: Country Operational Focal Point, GEF Agencies, STAP



REQUEST FOR CEO ENDORSEMENT/APPROVAL

PROJECT TYPE: Full-sized Project

THE GEF TRUST FUND

Submission Date: July 7, 2009

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 3132

GEF AGENCY PROJECT ID: HA-X1002

COUNTRY(IES): Haiti

PROJECT TITLE: Sustainable Land Management of the Upper Watersheds of South Western Haiti

GEF AGENCY(IES): IADB

OTHER EXECUTING PARTNER(S): Ministry of Environment (MO) and Ministry of Agriculture (MARDN)

GEF FOCAL AREA(S): LD and CC

GEF-4 STRATEGIC PROGRAM(S): LD-SP1, LD-SP2, CC-SP6

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: N/A

Expected Calendar (mm/dd/yy)	
Milestones	Dates
Work Program (for FSPs only)	July 2008
Agency Approval date	July 2009
Implementation Start	Oct. 2009
Mid-term Evaluation (if planned)	Oct. 2011
Project Closing Date	Oct. 2013

A. PROJECT FRAMEWORK (Expand table as necessary)

Project Objective: The Project Objective is to address and contain the rapid environmental degradation in the upper watershed of the Southern part of Haiti through the integration of sustainable land and forest management practices at the watershed level. In Addition, the project seeks to support forest restoration and implementation of a carbon stock and sequestration monitoring system to enhance the understanding of impacts by changes in land use systems and vegetation/forest cover on carbon sequestration and emissions avoided.

Project Components	Investment, TA, or STA ²	Expected Outcomes	Expected Outputs	GEF Financing ¹		Co-Financing ¹		Total (\$) c=a+ b
				(\$ a)	%	(\$ b)	%	
1. Institutional and local governance strengthening	TA	7,500 ha under SLFM in upper watershed Macaya Park	<ul style="list-style-type: none"> - At least 7 municipal land use plans established by local consensus, formalized, and implemented taking into account the protection of upper watersheds and Macaya National Park. - Decentralized structure of park governance and joint land use zoning signed by national and local authorities. - Macaya National Park management unit, steering committee, and co-management arrangements established. - At least 15 park guards trained and supervised in service. 	895,850	18	4,000,000	72	4,895,850
2. Adoption of SLFM technologies	TA, Investment	- At least 70% of land in the area of influence of Macaya Park under SLFM.	<ul style="list-style-type: none"> 15,000 top grafted trees, 20,000 grafted fruit seedlings, and 50,000 lumber seedlings. - At least 10 rain water harvesting structures for 	996,000	7	12,800,000	93	13,796,000

		<ul style="list-style-type: none"> - 5% increase in carbon stock (t CO2) by the end of the project. - 250,000 t CO2eq total project contribution to carbon sequestration and avoided GHG emissions in 2035 (to be monitored by the carbon monitoring system implemented in component 4) 	<ul style="list-style-type: none"> vegetable and tree nurseries completed; - 500 ewes introduced substituting cattles and supported by production and distribution of forage outside Park Macaya. - 200 ha of active forest restoration in 4 different zones. 					
3. Strengthening of local land tenure framework	TA, Invest-ment	Park limits are legally established, clear of land disputes and at least 80% of park boundaries physically demarcated.	<ul style="list-style-type: none"> - Physical cadaster of properties covering 7,500 ha of land in the Park area. - 70% of land conflict claims solved. - physical park markers are placed. - new land tenure regulatory framework designed and authorities fully knowledgeable and in control of enforcement rules. 	1,036,364	88	144,300	12	1,180,664
4. Land use GHG emission and carbon stock monitoring	TA, STA, Invest-ment	Country has the technical capacity and equipment required to conduct and replicate land use, GHG emission and carbon stock monitoring.	<ul style="list-style-type: none"> - Land use change is monitored in 100% of the Macaya Park and area of influence (7,500ha with 1 ha as minimum mapping area unit) - 100% of the Macaya Park area monitored for above and below ground biomass carbon stock (all calculations recommended in the methodology done –see Appendix 1) - 5 government personal have the technical capacity to conduct carbon monitoring and apply the developed methodology - GHG emissions from fossil fuel, nitrogen and fertilizer monitored in 100% of the Macaya Park area - full monitoring year with all calculations in the methodology done in the last project year to verify end of project results. 	208,150	68	100,000	32	308,150
Project management				300,000	33	605,700	67	905,700

Total Project Costs	A	B	21,086,364
	3,436,364	17,650,000	

¹ List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

² TA = Technical Assistance; STA = Scientific & Technical Analysis.

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT (expand the table line items as necessary)

<i>Name of Co-financier (source)</i>	<i>Classification</i>	<i>Type</i>	<i>Project</i>	<i>%*</i>
Ministry of Environment	Nat'l Gov't	Cash	400,000	2
Interamerican Development Bank	Multilat. Agency	Grant	17,250,000	98
Total Co-financing			17,650,000B	100%

* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

C. FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	<i>Project Preparation a</i>	<i>Project b</i>	<i>Total c = a + b</i>	<i>Agency Fee</i>	<i>For comparison: GEF and Co-financing at PIF</i>
GEF financing	200,000	A3,436,364	3,636,364	363,636	4,000,000
Co-financing	150,000	B17,650,000	17,800,000		18,250,000
Total	350,000	21,086,364	21,436,000	363,636	22,250,000

D. GEF RESOURCES REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

<i>GEF Agency</i>	<i>Focal Area</i>	<i>Country Name/ Global</i>	<i>(in \$)</i>		
			<i>Project (a)</i>	<i>Agency Fee (b)²</i>	<i>Total c=a+b</i>
IADB	LD	Haiti	1,718,182	181,818	1,900,000
IADB	CC	Haiti	1,718,182	181,818	1,900,000
Total GEF Resources			3,436,364	363,636	3,800,000

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

² Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person weeks</i>	<i>GEF amount(\$)</i>	<i>IDB Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants*	1603	1,087,500	2,500,000	3,587,500
International consultants*	10	30,000	1,000,000	1,030,000
Total	1613	1,117,500	3,500,000	4,617,500

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT BUDGET/COST

<i>Cost Items</i>	<i>Total Estimated person weeks/months</i>	<i>GEF amount (\$)</i>	<i>Government Co-financing (\$)</i>	<i>IDB Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants*	1,728	174,000	139,200	301,200	614,400
International consultants*	0	0	0	0	0
Office facilities, equipment, vehicles and communications*		102,000	8,000	93,800	203,800
Travel*		0	8,500	25,000	33,500
Others (audits, contingency)**		24,000	0	30,000	54,000
Total	1,728	300,000	155,700	450,000	905,700

* Details to be provided in Annex C. ** It is estimated a total of US\$18,000 for financial audits of the Program (US\$4,500 per year); and, US\$6,000 for contingency, which will cover emergency costs, e.g., equipment repair).

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? yes no

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your agency and to the GEF Trust Fund).

H. DESCRIBE THE BUDGETED M & E PLAN:

1. The monitoring and evaluation of Project results and impacts, as well as the monitoring and evaluation of the day-to-day activities of the project will be supported through the development of a permanent, integrated and cost-effective monitoring and evaluation system. All components of the Project contemplate M&E activities, which will facilitate decision-making processes and adaptive management by the stakeholders throughout the implementation of the Project, and provide an overview of the land management situation of the upper watersheds of Southern Haiti.
2. Moreover, this project has uniquely been designed to include a land use, GHG Emission and Carbon Stock Monitoring Component, which will establish the local and country capacity to operate and monitor the project's contribution to avoided green house gas (GHG) emissions and carbon sequestration (related to LULUCF) in the Park area, where the GEF funds will be invested. The specialized GHG emissions and carbon stock monitoring methodology will be developed as part of the Component 4, which will finance technical assistance, images and software to classify land use areas, conduct field inventory of forest strata and perform diachronic analysis, train personnel from the Ministry of Environment and the Ministry of Agriculture, and, collect and process data to achieve information of end of projects results in terms of avoided carbon emissions and increased carbon stocks.
3. The Monitoring and Evaluation System (M&ES) is developed considering the target levels established by each component (see RESULTS FRAMEWORK ANNEX) by the end of the project. For example, Component 1 will monitor progress toward the implementation of a functional intermunicipal committee, which will be critical to the creation and establishment of land use planning tools, principally, a protected area management plan for Macay Park. In Component 2, M&E activities will allow measurement of the impacts of sustainable agriculture practices on the revenue returns of farmers. Component 3 includes activities that will enable land tenure consolidation at the local level, and will, eventually, compensate restrictions in use and access in private and public land. The impact of these activities in terms of land property identification and dispute resolution will be part of the M&E plan.
4. The monitoring and evaluation of global impacts will include three types of indicators: (i) process outcome indicators, such as intermunicipal agreement or consolidation of the park borders; (ii) environmental integrity protection, especially regarding deforestation rates, forest and natural vegetation degradation levels, and/or erosion linked to biomass carbon stock; and, (iii) micro-economic outcome indicators, to demonstrate the development of sustainable agricultural practices and enhanced livelihoods.
5. The M&E will be built by the project execution unit, but it will also build on existing initiatives underway in Haiti, like for example the development of the National Observatory for the Environment (ONEV), which will be internalized in the execution unit, involving the staff and other stakeholders (e.g., NGOs, Universities, Research Centers) in order to ensure rigorous and objective analysis.
6. A mid-term evaluation will be carried out when 35% of the GEF resources have been disbursed, or 24 months after the project contract goes into effect, whichever comes first. Six months prior to the end of the project, a final evaluation is to take place to determine the extent to which the project objectives and targets have been reached, the

level of stakeholder participation in decision-making, positive changes in beneficiaries practices due to the intervention, as well as the level of project contribution to carbon sequestration and avoided GHG emissions. Some critical issues to be emphasized by these evaluations will be: (i) effectiveness and consensus building for the implementation of the land use planning tools; (ii) effective enforcement of municipalities and development of sufficient capacity to manage land use; (iii) adoption of sustainable agriculture practices, internalization of sustainable uses of the land by the community, and good practices and benefits resulting from productive activities; (iv) trends observed in the ecological integrity of the Macaya massif; (v) improvement in the dissemination of information, awareness-raising, and scientific knowledge of the Macaya massif, and (vi) increase in carbon stock within the Park area.

7. The results of these evaluations, lessons learned, and good practices will be widely disseminated and shared through the Ministry of Environment network, the National Agency for Protected Areas (ANAP, in process of creation), the Biological Caribbean Corridor, the Interministerial committee on watershed management, and national and international platforms on GreenHouse Gas emissions monitoring.
8. The total estimated costs for monitoring and evaluation are US\$264,885 over a period of four years, US\$ 195,585 which will cover costs related to the monitoring of outcome and impact indicators, including those regarding carbon sequestration, while US\$ 69,300 will support costs related to monitoring report writing, data management and mid-term and final evaluations

PART II: PROJECT JUSTIFICATION:

A. THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

9. With an annual per capita GDP of US\$ 791 in 2008, Haiti is the poorest country in the Western hemisphere with very slow economic growth and rapid population growth adding to the already considerable population density, high unemployment and underemployment, and insufficient basic social services. Environmental conditions in Haiti are perhaps the worst in the entire Caribbean region with minimal land use regulations. From a forest cover of 99% in pre-Columbian times and 60% in 1923, the remaining forest cover in Haiti is only 1.5% of the land (Ministry of Planning 2002). Land erosion in this mountainous country is extreme, and is amplified during the hurricane season. The continuing degradation of soils and loss of forest cover are key factors undermining efforts to combat poverty. Fuel wood demand exceeds new forest growth by 60% creating both a forest and fuel availability problem and threatening the ecosystem services upon which many Haitians depend directly for their subsistence. The ability of Haiti's environment to provide fundamental local and global environmental services has been seriously compromised, including carbon sequestration, agricultural land, and sufficient supply of clean water, flood protection, and adequate supplies of wood and food for the benefit of current and future generations.
10. Located in the hurricane belt of the Caribbean basin, Haiti has a high risk of natural disasters caused by hydro-meteorological events (linked to climate and precipitation), made worse by global climate change. In the last five years, severe hydro-meteorological events including landslides and flooding have been the main cause of loss of life in Haiti from natural disasters. For instance, 5,600 people died just from the last three major natural disaster (flooding of May 2004 in Fonds-Verettes and September 2004 in Gonaïves, tropical storm Noel in 2007, and severe tropical storms in 2008). Natural disasters, which appear to occur more frequently and with a higher intensity, have had an even greater effect on public and productive infrastructure and GDP in Haiti.
11. Some of the watersheds most seriously affected by soil erosion and decrease in production capacity, land degradation, widespread silting of waterways and floods downstream are to be found in the Southwestern peninsula. The upper part of the Massif de la Hotte including the highest point, Macaya Peak (2326 m.a.s.l.), in Les Nippes and Sud provinces serves as the headwaters for all watersheds in this sub region. The area has been declared the Macaya Bioserve National Park (Macaya Park) because its importance for protection of these headwaters and one of the last remaining natural forests in Haiti and for prevention of soil erosion. The Park and its influence zone cover an area of 7,500 ha including the Macaya Peak and the upper part of the watersheds down to between 1200 m.a.s.l. and 800 m.a.s.l.

12. Declaring this area as a bioserve has not prevented land and forest degradation processes from continuing. The area is a biological rich zone and attracts farmers and dwellers from other regions in search of land, resources and new livelihood opportunities. Increasing numbers of encroachments are observed and 5,000 households (25,000 to 30,000 persons) now depend on Park natural resources for their subsistence, including 4,000 farmers and 1,000 people employed in the wood trade. Inappropriate land use practices such as exponential tree cutting, overgrazing and cultivation without adequate soil conservation practices combined with aggressive rainfall is leading to rapid environmental deterioration. Surface under cultivation covers around 40% of total Park area (3,500 ha) including 20% (1,500 ha) of what has informally been defined as the core zone. Average annual agricultural revenues is US\$1,100 per household (US\$3/day for a 5 person family). Primary constraints to more sustainable agriculture include lack of market access roads, loss of soil fertility, crop diseases, decreasing availability of water, and no capital for even small investments. Outside the Park area, bean and yams are common crops but yields are very low due to plant diseases and declining fertility.
13. Tree logging and artisanal wood sawing provide the most lucrative and stable job in the area providing an annual income approaching US\$3,000 per household, representing three times the revenues derived from agriculture and ten times the revenue drawn from charcoal. Five hundred sawyers are operating in the Park grouped in various associations. Most of them are also cultivators spending around 3 months a year in cultivation activities. The wood market where demand is higher than the offer is lucrative. The local price of a dozen boards is US\$40 but in Port au Prince the price can be ten times higher. Market intermediaries account for 25% of the price and total profit can attain US\$9,000 per year. As a consequence 120 to 150 dozen boards are cut every week, which leads to an average of 7,500 trees logged per year the equivalent of 10 ha. Accurate data are not available, however, comparison of air photos suggest an estimated deforestation rate of 0.97% and a degradation rate of 1.7% between 1998 and 2005. The remaining forest cover is around 4,500 ha (2,500 of dense forest and 2,000 of open forest). See appendix 1 for map showing the land use and vegetation cover in the Park area including areas most affected by deforestation.
14. The protection of the Park and conservation of the area of influence in the downstream watersheds is weakened by various factors starting with the fact that the Park limits have not been legally or physically defined. Park limits were not included in the 1983 decree creating the Park on presumed state land. This is even more complicated by the fact that the land tenure situation in the Park area and the downstream watersheds is highly unclear and complex. Private owners generally living outside the area in urban centers and owning 31% of the land in and around the park rent out land via local land managers using a combination of cash rent and sharecropping arrangements. State owned land representing 9% of the land is also often involved in a renting system. Undivided inheritance represents 39% of the land, heritance 11%, usufruct 7%, and other 3%. Absence of any legal control leaves the door open for land invasion on state land. Legal and regulatory framework is unclear, not transparent and never implemented. Land tenure is subject to local conflicts and mostly regulated by local customary arrangements. The State is not involved in these arrangements and lacks basic information on the location and size of state owned plots of land.
15. Previous intents to establish zoning and land use regulations as first steps in laying the foundation for an effective Park management and promote production activities compatible with land and forest conservation have been limited in their impacts because of this unsolved issue. The lack of land tenure security and clarity on Park limits leaves no incentives to farmers for investing in conservation and hinders the 10 communes (municipalities) in the area to engage in land use planning and regulation processes.
16. Another important factor preventing protection of the park and adoption of conservation practices downstream in the watersheds is lack of local land use planning and Sustainable Land and Forest Management (SLFM) capacities involving local stakeholders in decision processes and conservation activities. There have been previous intents from the MOE to establish a top down surveillance and enforcement of protection measures in the Park area. However, the failure to build up local capacities, involve local stakeholders in co-management and integrate conservation and income generating activities in SLFM has lead to limited results of invested resources. Local as well as national capacities in analysis and governance of land use changes influencing soil fertility and forest cover is limited and there is no installed capacity to monitor the related carbon stocks and emissions.
17. **The objective of the proposed project** is to address and contain the rapid environmental degradation in the upper watershed of the Southern part of Haiti through the integration of sustainable land and forest management practices

at the watershed level. In Addition the project seeks to support forest restoration and implementation of a carbon stock and sequestration monitoring system to enhance the understanding of impacts on carbon sequestration and emissions avoided caused by changes in land use systems and vegetation/forest cover.

18. The Ministry of Environment (MOE) and the Ministries of Planning, and Interior have taken a global land management approach based on local and Regional Development Plans (Plan de Developpment Local, Plan d'Occupation des sols, Schéma de Cohérence Territorial). The aim is to strengthen local governance on the assumption that the environmental degradation in Haiti is a result of poor managing capacities. Innovative approaches toward fostering decentralized and sustainable management of natural resources such as soil, forests, and water to contain land degradation has been proposed. The approach also assumes that poverty alleviation is a key component to ensure successful results. The planning unit is the municipality and the regional levels to improve the capacity of local governing institutions in land management. The Ministry of Agriculture Natural Resources and Rural Development (MARNDR) seeks to prevent land degradation through better agronomic practices coupled with empowerment of grassroots and producer's organizations.
19. The Natural Disaster Mitigation Program (NDMP) led by MARNDR but coordinated with MOE has been developed to combine land use planning, decentralized natural resource management, and improved agricultural practices. The NDMP will invest in institutional capacity and key infrastructure works and land management for the immediate protection of certain population centers of the country and to reverse land degradation processes in priority watersheds. The program will identify and intensify sustainable agricultural development including SLFM practices, and facilitate alternative livelihoods. The GEF project will serve as an upstream complement to the downstream implementation of the NDMP in watersheds deemed significant for land conservation, carbon sequestration and stock conservation in the Haitian context.
20. The GEF project will achieve its objective through the execution of the following components:
 21. **Component 1: Institutional and Local Governance Strengthening** aims to strengthen national capacities in watershed management based on an SLFM approach (through co-financed activities see Part II E below) and enhanced municipal capacity for land use planning. The component lays the foundation for an effective management of the Macaya Park in a joint effort between MOE and 10 communes adjoining the Park.
 22. The component will finance technical assistance for: (i) strengthening national capacities to apply SLM using watersheds as the management unit; (ii) creation of the Inter-municipal Massif de Macaya Committee (CIMM Comité Intercommunal du Massif de Macaya) with participation of the 10 communes and with the objective to integrate the communal land use planning process and allow for coordination and complementarities between communes sharing the same concern over environmental degradation hindering local economic development; (iii) the participatory development of the communal land planning schemes (SCAT), which will allow for consensus on communal land planning and utilization, including Park limits, zoning and use regulations, and the elaboration of the Park Management Plan (will be developed in conjunction, and articulated with, component 3 supporting clarification of the complex land tenure situation); (iv) strengthening communal administrative and financial management; (v) design and implementation of a local co-management scheme for the Park involving communes and local NGOs in the conservation and management of park zones through communal corps considering that State capacities to protect the Park will never be adequate and co-management is the cornerstone in achieving long term Park integrity and the respect of local decrees, mainly regarding wood trade.
23. **Component 2: Adoption of SLFM Technologies** will support activities to improve production revenues from agriculture and livestock raising among the poor local population considering that only increased incomes will give them incentives to participate in land planning and watershed management processes and invest in land and forest conservation technologies. The main objective of this component is to build local capacities for sustainable watershed management based on SLFM and technologies. Selection of activities has been based on several criteria: (i) contribute to soil protection and carbon sequestration which favors ligneous and fruit tree plantation as well as shaded crops, (ii) support timber plantation for fuel or building material production, and (iii) promote high value or value added crops. By offering better production conditions and generation of revenues outside the park area in accordance with communal zoning and use regulations via the SCATs, these activities should attract Park residents and bring them to leave spontaneously the Park area. Improving crop and stock production will also contribute to

farming intensification, avoid expanding of agricultural frontier towards the headwaters, and even free up land now under cultivation in the upper part of the watershed.

24. The component will finance inputs and technical assistance to support: (i) the restoration of 200 ha forest in the Park area, providing job opportunities in the seedling production; (ii) the establishment of timber plantations in coordination with component 3 solving land tenure uncertainties and conflicts; (iii) the promotion of fruit-tree production with top-grafting techniques, increasing production of high value for local and export markets; (iv) the construction of small dams and water tanks fed by downstream waters considering that watering is an important production limiting factor; and (v) intensification of sheep breeding based on forage cultivation to substitute open grazing of cows currently occurring in the Park. Finally, the component will co-finance a coffee-washing centre to support the coffee producing association on the northern boarder area of the Park considering that recent studies have shown potentials for high value shaded coffee production (Haitian Blue) in this area. The planning of these activities must be carefully adjusted to component 1 and 3 to avoid previous mistakes where revenue-generating activities have been totally disconnected from strengthening of local land use planning, zoning and land use regulation. For instance activity of component 2 should not begin prior to the first agreements on communal land use and planning.
25. **Component 3: *Strengthening Local land Tenure Framework*** will support the clarification of the complex land tenure situation within and around the borders of the Park Macaya as a very important first step to achieve effective protection and management of the Park supported in component 1 and enhanced investments in SLFM supported in component 2. The main output will be the physical demarcation of the park and a proposal for the legally establishment of its boundaries. Previous programs developed in the area aiming at intensifying crop production, in particular fruit tree or timber planting, did not last long after the projects ended mainly due to lack of land tenure security. No land user will invest in the long term without insurance of that the benefits can be passed on to the next generation. The clarification of what is State owned land and private land in the Park area is a prerequisite to legally define Park borders, avoiding to include too much private land within the Park limits. In the absence of common legal reference and coordination between institutions involved in land tenure issues, a conflict resolution in land tenure, either based on a traditional oral approach or based on modern legislation, has to be institutionalized to provide a legal and local recognized tool. Municipalities could refer to and use this new legal tool whenever necessary, to simplify the application of any inter-communal decrees
26. The component will finance: (i) the design of a physical cadastre of private and state owned land, starting with an information campaign and resulting in a participatory established mapping of private properties in the Park area and a first design of Park limits; (ii) setting up of a Conflict Resolution Committee and framework in each of the 10 communes, strengthening of legal local institutions including the police and DGI (Land tenure and Cadastre Institution) in the use of the new framework, and elaboration of agreements on specific conflicts over land tenure; (iii) proposal for legally definition of Park limits and its physical demarcation on the ground.
27. **Component 4: Land use, GHG Emission and Carbon Stock Monitoring** will install the capacities to operate the land use and carbon monitoring system designed during the project preparation (see annex xx). The objective is to monitor the project contribution to avoided green house gas (GHG) emissions and carbon sequestration related to LULUCF in the Park area. Even though the co-financing of the project will also influence land use, GHG emissions and carbon stocks in the mid and lower parts of the watersheds it is only economical viable at this point to set up the monitoring system for the Park area where the GEF funds will be invested. Further, as documented in the designed methodology for the monitoring system it is a highly complex exercise and considering that this project will for the first time build the needed capacities to operate the monitoring system in the country it was decided to start out with the 7,500ha covering the park and near zone of influence.
28. The component will finance technical assistance, GPS equipment, satellite images and software to: (i) perform a 100% stratification of the Park 7 land use classes and adjust the baseline calculation within the first project year ii) conduct field inventory of the two forest strata; (iii) train 8 personal from MOE and MARNDR in the designed LULUCF related carbon monitoring methodology; and (vi) data collection and processing in year four to achieve information of end of projects results in terms of avoided carbon emissions and increased carbon stocks.
29. **The expected global environmental benefits:** The project will result in regional and global benefits under climate change and land degradation focal areas through avoided GHG emissions from the prevention of deforestation and increase of carbon stock in soils and forest cover (the estimated total contribution within a 25 year period is 250,000

tons CO₂eq), conservation of soil productivity in farm lands (7,500 new ha under SLFM), and the reduction of runoff sediments into international waters (Caribbean Sea). Additionally, the project area is one of the few dense forest left in Haiti and the project will indirectly contribute to the conservation of the diverse and unique flora and fauna of the area.

30. Other crucial local benefits of SLFM in the upper watersheds of the Massif de la Hotte are: (i) prevention of silting and sedimentation of waterways and irrigation channel impacting downstream agriculture; and (ii) the protection and improvement of the standard of living of the population in the several important secondary cities (Les Cayes, Camp-Perrin, Jeremie, Chantal, and Port-à Piment) by the reduction of natural disaster risk and the management of water quality and flows.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL AND/OR REGIONAL PRIORITIES/PLANS:

31. The project is consistent with national priorities of the GOH as it will support the implementation of various national policies, strategies, and plans related to land use planning and SLFM. The project will also capitalize on on-going efforts to implement the decentralization of natural resource management, providing opportunities for local stakeholder participation in land management decision-making and testing national guidelines (best-practices) for sustainable watershed management.

32. In particular, the project is aligned with the following national plans and policies:

- A) The National Environmental Action Plan (NEAP) containing major guidance on all aspects of environmental management. The GEF project will in particular support two of the four specific objectives of the NEAP: (a) strengthen and rationalize the management of the National System of Protected Areas; and (b) restore the ecological balance of the watersheds through the development and implementation of norms and best practices. This will be done by establishing the physical limits of the Park Macaya, zoning and use regulations, and sustainable co-management arrangement with local communities, and by strengthening local councils in establishing land management schemes, promotion of technologies restoring forest cover and soil fertility.
- B) Strategic Planning Document for Poverty Reduction (DSRP) addresses a number of complex and urgent environmental problems, which threaten in the long term, economic, social and cultural viability of the Haitian society. Among the key environmental concerns is the high vulnerability to natural disasters, increasing pressure on the natural resources base (forest, soil, water and biodiversity) and the coastal and marine environment, fuel wood scarcity and energy problems, severe depletion of forest resources, transformation of natural land into agriculture or urbanization, water supply crisis (ground water recharge and soils water retention capacities affected by inappropriate land use practices in country's various watersheds). Priorities includes among others, restoration of degraded land and improvements of basic living conditions, which will both be supported by the GEF project.
- C) The implementation of the overall National Action Plan to Combat Desertification (NAP-CD) as launched with the support from the UNDP, CIDA and GTZ as an important instrument to implement the UNCDD signed by the country. The GEF project will contribute to reduce factors inducing desertification in promoting land preservation technologies.
- D) The sector watershed policy of the MARNDR, published in 2001, providing orientation and guidelines to better manage soils in the watersheds, and outlining the importance of stakeholder participation in all aspects of decisions-making dealing with watershed management. The GEF project aims at improving the participation of all stakeholders in decision-making in local councils.
- E) The National Risk and Disaster Plan (NRDP), supported by UNDP, was produced in 2000 in the light of the great vulnerability of Haiti to natural disasters. The GEF project will primarily contribute to the first objective of the NRDP "work on causes and factors that originate risks in order to reduce the impact of disasters" by arresting deforestation and reforesting degraded lands reducing the run off risks.
- F) The National Adaptation Programme of Action (the NAPA) to climate change was published by the GOH in 2004 to assist the government in addressing urgent and immediate adaptation needs and implementing adaptation measures to climate change in particular those that have direct relevance to poverty alleviation. The watersheds

targeted by the GEF project were identified in the NAPA as priority areas to promote adaptation measures in terms of increasing forest and vegetation cover.

- G) Recent government efforts to implement decentralization and strengthen local governance have led to consistent support from a set of donors. Program such as IMPACT (Initiative Municipale de Planification et d'Aménagement des Collectivités Territoriales), developed by the Ministry of Planning, aims at providing a referential framework for all development programs, in terms of a coherent and strategic long term vision on Territorial Management at the local and Regional scale. The SCOT to be developed (Schéma de Cohérence Territoriale) will not only integrate individual communal programs into an articulated coherent vision, but will also promote a more democratic participation in decision making for all stakeholders. This integrated planning exercise will give birth to a more rational spatial utilization, inducing appropriate land use and optimal natural resources management taking into account soil conservation and the vocation of different land types. The GEF project will directly contribute to these programs and approaches through component 1 strengthening local land use planning and SLFM capacities, and better governance and improved local participation in decision-making. As the Département du Sud included in the GEF project area is identified as a Pilot area for several forecasted governance programs, the GEF project will contribute to those programs and set the bases for replication and extension to the Grand Anse Département in the short-term and to the National level in the mid-term.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH [GEF STRATEGIES](#) AND STRATEGIC PROGRAMS:

33. This project is consistent with and will contribute to the Land Degradation and Climate Change Focal Areas objectives and strategies. Under the Land Degradation focal area the GEF project will contribute to both Strategic Program 1 (An enabling environment will place SLM in the main stream of development policy and practice at the regional, national and local levels), and 2 (Mutual benefits for the global environment and local livelihoods through catalyzing SLM investments for large-scale impact) given that the project intends: (i) to work on capacity building at local and national level in SLFM; and (ii) to promote proven technological alternatives for SLFM, so that best practices and approaches in sustainable land and forest management are integrated, enhanced and spread for a larger-scale impact. Under the Climate Focal area the GEF project will contribute to Strategic Program 6 (to reduce GHG emissions from land use, land use change and forestry), given that the project intends to: (i) arrest and revert deforestation and increase carbon sequestration capacity of the region through land use management based on a carbon stock and sequestration monitoring system; and (ii) enhance the local capacity to adopt land and forest management technologies that reduce the vulnerability of the population to climate change.

D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES.

34. Given the country's severe economic situation reflected in the fact that as established in the Debt Sustainability Framework (DSF) and Enhanced Performance Based Allocation (EPBA), Haiti cannot take loans from MDBs and/or Paris Club members, due to its high level of debt distress. Grant is the only financing option even in the case of the IDB co-financing operation. However, in component 2 supporting farmers in adoption of soil conservation technologies, the grants for technical assistance and technology inputs will be given contingent results monitored through clear indicators related to the implementation of each technology. For component 1 the GEF financing in capacity building and establishment of the Park Management will be phased out during the project implementation period and the yearly minimum amount of government contribution committed by the government under project preparation and contributions from other financing sources will be phased in as the financial sustainability for the protected areas system is build up via the MOE-UNDP GEF project (see section E below).

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

35. The Project design is based on experiences and lessons learned from previous projects in the project area including the WB Project Technical Support for Park and Forest Protection (ATPPF in French). Even though these projects did not fully reach their objectives of reversing land degradation and deforestation processes and establishing a functional Macaya Park protecting the upper watershed they have left an important awareness among local stakeholders on the critical environmental situation. Local NGOs and Environmental Foundations have been formed including Fondation Macaya pour le Développement Local and the Fondation Seguin. The 10 communes in the area

have also come together to work on protecting the Park and conserving forest and land resources and have been participating in the GEF project design. With a local approach to land use planning, SLFM and management of the Macaya Park supported by the MOE the GEF project will build on and strengthen these local dynamics and initiatives.

36. The project design has also been based on experiences and institutional capacities build by the IADB financed Program for the Institutional Strengthening of Environmental Management and in particular the UNDP-GEF project (The Sustainable Land Management Medium Size Project) which started implementation in 2008. The immediate objective of the SLM project is to strengthen national capacity for sustainable land management while ensuring broad-based participatory support in the context of the preparation of the National Action Plan under the UNCCD to reverse desertification processes in Haiti. The proposed project will provide important on-the-ground experiences with building local capacities in SLFM and adoption of technologies for the national SLM approach promoted by the UNDP-GEF project. Under the coordination of MOE synergy linkages and coordination of methodologies and management approaches will be established between the two projects during implementation.
37. IADB is finishing the preparation of a Program for Natural Disaster Mitigation in Priority Watersheds (hereafter Watershed Program) financed by a grant to be approved in September, 2009 (HA-L1041). The implementation of the GEF project will be strictly coordinated with this Program co-financing the GEF project. The Watershed Program has three components: 1) investments in small watershed conservation infrastructures; 2) incentives to farmers for applying sustainable technologies and production methods; and 3) national and local institutional strengthening in sustainable watershed and land management. MARNDR will in coordination with MOE be responsible for the execution and monitoring of the Watershed Program as well as the component 2 of the GEF Project. The two operations will apply a single cost-effective watershed and SLFM approach and model for dissemination of technologies and technical assistance to beneficiaries. The US\$30 million grant (HA-L1041) is expected to be approved in September 2009. An amount of US\$17.25 million will co-finance GEF project activities in the mid and lower part of the Southeastern Watersheds with head waters in Park Macaya: US\$13,3 million will support component 2, US\$3.5 million will support component 1 and US\$ 450,000 will co-finance project management during the 4 year of the GEF project implementation.
38. Furthermore, UNDP and MOE are leading the preparation of a GEF initiative to establish a financially sustainable national protected areas system (GEF ID 3616). During project preparation meetings have been held with the MOE/UNDP team and the proposed project will complement the GEF-UNDP initiatives as it will focus on the demarcation and management of one of the most important protected areas in the Haitian protected area system, providing on-the-ground experiences for the establishment and strengthening of the system at the national level. It is expected that the GEF-UNDP project as part of the establishment of a financially sustainable national systems will work on setting up mechanisms for financial sustainability for the Macaya Park. The proposed GEF project has on the other hand in the project design identified possible sources of financing and the minimum costs needed for the operation of a cost-efficient local park management mechanism. This mechanism will be established as part of the implementation of the proposed project and a phase in strategy of sustainable financing has been designed linked to the build up of the sustainable financing system supported by the GEF-UNDP project.
39. Of particular importance for coordination via the MOE is the initiative to establish the first Caribbean Regional Biological Corridor, a multi-purpose, multi-use and multi-stakeholders Initiative being implemented by Haiti, Cuba and Dominican Republic and supported by UNEP. Although the Caribbean Biological Corridor is a biodiversity-oriented initiative, it is understood that ecosystem-based solutions will be promoted as effective strategies to preserve and enhance ecosystem services value that help buffer human communities from floods, storms and other climate change hazards. The Macaya GEF project area is one of the important sites targeted by the Biological Corridor and the conservation of forest and land resources via local SLFM and the protection of the Macaya Park supported by the GEF project will be an important contribution to the Haitian part of the Corridor Initiative.
40. CIDA and GTZ, through two distinct projects, are promoting actions and mechanisms for effective long-term management, financing and technical development of the Artibonite watershed, a transboundary river that encompasses a 9,500 km² area whose waters flow from the western Dominican Republic across central Haiti to the Caribbean Sea. USAID is currently launching a thirty million dollar watershed management project in Limbé and Montrouis watersheds, (the DEED project). Exchange of lessons learned and best practices with these initiatives will be taken into account during the implementation of the proposed project.

41. The Project will also supplement the capacity assessment and the capacity building of one major initiative supported by UNDP with regard to capacity development in the environmental sector: the PAGE Project. The immediate objective of the PAGE is to contribute to the institutional strengthening and development of tools for the sustainable management of natural resources in Haiti. Among the components of the PAGE relevant for the coordination with the current project are: 1) institutional strengthening of the environmental sector centered on institutional strengthening and partnerships building in support to the environmental management in Haiti; and 2) Strategic management of information on the environment to be implemented with the GIS National Centre of the Ministry of Planning and External Cooperation. One of the main output of this component will be the establishment of the Observatoire Nationale de l'Environnement et de la Vulnérabilité (ONEV). The carbon monitoring system to be implemented in the GEF project component 4 will be integrated with the ONEV and could be further a key player in monitoring issues in Haiti.

F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :

42. **Without GEF involvement.** Support for sustainable land management of the upper watershed of South Western Haiti has been a priority for a diverse range of local stakeholders, donors such as the IADB and the World Bank, and the Government of Haiti. This area of the country has benefited from several initiatives in the past 20 years, out of which the World Bank financed ATPPF project has been the most recent one. Such project as well as the most recent activities in the preparation of the NWMP has resulted in a substantial advancement in the development of approaches to land management and planning supported by a participatory process, key socio-economic studies, basic local awareness and capacity building and the analysis of the existing baseline scenario in terms of physical, biological, cultural, socio-economic and legal aspects of land management.

43. To date, however, the NWMP as planned for South Western Haiti will not be implemented on the totality of Macaya main range watersheds for two major reasons. One is the lack of resources, especially financial ones, which prevent the NWMP to intervene in the upper watersheds of this region. The IDB grant supported Watershed Program will cover in part such financial needs, but will fall short of intervening in critical upland areas of the region. Secondly, and equally important, uncertain land tenure and lack of physical demarcation and local sustainable management of Park Macaya protecting the headwaters and carbon stocks is a mayor barrier for efficient local land use planning, zoning and regulations to render the NWMP and the interventions in the upper watersheds fully operational. Without the GEF support the 10 communes and local NGOs and Foundations engaged in sustainable resource management will continue within their limited means to do scattered interventions but there will be no integrated land use planning and implementation of SLFM practices based on clear demarcation of park boundaries and sustainable Park management protecting the headwaters. Further there would be no LULUCF related carbon monitoring of the watershed allowing for a better understanding of carbon sequestration and emissions caused by dynamics in the land use system.

44. The business-as-usual scenario would be one where the IDB grant would invest resources in SLM and institutional strengthening in the lower parts of the Southern watersheds, improving the situation downstream but allowing for the upper watersheds and the Park to continue to undergo unsustainable timber harvesting, slash and burn agriculture, and livestock grassing extending into very steep and badly eroded mountain lands that have an impact in the entire South Western Haiti. The cycle of decreased farmer income and increased unsustainable land use in the upper watersheds will continue. The consequences would be: increased risk of natural disasters downstream, continued degradation of irrigation infrastructure in the plains, decreased water availability for agricultural, industrial and domestic use, decreased fertility of soils in the uplands, decreased carbon sequestration due to continued degradation of remaining forested areas, increased sedimentation risk for marine habitats in a region with considerable potential for fishing.

45. **With GEF involvement.** To address the key bottlenecks above mentioned, the proposed project would finance the required supplementary implementation of the NWMP in the upper Watershed building local capacities in land use planning and providing technical assistant and inputs to farmers for the adoption of financial sustainable and income generating SLFM technologies in agriculture and livestock activities. The project will also support the execution of a participatory physical cadastre based on GPS and local consensus, the physical demarcation of Park boundaries and

the implementation of a local co-governance scheme and management structure of the Park Macaya in coordination with the MOE and the National Protected Area System including its financial sustainability.

46. Further, the project will support forest restoration and implementation of a carbon stock and sequestration monitoring system to enhance the understanding of impacts on carbon sequestration and emissions avoided caused by changes in land use systems and vegetation and forest cover. The monitoring system was designed during project preparation with local participation adjusted to local limited capacities in managing the complex relationships between land use changes and carbon stocks and fluxes and will be an innovative first experience in installing capacities in a Caribbean country in managing LULUCF related carbon monitoring.
47. The Project will represent an important effort to assist Haiti to reach its sustainable development goals and objectives embedded in the Millennium Development Goals particularly objectives # 1 and 7. Sustainable development in Haiti is directly dependent on the planning and utilization of land resources. Mechanisms for an integrated planning and management of land resources are of great urgency and importance for the country. The GEF involvement will allow promoting an improved approach to land resource management that emphasizes the integration of physical, socio-economic and institutional aspect of land use, and stresses the need for active participation of all stakeholders in decision-making. With the effective expertise to be installed through the GEF involvement, the Project could assist decision-makers and land users in increasing the effectiveness of land resource planning and management at the national level.

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES:

48. **Civil unrest and fragile economic and social stability** place Haiti in the category of post-conflict country and may pose some risks for the implementation of the project. By focusing on governance and reversing the degradation processes of scarce natural resources, the project is attempting to address some root causes of conflicts and social instability in Haiti. The project will represent an ideal opportunity to work with stakeholders in an integrated and participatory manner to address these risks and achieving desired economic and environmental impacts. By proposing a people and institutional-based approach, the project recognizes the need to: (a) understand individual farmers and the incentives that influence their decisions; (b) build on the existing social and institutional capital in rural communities, strengthen human resources, improve the knowledge and institutional capacity of local authorities and community-based organizations; and (c) transform the governance and collective action capabilities of watershed residents and promote mechanism that will enable landscape-level transformation.
49. **Political instability at the national level** could also aggravate existing social tensions in the project area and limit the project's capacity to carry out proposed interventions, as it has been experienced in the past. The possible consequences of political instability should be mitigated by the local population's interest in increased income resulting from activities carried out by the project.
50. In general, the social and political stability risks are considered to be low, given the existing resilience of agro-forestry activities in Haiti to political crisis.
51. **Climate change risks** are mostly indirect caused by the increased frequency of hurricanes and heavy rainfalls. The deforestation pattern arising in the upper watersheds of the southwestern peninsula has made the watershed and in particular the populations living in the lower parts highly vulnerable to degradation and flooding. By trying to positively impact the local land use system and promote reforestation activities, the project will lay the foundation for good possibilities of carbon sequestration activities and reduce the natural disaster risks. The contribution of the GEF project to reduce soil run-offs and silting of sediments into the Caribbean Sea is important in relation to the resilience of the Caribbean sea to climatic changes.

H. EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:

52. The proposed GEF project will be highly cost-effective in that the IADB/MARNDR Watershed Program co-financing the project will cover all costs related to the execution of component 2 of the proposed project as well as lay the institutional foundation for watershed management and soil conservation issues in upstream areas of the

selected priority watersheds (Cavaillon, Ravine du Sud y Acul) in southwestern Haiti. Further, the proposed project interventions were identified taking into account the lessons learned in past interventions in the area and in Haiti in general and coordination efforts with other initiatives (see section II E above) has been undertaken and will be promoted under project implementation to avoid duplications, promote synergies and maximize efficient resource use.

53. In local governance strengthening cost effectiveness has been taken into account in building on established local institutions (councils and their administrative bodies) avoiding to create ad hoc only project-life bodies, which will anchor project outputs and support the communes in better utilize scarce financial resources. Local well established NGO's operating in the area will be used for SLFM investments and activities as well as go-governance of the Park Macaya to avoid setting up more expensive creations of new entities. End users of natural resources will be integrated in the planning and decision-making process of land management, assuring not only awareness on the necessity of a rationalized utilization of the scarce resources, but it will also improve the sustainability of the developed actions, and promote ownership of the project through means of visible, measurable, and beneficial on-the-ground results. By promoting inter-communality corporation, the project will allow financial scale reduction in future public infrastructure projects and SLM investments, inducing a better cooperation between communes sharing the same concerns, allowing for a more structured and efficient intervention framework.
54. The project will also support improved coordination between government and local initiatives to optimize resource use. For instance, the development of a decision making body at the Range scale (Comite Intercommunal de Massif) will better coordinate individuals, as well as project based activities, with governmental initiatives, programs and political orientations.
55. In the Adoption of SLFM Technologies component cost-effectiveness will be sought by selecting activities and technologies which will rapidly induce revenues to the more sensitive stakeholders as well as reduce erosion risks by promoting and enhancing forest cover. Reforestation on both park and private land will focus on local species, which have been shown to have the desired characteristics in reforestation efforts carried out in the area during the 1985-95 period. Top-grafting of fruit trees, which was used on a limited scale until the 1990s in Haiti, has significantly contributed recently to increased production of high value fruit for the local and export markets. Local NGOs in the project area have specialized knowledge in this field. Activities for increased coffee production will be articulated with those of a nationwide coffee producer federation, the "Fédération des Associations Cafésières Natives" and will also benefit from private sector interests that are promoting high value coffee production in the area. Proposals for investments that will support the extension of vegetable and spice production and more intensive animal production techniques are based on options that are already being developed by farmers themselves in response to growing constraints on the production of other cash crops. The proposals for component 2 include activities that will serve multiple purposes: increased soil protection in the upper watersheds, regulate water flow to protect downstream irrigation, road infrastructure and urban habitat, and increase farm income in a sustainable manner. Low-cost durable rain water harvesting structures will facilitate and stimulate high-value vegetable and spice production outside of the park area and will provide income opportunities during the construction phase. The coffee processing facility will, with a limited initial investment, open opportunities for the development of high value specialty coffee and the extension of sustainable land use through shaded coffee production. In rehabilitation of primary local carriage, the project will utilize local man power.
56. The component promoting land tenure security and conflict resolution mechanism in the Macaya National Park boarder area will lay the foundation for the SLFM approach in the long term in the upper part of the watersheds. Land tenure security will give farmers important incentives to invest in future benefits and a better establishment of the Park boarders will contribute to its protection. Instead of financing the development of a highly expensive and in the Haitian context complicated legal cadastre a pragmatic participatory physical cadastre has been selected as the cost-efficient alternative. This participatory exercise will be supported by a local conflict resolution system based on traditional tenure rules. Ultimately the physical cadastre will allow for a physical demarcation of the limits of the Macaya National Park and for putting forward a proposal of its legal establishment.
57. Also in the design of the carbon monitoring system related to LULUCF complexity allowing for accuracy in the data has been balanced with more cost-efficient but still adequate alternatives. During project design emphasis has been on drafting a methodology and a system feasible to be implement within the capacities which realistically can be build and sustained in the Haitian context.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

58. The beneficiary of the project is the Republic of Haiti and the executing agency the MOE, through a Project Executing Unit (PEU) physically located in the project zone, but under the direct authority of the Direction of Soils and Ecosystems of the Ministry.
59. At the Macaya region level, the project's institutional arrangements are based on decentralized governance, co-management, and inter-communal agreements among the 10 municipalities directly linked to the upper watersheds of the Macaya Range and Macaya National Park. These 10 communes will be formally linked by an inter-jurisdictional agreement supported by an Inter-communal Committee of the Macaya Range.
60. Based on this Inter-communal Committee, the PEU will realize the required arrangements and efforts for the creation of a Park Steering Committee integrated by local governments representatives (at the municipality level and at the communal section sub-level), civil society representatives (NGO's and foundations involved in environmental issues and potentially interested in contributing to Park co-management), and local public administration representatives (agriculture, environment, justice). This Steering Committee will define the strategic guidelines for the park management that will be implemented by the PEU. The Committee will designate internally a board of executives in charge of the monitoring of the application of these strategic guidelines by the PEU. The project resources will provide funds for the meetings and current activities of the Steering Committee and its board.
61. At the end of the project, the PEU will transform into the Macaya Park Office, and the Steering Committee of the project into the local Board of the Macaya Park, that will be representing this protected area in national board of the future National Agency for Protected Areas, to be created with a UNDP-GEF project executed in parallel and coordination with the IDB-GEF project under the responsibility of MOE. In that sense, the institutional setup of the GEF-IDB project anticipates, from its very inception, post project integration into the National System of Protected Areas (SNAP) of the MOE and its autonomous National Agency for Protected Areas (ANAP). The SNAP and ANAP are emergent institutions, presently under development by the MOE, in keeping with the landmark 2006 decree on the environment.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

62. The PEU of the project will count with the participation of five (5) qualified professionals: (i) one senior project manager; (ii) one project manager assistant; (iii) one social science specialist responsible for the technical management of the project; (iv) one procurement specialist; and (v) one accountant. The senior project manager, the assistant project manager and the accountant will be MOE employees, whereas the others will be hired as long term consultant for the project duration through a competitive bidding process. The first disbursement of the grant will be conditioned to the Bank no-objection on and further contract signing or nomination of the project manager, the accountant and the procurement specialist.
63. The project management includes three small field offices with one local animator per office, that will be directly responsible for all the processes of stakeholders consultation for the delimitation of the park (component 1), land tenure conflict mediation and resolution (component 3), and training of the technical staff of local bodies of government and public offices, under the supervision and with the support of the main office of the project, especially the social scientist.
64. Component 2 of the project will be executed by the MARNDR via the PEU for the HA-L1041 Natural Disaster Mitigation Program (PMDN) since this component will provide complementary funding for the component 2 of the HA-L1041 Program. Both operations will provide technical assistance and inputs delivery for sustainable agroforestry in the watersheds. A specific Memorandum of Understanding (MOU) will be prepared and signed between the MARNDR and the MOE in order to specify the rights and duties of both parts. The signing of this MOU will be a prior condition for the first disbursement of the grant.
65. For the procurement of goods, works and services the PEU will follow the procurement policies of the Bank (GN-2350-7 for services, GN-2349-7 for goods and works). A detailed procurement plan for the first 18 months of

execution has been prepared (see annex III and electronic link 4). All contracts for works, goods or services which amount is more than US\$ 1.000 will be controlled by the Bank before signing (ex-ante revision).

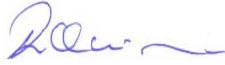
66.A detailed manual of procedures has been drafted during the project preparation and will be finalized before the beginning of the implementation of the project. The no-objection of the Bank on this manual is a prior condition for the first disbursement of the grant.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:

The Project is in general alignment with the original PIF. However, during project design it was realized that a fourth component had to be added to allow for sufficient attention to the sustainable installment in the country of the complex carbon monitoring system.

PART V: AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Ricardo Quiroga		July, 6, 2009	Gilles Damais	(509) 245 5711	gillesd@iadb.org

ANNEX A: PROJECT RESULTS FRAMEWORK

GEF-IDB SLFM UPPER WATERSHED SOUTHERN HAITI – HA-X1002

Appendix I – Results Framework

Project Objective	To address and contain the rapid environmental degradation as well as carbon stock erosion in the upper watershed of the Southern part of Haiti through the integration of sustainable land and forest management (SLFM) practices at the watershed level
--------------------------	---

OUTCOME INDICATORS	BASELINE 2009	TARGET LEVEL
Extent (in ha) of upper watershed basin area that is under (SLFM) practices	0	7,500 ha
Avoided carbon emissions and increased carbon stocks	Estimated emissions caused by land use changes without project 2009-2034: 225,000 t CO2eq	5% increase in carbon stock within the park (tCO2) by the end of the project. Total project contribution to carbon sequestration and avoided GHG emissions in 2035: 250,000 t CO2eq (To be monitored by the carbon monitoring system implemented in component 4)
% of land outside the Park in its zone of influence under SLFM	0% area under sustainable land management, land adjust via assessment at project start	70 %
Land tenure security in the park area giving incentives for SLFM practices	No security	No dispute on Park limits and 80% physically demarcated
Country acquires technical capacity and equipment to conduct carbon monitoring	No national capacity for project scale carbon monitoring	National capacity able to conduct independently similar work on another project

IDB-GEF SLFM UPPER WATERSHED SOUTHERN HAITI – RESULTS FRAMEWORK

Components / outputs	Baseline	Year 1	Year 2	Year 3	year 4	Target
COMPONENT 1 : INSTITUTIONAL AND LOCAL GOVERNANCE STRENGTHENING (MUNICIPALITIES, CASEC, CIVIL SOCIETY) AND PARK MANAGEMENT STRUCTURES						
<p><u>Outputs</u></p> <p>Municipal land use plans established by local consensus, formalized, and implemented taking into account the protection of upper watersheds and Macaya National Park.</p>	No land use plans	Technical municipal bodies of the 10 communes and their governing bodies (ASEC and CASEC) trained in participatory land use planning tools, and communal finances.	Development of 10 draft land use plans, including stakeholder consultations, technical assistance, rapid field studies	Proposed plans shared with inter-municipality partners, reviewed by ministry planners and park authority, revised, and adopted	Agreements signed by local, and national authorities and published in Le Moniteur (official government newspaper)	✓
Inter-municipal agreement to create permanent decentralized structure of Park governance and joint land use zoning, signed by local and national authorities, published in Le Moniteur	2004 draft agreement not approved by central government	Agreement negotiated, signed by 10 municipalities, submitted to national authorities	Inter-municipal agreement signed by local, park, national authorities, published in Le Moniteur	Annual compliance review, identify issues for revision or addendum	✓	✓
The borders and zoning of the park are defined in a participatory process	No precise legislation defining park boundaries	Agreement achieved on delimitation plan and zoning , park census undertaken	Boundaries legislation proposed, local populations informed	Survey team mobilized, disputes identified, boundaries delimited	Proposed legislation to define park boundaries submitted at national level	✓
Park management plan consistent with municipal land use plans approved by the park board (including National authority and inter-communal agreement), and agreements signed by local, and national authorities and published in Le Moniteur	No plan; no inter-municipal agreement	Field studies undertaken (e.g., surveys), zoning plan proposed	Park Management Plan reviewed by Municipalities and submitted to national authorities	Park management plan approved by national authorities and published in Le Moniteur	✓	✓
Macaya National Park management unit, steering committee, and co-management arrangements established	No management unit; no steering committee; no supervision	Project/park managers and staff recruited, park office established, board and advisory committees created and administrative guidelines adopted	3 Co-management agreements negotiated & signed, co-management work plans proposed, approved, and implemented	Park administration implements working agreement and elaborates business plan (including resource identification).	Initial implementation of business plan	✓

Components / outputs	Baseline	Year 1	Year 2	Year 3	year 4	Target
# of Park guards and municipalities agents with surveillance capacity including clearly defined job descriptions, procedures, coordination, and lines of supervision to enforce park and land use regulations	10 untrained park guards assigned November 2008	Training program initiated for MOE and municipal park guards	8 MOE and municipal guards trained in-service and supervised	15 MOE and municipal guards trained and supervised in-service	✓	15 MOE and municipal guards trained in-service
<u>Intermediate Outcomes</u> % of population expressing consensus on and awareness of Park limits and zoning through questionnaire at midterm and final evaluation	No zoning; limited consensus		30%		70%	70%
<u>Outcomes</u> Ha under SLFM in upper watershed basin area	0 ha	0 ha	200 ha	2,500 ha	7,500 ha	7,500 ha

IDB-GEF SLFM UPPER WATERSHED SOUTHERN HAITI – RESULTS FRAMEWORK

Components / outputs	Baseline	Year 1	Year 2	Year 3	Year 4	Target
COMPONENT 2 : ADOPTION OF SUSTAINABLE LAND AND FOREST MANAGEMENT TECHNOLOGIES						
<u>Outputs</u>						
# of high value lumber production and fruit tree development (outside the park, on private land: Formont, Cavalier, Rendel, Fièrè Ville, Des Barrières, Rey)	baseline to be identified by a field visit after registering of beneficiaries		3,000 grafted trees/10,000 lumber seedlings	9,000 grafted trees 10,000 grafted fruit seedlings 30,000 lumber seedlings	15,000 grafted trees 20,000 grafted fruit seedlings 50,000 lumber seedlings	15.000 top grafted trees / 20.000 grafted fruit seedlings/ 50.000 lumber seedlings
Value added to organic shaded coffee production	No processing in Des Barrières		Regeneration and expansion of coffee ecosystem	Processing centre opened in Des Barrières		✓
# of rain water harvesting structures for vegetable and tree nurseries (tanks, reservoirs (impluvium), retention ponds in Formont, Durand: South-West border)	No equipment (two very small pond in Formont, Gde Plaine)	1 structure	3 structures	5 structures	10 structures	10 structures
Animal husbandry: promote forage (production and distribution of elephant grass cuttings) and sheep production (same local breed)	Baseline identified by a field visit after registering of beneficiaries		100 ewes	300 ewes	500 ewes	500 ewes
<u>Intermediate Outcome</u> Active forest restoration	no forest	0	50ha (2 zones)	100ha (3 zones)	200ha (4 zones)	4 zones (Formont, la Hatte, Desglacis Sud, Gde Plaine) 200ha
<u>Outcomes</u> Avoided carbon emissions and increased carbon stocks	Estimated emissions caused by land use changes without project 2009-2034: 225,000 t CO2eq				5% increase in carbon stock within the park (tCO2)	Total project contribution to carbon sequestration and avoided GHG emissions in 2035: 250,000 t CO2eq (To be monitored by the carbon monitoring system implemented in component 4)
% land outside the Park in zone of influence under SLFM	0% area under sustainable land management, land adjust via assessment at project start	0%	20%	40%	70%	70%

IDB-GEF SLFM UPPER WATERSHED SOUTHERN HAITI – RESULTS FRAMEWORK

Components / outputs	Baseline	Year 1	Year 2	Year 3	Year 4	Target
COMPONENT 3 : STRENGTHENING LOCAL LAND TENURE REGULATORY FRAMEWORK						
<u>Outputs</u> # of ha covered in participatory physical cadastre (elaborated using GPS and local consensus)	no cadastre	1, 500 ha	4,000 ha	7,500 ha		7,500 ha
Conflicts resolution mechanisms established	no mechanism	7 Communal Conflicts Resolution Committee	5% of land claims brought to the committee solved	30% of land claims brought to the committee solved	70% of claimed brought to the committee solved	70% of claims brought to the committee solved
Macaya National Park limits are physical marked and proposed for legal establishment	no demarcation, no law			A law proposed for legal establishment of park borders	Markers are placed on the consensual park border	Clear and secured markers every 200m on the borders and law published in Le Moniteur
Revision and analysis of formal and customary laws in use	no legal tools for land tenure conflict resolution	Land conflict case studies and synthesis of current laws done and advocacy starts	Inter communal bills to enforce new framework at the local level			Advocacy continues in Parliament with broad participation of diverse sectors of local populations
Adoption of a new land tenure regulatory framework				Training sessions for police, judges, local authorities done	police, judges and governing bodies at the local level know how to legally treat land tenure conflicts	✓
<u>Intermediate Outcomes</u> Reinforcement of Land Tenure Legal and Regulatory Framework	Not existing				70% of conflicts brought to the conflict Resolution Committee solved	✓
<u>Outcome</u> Land tenure security in the park area giving incentives for SLFM	No security				No dispute on Park limits and 80% physically demarcated	✓

IDB-GEF SLFM UPPER WATERSHED SOUTHERN HAITI – RESULTS FRAMEWORK

Components / outputs	Baseline	Year 1	Year 2	Year 3	Year 4	Target
COMPONENT 4 : GREEN HOUSE GAS (GHG) EMISSIONS AND CARBON STOCK MONITORING						
<u>Outputs</u>						
Land uses monitored	no monitoring of land uses within the entire country	100% stratification of the park, 7 land uses classes			100% stratification of the park, 7 land uses classes	100% of the zone of interest monitored (7500ha with minimum mapping area unit 1ha)
Carbon stock monitored	no monitoring of carbon stock within the entire country	Baseline calculations (precision of projections of the emissions without the project implementation)	Conduction of field inventory within the 2 forested strata	Conduction of field inventory within the 2 forested strata	Full monitoring year: all calculations recommended in the methodology done	100% of the park monitored for above and belowground biomass carbon stock
Technical capacity installed	A small team (6 persons) in charge of national carbon accounting (University, Ministry of Agriculture, Ministry of Env.) are presently capacitated	Initial formation of 8 persons from MOE and MARNDR, 3 days seminar on baseline construction, 3 days seminar on monitoring methodology			Final formation of 8 persons from MOE and MARNDR, 3 days seminar on land use change monitoring, 3 days seminar on calculations	5 persons (2 project, 3 MOE and MARNDR) acquired technical capacities to conduct carbon monitoring
GHG emissions monitored (100% of elements from the GHG emissions monitoring tables (fossil fuel utilization, N fertilization) monitored, due to park activity)	no monitoring of GHG emissions within the entire country	✓	✓	✓	100% of elements from the GHG emissions monitoring tables monitored, calculations done to obtain GHG emissions during 4 years	100% of the park monitored for fossil fuel emission, nitrogen fertilizer
<u>Intermediate Outcomes</u>						
Macaya Park and zone of influence carbon monitoring system related to LULUCF operating					Full monitoring year: all calculations recommended in the methodology done	✓
<u>Outcomes</u>						
Country acquires technical capacity and equipment to conduct carbon monitoring	No national capacity for project scale carbon monitoring				National capacity able to conduct independently similar work on another project	✓

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF)

Response to GEFSEC comments to be resolved under project preparation:

GEFSEC Comments	IADB response
During preparation a cost-effectiveness analysis needs to be conducted for the proposed activities as well.	Cost effectiveness has been analyzed and taken into consideration in the design of solutions and activities in each component and in the definition of the execution scheme. Please see Part II H.

Response to STAP comments:

STAP Comments	IADB response
<p>Component 1 entails the development of watershed management plans. There is a long history of such plans, including traditional land use planning as well as soil and water conservation plans and watershed plans. Generally, a top-down type of planning where technical experts design the layout of infrastructure and the placing of investments does not work. Alternatively, to quote a recent paper, "Participation in IWM becomes high when the direct, visible benefits of the programme are consistent with the interests of the people or community in question." (Tefera and Stroosnijder, 2007). In other words, planning at a watershed scale needs to be undertaken with local people as an integral part of the planning process. It would be advisable for the project proponents to elaborate on what form these plans will take, how the watershed management committees will be formed and will function, and how the needs and aspirations of local communities will be incorporated.</p>	<p>In the upper part of the Watershed, the Park Macaya area, the planning exercise will be concentrated on establishing an effective management of the Park and its zone of influence to protect the headwaters and carbon sequestration services provided by the Park. The Planning process will build on already existing local institutions with land use planning responsibility. The processes will consist in the participatory elaboration of the communal land planning schemes (SCAT), which will allow for consensus on communal land planning and utilization, including Park limits via a consensus based participatory physical cadastre, zoning and use regulations, and the elaboration of the Park Management Plan. Further, an Inter-municipal agreement on the creation of a permanent decentralized structure of Park governance and joint land use zoning, signed by local and national authorities will be established.</p> <p>In the mid and lower part of the watersheds the co-financing Watershed Program will finance support for the establishment of sub-watershed committees with participation of farmers and communes and the elaboration of local management plans with the sub-watershed as the physical management unit. The Plans will put emphasis on consensus based participatory establishment of zones and use regulations, the implementation of which will be backed by technical assistance and inputs provided to farmers to facilitate their adoption of technologies adequate for resource conservation and use established in the different use zones.</p> <p>During project preparation consultations have been held with communes, farmers associations and local Foundations who showed awareness on the serious environmental situation and interest in participating in local led planning and management processes recognizing at the same time the inability of the MOE in leading these processes. These local actors organized in communes, associations and foundations will via the project get technical assistance in leading these processes which will also be followed up by assistance to implement concrete income generating solutions adopting sustainable technologies and production methods.</p>
<p>Component 2 is about introduction and adoption of technologies that will raise living standards and incomes, as well as protect forest cover. Again, the record of technology transfer</p>	<p>During project preparation an agronomist expert has worked with farmers in the area to identify environmental, infrastructure and economic constraints for improving the revenue from agriculture and other production activities and obtaining long term sustainability of</p>

<p>projects is patchy. Technologies that work in one environment do not necessarily work in another environment especially amongst resource-poor communities. The project proponents are urged to take the lessons from the many decades of investment in technology adoption in the land use and water sectors, and see how their approach can better adapt itself to the felt needs of local people and therefore be acceptable and sustainable.</p>	<p>natural resource. Based on this analysis production and restoration activities and technologies to be supported by the project has been identified. An important element in the analysis has been to look at technologies and products already being taken up by farmers because of their income generating potential, analyze their environmental sustainability and identify how these initiatives combined with other initiatives can be supported by the project under a SLFM approach.</p>
<p>Component 3 will similarly bring about challenges of a scientific and technical nature. Conflict resolution especially over land issues is much discussed in the social science literature. Appropriate approaches need to be designed to use local knowledge, institutions and methods for conflict resolution. Some evidence of these considerations should be inserted into the project brief so that the project managers will be alerted to the need to utilise lessons learned elsewhere.</p>	<p>The land tenure situations is one of the most complex challenges of this project. During project preparation a social land tenure specialist has worked with the population in the area to map out the different forms of land tenure and access to land existing in the area and strength and weaknesses of local customary and official legal institutions meant to regulate the area. Because of the highly uncertain situation and the 100% lack of a legal cadastre in Haiti the project will first elaborate a participatory physical cadastre based on local consensus and GPS. Secondly, Communal Conflicts Resolution Committees will be established applying a new land tenure regulatory framework based on a mixture of customary laws and legal regulations finally defined in communal bills.</p>
<p>The Global Environmental Benefits (Part II, Section A, last sub-section) are specified only very loosely and qualitatively in the PIF, through generic statements on the regional and global benefits of preventing deforestation and land degradation. In order to provide a baseline from which the project may measure its impact, it is advisable to identify quantitatively a number of indicators (cf – GEF-4 LD FA Strategy, for example) that could be monitored, from which GEBs can then be claimed. Baseline surveys and/or secondary sources will have some information, and with the targets for activities, it should be possible to make some estimates of some GEBs that could be attained. This is certainly possible for carbon sequestration and CO2 emissions, and simple soil loss models should provide some data for expected benefits directly in keeping vegetation cover.</p>	<p>During project preparation the baseline for avoided GHG emission and carbon sequestration for the project has been developed. Further, contributions of the project in tons CO2eq have been estimated and a carbon monitoring methodology to be implemented through component 4 has been developed (please see Appendix 1). Regarding indicators for LD benefits, the baseline and outcome in terms of area to be under SLFM has been established. Further, the carbon monitoring system includes monitoring of improved carbon stocks in soil which is a measure for soil quality and as such an indicator on LD reversing processes.</p>

Response to Council Comments:

<p>Germany:</p>	
<p>The PIF is very specific in naming outputs from the project; however, there is no mention of how the outputs will be measured or how many farmers will benefit. Additionally, the benefits of reforestation as a means for carbon sequestration are mentioned, but there is no description of how, or if, carbon emissions reductions might be measured or quantified.</p>	<p>During project preparation the baseline for avoided GHG emission and carbon sequestration for the project has been developed. Further, contributions of the project in tons CO2eq have been estimated and a carbon monitoring methodology to be implemented through component 4 has been developed (please see Appendix 1). The number of farmers and families engaged in artisanal boards sawing</p>

Consider baseline and monitoring and evaluation components to ensure that they are sufficiently incorporated and financed through the project.	and as such depending on the resources in the Macaya park area and their baseline level of revenue have been identified. These are the families who will benefit from the installment of capacities and local scheme for SLFM supported through out all project components.
The PIF also mentions the strains created by fuel-wood demand on forests. Will the project address the issue of fuel wood and possible fuel alternatives? Include a strategy for mitigating the impacts of demands for wood as fuel.	The main threat on the Macaya forest is actually not fuel-wood collection and logging but the artisanal boards sawing activity for building material production. Both threats but in particular the latter is addressed through the land use planning and SLFM supported by the project and in particular in the component 2 activity supporting timber plantation for fuel and building material production in the zone of influence out site the Macaya Park.
With regard to income-generating activities for the farmers living in the watershed, mango and coffee production are mentioned. Will there be investments in infrastructure to process coffee? What other agro forestry alternatives are being considered? Include alternatives to coffee and mango production to make income-generating activities more robust and specify how investments will be made in support of income-generating activities.	The project will, through component 2, co-finance a coffee-washing center to support the coffee producing association on the northern boarder area of the Park considering that recent studies have shown potentials for high value shaded coffee production (Haitian Blue) in this area. Other agro-forestry alternatives to be supported through component 2 and the IADB co-financing Watershed Program includes: agricultural supply chains projects (Ravine du Sud watershed, in the Macaya area) supporting essential oils, citrus, and avocados; and coffee infrastructure in the Ravine du Sud watershed.
Why did the WB Project ATPPF not achieve its desired objectives? Consider why the World Bank Project ATPPT did not achieve its goals. Are there lessons to be learned?	An analysis of lessons learned from the WB project and other projects in the Macaya area was conducted under project preparation. Main reasons for the WB project not achieving its objectives are: lack of institutional capacity building component for local authorities; separation between "those that have the money to do what has to be done (NGO's)" and "those that have the authority to do what has to be done (public institutions, local authorities); and unclear land tenure situation not solved". These lessons have been taken into consideration in the project design in particular component 1 and 3.
"Net increase by 2.5 % of forest cover in the project region" seems high given the relatively short project cycle of 4 years. Provide more details about how an increase of 2.5% forest coverage would be achieved.	This indicator has during project design been made more precise taking into account the clarity on, what the project will actually finance. As presented in the Results Framework the indicator is now 200 ha of forest restored and deforestation stopped by the end of the project.
USA	
We ask that greater attention be given in the final proposal to training and capacity development, which will be needed for the project to be successful and sustainable.	This has been taken into account in the design of all four components
We recommend that each of the major activities to be undertaken should include a capacity building component.	As above
In addition, the small scale farmers in the project area should be a primary constituency and target for benefits from the activities. The final proposal should make clear how the project will engage this constituency and upgrade their skills in terms of sustainable land management.	This will be done through the activities supported in components 1 and 2. Small scale farmers are a specific target group of component 2 executed through IADB/MARNDR PMDN Program applying the technology adoption model developed for this particular issue. This component will also focus on local capacity

	building in SLFM through local sub watershed committees.
We also suggest including capacity development for the Macaya Reserve's staff. This project should coordinate with the UNDP protected areas project to see if it can fill any gaps in capacity building. One area that might need strengthening is local participation in the management of the reserve and ensuring that benefits are shared with local communities.	As presented in the description of component 1 and Part II E above these have been important concerns during project design.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF RESOURCES

Position Titles	\$/person week	Estimated person weeks	Tasks to be performed
For Project Management			
<i>Local</i>			
Project Manager	650	192	Day-to-day project management and supervision.
Assistant (Park Manager in training)	300	192	Project management assistance and preparation to take on park management responsibilities once the GEF project is completed.
Accountant	175	192	Responsible for financial management operations of the project.
Procurement Specialist	375	192	Responsible for project procurement during implementation (hiring of consultants, purchase of equipment, services and other).
Local Facilitator (Beaumont)	75	192	Based on strategic location for the project, the facilitator will maintain daily contact with local government authorities and local communities.
Local Facilitator (Platons)	75	192	Based on strategic location for the project, the facilitator will maintain daily contact with local government authorities and local communities.
Local Facilitator (Grande Plaine)	75	192	Based on strategic location for the project, the facilitator will maintain daily contact with local government authorities and local communities.
Watershed Management Specialist	650	192	Responsible for developing and implementing local strategies to work and educate local landowners to improve land management techniques and to establish sustainable practices.
Eco-Agriculture specialist	650	192	Responsible for working with farmers to better understand the interactions between biodiversity and agricultural production, evaluate market models and opportunities for local agriculture products and services with a goal to improve livelihoods and economic returns of local farmers
<i>Justification for Travel, if any:</i>			
US\$33,500 is estimated to be spent on local travel for project management, and will be financed by the government and IDB funds.			
		1728	
For Technical Assistance			
<i>Local</i>			
Legal Specialists	1,500	96	Legal specialists will develop inter-communal agreements to collaborate on land use and park planning and management; draft bills for establishing park limits; review and proposal of new land tenure legal framework; draft park-co-management agreements; and, conduct advocacy activities.

Social Scientists	500	235	Responsible for training and capacity building of local government authorities and communal authorities on park management and land use planning. Compilation of data and accuracy verification.
Survey/research specialist	2,200	50	Conduct baseline census, registry and maps of permanent park residents and housing. Develop survey research tools to gather local socio-economic and demographic information (census of local people living in the project area)
Protected area management specialist	1,500	96	Work with local authorities to design and implement Macaya Park management plan.
Partnership development specialist	300	87	Establish project liaisons with local non-profit organizations with capacity and interest in supporting with land planning and land management activities in the project area.
GIS specialists	500	34	Mapping the project area, with special focus on the borders and limits of the Macaya National Park and zoning efforts.
Sustainable agriculture specialist	400	564	Developing tools and working with local farmers to improve agriculture practices and integrate them with biodiversity conservation practices.
Engineering specialist	500	100	Assisting in the construction and/or improvements of roads and local infrastructure to store and gather local agricultural products. Construction and refurbishing of park management infrastructures at 4 municipalities.
Animal husbandry specialist	400	31	Working with local farmers to improve animal husbandry practices.
Forestry specialist	250	24	Develop and implement reforestation plan in the project core zones of interest. Conduct forest inventory.
Land surveyors/cartographer/title registration	1,500	53	Responsible for land surveying for Macaya Park delimitation.
Environmental technician	600	35	Establishing criteria for carbon monitoring parcels. Advice on field data collection for non forest strata.
Local carbon monitoring specialist	800	6	Activities related to carbon data gathering and monitoring.
Institutional Specialist	600	120	Developing institutional and communal capacity building plans and supporting with implementation. Devise and implement a training program to build capacity, especially to develop and implement land use management and enforcement plans.
Land Tenure Specialist	800	72	Support the development of land conflicts resolution mechanism.
International			
Carbon Monitoring Specialist	3,000	10	Organizing two training sessions for staff of the Ministry of Environment and Ministry of Agriculture. Revisal of the carbon monitoring methodology, advice on field data collection for non forest strata.
<i>Justification for Travel, if any:</i>			
About US\$120,150 is estimated to be spent with local travel for technical assistance, financed with			

GEF funds.

1613

* Provide dollar rate per person week. ** Total person weeks needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

The goal of the PPG was to support the preparation of the project Sustainable Land Management of the Upper Watershed of Southwestern Haiti. This objective has been fully achieved. Through technical assistance and consultation activities with relevant stakeholders, the analyses, evaluations and recommendations needed to design the project in accordance with both Bank and GEF standards were achieved. The technical studies and analyses produced by specialized CONSULTANTS HIRED by this operation to contribute to the project design are in french and have been distributed to the relevant stakeholders, for example, the Ministry of Environment and the involved municipalities. The reports are in the Bank file system and can be forwarded upon request.

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

No issues found beside what is mentioned under Part II G.

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF Amount (\$)</i>				<i>Co-financing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
Strategic Plan for SLFM in the Project Area (including sustainable financing and social communications strategy)	Completed OBS: Final reports under examination.	50,000	23,721	40,036	9,964	50,000
Design of Project Execution Scheme (including operating manual)	Completed Obs: Final reports under examination	50,000	23,721	40,036	9,964	50,000
Design of Project Monitoring and Evaluation Framework (including Tracking tools for Measuring Carbon Benefits)	Completed	50,000	29,851	49,350	650	20,000
Design of project components, including detailed TOR and budgets	Completed OBS: Final Reports under examination	10,000	4,744	8,007	1,993	20,000
Participatory stakeholder workshops	Completed	40,000	26,643	39,760	240	10,000

Total		200,000	108,680	177,189	22,811	150,000
--------------	--	---------	---------	---------	--------	---------

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLAWS
N/A

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

HAITI

**SUSTAINABLE LAND MANAGEMENT OF THE UPPER WATERSHEDS OF
SOUTHWESTERN HAITI**

(HA-X1002)

DRAFT GRANT PROPOSAL

This document was prepared by the project team consisting of: Gilles G. Damais (RND/CHA), Team leader; Rikke Olivera (INE/RND) ; Denise Levy (INE/RND); Javier Jimenez (LEG/SGO); and Lisa Sofia Restrepo (INE/RND).

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	1
I. DESCRIPTION AND RESULTS MONITORING.....	2
A. Background, Problem Addressed, Justification.....	2
B. Objective, Components and Cost	6
C. Key Results Indicators.....	9
II. FINANCING STRUCTURE AND MAIN RISKS	10
A. Financing Instruments	10
B. Enviromental and Social Safeguard Risks	10
C. Fiduciary Risk	11
D. Other Key Issues and Risks.....	11
III. IMPLEMENTATION AND MANAGEMENT PLAN	12
A. Summary Implementation Arrangements.....	12
B. Summary of Arrangements for Monitoring Results	14

ANNEXES

- ANNEX I: DEM Summary
ANNEX II: Results Framework
ANNEX III: Summary Procurement Table
ANNEX IV: ESR Forms

ELECTRONIC LINKS

REQUIRED

1. DEM Questionnaire
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2014008>
2. Plan of Activities (POA)
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2027522>
3. Monitoring & Evaluation Arrangements
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2013473>
4. Complete Procurement Plan
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2027603>

OPTIONAL

- 1b. GEF Document Request for CEO Endorsement
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2039047>
- 2b. Detailed Budget
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2026725>
- 3b. Draft Manual of Procedures (ROP)
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2027511>
- 4b. Methodology and Baseline for Monitoring Carbon Sequestration and Avoided GHG Emissions
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2027724>
- 5b. Map of Vegetation Cover Strata in the Macaya Park Area
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=2027482>

ABBREVIATIONS

ANAP	National Agency for Protected Areas
DSF	Debt Sustainability Framework
EPBA	Enhanced Performance Based Allocation
ESMR	Environmental and Social Management Report
ESS	Environmental and Social Strategy
GEF	Global Environmental Facility
GHG	Green House Gas
IDB	Inter-American Development Bank
LULUCF	Land Use, Land Use Change and Forestry
MOE	Ministry of Environment
MOU	Memorandum of Understanding
MARNDR	Ministry of Agriculture Natural Resources and Rural Development
NDMP	Natural Disaster Mitigation Program in Priority Watersheds
PEU	Project Execution Unit
PIR	Project Implementation Review
POD	Proposal for Operation Development
PRSP	Poverty Reduction Strategy Paper
SCAT	Communal Land Use Planning Schemes
SNAP	National System of Protected Areas
SLFM	Sustainable Land and Forest Management
SSF	Safeguard and Screening Form for Screening and Classification of Projects

EXECUTIVE SUMMARY
HAITI
SUSTAINABLE LAND MANAGEMENT OF THE UPPER WATERSHEDS OF
SOUTHWESTERN HAITI (HA-X1002)

Financial Terms and Conditions		
Beneficiary: Haiti Executing Agency: Ministry of Environment (MOE), and Ministry of Agriculture, Natural Resources and Rural Development (MARNDR) for Component 2	Execution period:	48 month
	Disbursement Period:	54 month
	Currency	US\$
Source	Amount	%
IDB –(Global Environmental Facility Grant)	3,436,364	16%
Co-financing		
IDB Natural Disaster Mitigation Program; part of operation (HA-L1041)	17,250,000 ¹	82%
Local Counterpart	400,000	2%
Total	21,086,364	100%
Project at a Glance		
Project Objective/Description: The Project Objective is to contain the rapid environmental degradation in the upper watershed of the Southwestern part of Haiti through the integration of sustainable land and forest management practices at the watershed level. The Project seeks to support reforestation and implementation of a carbon stock and sequestration monitoring system to enhance the understanding of impacts on carbon sequestration and diminished emissions attributable to changes in land use systems and vegetation/forest cover.		
Special contractual clauses: Prior to the first disbursement: (i) establishment of the PEU (3.1); (ii) selection of the Project Manager, Accountant and Procurement Specialist for the Executing Unit (3.5); (iii) signature of the Memorandum of Understanding between MOE and MARNDR regarding the execution of Component 2 (3.8); (iv) adoption of the final Operating Manual (3.10); and (v) inclusion in the 2009-2010 Public Investment Program of the national cash counterpart for the Project (3.6).		
Exceptions to Bank policies: None		
Procurement: In accordance with IDB policies (GN-2349-7 and GN-2350-7)		
Project qualifies for: SEQ[] PTI[] Sector [] Geographic[] Headcount []		

¹ This amount corresponds to part of the operation HA-L1041 (Natural Disaster Mitigation Program in Priority Watersheds) with independent approval process from this IDB-GEF operation. The expected approval of the operation is in September 2009. The first phase will be US\$30 m of which US\$17.25 m will co-finance the GEF project (HA-X1002).

I. DESCRIPTION AND RESULTS MONITORING

A. Environmental conditions of watersheds in Haiti

- 1.1 With an annual per capita GDP of US\$791 in 2008², Haiti is the poorest country in the western hemisphere with very slow economic growth and rapid population growth adding to the already considerable population density, high unemployment and underemployment, and insufficient basic social services. Environmental conditions in Haiti are perhaps the worst in the entire Caribbean region with minimal land use regulations. From a forest cover of 99% in pre-Colombian times and 60% in 1923, Haiti now only has remaining forests (woodland forests, excluding coffee and other permanent tree-crops) on 1.5% of its territory (Ministry of Planning 2002). Land erosion in this mountainous country is extreme, and intensifies during the hurricane season. The continuing degradation of soils and loss of forest cover are a key factor in undermining efforts to combat poverty. Fuel wood demand exceeds new forest growth by 60% creating both a forest and fuel availability problem and threatening the ecosystem services upon which many Haitians depend directly for their subsistence. The ability of Haiti's environment to continue to provide fundamental local and global environmental services is therefore being seriously compromised, including carbon sequestration, agricultural land, sufficient and clean water, flood protection, and adequate supplies of wood and food for the benefit of current and future generations..
- 1.2 Located in the hurricane belt of the Caribbean basin, Haiti is also at high risk to natural disasters caused by hydro-meteorological events (linked to climate and particularly rainfall), made worse by the global climate change. In the last five years, hydro-meteorological events including landslides and flooding have been the main cause of loss of life in Haiti from natural disasters. For instance, up to 5,600 people died from the last five major natural disasters (flooding in May 2004 in Fonds-Verettes and in September 2004 in Gonaïves, 2007 storm Noel, 2008 hurricanes Gustav and Hanna). Natural disasters, which appear to occur more frequently and with a higher intensity, have had an even greater effect on public and productive infrastructure and GDP in Haiti.
- 1.3 Some of the watersheds most seriously affected by soil erosion and decrease in production capacity, land degradation, widespread silting of waterways and floods downstream, are to be found in the Southwestern peninsula. The upper part of the Massif de la Hotte including the highest point, Macaya Peak (2326 m.a.s.l.), in Les Nippes and Sud provinces serve as the headwaters for all watersheds in this sub region. The area has been declared the Macaya National Bioreserve (Macaya Park) because of the importance of the area for protection of these headwaters and one of the last forests left in Haiti and its prevention against soil erosion. The Park

² World Economic Outlook, April 2009.

and its influence zone cover an area of 7,500 ha including the Macaya Peak and the upper part of the watersheds down to between 1200 m. and 800 m.

B. The Macaya region

- 1.4 Watersheds around the Macaya Park face similar environmental challenges as those in the rest of the country, especially the low productivity of the land, the open-access characteristic of the natural resources and the lack of land use planning. The area is a biological rich zone and attracts farmers and dwellers from other regions in search of land, resources and new opportunities to support themselves. Increasing numbers of encroachments are observed and 5,000 households (25,000 to 30,000 persons) are now depending on the Park's natural resources for their subsistence, among which 4,000 are cultivators and 1,000 engage in the wood trade. Inappropriate land use practices such as exponential tree cutting, overgrazing and cultivation without adequate soil conservation practices exacerbated by intensive rainfall has led to rapid environmental deterioration. Although around 40% of total Park area (3,500 ha) is cultivated, but only 20% (1,500 ha) of what has informally designated as the core zone is cropped. Mean yearly cultivation revenues are US\$1,100 per household (US\$3 per day for a 5 persons family). The main limiting factors for a more sustainable agriculture are lack of roads to access markets, loss in soil fertility, crop diseases, decreasing availability of water, and no capital for even small investments. Outside the Park area, beans are the most important crop but production has decreased from 1T per hectare in the 70s to 0.35T today due to loss in soil fertility.
- 1.5 Tree logging and informal sawmills provide the most lucrative and stable jobs in the area, providing an annual income reaching US\$1,000 per household engaged in these activities, representing three times the revenues derived from agriculture and four times the revenue drawn from charcoal. Five hundred informal loggers and lumbermen operate in the Park grouped in various associations. Most of them are also farmers spending around three months a year in cultivation activities. The demand for wood is high. The local price of a dozen boards is US\$40 but in Port au Prince the price can be up to ten times higher. Wood dealer profits represent 25% of the price and their net income can reach up to US\$9,000 per year. As a consequence 120 to 150 dozen of boards are cut every week, which leads to an average of 7,500 trees logged per year, equivalent to 10 ha. There is no accurate data for the area but the estimated 1998-2005 deforestation rate and degradation rate based on comparison of aerial photos were 0.97% and 1.7% respectively. The forest cover still remaining is around 4,500 ha (2,500 of dense forest and 2,000 of open forest). (See Electronic link 4b for map showing the land use and vegetation cover in the Park area including areas mostly affected by deforestation).
- 1.6 The protection of the Park and conservation of the area of influence in the downstream watersheds is weakened by various factors; mainly the Park limits have not been legally or physically defined. Park limits were not included in the decree creating the Park published in 1983 on land ostensibly owned by the state.

This situation is further complicated by the uncertain and complex tenure in the Park area and the downstream watersheds. Private owners generally living outside the area in urban centers and own 31% of the land in the area within and around the park let out their land to tenants on a sharecrop or rental basis. State owned land representing 9% of the total in the area is also often involved in a renting system. Undivided inheritance represents 39% of the land, inheritance 11%, usufruct 7%, and other 3%. The absence of any legal control leaves the door open to State-owned land squatting. The legal and regulatory framework is unclear, not transparent and never implemented. Land tenure is subject to local conflicts and mostly regulated by local customary schemes and the State is not involved and often does not even know the location and the dimensions of their holdings. Private owners equally do not know the boundaries of their domains.

- 1.7 Previous efforts to establish zoning and land use regulations, as first steps in laying the foundation for an effective Park management and promote production activities compatible with land and forest conservation, have been limited in their impacts because of this unsolved issue. The lack of land tenure security and clarity with the Park undermines farmer incentives to invest in conservation and hinders the 10 communes (municipalities) in the area to engage in land use planning and regulation processes.
- 1.8 Another important factor preventing protection of the park and adoption of conservation practices downstream in the watersheds is lack of local land use planning and Sustainable Land and Forest Management (SLFM) capacity involving local stakeholders in decision processes and conservation activities. There have been previous attempts from the MOE to establish a top-down surveillance and enforcement of protection measures in the Park area. Support for sustainable land management of the upper watershed of Southwestern Haiti has also been a priority for a diverse range of local stakeholders, donors such as the IDB and the World Bank. Previous activities as well as the most recent activities in the preparation of the Natural Disaster Mitigation Program in Priority Watersheds – (NDMP) – has resulted in a substantial advancement in the development of approaches to land management and planning supported and basic local awareness but on-ground capacity has not been developed..

C. Country strategy in watershed management

- 1.9 As part of the implementation of the National Management Plan of Risks and Disasters, the government has realized a series of actions designed to reduce the impacts of recurring natural threats to the population and critical infrastructure in the most vulnerable watershed areas; including: (i) works in lower watersheds meant to mitigate damages caused by flooding; and (ii) assistance to producers in upper watersheds aimed at introducing farming practices meant to minimize soil erosion and to control landslides.
- 1.10 The accumulated experience from the execution of previous Bank operations provide the following three fundamental lessons learned: (i) the design of

mitigation and protection measurements need to be developed with the active participation of the locals population and within the parameters of the watershed management master plan; (ii) the producers need to derive an economic benefit in the short term from the introduction of any proposed technological change; and (iii) the participation of and strengthening of local institutions is key in guaranteeing the maintenance of the public infrastructures of protection. The Program proposes to incorporate these lessons learned in its design.

- 1.11 The local governments lack the capacity for integrated land use planning and SLFM. The failure of efforts in this regard, involving local stakeholders in co-management and integrate conservation and income generating activities in SLFM, has lead to limited results of invested resources until now. Local as well as national capacity in analysis and in the governance of land use changes influencing soil fertility and forest cover has been limited. Furthermore, there is no installed capacity to monitor the related carbon stocks and emissions.
- 1.12 The NDMP as planned for Southwestern Haiti will not be implemented across all of the Macaya watersheds for two major reasons. The first is the lack of resources, especially financial ones, prevents the NDMP from intervening in all the upper watersheds of the Macaya region. The IDB operation Natural Disaster Mitigation Program in Priority Watersheds (HA-L1041) co-financing this GEF project will finance investments in public infrastructure for protection against flood and landslide, support to sustainable agriculture and institutional strengthening for watershed management. It will cover part of the financial needs, but will not be able to intervene in all the critical upland areas of the region. Secondly, and equally important, the uncertain land tenure situation and lack of physical demarcation and local involvement in management of Park Macaya is a major barrier to efficient local land use planning, zoning and regulations to render the NDMP and the interventions in the upper watersheds of Southwestern Haiti fully operational.

D. Project Strategy

- 1.13 To address the key bottlenecks mentioned above, the IDB-GEF Project will finance the required supplementary implementation of the NDMP in the upper watershed, building local capacity in land use planning and providing technical assistance and inputs to farmers for the adoption of financially sustainable and income generating SLFM technologies in agriculture and livestock activities. The project will also support: (i) the execution of a participatory physical cadastre based on GPS and local consensus; (ii) the physical demarcation of Park boundaries; and (iii) the implementation of a local co-governance scheme and management structure of the Park Macaya in coordination with the MOE and the National Protected Area System.
- 1.14 Furthermore, the project will support forest restoration and implementation of a carbon stuck and sequestration monitoring system to enhance the understanding of impacts on carbon sequestration and reduced tied to changes in land use

systems and vegetation/forest cover. The monitoring system was designed during project preparation with local participation adapted to the to the limited local capacity in managing the complex relationships between land use changes and carbon stocks and flows and will be an innovative first experience in installing capacities in a Caribbean country in managing Land Use, Land Use Change and Forestry (LULUCF) related carbon monitoring.

- 1.15 The Project will represent an important effort to assist Haiti in promoting sustainable development processes, which in Haiti are directly dependent on the planning and utilization of land resources. Mechanisms for integrated planning and management of land resources are of great urgency and importance for the country. The Project will allow promoting an improved approach to land resource management that emphasizes the integration of physical, socio-economic and institutional aspect of land use, and stresses the need for active participation of all stakeholders in decision-making. The effective expertise to be installed through this Project in the Macaya area will also assist decision-makers and land users in increasing the effectiveness of land resource planning and management at the national level.
- 1.16 This project is linked to the 2007-2011 Country Strategy for Haiti (GN-2465) and also fits Haiti's development plan as per the Poverty Reduction Strategy Paper (PRSP) (2007) and the economic recovery program (April 2009). With relation to the IDB Country Strategy (CS) this project will strengthen environmental management, by giving incentives to farmers in terms of land tenure security and sustainable agricultural production, one of the strategic objectives of the CS.

B. Objective, Components and Cost

- 1.17 **Objective:** The project objective is to contain the rapid environmental degradation in the upper watershed of the Southern part of Haiti through the integration of sustainable land and forest management practices at the watershed level. In addition, the project seeks to support forest restoration and implementation of a carbon stock and sequestration monitoring system to enhance the understanding of impacts on carbon sequestration and reduced emissions tied to changes in land use systems and vegetation/forest cover.
- 1.18 The project will contribute to the implementation of important national initiatives linking the ecological, economic and social dimensions of land degradation most importantly the NDMP. The NDMP lead by MARNDR but coordinated with MOE will invest in institutional capacity and key infrastructure works and land management for the immediate protection of certain population centers and to reverse land degradation processes in priority watersheds. The Program will identify and intensify sustainable agricultural development in key areas of the country and enable producers and communities to gain from alternative livelihoods, while ensuring permanent and improved SLFM. The Project will complement the implementation of the NDMP in the Macaya Park area and

downstream watersheds with significant importance for land conservation, carbon sequestration and stock conservation in the Haitian context.

- 1.19 The GEF project will achieve its objective through the execution of the following components:
- 1.20 **Component 1 (US\$895,850 IDB-GEF grant; total US\$3,895,850):** *Institutional and Local Governance Strengthening* aims at strengthening national capacity in watershed management based on a SLFM approach (through co-financing activities - see Part II E) and municipal capacity in land use planning. The component will ultimately result in the effective management of the Macaya Park in a joint effort between MOE and the 10 communes involved in the Park area based on local go-governance.
- 1.21 The component will finance technical assistance for: (i) the creation of the Inter-municipal “Massif de Macaya” Committee (CIMM, Comité Intercommunal du Massif de Macaya) between the 10 communes to integrate and legalize the land planning process and allow for coordination and complementarities between communes sharing the same concern over environmental degradation processes hindering local economic development; (ii) the participatory elaboration of the communal land planning schemes (SCAT), which will allow for consensus on communal land planning and utilization, including Park limits, zoning and use regulations, and the elaboration of the Park Management Plan (will be realized in conjunction, and articulated with, component 3 supporting clarification of the complex land tenure situation); (iii) strengthening communal administrative and financial management; and (iv) design and implementation of a local co-management scheme for the Park involving communes and local NGOs in the conservation and control of different park zones through a communal corps. In the long term, the application of these institutional arrangements will be boosted at the local level by the improvement of the park guard capacity to execute their mandate and at the national level by the consolidation of the legal framework on protected areas.
- 1.22 **Component 2 (US\$996,000 IDB-GEF grant; total US\$14,796,000):** *Adoption of SLFM Technologies* will support activities to improve production revenues from agriculture and livestock among the poor local population. The financial support to be given would consist of a set amount per technology up to an aggregate ceiling equivalent to US\$500 per producer for the life of the Program. The amounts would be defined before the selection of the technologies by the beneficiaries. For each technology, the value of the support financed by the Program would include costs of inputs, labor, transportation and technical assistance. These amounts would be determined annually, subject to the annual review of the Program by the Bank and the Executor. The main objective of this component is to build local capacities for sustainable watershed management based on SLFM and technologies. Selection of activities was based on several criterias: (i) contribute to soil protection and carbon sequestration which favors ligneous and fruit tree plantation as well as shaded crops; (ii) support timber

- plantation for fuel or building material production; and (iii) and stock production. By offering better production conditions and generation of revenues outside the park area in accordance with communal zoning and use regulations via the Communal Land Use Planning Schemes (SCAT), these activities should attract Park residents and bring them to leave spontaneously the Park area.
- 1.23 The component will finance inputs and technical assistance to support: (i) the restoration of 200 ha forest in the Park area, providing job opportunities in the seedling production; (ii) the establishment of timber plantations in coordination with Component 3, solving land tenure uncertainties and conflicts; (iii) the promotion of fruit-tree production with top-grafting techniques, increasing production of high value for local and export markets; (iv) the construction of small dams and water tanks fed by downstream waters considering that watering is an important production limiting factor; and (v) intensification of sheep breeding based on forage cultivation to substitute open grazing of cows actually occurring in the Park. Finally, the component will co-finance a coffee-washing centre to support the coffee producing association on the northern boarder area of the Park considering that recent studies have shown potentials for high value shaded coffee production (Haitian Blue) in this area. The planning of these activities must be carefully adjusted to Components 1 and 3 to avoid previous mistakes where revenue-generating activities have been totally disconnected from strengthening of local land use planning, zoning and land use regulation. For instance, the activities of Component 2 should not begin prior to the first agreements on communal land use and planning.
- 1.24 **Component 3 (US\$1,036,364 IDB-GEF grant; total US\$1,180,664):** *Local land Tenure Framework Strengthening* will support the clarification of the complex land tenure situation within and around the borders of the Park Macaya as a very important first step in achieving effective protection and management of the Park supported in Component 1 and enhanced investments in SLFM supported in Component 2. The main output will be the physical demarcation of the park and a proposal for the legal establishment of its boundaries.
- 1.25 The component will finance: (i) the design of a physical cadastre of private and state owned land, starting with an information campaign and resulting in a participatory established mapping of private properties in the Park area and a first design of Park limits; (ii) setting up of a Conflict Resolution Committee and framework in each of the 10 communes, strengthening of legal local institutions including DGI (Institution responsible for state owned land management) and police in the use of the new framework, and elaboration of agreements on specific conflicts over land tenure; and (iii) proposal for legally definition of Park limits and its physical demarcation on the ground.
- 1.26 **Component 4 (US\$208,150 IDB-GEF grant; total US\$308,150):** *Land use, GHG Emission and Carbon Stock Monitoring* will install the capacities to operate the land use and carbon monitoring system designed during the project preparation (see annex). The objective is to monitor the project contribution to

avoid green house gas (GHG) emissions and carbon sequestration related to LULUCF in the Park area.

- 1.27 The component will finance technical assistance, GPS equipment, satellite images and software to: (i) perform a 100% stratification of the Park 7 land use classes and adjust the baseline calculation within the first project year; (ii) conduct field inventory of the two forest strata; and (iii) train eight personnel from MOE and MARNDR in the designed LULUCF related carbon monitoring methodology; (data collection and processing in year 4 to achieve information about end of project's results in terms of avoided carbon emissions and increased carbon stocks).
- 1.28 **Cost and Financing:** The cost of the GEF project is US\$3,436,364 to be financed with non reimbursable resources from the IDB/GEF Grant Facility. The GOH will contribute in cash with US\$400,000. At the same time, the project will benefit from additional resources coming from part of the HA-L1041 operation (US\$17,250,000 out of US\$30,000,000 to be approved in 2009). Thus the total of the Project would be US\$21,086,364, once all the operations are approved.
- 1.29 Table I-1 provides the cost summary by source and by component for the project. For details see electronic Link 2.

Table I-1: Estimated Cost by Component in US\$

Components	GEF/BID	BID HA-L1041	GOH	Total
I - Institutional and Local Governance Strengthening	895,850	3,000,000	0	3,895,850
II - Adoption of SLFM Technologies	996,000	13,800,000	0	14,796,000
III - Strengthening Local land Tenure Framework	1,036,364	0	144,300	1,180,664
IV - Land use, GHG Emission and Carbon Stock Monitoring	208,150	0	100,000	308,150
Project Management	300,000	450,000	155,700	905,700
Total	3,436,364	17,250,000	400,000	21,086,364

C. Key Results Indicators

- 1.30 Key results indicators are: 700 ha in the upper watershed basin area under SLFM; a 5% increase in carbon stocks (tons CO₂) in the Park area by the end of the project; total project contribution to carbon sequestration and avoided GHG emissions in 2035 is estimated at 250,000 t CO₂eq (to be monitored by the carbon monitoring system to be implemented in component 4); 70 % of land outside the Park in its zone of influence under SLFM; land tenure security is established in the Park area giving incentives for SLFM (no disputes on park limits and on-ground demarcation of 80% of these limits); country has acquired technical capacity to conduct carbon monitoring (can independently conduct a similar

monitoring on another project). For complete details on project outcomes and results indicators see Results Framework Annex II.

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing Instruments

- 2.1 As established in the Debt Sustainability Framework (DSF) and Enhanced Performance Based Allocation (EPBA), Haiti cannot take loans from MDBs and/or Paris Club members, due to its high level of debt distress. Grants are the only possible financing for 2009 and 2010 fiscal years.
- 2.2 The IDB/GEF financing will be phased out during the project implementation period and the yearly minimum amount of government contribution, committed by the government under project preparation.
- 2.3 The project will be executed during a 4 years period. A revolving fund equivalent to 5% of the total amount of the GEF/IDB grant will be established for disbursement purposes. It is expected that the disbursement schedule will be as following : 29% for the first year, 29% for the second year, 23% for the third year and 21% for the fourth year.

B. Economical analysis

- 2.4 Even if there is no specific formal calculation of IRR for this operation, qualitative analysis of each of the components has been undertaken and reveals its cost-effectiveness (IDBDOCS # 2039047). Furthermore, the project has been designed as a complement to the natural disaster mitigation project (HA-L1041) for which the Internal Rate of Return has been established to 30% (IDBDOCS # 2036387).

B. Environmental and Social Safeguard Risks

- 2.5 The GEF project is not anticipated to have negative direct environmental or social impacts and has been classified as a "C" through the Safeguard Classification Tool (see Annex IV). The project is designed to promote sustainable land and forest management and strengthen the protection of the Macaya Park providing local and global environmental benefits. At the same time, the Project is oriented towards promoting positive environmental and social impacts including mitigation of natural disaster risks and protection of critical natural habitats.
- 2.6 The project does not include involuntary resettlements. In the event the park boundaries will result in settlements still inside the Park, these people will be offered to resettle through incentives on a voluntary basis following the IDB policy OP-710. Works (road rehabilitation, rain water catchment areas) and incentives for sustainable agriculture for the buffer zones outside the park area are included in Component 2 and will be implemented by the Ministry of Agriculture

through the Natural Disaster Mitigation Program that includes all the required safeguards policies for IDB financed projects³.

C. Fiduciary Risk

- 2.7 The MOE has previous and current experience as executing agency for IDB funded projects including the 1668/SF-HA loan (Institutional Strengthening for the Management of the Environment – PRIGE). However, the Direction of Soils and Ecosystems of the MOE, with which the Project Executing Unit (PEU) will be directly linked, has no specific experience.
- 2.8 In order to mitigate the fiduciary risk due to this lack of experience, grant resources will be used to hire one procurement specialist and one accountant. The first disbursement of the grant will be conditioned to the Bank no-objection and selection of the accountant and procurement specialist of the PEU. The administrative staff will receive an ad-hoc training delivered at the beginning of the project execution by the fiduciary specialists in the IDB Representation in Haiti (procurement specialist and financial specialist).
- 2.9 The detailed manual of procedures drafted during the project preparation will be finalized before the beginning of the implementation of the project and will include special considerations on fiduciary issues with a detailed description of procurement procedures, administrative and accounting control procedures, reporting to the Bank and external auditing of the project. The non-objection of the Bank on this manual is also a prior condition for the first disbursement of the grant.
- 2.10 All disbursement by the Bank to the project will be done based on ex-ante review. The fiduciary specialists of the IDB representation will realize at least three fiduciary (procurement and financial) inspections per year.
- 2.11 Every six months the PEU will present to the Bank an audit report on the financial statement of the project no later than 60 days after the end of the considered six-month period. It will also present to the Bank an annual audit report no later than 120 days after the end of each year of execution. The audit report will be prepared by an agreed firm and will examine either financial issues (disbursements received / payments) or internal control procedures implemented by the PEU.

D. Other Key Issues and Risks

- 2.12 Given the fact that Haiti is in the category of post-conflict country, it may pose some risks for the implementation of the project. By focusing on governance and reversing the degradation processes of scarce natural resources, the project is attempting to address some root causes of conflicts and social instability in Haiti.

³ The HA-L1041 PMDN project is classified as a B project, An ESMR has been prepared and approved by ESR; the manual of procedures for HA-L1041 (and so for HA-X1002 Component 2) will include all the required safeguards for OP-703, OP-704 and OP-710.

The project will represent an ideal opportunity to work with stakeholders in an integrated and participatory manner to address these risks and achieving desired economic and environmental impacts. By proposing a participatory and institutional-based approach, the project recognizes the need to: (i) understand individual farmers and the incentives that influence their decisions; (ii) build on the existing social and institutional capital in rural communities, strengthen human resources, improve the knowledge and institutional capacity of local authorities and community-based organizations; and (iii) transform the governance and collective action capability of watershed residents and promote mechanism that will enable landscape-level transformation.

- 2.13 Existing social tensions in the project area could limit the project's capacity to carry out proposed interventions, as it has been experienced in the past. The possible consequences of political instability should be mitigated by the local population's interest in increased income resulting from activities carried out by the project.
- 2.14 In general, the risks associated with these factors are considered to be low, given the existing resilience of agro-forestry activities in Haiti to political crisis.
- 2.15 **Climate change risks** are mostly indirect caused by the increased frequency of hurricanes and heavy rainfalls. The deforestation pattern arising in the upper watersheds of the southwestern peninsula has made the watershed and in particular the populations living in the lower parts highly vulnerable to degradation and flooding. By trying to positively impact the local land use system and promote reforestation activities, the project will lay the foundation for good possibilities of carbon sequestration activities and reduce the natural disaster risks. The contribution of the GEF project to reduce soil run-offs and silting of sediments into the Caribbean Sea is important in relation to the resilience of the Caribbean see to climatic changes.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary Implementation Arrangements

1. Institutional arrangements

- 3.1 The beneficiary of the project is the Republic of Haiti and the executing agency is the Ministry of Environment (MOE), through a Project Executing Unit (PEU) physically located in the project zone, but under the direct authority of the Direction of Soils and Ecosystems of the Ministry. *The creation of the PEU, through an internal note signed by the Minister of Environment, is a condition for the first disbursement of the grant.*
- 3.2 At the Macaya region level, the project's institutional arrangements are based on decentralized governance, co-management, and inter-communal agreements among the 10 municipalities directly linked to the upper watersheds of the Macaya Range and Macaya National Park. These 10 communes will be formally

linked by an inter-jurisdictional agreement supported by an Inter-communal Committee of the Macaya Range.

- 3.3 Based on this Inter-communal Committee, the PEU will realize the required arrangements and efforts for the creation of a Park Steering Committee integrated by local governments representatives (at the municipality level and at the communal section sub-level), civil society representatives (NGOs and foundations involved in environmental issues and potentially interested in contributing to Park co-management), and local public administration representatives (agriculture, environment, justice). This Steering Committee will define the strategic guidelines for the park management that will be implemented by the PEU. The Committee will designate internally a board of executives in charge of the monitoring of the application of these strategic guidelines by the PEU. The project resources will provide funds for the meetings and current activities of the Steering Committee and its board.
- 3.4 At the end of the project, the PEU will transform into the Macaya Park Office, and the Steering Committee of the project into the local Board of the Macaya Park, that will represent this protected area on the national board of the future National Agency for Protected Areas, to be created with a UNDP-GEF project executed in parallel and coordination with the IDB-GEF project under the responsibility of MOE. In that sense, the institutional setup of the IDB-GEF project anticipates, from its very inception, post project integration into the National System of Protected Areas (SNAP) of the MOE and its autonomous National Agency for Protected Areas (ANAP). The SNAP and ANAP are emergent institutions, presently under development by the MOE, in keeping with the landmark 2006 decree on the environment.

2. Project implementation arrangements

- 3.5 The PEU of the project will count with the participation of five qualified professionals: (i) one senior project manager; (ii) one project manager assistant; (iii) one social science specialist responsible for the technical management of the project; (iv) one procurement specialist; and (v) one accountant. The senior project manager, the assistant project manager and the accountant will be MOE employees, whereas the others will be hired as long term consultant for the project duration through a competitive bidding process. ***The selection of the Project Director, account and procurement specialist will be a condition prior to first disbursement.***
- 3.6 The contribution of the Government of Haiti to the project financing will be partly used for paying some human resources for the project (accountant, project manager assistant, guards). ***Evidence that the required resources for the Project have been included in the 2009-2010 Public Investment Program will be a prior condition for the first disbursement of the grant.***

- 3.7 The project management includes three small field offices with one local administrator per office, that will be directly responsible for all the processes of stakeholders consultation for the delimitation of the park (Component 1), land tenure conflict mediation and resolution (Component 3), and training of the technical staff of local bodies of government and public offices, under the supervision and with the support of the main office of the project, especially the social scientist.
- 3.8 Component 2 of the project will be executed by the MARNDR via the PEU for the HA-L1041 (Natural Disaster Mitigation Program in Priority Watersheds) since this component will provide complementary funding for Component 2 of the HA-L1041 Program when it will be launched in 2010. Both operations will provide technical assistance and inputs delivery for sustainable agro-forestry in the watersheds. A specific Memorandum of Understanding (MOU) will be prepared and signed between the MARNDR and the MOE; this MOU will establish the obligations of each party regarding the execution of Component 2. ***The signing of this MOU will be a prior condition for the first disbursement of the grant.***
- 3.9 For the procurement of goods, works and services the PEU will follow the procurement policies of the Bank (GN-2350-7 for services, GN-2349-7 for goods and works). A detailed procurement plan for the first 18 months of execution has been prepared (see Annex III and electronic link 4). All contracts for works, goods or services which amount is more than US\$1,000 will be controlled by the Bank before signing (ex-ante revision).
- 3.10** A detailed manual of procedures has been drafted during the project preparation and will be finalized before the beginning of the implementation of the project. ***The enter into effect of the manual of procedures in the terms previously agreed by the Bank will be a condition prior first disbursement***

B. Summary of Arrangements for Monitoring Results

- 3.11 The PEU will coordinate the development of a permanent, integrated and cost-effective monitoring system and evaluation system that will gauge progress in achieving the project's objectives and will contribute to an integrated overview of the carbon stock situation within the project's zone of influence. The monitoring and evaluation system will function within the PEU and will be shared with partners in management, whenever the case. It is expected that within the first year, the PEU will ensure the consolidation of the baseline information for all indicators in the results framework, which will enable the continued monitoring of project's results.
- 3.12 The methodology for data collection and analysis will include the study of written documents, such as reports, work plans, and meeting minutes. Other information related to process indicators (e.g., effectiveness and efficiency of the inter-municipalities agreement on land management), will be done mainly through

- evaluations and interviews with institutional actors and stakeholders, as well as the review of meeting reports, minutes and agreements of the steering committee. In terms of environmental integrity protection indicators (e.g., the extent to which carbon stock is maintained and enhanced) will be assessed using both direct (e.g. number of hectares deforested, reforested, etc.) and indirect (e.g., amount of resources dedicated to guards) measurements and other cost-effective technologies such as satellite imagery analysis. For micro socio-economic outcome indicators, these will be measure through a combination of cost-effective methodologies, including inventories, interviews, and participatory methods.
- 3.13 Periodic reports will facilitate the monitoring and evaluation of project results and impacts, as well as support adaptive management and provide guidance to the planning and management decisions of the PEU and local partners. The project will operate based on detailed annual work plans containing a series of short-term process indicators, which will be monitored by the PEU on a day-to-day basis. The IDB Country Office in Haiti will conduct periodic supervision visits to the project site and maintain a Project Monitoring Report (PMR).
- 3.14 Along with monthly reports, mid-year progress reports, and annual reviews, the PEU will prepare the mandatory GEF Project Implementation Review (PIR), in collaboration with the designated IDB task manager. The PIR will be reviewed and analyzed by the IDB before it is sent to the GEF Secretariat.
- 3.15 Finally, independent evaluations will also be conducted on a mid-term basis and a final evaluation, which will be carried six months before project ends. These evaluations will be performed by an independent team of experienced experts commissioned by the IDB, and special administration missions could be commissioned to discuss the results of the final evaluation in Haiti. Further details are provided in the Monitoring and Evaluation Plan linked to this document.