



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS* THE GEF/LDCF/SCCF/NPIF TRUST FUNDS

GEF ID:	5485		
Country/Region:	Seychelles		
Project Title:	Seychelles' Protected Areas Finance Project		
GEF Agency:	UNDP	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-1;		
Anticipated Financing PPG:	\$100,000	Project Grant:	\$2,776,900
Co-financing:	\$12,050,000	Total Project Cost:	\$14,926,900
PIF Approval:		Council Approval/Expected:	November 01, 2013
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Jaime Cavalier	Agency Contact Person:	Fabina Issler

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible ?	7-2-13 Yes. Cleared	
	2. Has the operational focal point endorsed the project?	7-2-13 Yes. There is LoE from the OFP for \$3,150,0,205 dated July 4th, 2013 Cleared	
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> • the STAR allocation? 	7-2-13 No. The requested budget of \$3,150,205.50 is above the funds available for Seychelles. Using guidance from the GEF Council the STAR	

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated January 2013

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>allocation of Seychelles has been reduced. Please reduce the budget by \$228,158 for the GEF Secretariat to be able to continue processing this request. Thanks.</p> <p>8-16-13 The budget allocation for this project has been resolved. There are \$3,300,200 for BD STAR as of today. The funds increased since last review by re-allocating \$400,000 that SGP Seychelles requested to be re-instated to the BD STAR. Relevant Emails uploaded to PMIS. Cleared</p>	
	<ul style="list-style-type: none"> • the focal area allocation? 	<p>7-2-13 No. The requested budget of \$3,150,205.50 is above the funds available for Seychelles. Using guidance from the GEF Council the STAR allocation of Seychelles has been reduced. Please reduce the budget by \$228,158 for the GEF Secretariat to be able to continue processing this request. Thanks.</p> <p>8-16-13 The budget allocation for this project has been resolved. There are \$3,300,200 for BD STAR as of today. The funds increased since last review by re-allocating \$400,000 that SGP Seychelles requested to be re-instated to the BD STAR. Relevant Emails uploaded to PMIS. Cleared</p>	
	<ul style="list-style-type: none"> • the LDCF under the principle of 	NA	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	equitable access		
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 	NA	
	<ul style="list-style-type: none"> the Nagoya Protocol Investment Fund 	NA	
	<ul style="list-style-type: none"> focal area set-aside? 	NA	
Strategic Alignment	<p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives?</p> <p><i>For BD projects: Has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track progress toward achieving the Aichi target(s).</i></p>	<p>7-2-13</p> <p>Yes. BD1 and Aichi Targets 11 and 20. See page 11 of PIF for details.</p> <p>Cleared</p>	
	<p>5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?</p>	<p>7-2-13</p> <p>Yes. Particularly with the "Seychelles Sustainable Development Strategy 2012-2020 (SSDS)". See page 11 for details.</p> <p>Cleared</p>	
Project Design	<p>6. Is (are) the baseline project(s), including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>7-2-13</p> <p>Yes. The financial baseline project for the three PA Sub-systems focus of the project covering 83% of the expanded PA estate and pooling more than 80% of PA finance flows (80%+), is summarized in Tables 1, 2 and 3.</p> <p>Cleared</p>	
	<p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p>	<p>7-2-13</p> <p>Yes. This is the structure of this project:</p> <p>Component 1.</p> <p>Planning and legal frameworks for</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>improved use of new and existing PAs. This include: i) The development of a protected area finance plan to direct the long-term sustainable financing of the system. Financial sustainability scorecard to increase from 27% to at least 50% in 2018/19; total budgets for the management of the current PA system increase by at least 150% by EOP from a baseline of \$4.3 million, ii) Improved PA management capacity at individual, institutional and systemic levels to deliver conservation benefits. Capacity Development Scorecard for PA system management increase reach 75% from a baseline of 60% in 2013.</p> <p>These outcomes will be achieved by means of: i) A financial plan for Seychelles' PA System as key instrument for the 2013 PA Policy, ii) the establishment of site-level- cost effectiveness and conservation-effectiveness benchmarks, iii) PA financing program from (i) user fees (park entry, research fees, other tourism and non-tourism fees, where regulations need improvements), and possibly also 'green taxation'; (ii) a Debt-for-Nature-Swap scheme (in collaboration with TNC); and (iii) a biodiversity offsetting programme from the oil & gas industry (in collaboration with Petro Seychelles), ii) institutional strengthening.</p> <p>Component 2:</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>Increased revenue generation for PA management. Specifically: i) Total annual revenue for protected area management mobilized increases by at least 150% by the end of project from a baseline of \$5.5 million in 2013, ii) Percentage of own annual revenue collection reaches at least 80% by project end, from a baseline of 0% in 2013, iii) Financing gap for managing the expanded PA system under a 'basic management scenario' is reduced to close to \$0 from a baseline of \$1.61 million in 2013.</p> <p>These outcomes will be achieved by: i) Improvement of the PAs own revenue collection and retention into the PA system, ii) Establishing and renovating essential touristic infrastructure in key government-managed PAs, iii) Creation of a Trust Fund in connection with the nascent Seychelles Debt-for-Nature-Swap initiative in collaboration with TNC.</p> <p>Cleared</p>	
	<p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p>	<p>7-2-13 Yes. The project will put in place a framework for the financial and operational efficiency and coherence of the current disconnected assemblage of PAs and aligning management standards and efficiencies across its constituent PAs in the national System. This will be achieved by: i) leveraging conservation finance through financial planning, ii) the introduction of cost-effective management measures and a legal and</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>management framework to secure new financing instruments, iii) supporting PAs to expand revenue collection schemes and re-invest their own revenues, testing of new resource generation mechanisms, including a Trust Fund to handle investment under the Debt-for-Nature Swap.</p> <p>The GEB are properly described with a synthesis on p. 8-9.</p> <p>Cleared</p>	
	<p>9. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?</p>		
	<p>10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?</p>	<p>7-2-13 Yes. Although CSOs and indigenous Peoples are not at the center of this project, relevant actors like Island Development Corporation (IDC), Island Conservation Society (ICS). Seychelles Island Foundation (SIF), The Nature Conservancy, (TNC) and Fishermen's Associations and co-mgmt. committees were identified in the PIF. Cleared</p>	
	<p>11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate</p>	<p>7-2-13 Yes. See page 10 of PIF. Cleared</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	resilience)		
	12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	7-2-13 Yes. See page 10 in PIF. Cleared	
	13. Comment on the project's innovative aspects, sustainability, and potential for scaling up. <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention. 	<p>INNOVATION: The project approach is to establish the institutional capacity, systems and potential for increased revenue streams that allow sustainability in the managing and financing of an expanding PA system. The development of increased revenue streams requires diversification and innovation, introducing private partnerships, a trust fund mechanism linked to debt relief and offset arrangements that are so far untried in Seychelles. A high-level of Government support for innovation is expected in view of the commitment of Government to environmental protection and to the expansion of the PA system on the one hand, while facing economic constraints on the other hand.</p> <p>SUSTAINABILITY AND REPLICATION: The approaches are designed to test means of diversifying income that contributes to PA management and improving the conservation effectiveness of their investment. Clearly, by doing so and closing the PA financing gap, the project will improve the overall financial sustainability of the system. The institutional sustainability will be assured</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>by focusing on capacity building, both for revenue 'generation' and 'conservation delivery'. At the regional level, the project is highly replicable. Other, biodiversity-rich countries in the Indian Ocean are facing debt (Mauritius), while yet other will face major transformations in their economy fuelled by extractive industries boom (Tanzania, Mozambique). Seychelles will be able to offer useful lessons on how to reconcile these elements with the needs for conserving a country's biodiversity endowment.</p> <p>Cleared</p>	
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		
	15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?		
Project Financing	16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?	7-2-13 Yes. Cleared	
	17. <u>At PIF</u> : Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role?	7-2-13 Yes. There is significant co-financing from the Government (\$11M), The Nature Conservancy (\$1M) and the GEF Agency. Please explore the possibility of raising the Agency's contribution during	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	<u>At CEO endorsement</u> : Has co-financing been confirmed?	project implementation. Cleared	
	18. Is the funding level for project management cost appropriate?	7-2-13 Yes. It is 4.7% Cleared	
	19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? <u>At CEO endorsement/ approval</u> , if PPG is completed, did Agency report on the activities using the PPG fund?	7-2-13 PPG is for \$100,000 and below the ceiling. Cleared	
	20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?	NA	
Project Monitoring and Evaluation	21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• The Council?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at	24. Is PIF clearance/approval being recommended?	8-16-13 Yes. This PIF is recommended.	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
PIF Stage	25. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		
	First review*	July 02, 2013	
	Additional review (as necessary)	August 16, 2013	
Review Date (s)	Additional review (as necessary)		

* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**