



Global Environment Facility Operational Phase 5 National Portfolio Formulation Document for Federated States of Micronesia

a) Description of the National Steering Committee.

The National Portfolio Formulation Exercise was led mainly by the Operational Focal Point with support from the Climate Change Country Team, CBD and CCD steering committees, and endorsement by the FSM Environmental Protection Authorities' (EPA) Directors Meeting. With the FSM political structure comprised of a National Government and four highly autonomous State Governments, broad and participatory consultation is always a pre-requisite to activities involving relatively large projects and programs such as for the GEF portfolio formulation exercise. Such exercises are led by inter-State groups or committees that represent the five Governments with National Government usually coordinating the work.

The EPA Directors Meeting is comprised of the Heads of the lead coordinating Environment Agencies for each of the five Governments and this group meets at least once a year to discuss Environmental issues and this Meeting endorsed the NPFE to be as broad as possible within the budget limitations for the process and linking with existing process where possible. The NPFE was an item of discussion in meetings held in August 2010, December 2010 and April 2011.

The Climate Change Country Team was established in 1998 to coordinate the five Governments work on Climate Change but their work has become broader and is now a technical working group to also support most work in the environment sector and this team has provided technical support to the NPFE process.

At the above regular meetings of the above Groups, the Government of FSM Operational focal point was able to implement and monitor the NPFE to ensure broad consultation with relevant stakeholders and capturing the country's priorities across the environmental focal areas.

b) Description of broader consultations

Three main consultation activities were carried out to validate priority issues for FSM under the NPFE process. The Country support fund for the NPFE was received from GEF to assist with the NPFE consultation process:

- *National Environment Conference – held in Yap State, FSM on April 11-15, 2011*

This National Environment Conference in 2011 is the third in a series of Conferences held for the nation over the past several years, involving a wide range of stakeholders from Government and non-government to speak to a theme by reviewing work and planning for ensuing actions to protect the environment of the FSM. The agenda of the Conference for 2011 was focused on the theme **BRIDGING THE GAPS FOR A HEALTHY SUSTAINABLE ENVIRONMENT** and included **an exercise** to help address the gap for financing. All participants were split into groups

by the four FSM States to formulate initial priority areas to be considered for GEF funding under operational phase 5. A presentation on the NPFE process, OP5 funding and priorities was given prior to the groups' discussions. Following discussions, each group then made presentations on priorities (see annex 1 National Environment Conference priorities). Conference participants from each of the State groups were also tasked to deliberate further in their States on the priorities presented and to prepare for finalization and adoption of priorities at the National NPFE Meeting in August 2011. (see annex 2 – Environment Conference participants list)

o *National NPFE Meeting – in Pohnpei State, FSM on August 31-September 01, 2011*

The NPFE Meeting was conducted with the primary objective of finalizing priority areas of focus to be addressed with funding from GEF OP5 (see Annex 3 – NPFE Meeting Agenda). Meeting participants were from Government and non-Government organizations in all four FSM States. Participants were able to further refine their State priorities expressed during the National Environment Conference held in early 2011 and presented their priorities for inclusion in either one comprehensive project or several projects focusing on the respective GEF focal areas. Participants list is attached as Annex 4.

o *State-level consultation meetings – throughout 2011*

Prior to the National Environment Conference in April 2011 and the National NPFE Meeting in August 2011, key stakeholders in each of the four States of FSM (Kosrae State, Pohnpei State, Chuuk State and Yap State) had their own consultations in preparation for these two national meetings. These meetings were held to discuss environment work including challenges and agree on priorities of their own States to be able to express them at the National meetings. The consultations were led by the Environment Office Directors for each of the four FSM States.

c) Brief description of country's global environmental challenges in different sectors.

The FSM faces unique challenges as a Small Island Developing State with a decentralized Government system having stewardship over rich yet fragile tropical islands scattered over an ocean area abundant with resources yet are highly vulnerable to climate change and natural disasters. The FSM has outlined its priorities and challenges for protection of its biodiversity in the National Biodiversity Strategy Action Plan (2001). A UNFCCC National Communications for climate change and the UNCCD National Action Plan are being developed with GEF OP4 resources but the drafts are developed enough to pull to see what the challenges are under these two focal areas.

The discussions at the 3rd National Environment Conference and the NPFE Exercise confirm the challenges and issues which continue to persist in FSM given the pursuit of modern lifestyle, the money economy and the increasing population which cause for increasing demand on natural resource. Though much progress on environmental protection has been seen in the past several years, conversion and degradation of habitats and ecosystems continue. Overexploitation and unsustainable harvesting continues with increasing commercialization particularly of marine resources. The persistent problems of waste and invasive species demand more attention as the



FSM interacts more with the global community and waste increase. These changes and unsustainable activities threaten the FSM's rich terrestrial and marine biodiversity.

Climate change remains the most challenging issue for an island country like FSM, especially for its outlying atolls where impacts are most evident. With FSM located far from global markets and sources of conventional energy, renewable energy is a logical option for its small population. The draft energy policy calls for 30% renewable energy use by 2020 with a push for wind energy, wave, biogas and solar energy, though solar energy is seeing some progress with some currently being installed throughout FSM with EDF funding. The FSM's GHG inventory confirms negligible levels of emission by FSM but the country believes that every effort counts and mitigation activities in FSM is necessary.

Though negligible is the FSM's level of GHG contribution, the impacts of climate change due to such GHG emissions cannot be ignored. In fact, it requires attention not only at the national level but globally and most urgently. Food security, livelihoods and peoples' survival is at stake. A large portion of FSM still rely on subsistence living, particularly those in the atolls and so the change in the climate causing sea level rise has led to coastal erosion, salt water intrusion into the water lens and inundation of arable land, limited as it is already in the small atolls. People living on the FSM atolls are worried. They are worried about survival but its not just about their own personal survival or of their family but they are also worried about survival of their culture and way of life as a people.

Additional to the environmental threats and issues are the capacity issues at the systemic, institutional and individual levels. Work on policies, legislation and regulatory framework has progressed some but require more work, especially with regards to enforcement once legislations and regulations are in place. The five FSM Governments (along with the local governments), non-government organizations and communities are working together more but their capacities also need to be improved to be able to carry out their mandates of natural resource stewardship and coordination requires constant attention to ensure they work better with each other to fulfill common objectives, especially on environmental focal areas where cross-sectoral collaboration is unavoidable. Data collection and monitoring continue to require much attention to ensure informed decision making. A capacity constraint common in small islands like FSM is related to human resources where not only is expertise (technical, technological and scientific) limited but also the actual numbers of people working in the environment sector. Funding is always an issue in small countries like FSM. Addressing such capacity gaps can enable FSM to better address its environmental issues.

It cannot be stressed enough that in FSM, action is most critical at the household level and community or village level and thus the need for active engagement at that level and not only awareness and education. National projects and programs have always sought ways to ensure this approach where direct action is undertaken at the community level, involving communities' direct work and leadership to bring about benefits to themselves and the global community. Engagement at this level is the most challenging given the capacity gaps and community dynamics but once successful, benefits of such engagement are most sustainable in island communities.



d) STAR Allocation and Priority Projects.

The STAR Allocation for FSM qualifies for complete flexibility across focal areas however the allocation is as follows:

USD in millions	CC	BD	LD	TOTAL	Flexibility
Federated States of Micronesia (FSM)	2.00	3.49	0.90	6.38	yes

The FSM Government has allocated USD\$1,289,200 of the total allocation to the GEF Small Grants Programme leaving a balance of USD\$5,090,400 for allocation by Government across the three focal areas for operational phase 5.

Following the broad consultation process in the FSM to prioritize activities for OP5 and considering the constraints and challenges, especially capacity related challenges, faced by the FSM in its work to effectively protect its resources, the FSM Government has decided to have **only one (1) single national project during OP5.**

The single project or programme will be a ridge-to-reef approach for islands in all four States of the FSM with an integrated set of components that address the different but inter-related priority areas identified during the consultation process. This project will ensure demonstration, deployment and transfer of technologies to institutions and communities in the FSM while building capacity at systemic, institutional and individual levels for effective environmental management. Governments, non-government organizations and communities will partner in this project to realize global benefits and highlighting the need for and benefits of truly integrated sustainable development.

The FSM intends to approach the United Nations Development Programme to be the implementing agency to provide formulation and implementation assistance for this single project or programme to utilize the USD\$5,090,400 for OP5. However, the FSM would expect the selected IA to involve other UN Agencies as needed to support this project and linking with other UN Agencies activities in line with UN reforms and the One UN approach.

In summary, the priorities are in the following table with some indication of which State placed higher priority (in green) for each priority area:

Consolidated FSM GEF Projects (not in priority order)	Yap	Chuuk	Pohnpei	Kosrae
1. Watershed management (ridge to reef)/ Ecosystem and invasive species management				
2. Protection (sustainable harvesting) of marine and terrestrial resources				
3. Food security intervention				
4. MC endowment				
5. Capacity building on ABS and Bio-safety Protocols				

6. Access to water <u>quality/quantity</u>				
7. Improvement to solid and hazardous waste management				
8. Shoreline protection				
9. Zoning and land use planning				
10. Climate change mitigation (renewable energy and efficiency)				
11. Cross cutting issues: education/awareness/capacity building/policy development/enforcement/appropriate technology transfer/data				
**Climate Proofing can be funded under Climate Change Adaption Fund or the Special Climate Change Fund				

e) Priority Projects in Focal Areas/Themes Outside the STAR

FSM will seek support for climate change adaptation and climate proofing activities because, like other island countries, it is already facing the impacts of climate change. The impacts exacerbate the already stressed ecosystems of the fragile islands of FSM. Integrated island ecosystem management is the approach that FSM feels is necessary for sustainable development and so despite the wide range of donor assistance and windows from which help could be secured, all such assistance will support activities that will need to be integrated with the proposed project being supported with OP5 GEF funding.

f) Priority Areas for Regional Collaboration

For some of the environmental issues facing the FSM, regional collaboration between neighboring countries in the Pacific is critical to draw upon each other's strengths and address common, cross-border issues. Discussions and regional initiatives have been launched to address the issues of invasive species, disposal or recycling of wastes, conservation and management of migratory species (particularly the pelagic resources which FSM economy relies heavily on). The region has challenged itself to protect its biodiversity and shift to renewable energy sources through its Micronesia Challenge and the Green Energy Movement (GEM), respectively. The Micronesia Challenge aims to set aside protection of 30% marine areas and 20% terrestrial areas by 2020. The Green Energy Movement strives for 20% power generation by renewable sources. These issues and initiatives need further support from a regional and global level but only to complement primary support provided to national initiatives.

Annex 1: 3rd Environment Conference

Yap Outcome: State Priorities

Yap State	Pohnpei State	Chuuk State	Kosrae State
<ul style="list-style-type: none"> - Energy Efficiency - Food Security - Waste Management - Community Network/capacity development - Understanding and monitoring of impacts of Climate change - Micronesia Challenge Endowment - Restoration of degraded areas 	<ul style="list-style-type: none"> - Watershed Management: Land Zoning, Water quality, water management, site management planning, public awareness. - Promotion of innovative technologies - Collection of plants - Solid Waste Management - Micronesia Challenge Endowment 	<ul style="list-style-type: none"> - Food Security & Climate Change: salt tolerant crops. - climate proofing - Watershed Management - Sustainable Harvesting of marine and terrestrial - Capacity building in environment sector 	<ul style="list-style-type: none"> - Shoreline protection: assessment & rehabilitation - Micronesia Challenge Endowment (protected areas management) - climate proof secondary roads - invasive species control/eradicate - taxonomy, gene bank - Land use planning - Watershed Management - Capacity Building - Drinking Water protection. - Archeological survey



3rd NATIONAL ENVIRONMENT CONFERENCE
APRIL 11-15, 2011
Yap State

Name	Organization
National Government	
1. H.E. Alik L. Alik	FSM Vice President
2. The Honorable Senator Roger S. Mori	FSM Congress
3. The Honorable Senator Peter M. Christian	FSM Congress
4. The Honorable Speaker Isaac Figir	FSM Congress
5. The Honorable Senator Joseph Urusemal	FSM Congress
6. Andrew Yatilman	Office of Environment & Emergency Management (OEEM)
7. Cindy Ehmes	OEEM
8. Beverly Susumu	OEEM
9. Lay Phillip	OEEM
10. Tony Neth	OEEM
11. Justin Rose	OEEM
12. Gillian Doone	Office of Statistics, Budget, ODA & Compact Management
13. Gibson Susumu	Department of Resources and Development
14. Vanessa K. Anisin	Department of Resources and Development
15. Marlyter Silbanuz	Department of Resources and Development
16. Lorrie Johnson-Asher	Department of Justice
17. Moses Pretrick	Department of Health
18. Dickson Wichep	Dept of Transport, Communications & Infrastructure
19. Shanty Sigrah	Department of Foreign Affairs
20. Wallace Jacob	Weather Services
Chuuk State Government	
21. Jason Poll	Chuuk Environment Protection Agency (EPA)
22. Julita Albert	Chuuk EPA
23. Brad Mori	Chuuk EPA
24. Mercy.D.Sos	Chuuk EPA
25. Jayson Robert	Attorney General's Office
26. Innocenti Penno	Department of Agriculture
27. Binasto Ruben	Department of Marine Resources
28. Romio Osiena	Department of Marine Resources
29. Kandito Kanas	Department of Public Works
Kosrae State Government	
30. The Honorable Senator Josiah Waguk	Kosrae State Legislature
31. Robert Jackson	Kosrae Island Resource Management Authority (KIRMA)
32. Simpson Ambraham	KIRMA PACC Project
33. Eric Waguk	KIRMA Forestry
34. Steve Palik	KIRMA Fisheries
35. Leonard Sigrah	KIRMA IT

36. Steve Palik	KIRMA
37. Presley Abraham	KIRMA
38. Rolner Joe	KIRMA
39. Murtanel Tollena	Department of Resources and Economic Affairs
40. Snyder Saimon	Attorney General's Office
41. James George	Kosrae Utilities Authority
42. Kiobu Luey	Historic Preservation Office
43. Norlin Livaie	Sanitation/Health Services
Pohnpei State Government	
44. Albert Roby	Pohnpei EPA
45. Henry Susaia	Pohnpei EPA
46. Donna Schuering	Pohnpei EPA
47. George Isom	Pohnpei EPA
48. Valerio Hallens	Economic Affairs
49. Adelino Lorens	Agriculture Office
50. Saimon Lihpai	Forestry Office
Yap State Government	
51. The Honorable Sebastian Anefal	Governor
52. The Honorable Senator John Mooteb	Yap State Legislature
53. Christina Fillmed	EPA
54. Constantine Yobalaw	Office of Planning and Budget
55. Kensley Ikosia	Office of Planning and Budget
56. Frank Haregaichig	Resources & Development
57. Tamdad Sulog	Resources and Development/Agriculture
58. John Solith	Resources and Development/Energy
59. Francis Ruegorong	Resources and Development/Forestry
60. Andrew Fagalur	Quarantine Services
61. Larry Raigetel	Department of Youth and Civic Affairs
62. Steven Chonmon	Food security
63. Laurence Yug	Department of Health
64. Joe Tiucheimal	Congress delegation Yap
65. Rachel Nash	Office of Planning and Budget
66. Andy Tafileichig	Department of Resources and Development, Fisheries
67. Ryan Talken	Department of Resources and Development, Forestry
68. Alexander Pong	Quarantine Services
69. Rey Johnson	Attorney General's Office
70. Timothy Ruda	Youth Affairs
71. Martin R	Youth Affairs
Partners and NGOs	
72. Okean Ehmes	UN Joint Presence/UNDP
73. Meresei Seniloli	Secretariat of the Pacific Community
74. Lucille Overhoff	GEF Small Grants Programme
75. Berna Gorong	Yap Community Action Program
76. Moses Fathal	Yap Community Action Program
77. Vanessa Fread	Yap Community Action Program
78. Javes Mooteb	Yap Community Action Program

79. Patterson Shed	Conservation Society of Pohnpei
80. Willy Kostka	Micronesia Conservation Trust
81. Liz Turk	Micronesia Conservation Trust
82. Ricky Carl	The Nature Conservation
83. Andy George	Kosrae Conservation and Safety Organization
84. Lelean Kephas	Kosrae Conservation and Safety Organization
85. Wisney Nakayama	Chuuk Conservation Society
86. Konrad Engelberger	International Consultant
87. Margie Falanruw	US Forest Service
88. Olivier Wortel	Independent Consultant
89. Jonathan Gorong	Private Sector
90. Steven Younguk	College of Micronesia
91. Clarence Kitalong	Palau Conservation Society (observer)
92. Dr. Murukesan	College of Micronesia
93. Bob Yangerluo	College of Micronesia
94. Philip Raffilpiy	IOM
95. Mike Aulerio	The Nature Conservation



**Global Environment Facility (GEF)
FSM National Portfolio Formulation Exercise
Yvonne's Conference Room
August 31-September 1, 2011
Kolonia, Pohnpei**



TENTATIVE AGENDA

OBJECTIVES:

- Identify priority projects for funding under the GEF System for Transparent Allocation of Resources (STAR)
- Consider options for allocation of GEF resources within FSM

Time	Day One	Day Two
8:30	<p>Opening (9:00 a.m.):</p> <ul style="list-style-type: none"> • Invocation • Welcoming/Opening Remarks • Introduction of participants • Workshop overview – NPFE Exercise 	<ul style="list-style-type: none"> • Group breakout/discussion on Project ideas and priorities (Group discussion by State)
10:30	<p>Break</p>	
11:00	<ul style="list-style-type: none"> • Overview of the GEF (Role of OFP/PFP/IAs) • What is the GEF STAR (enabling activities, IAs comparative advantage/Co-financing) • Allocation options 	<ul style="list-style-type: none"> • Group discussion continues...
12:00	<p>Lunch</p>	<p>EPA/KIRMA Directors meeting with Dr. Justin Rose</p>
1:30	<ul style="list-style-type: none"> • Group breakout/discussion on Project ideas and priorities (Group discussion by State) 	<ul style="list-style-type: none"> • Group presentations by State
3:00	<p>Break</p>	
3:30	<ul style="list-style-type: none"> • Group breakout/discussion on Project ideas and priorities 	<ul style="list-style-type: none"> • Discussion on Next Steps • Closing

Annex 4: NPFE Participant List

**GEF National Portfolio Formulation Exercise
August 31st – September 1st 2001
Yvonne's Conference Room
Kolonja, Pohnpei
Participant List**

Name	Organization
National Government	
1. Andrew Yatilman	Office of Environment & Emergency Management (OEEM)
2. Cindy Ehmes	OEEM
3. Beverly Susumu	OEEM
4. Lay Phillip	OEEM
5. Tony Neth	OEEM
6. Lorna Johnny	OEEM
7. Marion Henry	Department of Resources and Development
8. Gibson Susumu	Department of Resources and Development
9. SK	JICA volunteer/Department of Resources and Development
10. Alissa Takesy	Department of Resources and Development
11. Valentin Martin	Department of Resources and Development
12. Moses Pretrick	Department of Health
13. Dickson Wichep	Dept of Transport, Communications & Infrastructure
14. Jane Chigiyal	Department of Foreign Affairs
15. Shanty Sigrah	Department of Foreign Affairs
16. Wehns Billen	Department of Education
17. Sancherina Salle	Office of Statistics, Budget, ODA & Compact Management
18. Matarr Njie	Office of Statistics, Budget, ODA & Compact Management
19. Jason Poll	Chuuk Environment Protection Agency (EPA)
20. Julita Albert	Chuuk EPA
21. Brad Mori	Chuuk EPA
22. Mercy.D.Sos	Chuuk EPA
23. Ismael Mikel	Chuuk EPA
24. Innocenti Penno	Department of Agriculture
25. Binasto Ruben	Department of Marine Resources
26. Wisney Nakayama	Chuuk Conservation Society
27. Romio Osiena	Department of Marine Resources
28. Steven George	Department of Resources & Economic Affairs
29. Murtanel Tollena	Department of Resources & Economic Affairs
30. Robert Jackson	Kosrae Island Resource Management Authority (KIRMA)
31. Blair Charley	KIRMA
32. Eric Waguk	KIRMA

33. Steve Palik	KIRMA
34. Berlin Sigrah	KIRMA
35. Presley Abraham	KIRMA
36. Nena G. Nena	Department of Transportation and Infrastructure
37. Simpson Abraham	PACC Project/KIRMA
38. Standon Andrew	Historic Preservation Office
39. Norlin Livaie	Sanitation/Health Services
40. Andy George	Kosrae Conservation and Safety Organization
41. Albert Roby	Pohnpei EPA
42. Henry Susaia	Pohnpei EPA
43. Donna Schuering	Pohnpei EPA
44. George Isom	Pohnpei EPA
45. Valerio Hallens	Economic Affairs
46. Adelino Lorens	Agriculture Office
47. Saimon Lihpai	Forestry Office
48. Mikel Herbert	Marine Resources
49. Tony Bernet	Office of Public Safety – Fish and Wildlife
50. Lucas Carlos	Office of Public Safety
51. Ricky Lebehn	Office of Transportation and Infrastructure
52. Patterson Shed	Conservation Society of Pohnpei
53. Christina Fillmed	Yap EPA
54. Constantine Yobalaw	Office of Planning and Budget
55. Moses Fathal	Yap Community Action Program
56. Frank Haregaichig	Yap Resources & Development
57. Tamdad Sulog	Yap Resources and Development/Agriculture
58. Francis Ruegorong	Yap Resources and Development/Forestry
59. Gibson Santos	US Department of Agriculture – NRCS
60. Paul Lake	US Department of Agriculture – NRCS
61. Okean Ehmes	UN Joint Presence/UNDP
62. Amena Yauvoli	Secretariat of the Pacific Community
63. Emihner Johnson	Island Food Community