Global Environment Facility

GEF/C.25/6
May 2, 2005

GEF Council
June 3-8, 2005

Agenda Item 10

WORK PROGRAM SUBMITTED FOR COUNCIL APPROVAL AND PROJECT RE-SUBMITTED FOR COUNCIL REVIEW PRIOR TO CEO ENDORSEMENT

Recommended Council Decision

The Council reviewed the proposed work program submitted to Council in document GEF/C.25/6, and approves it subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by June 22, 2005.

The Council finds that [, with the exception of ,]each project presented to it as part of the work program is or would be consistent with the Instrument and GEF policies and procedures and may be endorsed by the CEO for final approval by the Implementing or Executing Agency, provided that the CEO circulates to the Council Members, prior to endorsement, draft final project documents fully incorporating the Council's comments on the work program accompanied by a satisfactory explanation by the CEO of how such comments and comments of the STAP reviewer have been addressed and a confirmation by the CEO that the project continues to be consistent with the Instrument and GEF policies and procedures.

[With respect to ,the Council requests the Secretariat to arrange for Council Members to receive draft final project documents and to transmit to the CEO within four weeks any concerns they may have prior to the CEO endorsing a project document for final approval by the Implementing or Executing Agency. Such projects may be reviewed at a further Council meeting at the request of at least four Council Members.]

With respect to *Global: Development of National Biosafety Frameworks Project (10 additional countries) –Add On* (UNEP), a project document that was submitted to the Council for review prior to CEO endorsement, the Council [agrees that the project be endorsed by the CEO][requests the CEO to work with the Implementing Agency to take into account the Council's comments in revising the project document and to recirculate the project document to the Council for review prior to CEO endorsement].

Executive Summary

The CEO proposes to the Council the approval of this work program containing 19 full-sized project (FSP) proposals requesting a total GEF allocation of $183.57 million. The work program includes one project that was submitted as part of the February 2005 work program and is being re-submitted in this work program at the request of one Council Member.

Total co-financing amounts to $620.33 million which, when added to the total GEF allocation gives a total project cost value of $803.90 million.

The Turkmenistan: *Conservation and Sustainable Use of Globally Significant Biological Diversity in Khazar Nature Reserve on the Caspian Sea Coast* (UNDP) project that was initially submitted for Council review in the February 2005 intersessional work program is now being re-submitted as part of the June 2005 Work Program for Council review at the request of one Council Member who raised concerns regarding the governance environment in which this project is proposed to operate.

Outside the proposed work program, one project is re-submitted for Council review prior to CEO Endorsement. The Global: *Development of National Biosafety Frameworks Project (10 additional countries) –Add On* (UNEP) project was approved by the Council for entry into the work program at the November 2004 meeting, with the request that it be re-circulated for Council review prior to endorsement by the CEO. The final project document was distributed to the Council on March 30, 2005, for comments prior to CEO endorsement. Four Council Members requested that the project be re-submitted to the Council meeting prior to CEO endorsement. It was suggested that additional funding for the project should not go forward until the on-going evaluation of the biosafety portfolio is completed by the end of the year.

ACRONYMS

ADB	-	Asian Development Bank
ANPN	-	Agence Nationale des Parcs Nationaux
BD	-	Biological Diversity
BIG/GT	-	Biomass Integrated Gasification / Gas Turbine
CC	-	Climate Change
CEO	-	Chief Executive Officer
CIS	-	Commonwealth of Independent States
CSC	-	Customer Service Center
EE	-	Energy Efficiency
EEZ	-	Exclusive Economic Zone
EFCC	-	Externally Fired Combined Cycle
ESCO	-	Energy Service Companies
FIs	-	Financial Institutions
FSP	-	Full-Sized Project
FY	-	Fiscal Year
GEF	-	Global Environment Facility
IA	-	Implementing Agency
IDB	-	Inter-American Development Bank
IPM	-	Integrated Pest Management
IPPM	-	Integrated Production and Pest Management
ITNs	-	Insecticide Treated Nets
IVM	-	Integrated Vector Management
IW	-	International Waters
LD	-	Land Degradation
MBC	-	Mesoamerican Biological Corridor
MSP	-	Medium-Sized Project
NGO	-	Non-Governmental Organization
ODS	-	Ozone Depleting Substances
OP	-	Operational Program
PA	-	Protected Area
PDF-A	-	Project Development Facility Block A
PDF-B	-	Project Development Facility Block B
PDF-C	-	Project Development Facility Block C
PDO	-	Project Development Objective
PICs	-	Pacific Island Countries
POPs	-	Persistent Organic Pollutants
SFM	-	Sustainable Forest Management
SIDS	-	Small Island Developing States
SLM	-	Sustainable Land Management
SP	-	Strategic Priorities
STAP	-	Scientific and Technical Advisory Panel
TNC	-	The Nature Conservancy
UNDP	-	United Nations Development Programme
UNEP	-	United Nations Environment Programme

UNIDO - United Nations Industrial Development Organization

Where to send technical comments:
Council members are urged to send their technical comments electronically (in Word file) to the GEF Secretariat's program coordination registry at: gcoordination@TheGEF.org

Table of Contents

List of Annexes:

List of Tables:

I. PROJECTS IN THE PROPOSED WORK PROGRAM

Biodiversity

1. **Regional (Colombia, Ecuador, Venezuela, Peru) :** Conservation of the Biodiversity of the Paramo in the Northern and Central Andes (UNEP)
2. **Regional (Nicaragua, Honduras) :** Corazon Transboundary Biosphere Project (World Bank)
3. **Brazil :** Integrated Management of Aquatic Resources in the Amazon (World Bank)
4. **Gabon :** Support to Gabon's Forest and Environment Sector Program (PSFE) (World Bank)
5. **Namibia :** Strengthening the Protected Area Network (UNDP)
6. **Panama :** Second Rural Poverty, Natural Resources Management and Consolidation of the Mesoamerican Biological Corridor Project (World Bank)
7. **Rwanda :** Strengthening Biodiversity Conservation Capacity in the Forest Protected Area System of Rwanda (UNDP)
8. **South Africa :** Conservation and Sustainable Use of Biodiversity on the South African Wild Coast (UNDP)

Re-submission

9. **Turkmenistan :** Conservation and Sustainable Use of Globally Significant Biological Diversity in Khazar Nature Reserve on the Caspian Sea Coast (UNDP).

Climate Change

10. **Global :** Renewable Energy Enterprise Development - Seed Capital Access Facility (UNEP)
11. **Regional (Cook Islands, Fiji, Kiribati, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu) :** Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP) (UNDP)
12. **Brazil :** EFCC Advanced Technology Cogeneration Project for the Costa Pinto Sugar Refinery in Piracicaba SP Brazil (World Bank/IFC)
13. **China :** China Utility-Based Energy Efficiency Finance Program (CHUEE) (World Bank/IFC)
14. **Ukraine :** Removing Barriers to Greenhouse Gas Emissions Mitigation through Energy Efficiency in the District Heating System, Phase 2 (UNDP)

Land Degradation

15. **Guinea :** Community-based Land Management (World Bank)
16. **Kazakhstan :** Forest Protection and Reforestation (World Bank)

Persistent Organic Pollutants (POPs)

17. **Regional (Ethiopia, Madagascar, Namibia, South Africa) :** Demonstrating Cost-effectiveness and Sustainability of Environmentally-sound and Locally Appropriate Alternatives to DDT for Malaria Control in Africa (UNEP)
18. **Regional (Benin, Guinea, Mali, Mauritania, Senegal, Niger) :** Reducing Dependence on POPs and other Agro-Chemicals in the Senegal and Niger River Basins through Integrated Production, Pest and Pollution Management (UNEP)

19. **China :** Demonstration of Alternatives to Chlordane and Mirex in Termite Control (World Bank)

Project Re-submitted for Council review prior to CEO endorsement (from November 2004 Work Program)

20. **Global**: Development of National Biosafety Frameworks Project (10 additional countries) –Add On (UNEP)

II. WORK PROGRAM

1. The Chief Executive Officer (CEO), having reviewed the conclusions and recommendations of the project review meetings with the Implementing Agencies (IA), proposes to the Council the approval of this work program. It contains 19 full-sized project (FSP) proposals requesting a total GEF allocation of $183.566 million, including one project that was submitted as part of the February 2005 work program and is being re-submitted in this work program at the request of one Council Member (see work program Project Summaries for details on these projects and Annex A for their financial breakdown). This figure includes $5.05 million that was previously approved by the CEO for PDF-Bs and a PDF-C.

Table 1. Proposed Allocations for June 2005 Work Program by Focal Area

Focal Area	Projects(No)	GEF Amount ($m)	Cofin Amount ($m)	Total Project Cost ($m)
New Projects				
Biodiversity	8	66.361	172.779	239.140
Biodiversity (Biosafety)	-	-	-	-
Climate Change	5	78.439	328.256	406.695
International Waters	-	-	-	-
Land Degradation	2	12.350	93.200	105.550
Multi-focal Areas	-	-	-	-
Ozone Depletion	-	-	-	-
Persistent Organic Pollutants (POPs)	3	24.988	24.502	49.489
Sub-Total New Projects	**18**	**182.138**	**618.736**	**800.874**
Resubmitted Project (Biodiversity)	1	1.429	1.598	3.027
Total	**19**	**183.566**	**620.334**	**803.900**

2. Fourteen projects in the work program have utilized PDF-B and PDF-C grants to prepare the proposals. These PDF-B & C grants together amount to $5.05 million. No projects have used PDF-A grants to prepare project concepts.

3. No projects in this work program have been submitted by Executing Agencies under the policy of expanded opportunities.

Project Re-submitted in the June Work Program for Council Review

4. The ***Turkmenistan****: Conservation and Sustainable Use of Globally Significant Biological Diversity in Khazar Nature Reserve on the Caspian Sea Coast* (UNDP) project was initially submitted for Council review in the February 2005 intersessional work program and is now being re-submitted as part of the June 2005 Work Program for Council review at the request of one Council Member who raised concerns regarding the governance environment in which this project is proposed to operate.

Tranched Project

5. There is a tranched project in this work program in the climate change focal area, i.e. the ***Brazil****: EFCC Advanced Technology Cogeneration Project for the Costa Pinto Sugar Refinery*

in Piracicaba project (World Bank). The Council is requested to approve the entire project amount of $44 million in this work program which includes $3 million for Tranche 1 and $41 million for Tranche 2. The CEO will endorse the first tranche, and subsequently the second tranche, subject to the satisfactory achievement of triggers of the first tranche implementation, and in accordance with the standard procedures for delegated CEO endorsement.

Project Allocation Trends

6. Table 2 contains the cumulative GEF project allocations for the work programs since FY2000. Of the total GEF allocations approved by the Council since FY2000 plus the present work program, 34 percent is allocated to projects in the Climate Change focal area, 33 percent to Biodiversity/Biosafety, 16 percent to International Waters, 11 percent to Multi-focal Area projects, 3 percent to Land Degradation, 3 percent to Persistent Organic Pollutants (POPs), and 1 percent to Ozone Depleting Substances.

Table 2. Project Allocation Trends in the Work Programs FY2000 to FY2005 by Focal Area ($ million)*

Fiscal Year	BD	BD-BS	CC	IW	LD	MFA	ODS	POPs	Total
2000	182.748	-	186.405	47.425	-	29.118	7.511	-	453.207
2001	159.211	26.092	177.522	74.834	-	26.045	-	6.185	469.889
2002	84.967	7.187	134.305	80.414	-	42.227	-	-	349.099
2003	120.791	2.000	171.648	80.076	-	75.561	2.087	40.810	492.973
2004	160.309	9.833	202.133	116.487	34.350	82.623	5.176	4.565	615.475
2005	192.423	11.515	131.590	56.040	48.272	64.784	4.700	43.623	552.947
Total	900.45	56.63	1,003.60	455.28	82.62	320.36	19.47	95.18	2,933.59
Total %	31%	2%	34%	16%	3%	11%	1%	3%	100%

Note: Table includes non-expedited MSPs and EAs that were submitted for Council approval
Legend: BD – Biodiversity; BD-BS- Biosafety; CC – Climate Change; IW – International Waters; LD – Land Degradation; MFA – Multi-focal Area; ODS – Ozone Depleting Substances; POPs – Persistent Organic Pollutants

Co-financing Amount and Trends

7. The proposed sources of co-financing for this current work program, as shown in Table 3, come from beneficiaries, bilateral and multilateral agencies, foundations, recipient governments, non-governmental organizations (NGOs), the private sector, and other sources. The total co-financing is $620.33 million which, when added to the total GEF allocation ($183.57 million) gives a total project cost value of $803.90 million. Hence, every dollar of the GEF allocation is accompanied by $ 3.38 in co-financing.

8. In terms of focal areas, biodiversity has a co-financing ratio of 1: 2.57 or 72 percent of the project cost comes from co-financing. Climate change is at 81 percent, land degradation at 88 percent and POPs at 50 percent. On the average, co-financing provided 77 percent of total project cost in this work program.

Table 3. Proposed FSP Co-financing in the June 2005 Work Program ($ million)

Type	Biodiversity	Climate Change	Land Degradation	Persistent Organic Pollutants (POPs)	Total
GEF Grant	67.789	78.439	12.350	24.988	183.566
Co-Financier					
Beneficiaries	4.679	31.215	4.400	0.750	41.044
Bilateral	12.399	-	-	2.288	14.688
Foundation	-	0.700	-	-	0.700
Government	73.252	21.800	33.800	18.587	147.438
Multilateral	62.212	70.450	55.000	0.789	188.451
NGO	16.515	-	-	-	16.515
Others	4.920	69.056	-	2.087	76.063
Private Sector	0.400	135.035	-	-	135.435
Total Co-Financing	174.377	328.256	93.200	24.502	620.334
Total Project Cost	242.166	406.695	105.550	49.489	803.900
GEF:Co-Financing Ratio	2.57	4.18	7.55	0.98	3.38
Percentage Co-Financing	72%	81%	88%	50%	77%

9. Table 4 shows the trend in total co-financing amounts and ratios since FY2000. The co-financing ratio average for FY2005 is 3.47 compared to the historical average of 3.69

Table 4. Trends in Co-financing Amounts and Ratios for FY 2000 to FY 2005*

Approval FY	GEF Allocation ($m)	Co-financing Amount ($m)							Total Project Cost ($m)	Co-Financing Ratio
		BD	CC	IW	LD	MFA	ODS	POPs		
2000	453.21	406.13	1,309.84	40.31	-	46.00	1.00	-	2,256.48	3.98
2001	469.89	787.25	617.32	95.81	-	77.39	-	3.13	2,050.79	3.36
2002	349.10	211.21	881.27	286.94	-	173.96	-	-	1,902.48	4.45
2003	492.97	270.41	915.98	367.88	-	228.05	-	51.77	2,327.06	3.72
2004	615.47	658.11	429.11	752.42	67.95	212.85	6.73	7.76	2,750.40	3.47
2005	552.95	575.50	855.51	173.86	193.14	78.94	4.76	37.68	2,472.33	3.47
Total	2,933.59	2,908.61	5,009.03	1,717.22	261.09	817.19	12.49	100.34	13,759.54	3.69

Legend: BD – Biodiversity; CC – Climate Change; IW – International Waters; LD – Land Degradation; MFA – Multi-focal Area; ODS – Ozone Depleting Substances; POPs – Persistent Organic Pollutants

*Table includes non-expedited MSPs and EAs that were submitted for Council approval
Note: Cofinancing ratio = Cofinancing/GEF Allocation

Fees and Fee Ratios

10. Fees are paid to the agencies for GEF project cycle management services. Table 5 shows the fees by focal area for this work program[1].

Table 5. Proposed FSP Agency Fees for June 2005 Work Program

Focal Area	GEF Amount ($m)	Agency Fees ($m)	Projects(No)	Fee Ratio (%)
Biodiversity	67.789	5.872	9	8.66%
Biodiversity (Biosafety)				
Climate Change	78.439	6.856	5	8.74%
International Waters				
Land Degradation	12.350	1.112	2	9.00%
Multi-focal Areas				
Ozone Depletion				
Persistent Organic Pollutants (POPs)	24.988	2.175	3	8.70%
Total	**183.566**	**16.015**	**19**	**8.72%**

11. The total Agency fees for this work program are US$16.015 million, which translates into a fee ratio of 8.72 percent.

Table 6. Trends in IA Fees from FY2000 to FY2005 Work Programs

Fiscal Year	GEF Amount ($m)	Agency Fees ($m)	Project Count	Fee Ratio	Average Grant ($m)
2000	453.207	32.471	52	7.16%	8.716
2001	469.889	34.225	57	7.28%	8.244
2002	349.099	36.025	61	10.32%	5.723
2003	492.973	44.141	69	8.95%	7.145
2004	615.475	59.784	70	9.71%	8.792
2005	552.947	45.626	69	8.25%	8.014
Total	2,933.590	252.273	378	8.60%	7.761

Note: Table includes fees for all projects submitted for Council approval, including non-expedited EAs and MSPs

[1] Table 5 and Table 6 include all projects that were submitted for Council approval, which include FSPs and non-expedited EAs and MSPs.

III. APPROVED PROJECTS UNDER EXPEDITED PROCEDURES (JAN/2005 - MAR/2005)

12. The GEF also finances medium-sized projects, PDFs, and enabling activities under expedited procedures. Expedited approvals by the CEO or Implementing Agencies in the reporting period January 2005 - March 2005 comprise:

Medium-sized projects	$ 17.037 million	(19 projects)	CEO, Annex B
PDF-A	$ 0.838 million	(25 grants)	IAs, Annex C
PDF-B	$ 14.141 million	(38 grants)	CEO, Annex D
Enabling activities	$ 2.801 million	(11 projects)	CEO, Annex E
Total GEF allocation	*$ 34.817 million*		

Medium-sized Projects

13. Nineteen medium-sized projects were approved in this period for $17.037 million with co-financing of $30.853 million. Thirteen of these projects have used PDF-As amounting to $ 0.348 million. The agencies' fee requests amounted to $2.482 million. Co-financing ratio is 1: 1.81 .

Project Development Facility

14. Twenty Five PDF-A proposals amounting to $0.838 million were approved by the Implementing Agencies to prepare project concepts.

15. Thirty Eight PDF-B proposals were approved by the CEO for $14.141 million, with co-financing of $15.570 million. The co-financing ratio is 1: 1.10 .

Enabling Activities

16. Seven multi-focal area enabling activity project proposals were submitted and approved for $1.475 million.

17. Four new POPs enabling activities were submitted and approved for $1.327 million.

Projects/PDFs Approved Under the Policy of Expanded Opportunities

18. Among the projects/PDFs approved under the expedited procedures during this period, one medium-sized project and one PDF-A were submitted by UNIDO under the policy of expanded opportunities. Other Executing Agencies which submitted PDFs under the policy of expanded opportunities include IDB for two PDF-Bs and one PDF-A, and ADB for one PDF-B.

IV. PROJECT RE-SUBMITTED FOR COUNCIL REVIEW PRIOR TO CEO ENDORSEMENT (FROM THE NOVEMBER 2004 WORK PROGRAM)

19. The Global: Development of National Biosafety Frameworks Project (10 additional countries) –Add On (UNEP) project is being resubmitted for Council discussion. This project was approved by the Council for entry into the work program at the November 2004 meeting, with the request that it be re-circulated for Council review prior to endorsement by the CEO.

The final project document was distributed to the Council on March 30, 2005, for comments prior to CEO endorsement. Four Council Members requested that the project be re-submitted to the Council meeting prior to CEO endorsement. It was suggested that additional funding for the project should not go forward until the on-going evaluation of the biosafety portfolio is completed by the end of the year.

V. WORK PROGRAM PROJECT SUMMARIES

Biological Diversity

Regional (Colombia, Ecuador, Venezuela, Peru): Conservation of the Biodiversity of the Paramo in the Northern and Central Andes (UNEP)

This project's objective is to ensure the conservation of globally significant biodiversity in the Andean Paramo. This will be achieved by creating an enabling environment to improve the livelihoods of Paramo stakeholders through the conservation and sustainable use of the ecosystem's natural resources.

The project is expected to have five main outcomes:

a) Implementation of adequate conservation practices for productive activities, zoning and conservation strategies at nine Paramo sites. Activities will include participatory management plans, the filling of knowledge gaps, conservation and rehabilitation projects, and sustainable production projects.

b) Acceptance of key conservation and sustainable use policies by the governments and NGOs. Activities include implementation of an enabling policy framework at different levels, adoption of policy instruments to support management plans, a conservation action plan within the framework of Decision 523 at the Andean level, and the fostering of key policies to support conservation and sustainable use of the Andean Paramo.

c) Increased technical capacity for Paramo conservation. Activities include a Paramo management training program and an information exchange program at local, national and Andean levels.

d) Increased awareness about the importance of the Paramo ecosystem among key decision makers and both rural and urban populations. Activities include a formal environmental education program for students and teachers of local institutions, an extracurricular environmental education program for local stakeholders, a public awareness campaign, an information management program for decision making in Paramo, and a Páramo information mechanism at the Andean level.

e) An agreed replication strategy for the project, including a mechanism for implementation. Activities will support the development of an institutional alliance among key stakeholders for replication of project impacts, development of a replication plan, and implementation outside the project area.

This project covers nine critical sites in the four participating countries, which were selected by international, national and local stakeholders. Two sites are in trans-boundary areas: Loja-Piura (Peru-Ecuador) and Chils (Ecuador-Colombia). Other sites are: Tuñame and Gavidia (Venezuela), Rabanal and Belmira (Colombia), Zuleta-Mojanda and LLangahua (Ecuador) and Cajamarca (Perú). A pristine area in Colombia (El Duende) will be included as a reference site for research and comparison.

Regional (Nicaragua, Honduras): Corazon Transboundary Biosphere Project (World Bank)

Mexico and the countries of Central America are helping restore a chain of forests that stretch from South to North America. The Mesoamerican Biological Corridor initiative combines nature conservation and rural economic development through technical assistance and capacity building.

This GEF project aims to create a transboundary biosphere reserve within the heart of the Mesoamerican Biological Corridor in the Honduran and Nicaraguan mosquitia. It is clearly a country-driven commitment from both the Nicaraguan and Honduran governments. The Honduran and Nicaraguan mosquitia share similar ecological and socioeconomic characteristics and face common environmental threats, thus creating a need for a bi-national environmental management and protection of the entire mosquitia region.

GEF funding is $12.4 million (including a PDF-B), with total project costs amounting to $33.4 million. The financial package includes two World Bank projects in each country ($12 million & $4 million respectively). The project supports the GEF Biodiversity Strategic Priority #1 (covering OP3 and OP4) with a total of 3.4 million hectares of forests and mountain areas across the boundaries of two countries. Strategic Priority # 2 is justified in the document as component D, in which sustainable livelihood activities will be developed for indigenous and local communities. Biodiversity is also being mainstreamed into the core business of the Implementing Agency. The protected areas in the countries form a major chunk of the PA system in both countries with clear global benefits.

- Tawahka Asagni Indigenous Reserve, Patuca National Park and Río Plátano Biosphere Reserve in Honduras. (**1,400,000 Ha)**
- Bosawas Biosphere Reserve in Nicaragua(**2,000,000** hectares)

Brazil: Integrated Management of Aquatic Resources in the Amazon (World Bank)

This project's objective is to reduce threats to the freshwater ecosystems in the Brazilian Amazon and ensure the conservation and sustainable use of its globally important freshwater biodiversity. The project will support the mainstreaming of an integrated management approach into public policies and programs dealing with the conservation and sustainable use of freshwater biodiversity in the Brazilian Amazon River Basin.

The project addresses OP2 (*Coastal, Marine and Freshwater Ecosystems)* promoting the conservation and sustainable use of the Amazon's freshwater biodiversity. The project supports Strategic Priority #2 (*Mainstreaming Biodiversity in Production Landscapes and Sectors*) through its emphasis on the sustainable use of aquatic biodiversity in fisheries, agriculture, and, to a lesser extent, mining and tourism throughout the Amazon. The project is also relevant to OP9 (*Integrated Land and Water Multiple Focal Area)* since one of its objectives is the promotion of more sustainable land practices (with emphasis on riparian zones) for long-term conservation of water and aquatic resources in the Amazon, especially in the upper Xingu River Basin and the lower Tocantins River floodplains.

The project's expected outcomes include:

a) Establishment of an institutional framework in three sub-basins of the Brazilian Amazon to support the adoption of an integrated management approach to issues that affect the long-term conservation and sustainability of freshwater biodiversity, water resources, and the welfare of local communities;
b) Testing and implementation of technologies and production systems that support the mainstreaming of freshwater biodiversity concerns into relevant production sectors;
c) Expansion of the operational and decision-making capacity of institutions and civil society at local, state, and federal levels to adopt and implement integrated management approaches; and

Strengthened institutional capacity to manage and coordinate actions in the three sub-basins, monitor impacts, and disseminate the lessons learned through the project.

Gabon: Support to Gabon's Forest and Environment Sector Program (PSFE) (World Bank)

Tropical forests cover 85 percent of Gabon, endowing it with approximately 15 percent of the Congo Basin (the world's second largest tropical forest) and three of the world's globally important eco-regions. These forests harbor high levels of biodiversity and endemism. Recognizing the global value of these biological resources, combined with the low population density in the area (22 hectares of forest per capita), the government is seeking to implement a sustainable development strategy that avoids large-scale environmental damage and makes a globally significant contribution to biodiversity conservation in the Congo Basin.

A Letter of Sector Policy is the rationale for the PSFE program *(Programme Sectoriel Forêt et Environnement*), a sector-wide, multi-donor initiative led by the Ministry of Forests, in collaboration with the Ministry of Finance and the Agence Nationale des Parcs Nationaux . The PSFE has five key components:

1. Sustainable forest management including wildlife in production landscapes
2. Fisheries and coastal zone management
3. Development of the national parks network
4. Validation of other environmental goods and services
5. Institutional strengthening, research and training.

This proposed GEF project is designed to support components 1 and 3 of the PSFE and will be implemented within the broader framework of the PSFE program. Additionally, the project will be complemented by a separate World Bank loan which will lend support to components 1, 2, 4 and 5 of the PSFE. All GEF funds will be implemented through standard project mechanisms.

Overall, by working in national parks and surrounding buffer zones and production landscapes, this project intervention will adopt an integrated approach to biodiversity conservation. At the national level, the project will increase the operational capacity of the Agence Nationale and help identify additional areas to meet the government's goal of an additional 1 million hectares under conservation status. At the site level, the project will target five national parks and their buffer zones: Loango, Mukalaba, Mayumba, Lopé and Batéké. These parks were selected because they represent an exceptionally wide range of ecosystems and a high level of biodiversity. They also offer the highest potential for ecotourism development in Gabon. The participation of active conservation partners— including international financial institutions, international NGOs, and research institutions—provides an opportunity to leverage co-financing of the GEF contribution.

Namibia: Strengthening the Protected Area Network (UNDP)

The long term goal of this project is the sustainable management of natural resources to protect biodiversity and contribute to equitable economic and social development. The immediate objective is to improve the management effectiveness of the National System of Protected Areas in Namibia.

The project is divided into two phases, each with a six-year duration. The first phase, which is the subject of this proposal, will focus on three broad interventions:

1) Strengthening the enabling legal/policy environment and financial mechanisms for protected area management. The project will support the development of new regulations under the Parks and Wildlife Management bill, park management plans for each of the four demonstration sites, and an umbrella protected area management strategy to map and prioritize protected areas. The project will also establish a new financial mechanism for protected area management and generate a permanent knowledge management system.

2) Strengthening the institutional capacity for protected area management. The project will develop a strategic reorganization plan for the Ministry of Environment and Tourism, an in-service training scheme, short-term training courses, staff rules and procedures, and a system of incentive mechanisms. The ministry's protected area management will also be strengthened.

3) Demonstrating new ways and means of protected area management, including partnerships with other government agencies, local communities and the private sector. New management approaches will be piloted and adopted at four sites:

    a. Ai-Ais Hotsprings Park – effective functioning of a transfrontier park.
    b. Bwabwata-Mamili-Mudumu Complex – development of collaborative management and benefit sharing.
    c. Etosha/Skeleton Coast Link – partial realignment of protected areas to restore traditional migration routes.
    d. Sperrgebiet – effective multi-sectoral management of a protected areas.

Panama: Second Rural Poverty, Natural Resources Management and Consolidation of the Mesoamerican Biological Corridor Project (World Bank)

This project's objective is to conserve biodiversity and protect important forest and mountain ecosystems in Panama.

The project supports the long-term protection of biological resources by focusing on conserving remaining forested areas, promoting the reversion of marginal agricultural areas to forest, reducing land degradation, and encouraging more sustainable land use in agricultural areas of the Mesoamerican Biological Corridor. The project supports OP2 (*Coastal, Marine and Freshwater Ecosystems*), OP3 (*Forest Ecosystems*), OP4 (*Mountain Ecosystems*), and OP13 (*Conservation and Sustainable Use of Biological Diversity Important to Agriculture*). The project promotes the sustainability of protected areas, the mainstreaming of biodiversity conservation and sustainable use into productive activities, and the integration of biodiversity issues into rural development and poverty alleviation programs in key forest and mountain ecosystems.

The project addresses Strategic Priority #1 (*Catalyzing Sustainability of Protected Areas*) by demonstrating and implementing innovative financial mechanisms, catalyzing community and indigenous initiatives, building capacity for long-term sustainability, and removing barriers to facilitate public/private partnerships. The project also addresses Strategic Priority #2 (*Mainstreaming Biodiversity in Production Landscapes and Sectors*) by developing the systemic and institutional capacities of government agencies and other stakeholders to practice biodiversity conservation and contributing to innovative market incentive structures.

The project has four main components: sustainable rural development, management of natural resources and biodiversity, rural investment, and project management and coordination. The project is expected to produce the following outcomes:

a) Increased populations of indicator species and improvements to habitats and degraded areas
b) Reduced erosion and improved water quality measured by BOD and suspended solids
c) Reduced rate of deforestation and encroachment into protected areas
d) Incorporation of biodiversity in relevant government policies
e) Placement of 35,000 hectares under environmentally sustainable management
f) Improved management of Panama's National Protected Areas Systems measured by the WWF/World Bank Tracking Tool
g) Increased local co-management and self-financing for 20 protected areas.

Rwanda: Strengthening Biodiversity Conservation Capacity in the Forest Protected Area System of Rwanda (UNDP)

As conditions improve in Rwanda after a decade of civil war, genocide, and subsequent instability, the government and donors are focusing their efforts on poverty, landlessness, and HIV/AIDS. Rwanda has also identified the conservation and sustainable use of montane forests as a priority and is seeking improved management of forest protected areas.

Rwanda's three gazetted national parks cover 8 percent of the national territory and include a diversity of habitats:

- Nyungwe National Park (1,013 km^2): Africa's largest remaining block of lower montane forest, which is rich in species and the nation's primary water catchment
- Volcanoes National Park (160 km^2): Montane forest capped by afro-alpine systems, which harbor highly-endangered biota, including mountain gorillas and golden monkeys
- Akagera National Park (900 km^2): Extensive wetland/savanna, which supports a diverse large mammal fauna, in addition to nearly 600 species of birds.

Nyungwe National Park and Volcanoes National Park are globally significant and among the most important within the Albertine Rift ecoregion, the richest biological area of the African continent and home to 52 percent of Africa's birds, 39 percent of the continent's mammals, 19 percent of amphibians, and 14 percent of reptiles. Within Rwanda, these parks – especially the Volcanoes National Park, where mountain gorilla ecotourism originated 25 years ago – are seen as primary sources of tourism revenue and ecological services (domestic water supplies, erosion control, and potential hydroelectric development).

This GEF project will support the development of institutions that can effectively manage Rwanda's Protected Area Network, including its montane forests, and ensure the long-term sustainability of the biodiversity, ecological functions, environmental services, and economic benefits accruing from the protected areas. The project includes on-the-ground interventions in the montane forest protected areas as well as limited support for the savanna protected area (Akagera), which is already benefiting from other donor investment.

The GEF investments target the sustainability of the entire protected area system, with particular emphasis on : 1) central government policies and laws, financing mechanisms, staff capacities, and collaborative frameworks; 2) local capacity to plan, co-manage, and benefit from appropriate development activities on protected area-adjacent lands; and 3) capacities to conserve biodiversity through adaptive management practices within the protected areas.

The project responds to Strategic Priority #1 of the Biodiversity focal area, OP3 (*Forest Ecosystems*), and OP4 (*Mountain Ecosystems*). The project's immediate objective is to increase the capacity of protected area institutions to effectively manage the national protected area network and to improve partnerships between protected area authorities and other stakeholders. For the long term, the project seeks to improve the sustainable management of renewable natural resources while contributing to the equitable economic and social development of all segments of society.

Expected project outcomes include:

1) Improved systemic capacity within institutions and key stakeholders at the central, district and local levels, which will provide the enabling framework for enhancing the effective management of natural resources in and around the protected areas.
2) Increased institutional capacities for protected area management at the local level, with a resulting increase in socio-economic benefits to local communities and a reduction in illegal use of protected area resources.
3) Expanded management and conservation of biodiversity in forest parks, through knowledge-based adaptive management practices and field demonstrations.

At the end of the project, 117,000 hectares of natural forest in protected areas will be under effective management.

South Africa: Conservation and Sustainable Use of Biodiversity on the South African Wild Coast (UNDP)

South Africa has made tremendous strides toward establishing a well-managed national system of protected areas. However, the protected areas cover only 6 percent of the national territory and do not represent the full range of major habitat types requiring protection. The government has stressed its commitment to ensuring that the protected area network encompasses a representative sample of the country's nine biomes and 441 vegetation types. It is also dedicated to expanding the network of terrestrial protected areas to 8 percent of the land surface and increasing marine protected areas from 5 to 20 percent of the seascape.

This GEF Project will contribute to the improvement of South Africa's protected area system by developing a representative protected area estate on communally-owned land along the Wild Coast of the Eastern Cape Province. These protected areas will be managed through co-management agreements between provincial, local and national authorities, local communities, and the private sector. Three types of intervention are envisioned: (i) strengthening the institutional framework for co-management, (ii) strengthening management effectiveness in and expanding the areas of Type I protected areas (IUCN category IV)' and (iii) strengthening management effectiveness in and expanding the areas of protected areas with more flexible biodiversity and livelihood management arrangements (IUCN category VI).

These interventions will be part of an integrated *land use plan* for the Wild Coast that mainstreams the management of protected areas into the regional development framework. GEF funding will be allocated toward building capacity for protected area co-management at the systemic, institutional and individual levels. Significant co-financing has been leveraged for accompanying environmental management and community development interventions. Collectively, these interventions are expected to provide a new paradigm for protected area co-management.

Turkmenistan: Conservation and Sustainable Use of Globally Significant Biological Diversity in Khazar Nature Reserve on the Caspian Sea Coast (UNDP)

The goal of this project is to protect Turkmenistan's globally significant biodiversity by strengthening the sustainability of its National System of Protected Areas.

The project will demonstrate state-of-the-art methods and practices at the Khazar Nature Reserve, assess the effectiveness, identify best practices, and replicate these practices and methods at other sites within the National System of Protected Areas.

The project is expected to produce four primary outcomes:

a) Strengthened management capacity and conservation effectiveness. The project will pilot adaptive participatory management practices in the Reserve, strengthen the staff's technical knowledge, and strengthen the field conservation capacity of the reserve. A stakeholder working group will be established to develop and implement a protected area management plan. The project will also conduct a comprehensive capacity-building program for the Reserve.

b) Strengthened cross-sector capacity for integrated coastal management and the mainstreaming of biodiversity conservation objectives into coastal productive sectors adjacent to the Reserve. The project will help stakeholders define the conservation landscape and seascape on the Caspian Sea Coast, as well as the role of Khazar Nature Reserve within it. It will also expand information on coastal ecosystem health parameters and put in place a coastal zone management framework and planning process.

c) Expanded trust and goodwill with local communities and strengthened environmental governance over biodiversity resources. The project will demonstrate sustainable natural resource use aimed at generating new opportunities for coastal fisheries and reducing pressures on migratory waterfowl in the coastal area surrounding the Reserve. The project will also establish three community resource centers and provide small grants to support community-based development and the improvement of relations between the Reserve and surrounding communities.

d) The mainstreaming of project best practices into the National Protected Area System of Turkmenistan. The project will support new policies to encourage adaptive management, create a system-wide protected area management training program, establish an operational network for nationwide replication of best practices, strengthen Caspian-wide protected area information exchange and sharing of lessons learned, and develop a clear and compelling economic argument for protected areas' contributions to development and for the long-term financing of the Khazar Reserve and the National System of Protected Areas.

Climate Change

Global: Renewable Energy Enterprise Development - Seed Capital Access Facility (UNEP)

Seed capital is low-cost capital that helps entrepreneurs start or expand businesses. It is typically combined with technical assistance—for example, business skills development, business plan preparation, and loan negotiation with commercial banks. With support from the UN Foundation and others, UNEP has conducted a number of successful seed capital programs, for example in Brazil, China and Africa. These programs have supported a large number of small and medium size enterprises in the areas of renewable energy and energy efficiency. They have also contributed significantly to the development of a renewable energy supply and maintenance infrastructure in the target countries.

Building on this experience, this GEF project proposes to mainstream the approach among energy fund managers who currently finance only mature small and medium size enterprise investments. The GEF project will co-finance the creation of seed windows within these larger investment funds, which will be used to finance early-stage investments with lower return expectations. Surveys among the managers of these funds have shown that fostering entrepreneurs at early stages of their development can be an effective means to build-up a commercial investment pipeline. However, fund managers are cautious about experimenting with seed capital windows, as the overall short-term impact on fund operations is negative. GEF's incremental support will try to encourage the funds to integrate seed windows into their investment strategies, so that local enterprises will be able to access the kind of early stage financing needed to plan and initiate new energy projects, products and services.

The project will contain very strict guidelines to avoid duplicate financing of investment funds and entrepreneurs that may already benefit from other GEF initiatives, for example through IFC programs. IFC and UNEP have cooperated closely in the project discussions. The project includes extensive monitoring and evaluation provisions, and will track its experiences and disseminate lessons learned through the UNEP Sustainable Energy Finance Initiative. With this combination of activities, the project will help mainstream the support for small and medium size enterprises working with clean energy, and generate significant multiplication and replication effects.

Regional (Cook Islands, Fiji, Kiribati, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu): Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (UNDP)

Like many other small island developing states, the Pacific Island countries (PICs) are directly threatened by climate change through rising sea levels, elevated temperatures, and higher incidence of severe weather. Given small islands' extreme dependence on imported fossil fuels, the January 2005 conference to review the Barbados Programme of Action in Mauritius recommended that renewable energies should be more systematically deployed by small island developing states and other countries.

This project will build on the regional Pacific Island Renewable Energy Project, a GEF Medium-Sized Project that helped 15 PICs build their regional and national capacity for renewable energy use as well as assess their specific needs, opportunities, and national priorities. Most of the financing for renewable energy investment is raised by the countries themselves, as renewables are gaining prominence on national development agendas. This project will help PICs continue to develop their national and regional capacities by supplying technical training and support for policy development, scaling up the demand for renewable energy services, and helping to implement financial support programs and mechanisms. These activities will be adapted to the local situation in each of the countries, while exploiting the economies of scale through market development across the whole region.

Brazil: EFCC Advanced Technology Cogeneration Project for the Costa Pinto Sugar Refinery in Piracicaba SP Brazil (World Bank/IFC)

Brazil is among the countries with the highest potential for a biomass-based energy supply. The sugar industry has historic ties to the energy and fuel sectors—for example, through the historic cooperation on the bio-alcohol program—but also through the use of sugar cane bagasse to supply process heat and power to the sugar plants. The production of sugar provides much more bagasse than is necessary to cover the energy needs of the sugar plants, so in order to dispose of this waste product, many of the sugar mills' energy conversion units are designed and operated inefficiently. If this excess energy could be sold to the grid, it could displace grid-connected generation and would constitute an additional revenue stream to the sugar mill.

A previous GEF project supported an ambitious new Biomass Integrated Gasification / Gas Turbine technology which gasified biomass used to fuel a gas turbine. Unfortunately, the technical problems were insurmountable and the project has been cancelled.

This new project proposes a less revolutionary technology whereby the biomass-enriched gas is not fed directly into the gas turbine, but into a heat exchanger that in turn feeds into the gas turbine. Both exhausts then feed the steam turbine. The project incorporated the recommendations from the STAP workshop on the topic. For example, in the case of technical failure or supply disruption of the biomass, the proposed technology is flexible enough to use natural gas.

Using bagasse as a fuel is cost-effective and provides owner-operators with economic incentives to continue to use biomass. In addition, the technical risks are hedged by a variety of guarantees and warranties as well as equity investments by the technology supplier. The fuel supply and power off-take risks are hedged by long-term purchase agreements. Through pre-investment analysis and feasibility studies in the first tranche of the project, it will be possible to leverage local and commercial financing for the investment in the second tranche. This is in line with the STAP recommendation that typical (OP6-type) market barriers should be integrated into technologically innovative projects (OP7-type) to increase the probability of success.

China: China Utility-Based Energy Efficiency Finance Program (World Bank/IFC)

This project's objective is to create effective delivery mechanisms for systematically developing, implementing, and financing energy efficiency projects through partnerships with private energy utilities that act as the lead marketing partner, facilitator, and aggregator. The project will organize and provide marketing, development, and equipment financing services to energy users in the commercial, industrial, and multi-family residential sectors to implement energy efficiency projects. Natural gas utilities will be the primary implementation partners for the project, offering a "one-stop shop" for end-users to develop their energy efficiency projects. The utilities will work in partnership with a network of suppliers of energy efficiency products and services, financial institutions which will make loans for the investments, and a guarantee facility which will provide partial credit guarantees to help secure these loans.

The project will have four core activities:

1) The project will create, within partner utilities, a "Customer Service Center" which will act as a hub, facilitating relationships between end-users in its service territory, suppliers of energy efficiency products and services, and financial institutions that can lend for energy efficiency investments.

2) The project will provide capacity building in marketing and finance. As part of this capacity building, the project will develop standard equipment and financing packages that are suitable for commonly-found applications. The project will also create a network of qualified energy efficiency suppliers who will receive capacity building technical assistance, help design the project's standard equipment packages, and compete for sub-projects.

3) The project will work with a suitable partner to develop a guarantee facility designed to mobilize and support energy efficiency lending from local financial institutions.

4) The project will conduct a utility outreach program to share the project's tools and methods.

IFC estimates that the project will directly support the financing of $120 million in energy efficiency sub-projects, which will achieve, in the aggregate, an estimated 4.81 to 9.63 million tons of CO_2 emissions reduction. The GEF's cost per ton of CO_2 emissions reduction is estimated to be between $0.77 and $2.17.

Ukraine: Removing Barriers to Greenhouse Gas Emissions Mitigation through Energy Efficiency in the District Heating System, Phase 2 (UNDP)

This project consists of two phases. The first phase, approved in January 2000, included the establishment of a municipal energy service company (ESCO), implementation of demonstration projects, and replication activities. An independent evaluation conducted in November 2004 deemed the first phase successfully completed, thus enabling continuation to Phase 2.

The second phase has four components: (1) expansion of ESCO-Rivne operations to cover Rivne City-wide/Oblast energy efficiency activities, (2) financing of energy efficiency activities with long payback periods, (3) design and implementation of financial guarantee and risk mitigation instruments, and (4) replication of project experience and best practices throughout the Ukraine and CIS countries.

The objective of the project is to reduce fossil fuel consumption and associated greenhouse gas (GHG) emissions by removing barriers to both supply- and demand-side energy efficiency improvements in district heating systems in the main cities of Ukraine. GEF participation will reduce major existing barriers in one pilot city and provide for the replication of defined approaches and measures in other major Ukraine cities. The barriers to energy efficiency improvements in the communal heat supply sector include difficulties in arranging financing for efficiency projects; institutional constraints; lack of capacity and experience in preparing, implementing, and managing energy efficiency projects; high transaction costs for relatively small energy efficiency projects; and lack of information about existing opportunities for energy efficiency.

The project adopts a four-part approach to barrier removal. Key components are:

- capacity building to create the basis for systematic energy efficiency activities at the local level
- an integrated approach of supply- and demand-side improvements to achieve maximum fuel savings and emissions reduction
- attraction of external investment resources for an energy efficiency program in a pilot city
- project specific replication measures including the development and dissemination of relevant procedures, guidelines, and information materials, and public awareness-raising through the involvement of NGOs concerned with environmental and energy efficiency problems.

The projected average annual reduction of GHG emissions in the pilot city is estimated at 131,000 tons of CO_2 equivalent and almost 3 million tons of CO_2 equivalent over the project life cycle. Estimated total replication potential for the communal heat supply sector in other cities will reach approximately 64 million tons of CO_2 equivalent.

Land Degradation

Guinea: Community-based Land Management (World Bank)

This project's short-term objective is to pilot the integration of improved land management practices into the overall development planning process of communities and local governments in selected pilot sub-watersheds. The long-term goal is to develop sustainable and replicable approaches for preventing and mitigating the causes and negative impacts of land degradation on the structure and functional integrity of ecosystems. By adopting an integrated cross-sectoral approach linked to the second phase of the Village Communities Support Program and using sub-watersheds as a planning basis, the project will contribute to the protection of selected critical watersheds. The objectives will be achieved through the implementation of activities compatible with OP15 and GEF's strategic priorities for capacity building, with special emphasis on the use of innovative approaches and technologies.

The project's strategy is based on a participatory approach whereby local stakeholders generate ideas, decisions and interventions for the management of the natural resources on which their livelihoods depend. To effectively address land degradation, local beneficiaries must be provided with adequate resources, appropriate information, and a supporting institutional framework of watershed management planning, which is consistent with the approach envisaged by OP15.

This project aims to integrate the ecological, social and economic dimensions of land degradation to ensure full participation and cooperation at all levels. Specifically, the project will support:

- capacity building of communities to promote new land management techniques
- implementation of micro-projects which will have a positive impact on productive land and associated ecosystems
- capacity building within relevant technical ministries, and
- development of methodologies for environmental information management and the exchange of information to encourage sustainable land management throughout Guinea.

Kazakhstan: Forest Protection and Reforestation (World Bank)

Kazakhstan inherited some of the most serious environmental problems of the post-Soviet Republics. Today, the country's rangelands and forests continue to be under threat. The generally dry extra-continental climate of Kazakhstan makes the existing forest and rangeland ecosystems particularly susceptible to various threats, including desertification, fires (natural and anthropogenic, including agricultural fires), pest infestations which often follow fires, overgrazing, over-harvesting through illegal and 'sanitary' cutting, increased cutting for fuel wood, and habitat degradation from excessive hunting and tourism development

Much of the rangeland is abandoned because of lack of access, degradation, lack of water, and lack of basic amenities. Almost 10 percent of all forests in Kazakhstan are plantations established in the Soviet period to prevent wind erosion and control sand on agricultural lands. However, forest lands and rangelands have been subject to increased degradation during the recent political and economic transformation. For rangelands, the transition has led to reduced herd mobility and increasing deterioration of village pastures. For forests, the main effects have been increased fires, unauthorized cutting, overgrazing, decreased water tables, development of agricultural land, desiccation of riparian forests and increased pests and diseases. Kazakhstan's forests suffered dramatic losses from a fire in 1997, which affected as much as two percent of the forest area. The importance of each of these threats varies by region.

This joint GEF/IBRD project, "Forest Protection and Reforestation," seeks to develop environmental and economic services through more sustainable use, increased productivity, and enhanced conservation of forest and associated rangeland resources. The focus is on the northeastern pine forest and southern saxaul woodlands. The project demonstrates the strategic priority of sustainable land management covering OP15.

The project's expected outcomes include:

a) a policy, legal, organizational, and information framework to improve the management of the forests and associated rangelands;
b) rehabilitation and effective management of damaged Irtysh pine forest in the northeast (Pavlodar and East-Kazakhstan Oblasts) which will increase the value of the forest assets by reducing losses due to fire, pests, and unsustainable logging, and by increasing economic productivity and environmental services; and
c) vegetative plantings and improved management of the woodlands and associated rangelands in the south (Kyzyl-Orda Oblast) to control desertification, reduce wind-blown pollution of salts and dust from the Aral Sea bed, provide shade and fodder for livestock, and increase the value of timber and fuelwood.

The project results will include the protection of 906,000 ha of land from land degradation through the promotion of sustainable natural resource management. The project will also improve the enabling environment and institutional capacities for sustainable forest management in Kazakhstan.

Persistent Organic Pollutants (POPs)

Regional (Ethiopia, Madagascar, Namibia, South Africa): Demonstrating Cost-effectiveness and Sustainability of Environmentally-sound and Locally Appropriate Alternatives to DDT for Malaria Control in Africa (UNEP)

This project will demonstrate cost-effective, environmentally sound, and locally appropriate alternatives to DDT for malaria vector control, ensuring their sustainable use through strengthened national and local capacity for malaria control. Planning and implementation of vector control interventions require selection of appropriate vector control methods which can be applied in an area having specific and well-defined environmental and epidemiological conditions.

This project's strategy will enhance the capacity of the participating African countries to effectively plan, implement, monitor and evaluate vector control interventions that do not rely on DDT. The project will be implemented in 13 demonstration districts in the four project countries. The following alternatives to DDT will be demonstrated, based on the Integrated Vector Management approach:

- Residual house spraying with an insecticide alternative to DDT
- Insecticide treated nets
- Environmental management (including management of groundwater, irrigation schemes, dams, roads and building construction)
- Mosquito larviciding.

Expected project outcomes include:

1. Strengthening of national and local capacities for malaria control
2. Implementation of alternative methods of malaria vector control tailored to local circumstances
3. Management and use of DDT alternatives and other public health pesticides
4. Project coordination and management.

Regional (Benin, Guinea, Mali, Mauritania, Senegal, Niger): Reducing Dependence on POPs and other Agro-Chemicals in the Senegal and Niger River Basins through Integrated Production, Pest and Pollution Management (UNEP/FAO)

The project focuses on the two principal river basins in the West African sub-region—the Niger and Senegal River Basins—and addresses riverine contamination resulting mainly from irrigation agriculture in six countries.

This project seeks to protect transboundary waters in the Niger and Senegal River Basins by eliminating the use of POPs pesticides and substantially reducing and/or eliminating other toxic pesticides used in agriculture, while augmenting agricultural productivity and net economic benefits to farmers. The project will demonstrate best practices for contaminant prevention and increased agricultural productivity through participatory farmer-education approaches. Key project objectives include awareness raising and establishing community baselines, assessing freshwater contaminants, developing best practices, and developing IPPM community and trainer networks.

The project's expected outcomes include:

1. Strengthened awareness through the establishment of baselines on pesticide policies and uses, and the development of partnerships with government agencies, NGOs and farmer organizations at local, national and sub-regional levels.
2. Expanded understanding of issues and threats related to pesticide contaminant loads in rivers and irrigation and drainage systems.
3. Drastic curtailment of toxic pesticide use, elimination of POPs pesticide-use, and substantial increase in agricultural productivity and profitability through participatory training and adoption of best practices for agriculture.
4. Communication of best practices and contaminant reduction activities through networks involving communities sharing the same river-basin hydrological resources.

China: Demonstration of Alternatives to Chlordane and Mirex in Termite Control (World Bank)

Broadly, the project aims to help China formulate a robust national program for the phaseout of chlordane and mirex through non-chemical integrated termite management. Specifically, the project's objective is to develop cost-effective and sustainable alternatives to the use of chlordane and mirex in termite control in the Zhejiang and Jiangsu provinces (demonstration area) through integrated pest management. The project will also develop a national replication program for the complete phase-out of chlordane and mirex by consolidating the knowledge, lessons and experiences gleaned from the demonstration activities.

Expected project outcomes include:

(a) elimination of all chlordane and mirex consumption in the Zhejiang and Jiangsu provinces demonstration area through the introduction of alternative bait systems for prevention and remedial control of termites

(b) closure and clean-up of the chlordane and mirex production facilities at the Lyiang Guanghua Chemical Company (the production of which corresponds with the consumption of chlordane and mirex in the demonstration area) and permanent reduction of 150 tons of chlordane and mirex production

(c) introduction of comprehensive policy, regulatory and institutional reforms at the national and provincial levels to replace chlordane and mirex-based termite management with integrated termite management

(d) consolidation of project lessons, experiences, knowledge, cost-benefit analyses and monitoring and evaluation data

(e) development of a national replication program for the phase-out of chlordane and mirex in the rest of China.

Project Re-submitted for Council Review Prior to CEO Endorsement (from the November 2004 Work Program):

Global: Development of National Biosafety Frameworks Project (10 additional countries) - Add On (UNEP)

This project will assist remaining GEF eligible countries to prepare for the entry into force of the Cartagena Protocol on Biosafety. More specifically, the project will help countries prepare national biosafety frameworks, promote regional and sub-regional cooperation through the convening of regional and subregional workshops, share experiences, and build the necessary capacity.

The original project, approved at the November 2000 Council meeting, was designed for a planning figure of 100 countries with a clear commitment to support any additional eligible countries. A further request for additional funds for 20 countries was approved at the November 2003 Council, bringing the number of countries currently financed to 120. This request for additional funds for the last 10 eligible countries is an extension of the original project design with the same norms and standards.

The project's expected outcomes are:

(a) Strengthened national capacity to implement biosafety procedures and maximize the potential for the safe use of modern biotechnology

(b) Enhanced environmental management through the application of biosafety procedures

(c) Application of biosafety guidelines under the Protocol, taking into account the work of the Inter-governmental Committee for the Cartagena Protocol on Biosafety

(d) Harmonized regional and sub-regional legal instruments to simplify the process of applying and conforming to regulations

(e) Increased public awareness of the issues involved in the release of living modified organisms to promote informed debate and to ensure that any use of modern biotechnology is open and transparent

(f) An opportunity for all stakeholders to be involved in the design and implementation of a national framework for biosafety

(g) An assessment of technological capacity, its effect on implementation of national biosafety frameworks, and the means to improve it.