Review of the GEF Intersessional Work Program (IWP) February 2012

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Biological Diversity

N°06: BD-4647; Mexico: Strengthening Management Effectiveness and Resilience of Protected areas to Protect Biodiversity under Conditions of Climate Change; (UNDP); GEF Cost: 10.1 Million USD; Total Project Cost: 45.3 Million USD

Overall Comments

The proposal seems very complex, with high ambition and buidling on a large number of assumptions of hypothetical and speculative nature. Although it attempts to address key future challenges facing biodiversity conservation under increasing pressure from expected global climate change, the options offered to mitigate such threats are not convincingly argued.

The proposal reflects an overly complex construct, an amalgamation of components put together in an attempt to custom-tailor a project that meets GEF's strategic objectives under global climate change rather than Mexico's sustainable biodiversity conservation priorities.

Proposed indicators to be used to monitor project components and to measure long-term effects remain mostly unspecified and appear little suited to provide a sound basis for project evaluation. The risk assessment does not sufficiently and/or objectively address the multitude of risks related to the different project components.

The incremental value of the GEF grant is unsufficiently expounded.

Questions, Concerns and Challenges for further Project / Program Refinement

Component 2, chapter 2.6.: Please explain how the proposed "better stewardship" on private lands and ownership in conservation is expected to be achieved?

Component 3, chapter 3.3.: Please explain how communities are to be involved for improved PA management.

Component 3, chapter 26: Please explain indicators to be used to measure and predict CC impacts on a micro-site and which training is to be provided to which target group(s) to build capacities for sustainable monitoring.

Has the 43 Mio USD proposed Government co-financing (all grants) been confirmed?

50% of the protected areas under federal jurisdiction are biosphere reserves which do not qualify as protected areas per se, since only core areas enjoy protection status for biodiversity conservation. The figures provided of the total area protected in the country are therefore misleading. Please clarify.

Risk assessment: The proposed use of "adaptive management" to mitigate threats from CC is too unspecific, providing the proponent with a "carte blanche" to change goal posts at will.

Conclusions and Recommendations

The project is too complex and ambitious as presented and therefore not feasible without major changes. The project timeline of 5 years is much too short to gauge project success. Sustainability issues and the cost effectiveness of the USD 45 Mio project are inadequately addressed.

The project requires major streamlining and downsizing. Focus should be on clearly defined priority geographical areas offering sound opportunities for stakeholder participation, livelihood stabilization of rural poor and community empowerment and fair equity sharing in order to achieve broadly-based ownership in sustainable biodiversity conservation inside and outside protected areas.

Climate Change

N°16: CC-4788; India: Promoting Business Models for Increasing Penetration and Scaling up of Solar Energy (UNIDO); GEF Cost: 4.365 Million USD; Total Project Cost: 26.191 Million USD

Overall Comments

The project addresses both climate change mitigation and adaptation and contributes to assisting India in addressing its important energy challenge. The project seems well anchored in the economy given that it revolves around important Indian industrial manufacturers and innovative technologies. It has a large range of institutional partners and supporting donor agencies, which should allow it to influence the sector in a sensible way and have a large impact in terms of cost and energy savings. The multi-stakeholder approach of the project should also allow the project to have a strong replication effect. Solar appliances for medium and high temperature use appear to be relevant for a country like India, where the resource is accessible and local technologies have already been developed. Moreover, the initiative is in line with National and Regional policies and programmes for the development of renewable energies, in particular for solar energy appliances. The project also addresses socio-economic aspects since it supports local economies and tends to provide local employment.

Questions, Concerns and Challenges for further Project / Programme Refinement

- In many cases, energy efficiency measures could reduce cooling needs and the size of the plants. It does not appear in the document. Synergies with energy efficiency programs should be sought to combine the approaches.
- Very often the least cost is considered for bids. During the pilot phase, and later, other parameters should also be considered. The lowest bid may not be the best approach. A performance-based bid comparison should be developed. This would allow a better technology choice based on actual energy costs and not investment price alone.
- Industry associations should be identified and associated with the process of selecting the pilot plants. The impact for replication would be then enhanced.
- The question of dissemination of information regarding the operation and maintenance of the solar appliances supported by the project (best practices, drawbacks, actual costs…) will need to be addressed seriously so as to make sure that knowledge is effectively disseminated. This will be particularly important for the Replication/Scaling up phase.
- The fact that there are many stakeholders is both a strength and a risk for the project, as this may lead to lengthy decision-making processes, lack of flexibility and potential freezes if the stakeholders should disagree on the projects to support and/or the manufacturers to involve or not. However, it does seem that the project focus was well identified so as to be complementary to existing supporting schemes. In addition, the project brings added value through providing investment capital to grant beneficiaries. A way forward may be to spend extra time on project preparation to agree on criteria for selection of applications to be supported by the project and/or appointing a technical committee that would be in charge of selecting the projects.
- The social impact of the project could be strengthened further by including a share of small scale industries. This would need to be done in coordination with the existing UNIDO-GEF "Promoting energy efficiency and Renewable Energy in selected Micro, Small and Medium Enterprises (MSME)" Project. Alternatively, one might want to include them in the project by encouraging the larger-scale industries to join the project with a smaller-scale industrial "partner" to whom they would provide technical support. In addition, the project could increase its socio-economic impact by supporting local consulting entrepreneurs engaged in designing so-

lar energy installations, through targeted training and capacity building programmes. Finally, it might be demonstrated by the project that the development of solar installations and technologies, by reducing the cost of energy production, will ultimately benefit India's poor and vulnerable population which has no access to energy today.

Conclusions and Recommendations

This project certainly ought to be supported because it addresses key challenges for India: its sustainable energy production in coming years. In addition, the energy and cost savings will be sufficiently important to have a tangible impact on both India's industrial and energy sectors. The project's strength is that it is anchored in the local economy and makes use of a variety of complementary incentives and supporting mechanisms: targeted technical support and knowledge dissemination, provision of investment capital, grant mechanism. In addition, the project content is in line with India's national policy objectives and will be implemented in coordination with MNRE and IREDA. Further project preparation may need to address the issues of dissemination of information, smooth stakeholder coordination and increased social impact of the project. However, it is recommended to consider the remarks stated above in the final project development.

International Waters

N°21: IW-4489; Global: A Transboundary Waters Assessment Programme: Aquifers, Lake/Reservoir Basins, River Basins, Large Marine Ecosystems, and Open Ocean to Catalyze Sound Environmental Management (UNEP); GEF Cost: 5.0 Million USD; Total Project Cost: 29.074 Million USD

Overall Comments

The objective of the proposed project is to undertake a global assessment of transboundary water bodies, through a formalised consortium of partners, to support informed investments by the GEF and other international organizations, and to be sustained through a periodic process in partnership with key institutions aiming at incorporating transboundary considerations into regular assessment programmes. The project design encompasses a global baseline assessment on five different types of transboundary water bodies, namely aquifers, lake basins, river basins, large marine ecosystems and open oceans. An additional project component targets data and information management, networking and monitoring.

We acknowledge that the GEF Medium Sized Project (MSP) for a Transboundary Water Assessment Programme (TWAP) of 2009 and 2010 upon which this proposed project expands, has developed and validated system and indicator-based assessment methodologies, and has established a consortium of partners ready to collaborate and share information toward such a global assessment.

We also understand that without a global comparative baseline system assessment to determine priority transboundary concerns and priorities for investments, and to track the status of these water systems over time in order to determine whether they are exhibiting improvement or continuing degradation, the GEF and the international community risk spending their scarce financial resources in a manner that is not cost–effective.

The PIF indicates a co-financing ratio with GEF funds of 1:4.8 which is in line with recommended ratios for GEF IW projects. The co-financing will come from the implementing agency UNEP and various project partners as in-kind contributions and grants.

We agree with the STAP in welcoming this innovative and ambitious project. We also agree with the STAP's advisory response that the project should consider reducing the coverage of resource systems, particularly removing the large marine ecosystems and the open oceans as the resources allocated to these are minimal and will probably not enable adequate work.

We also feel that the ownership of the global baseline assessment and by this, the concept for transferring it into an on-going periodic assessment, is not sufficiently clear. We see that GEF itself could take this ownership role by taking the assessment results as strategic guidance for their future investment decisions.

Questions, Concerns and Challenges for further Project / Programme Refinement

Carrying out the global assessment is a different task from developing the assessment methodologies. The robustness and comparability of the assessment results will depend on how far the necessary data collection is standardized, objective and time consistent. Some indicators, such as on detailed governance arrangements, while being of great scientific interest and indispensable for a detailed project design, might not be easily amenable for a robust, periodic and comparable global data collection.

We suggest seeking for reduction potential in the foreseen indicator set with a view to facilitate a prompt and continual data collection. We also propose to re-evaluate whether the foreseen Component 6 on data and information management is sufficiently funded and which institutional responsibilities are best suited to assure a timely completion of this task.

To foster periodic updating and public perception, linkage to other global water assessments should be sought, particularly with the World Water Development Report.

Conclusions and Recommendations

We recognise the importance of the targeted ecosystems, their transboundary character, the relevance of the project objectives and their consistency with GEF strategies and strategic programs.

We recommend continuing with project preparation while taking into account the issues raised above.

Land Degradation

N°26: LD-4600; Uzbekistan: Reducing Pressures on Natural Resources from Competing Land Use in Non-Irrigated Arid Mountain, Semi-Desert and Desert Landscapes of Uzbekistan; (UNDP); GEF Cost: 2.36 Million USD; Total Project Cost: 10.59 Million USD

Overall Comments

This review is focused on three main issues:

- A Institutional set-up
- B Innovative approach - *ILUP* :Integrated land-use planning - includes socio-economic benefits for the population
- C Test of approach within district based case studies

Ad A: Institutional set-up

Institutional development of the "territorial planning system" (current terminology used in Uzbekistan) and the transition to Integrated Land Use Planning (ILUP) is ambitious but very well chosen und absolutely right as the overall goal of the project. (see output 2.2.1 and 2.3.2).

Graph 1 in the proposal shows the sectoral planning links to land use in general. The overarching competence splitting is evident but does not evidence the powerful status of the State Committee for Land Resources and Geo-Cadastre (=sector 4) for all aspects of land use. The State Committee – in western systems this would be the ministry and the planning authority for agriculture, which in Uzbekistan is directly subordinated to the Ministry of Economy - is responsible for the overall planning in the irrigated agriculture system and the cotton industry. These are the most powerful land use sectors within the central planning system of Uzbekistan.

It will be a major challenge during the implementation of the project to support this State Committee with the transition to innovative concepts of ILUP. Recently, the Committee's staff, specifically in the district branch offices, seems not to be particularly receptive for a transition from old fashioned centralized planning to integrated landscape management in arid mountain, semi-desert and desert areas of Uzbekistan. ILUP in such marginal areas surely concerns not only forestry and rangeland management (as defined several times in the objective system) but also such sectors as socio-economic benefits for community-based market oriented garden agriculture, i.e. benefits for the local population. Another important sector per absolute surface concerned (about 10 large protected areas LPA as zapovedniki, zakasniki, national parks are within arid mountain, semi-desert areas) is nature conservation as a key priority identified by the National Biodiversity Strategy and Action Plan (BSAP, 1998, update 2008) cited within the revised PIF**.**

BSAP for Uzbekistan emphasizes the protection of all biological resources including forests and pastures, as the restoration of structures and functions of degraded ecosystems in arid mountain, semi-desert and desert areas as well. Several Uzbek LPA having worldwide importance in the IUCN system are located in these focus areas of this GEF project.

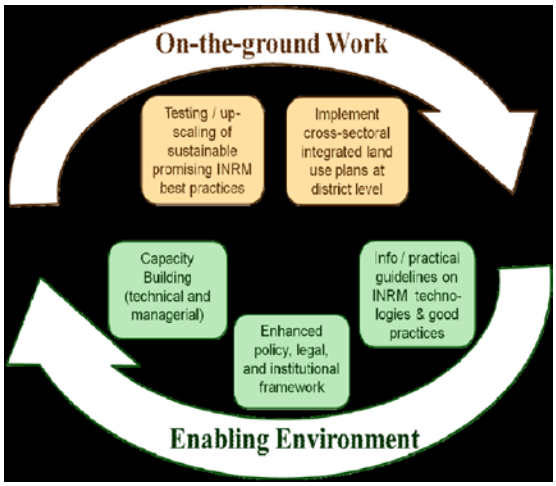
From this example it is evident that the 17(!) sectors relevant for land-use planning are too complex to be integrated in ILUP. It seems very unlikely to show benefits from the very innovative ILUP approach for Uzbekistan within a national central planning system. The benefits and the value added of ILUP must be shown as the main goal within this GEF project; on lower planning level that means on district and community levels rather than probably up-scaled to oblast level. And the ILUP approach must be step-by-step oriented as well on locally based benefits.

Ad B: Innovative approach - *ILUP* Integrated land-use planning and socio-economic benefits for the population

70 % of Uzbekistan's overall surface area is arid and semi-arid. The largest desert in Central Asia, the Kyzylkum, covers the greater part of the lowlands and plains to the west and south of the country. Despite donor-supported efforts, the process of degradation within the majority of these landscapes (including Tien Shan mountains) is continuing, and in many cases is likely to accelerate. This is especially the case in the pasture-use context, as households are not recognized as land users and thus have no official pasture-use rights, despite the fact that in many areas (including the project target districts) household livestock out-numbers those of state farms.

Within the 5-years project duration GEF will invest in on-the-ground activities at selected districts to change the baseline course of actions, and support the institutional, policy and methodological mechanisms needed to sustain the ILUP approach after the project end.

The graph below was elaborated after the first review and – very positively – integrated in this current version of PIF. It shows the testing on-the-ground approach of ILUP in target districts, to be broadened as one of the main recommendations of this review.



Further it is recommended to apply ILUP in the transition zone of irrigated agriculture, pastoralism zone and biodiversity conservation in the dry steppe, (semi)-desert and mountain landscapes e.g. in the in Bukhara Oblast.

The needs of local population as small scale farmers and pastoralists must be addressed through local participation. Participation has to be integrated in this innovative ILUP approach starting on the community level in the target districts.

AD C: Test of approach within district-based case studies

One of the main objectives of this GEF project is to demonstrate best practices on natural resource management based on an ILUP approach adopted to specific UZBEK planning conditions. Application and up-scaling of promising “show cases” at district or even oblast levels could serve as experience for further implementation of ILUP on the national level.

Steering and follow-up of step-by-step implementation of this “bottom-up” approach (one focus on community and oblast levels) must be strongly assured – this being particularly important if speaking about the top-down land-use planning system in Uzbekistan conducted by the State Committee for Land Resources and Geo-Cadastre for the last 50 years. It is recommended that steering of this specific activity in target districts must be regularly and locally assessed by impact monitoring and locally defined indicators of land-use (see PIF under Integrated land-use plans related to output 1.2.1 and 1.2.2)

An open-end identification of more than 2 test districts (up to 5 would be ideal) along with a catalogue of criteria (to be defined) is useful as well.

Questions, Concerns and Challenges for further Project / Programme Refinement

Ad A In order to test, adapt and upscale the ILUP approach, it is strongly recommended to establish and monitor a specific, rather strict project steering for these target districts (+ community / + oblast) and for the integration of a broader institutional set-up with “bottom-up” components. External support for the steering of the target district ILUP approach should be integrated during the overall project duration.

Ad A Involving other state planning institutions and non-governmental organisations seems recommendable: Environmental “governmental” NGO, Committee on nature conservation and its department on Environmental Impact Assessment (EIA) and Uzbek based consultants dealing with sectoral or territorial planning.

Ad B Competence splitting within land-use planning in Uzbekistan is evident. This will likely hinder innovative approaches as ILUP.

Ad B Component 1 intends to involve district stakeholders responsible for land use i.e. forestry enterprises, shirkats, private farmers, local self-governing structures, and, most important of all, local communities and individual households. Question: How to ensure this during project implementation. Top-down mentality of land-use planning in Uzbekistan is dominant.

Ad C Question: How have target districts been identified and with which overall objectives will the ILUP case studies be elaborated?
We would recommend to define criteria for selection of these pilot districts. Criteria could be: representative, typical or even “hot spot” districts for infrastructure impact or soil degradation.

Conclusions and Recommendations

Ad B Recommendation to test the ILUP approach on “hot spots” of environmental protection such as infrastructure planning, highways in mountains, oil and gas facilities, and irrigation reconstruction in semi-desert ecosystems. Other environmental hot spots specifically should be identified along the boundaries of irrigated and semi-deserts landscapes in the Southwest of Uzbekistan.

Ad B International programs and networks active in Uzbekistan and in neighbouring states such as Kyrgyzstan and Kazakhstan are recommended to be involved to bring in transboundary experience related to instruments and tools on natural resource management. CACILM has already invested by documenting best practices of soil and water conservation in arid landscapes using the World Overview of Conservation Approaches and Technologies WOCAT system. Such experience could be extended to this project as well. This would allow to link the ILUP approach on the one hand to participatory tools oriented to the development of concrete soil and water conservation technologies and on the other hand to the UNCCD process.

Ad C To further widespread application of ILUP, it is strongly recommended to broaden the test within concrete planning situation in target districts from 2 (as foreseen in project) up two 5 target districts.
The level of community planning and the above oblast level have to be included, thus addressing this know-how gap between the two levels (raijon/oblast) of the recent system of “Territorial planning in Uzbekistan". It is recommended to set the criteria for the definition of target districts oriented on three dimensions of sustainability including such for the local socio-economic situation of the population.

Ad C It is recommended that steering of on-the-ground activities in target districts must be regularly assessed by impact monitoring and locally defined indicators oriented on the success of participation and adaptation in/of the ILUP approach.

Ad C Recommendation to use community, district and oblast level outcomes of ILUP approach for policy dialogue to decision makers in Tashkent and Oblast centers – on the basis of on-site "show cases".

Multi-Focal Area

N°27: MFA-4722; Colombia: Conservation and Sustainable Use of Biodiversity in Dry Ecosystems to guarantee the Flow of Ecosystem Services and to mitigate the Processes of Deforestation and Desertification; (UNDP); GEF Cost: 8.8 Million USD; Total Project Cost: 26.5 Million USD

Overall Comments

The project addresses different stresses for keeping and sustainably managing dry forest in the Atlantic Region of Colombia. It is especially interesting how the proposal links SMF/SLM with reduced decertification, biodiversity conservation and mitigation of climate change (through REDD+). This is seen as a major strength of this proposal. Although this level of complexity is challenging, major lessons can be learned, not only for Colombia, but also for other countries. Thus UNDP, as the GEF agency responsible for this project, should secure knowledge transfer beyond the partner country.

The proposal seems to be based on a sound background of technical and natural science related issues. However, the social dynamic in the regions and its impacts on landscape use is not so well documented. This is perceived as a weakness that can jeopardize the long-term sustainability of the activities of the project.

Questions, Concerns and Challenges for further Project / Programme Refinement

- Social drivers and underlying drivers of resource degradation should be included in the analysis and corresponding activities aimed at addressing the most important drivers should be defined
- Colombia has set environmental friendly legislation for at least 30 years. The CARs, regional authorities in charge *i.a*. of environmental issues were created in the 80s. In the document it is stated that environmental-friendly legislation has not been implemented at the regional level. It would be important to clarify why, and how the project will address these deficits.
- For securing long-term feasibility it will be important to integrate an economic dimension in the project. In the proposal only payments (or transfers) from REDD+ are considered. Besides the fact that modalities for payments for REDD+ have not yet been agreed within the UNFCCC, the potential for emission reductions and carbon enhancement in dry forest is reduced. It is recommended by this reviewer that the project proponents consider other economic activities that can be pursued when promoting sustainable management of natural resources. It would be good to consider non-timber forest products (NTFP), ecotourism and Payments for Environmental Services. If so, local communities and local authorities will need to include considerations on skill development and entrepreneurship training.

Conclusions and Recommendations

This proposal is very interesting and deserves support. However it is recommended to address the comments mentioned above, before authorizing the funding.

Persistent Organic Pollutants (POPs)

N°29: POPs-4740; Regional*: Disposal of Obsolete Pesticides Including POPs and Strengthening Pesticide Management in the Permanent Interstate Committee for Drought Control In the Sahel (CILSS) Member States (FAO); GEF Cost: 7.45 Million USD; Total Project Cost: 40.04 Million USD

* Burkina Faso, Cape Verde, Gambia, Guinea-Bissau, Mali, Mauretania, Niger, Senegal, Chad

Overall Comments

We fully agree with the opinions as expressed in the STAP-Review Wellington-Moore/Bouwman and support the suggestion to take gender aspects better into consideration, especially in connection with awareness and capacity building, of seasonality and climate vulnerability, and optimizing lab capacity.

Questions, Concerns and Challenges for further Project / Programme Refinement

Because of the quantity and variety of participants, co-financing institutions, involved organizations and ongoing projects in the field, in which the GEF-project is planned to be embedded, there is a certain risk of high transaction costs which may lessen teh funding available for action on the ground.

Conclusions and Recommendations

While further refining the project, special attention should be paid to:

- clearly defining responsibilities for every element of the project;
- taking into account the work and the results of completed or ongoing projects in the field as well as to the experience gained by those involved;
- not duplicating elements of the project in different countries, wherever collaboration or taking-over of standardised solutions are possible.
- close follow-up of the execution, comprehensive controls and evaluation of outcome and impacts.

N°33: POPs-4446; Indonesia: Introduction of an Environmentally Sound Management and Disposal System for PCBs Wastes and PCB Contaminated Equipment in Indonesia (UNIDO); GEF Cost: 6 Million USD; Total Project Cost: 30 Million USD

Overall Comments

According to the *Project Review Sheet*, PIF-drafts passed four times through the Secretariat and various aspects have been commented on in detail.

Unfortunately, at the moment of this review, the STAP-reviewer's comments were not available on teh GEF's website.

Questions, Concerns and Challenges for further Project / Programme Refinement

As the GEF has already financed a series of similar projects in different countries and UNIDO as executing agency has been working for years in the field of PCB management and disposal, there is legitimate expectation and confidence, that

- the elements of the project will, after the phase of detailed planning, be tailored to the specific situation in Indonesia,
- the abundant guidance for environmentally sound management of PCB and the lessons learned in similar projects are taken into consideration,
- within this project unnecessary studies and pilots will be avoided by directly adopting BAT/BEP for every technical solution (as stated in the numerous declarations "*the project will.....". .*

Conclusions and Recommendations

While elaborating the details of the project, the expertise offered by the GEF-Secretariat and the STAP should be used. We consider a STAP approved review (considering also the aspects mentioned above) as mandatory prior to submission of the project brief for CEO endorsement.

N°34: POPs-4442; Kazakhstan: NIP Update, Integration of POPs into National Planning and Promoting Sound Health-Care Waste Management in Kazakhstan (UNDP); GEF Cost: 3.4 Million USD; Total Project Cost: 16.1 Million USD

Overall Comments

According to the *Project Review Sheet*, PIF-drafts passed four times through the Secretariat and have been commented in extenso on various aspects. The PIF now recommended for clearance still consists in principle of 3 more or less isolated projects: NIP-update, mercury and POPs in connection with Health Care Waste Management (HCWM).

Questions, Concerns and Challenges for further Project / Programme Refinement

It is not clear, whether the mercury or the POP issues in connection with HCWM are of a high priority in the implementation of the NIP: emission inventories are not accurate, the measures described for sound HCWM would reduce the overall TEQ emissions by roughly estimated 1.5%, by using 75% of the required funds.

A thorough update of the NIP seems necessary to allow prioritization of the fields of interventions that guarantee a rational use of the scarce financial means. It seems unlikely that such an update (including capacity building measures) can be made with less than 400'00 USD.

About 75% of the funds are foreseen for *Minimization of uPOPs emissions (and mercury from medical devices) through demonstration of sound HCWM.* The measures listed seem to be mostly of the soft type (such as: mapping, tracking, planning, training, minimizing, cooperating, etc), it is not clear whether part of the funds are also used for improved facilities.
According to a comprehensive concept for sound HCWM, tailored to local conditions and having good chances for implementation, the necessary measures can be defined and the disposal/destruction facilities realized.

Conclusions and Recommendations

In teh light of teh concerns expressed, we recommend dividing the project into two phases and executing the steps accordingly:

Phase 1:

1. Detailed and comprehensive NIP update
2. Identification of priority measures to reduce emissions with great efficiency and effectiveness, in fields that are identified as relevant to achieve essential impacts (maybe mercury/POPs in connection with HCWM, maybe others are more important?).
3. Elaborate and submit a project proposal according to the determined priorities for phase 2

Phase 2:

4. Project review – clearance
5. Realization of the measures step-by-step
6. Controls of the elements executed and evaluation of outcomes and impacts

New Programmatic Approaches

Biodiversity: N°01; BD-4653: People's Republic of China: Strengthening the Management Effectiveness of the Protected Area Landscape in Altai Mountains and Wetlands; (UNDP); GEF Cost: 3.4 Million USD, Total Programme Cost: 22 Million USD

Overall Comments

The project addresses key conservation issues typifying the biodiversity-rich trans-boundary Altai Mountain ecosystems. The focus on wetland- and associated watershed conservation is well chosen and of greatest ecological and economic importance within a geographic region displaying already measurable signs of global climate change. Water within this region is a key issue, being of critical importance to the livelihood of traditional nomadic herders and their livestock as well as to the survival of the biodiversity-rich wetlands located within the lower reaches and flood plains of the targeted watersheds.

The conservation barriers related to the target area are well documented by the proposal, with uncontrolled mining, overgrazing of sensitive subalpine grasslands and land tenure issues (free range access) being of special concern.

Questions, Concerns and Challenges for further Project / Programme Refinement

The project could be improved by using a more holistic approach to watershed management. This implies participatory integrated spatial land-use planning to cover entire water catchment areas. Spatial land-use planning is essential for the identification of gaps in the protected area system and would provide a sound basis for wise land-use decisions. One result of participatory planning should be *inter alia* the production of regional and local ecological sensitivity maps providing guidance to decision makers regarding sustainable land-use issues. For the proposed project this implies additional efforts in order to create an enabling political, administrative and regulatory framework and capacity development of all stakeholders to be involved in integrated spatial land-use planning.

The risk assessment as presented appears rather weak and not critical enough. The majority of the identified risks and barriers to biodiversity conservation should be rated high with a low mitigation potential. This applies in particular to all issues related to mining and free range access. The risks and mitigation potential associated with obvious competing and overlapping land and resource-use mandates on a regional level should also be addressed.

It is not clear, how the proposed 40% budget increase on a regional and local level for improved management of the PA network will be achieved.

It appears doubtful that GEF efforts will be able to effectively address the issues of increasing habitat fragmentation, the required integrated participatory spatial land-use planning, and sustainable economic development in the target area.

Conclusions and Recommendations

This programmatic approach meets GEf's strategic objectives and national qualifying criteria und should be endorsed in principle with due consideration of the expressed concerns.

It is recommended that the project places stronger emphasis on trans-boundary cooperation. This is of special significance for the protection of micro-watersheds shared by Mongolia and China and with respect to migratory mammals (i.e. Argali sheep) with home ranges straddling the international boundary.

Multi-Focal Areas; N°02; MFA-4665; Russian Federation: Conserving Biodiversity in the Changing Arctic. GEF Cost: 5.7 Million USD; Total Programme Cost: 14.2 Million USD

Overall Comments

This is a well prepared, scientifically and technically sound, globally important and timely project of great relevance. It meets important GEF strategies and numerous other national and international qualifying criteria. The selected target areas are of critical ecological importance and cover some of the globally most threatened and important ecosystems highly susceptible to climate change. At the same time the targeted arctic tundra, peat and coastal transitional ecosystems play a key role as significant carbon sinks reflecting the true meaning of ecosystem goods and services.

The project addresses sustainable biodiversity conservation through the proposed strengthening of existing protected areas in cooperation with local indigenous people, government agencies on the national, regional and local level, and private sector stakeholders, inside and outside the protected areas. The holistic approach of this project is highly commendable. The root causes of key threats to the targeted ecosystems are well defined and practical mitigation measures are proposed convincingly. The indicators chosen to monitor project success and cost effectiveness are practical and easy to apply.

GEF's incremental contribution is well argued and documented. The proposal's comprehensive risk assessment is honest and the corresponding mitigation measures appear realistic.

Questions, Concerns and Challenges for further Project / Programme Refinement

The PIF document is unusually long but very comprehensive. It is suggested that the project could be improved through better integration of indigenous people and other stakeholders into the decision-making and implementing process in order to achieve ownership in sustainable conservation efforts.

Conclusions and Recommendations

This programmatic approach should be fully endorsed.