Global Environment Facility

GEF/C.29/4
August 4, 2006

GEF Council
August 28, 2006

Agenda Item 5

WORK PROGRAM
SUBMITTED FOR COUNCIL APPROVAL

Recommended Council Decision

The Council reviewed the proposed work program submitted to Council in document GEF/C.29/4 and approves the work program comprising the following project proposals, subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by September 11, 2006.

[list of approved project proposals]

With respect to the following ___ proposals approved as part of the work program, 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.

[list of project proposals for recirculation to Council prior to CEO endorsement]

With respect to the remaining ____ proposals approved as part of the work program, the Council finds that each project proposal 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.

Executive Summary

The CEO proposes to the Council the approval of this work program containing 16 full-sized project (FSP) proposals reflecting a total GEF allocation of $146.455 million.[1] The total GEF financing requested through this work program is $ 153.71 million.[2]

Total co-financing amounts to $692.386 million which, when added to the total GEF allocation gives a total project value of $838.841 million.

The 16 project proposals were initially part of the June 2006 Intersessional Work Program submitted for Council review on June 12, 2006. On the basis of comments received from Council Members, these proposals are being resubmitted for review at the August 2006 Council meeting:

Biodiversity

1. ***Global,*** *Critical Ecosystem Partnership Fund, Phase 2* (**World Bank)**: One Council Member noted numerous problems with this partnership fund which included among others, the excessive administrative expenses, delegated authority (with no apparent limit on the size of projects that can be put forward), an inefficient delivery mechanism, serious conflicts of interests in the governance structure and a lack of fraud or complaint mechanisms.
2. ***Global,*** *Institutionalizing Payments for Ecosystem Services* (**UNDP**): One Council Member expressed concern over the lack of analysis of the current legal frameworks in the target countries for the implementation of the payments for ecosystem services (PES), thus preventing an appraisal on opportunities and obstacles. As the establishment of adequate regulations usually requires several years, the lack of strong legal frameworks will hamper the implementation of PES in the target countries. Other concerns included insufficient incentives for potential service buyers of PES as well as inconsistencies of indicators to reach the overall development objectives.

Biodiversity (Biosafety)

3. ***Regional (Benin, Burkina Faso, Mali, Senegal, Togo),*** *West African Regional Biosafety Project* (**World Bank**): One Council Member raised concern that the main focus of the project to develop and harmonize the IPR regimes is not an element of the Cartagena Protocol on Biosafety and thus not eligible for GEF funding. Other issues raised include the financing of non-eligible activities, inappropriate focus on regional harmonization of legal frameworks and too narrow focus on scientific issues as basis for decision-making.

[1] $140.53 million in new funding for the 16 proposals + $5.922 million for PDFs previously approved by CEO/IAs.
[2] $140.53 million in new funding for the 16 proposals + $13.18 million in Agency fees.

Climate Change

4. ***Global (Bangladesh, Bolivia, Niger, Samoa, Guatemala, Jamaica, Kazakhstan, Morocco, Namibia, Vietnam),*** *Community-based Adaptation (CBA) Programme* (**UNDP**): One Council Member raised the issue that the proposed CBA Programme is rather generic as opposed to directly describing and analysing the measures. Other concerns included lack of clarity in a number of areas, i.e. program activities, implementation structure, evaluation and results, dissemination, incremental costs issues and the global environmental benefits.

5. ***Global,*** *Solar Water Heating Market Transformation and Strengthening Initiative, Phase 1*(**UNDP/UNEP**): One Council Member raised the issue of delegated authority for the approval of subprojects and suggests that the Council should have the chance to review the subprojects under the project.[3]

6. ***Regional (Ethiopia, Kenya, Malawi, Swaziland, Tanzania, Uganda, Sudan),*** *Cogen for Africa* (**UNEP**): One Council Member raised concern that the activities to be implemented in the project are beyond the mandate of UNEP and that the project should either be scaled down to focus on UNEP's core business or a joint implementation arrangement be established with one of the multilateral development banks.

7. ***Regional (Burundi, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda, Zambia),*** *Greening the Tea Industry in East Africa* (**UNEP**): One Council Member raised concern regarding UNEP's mandate in managing the project and suggested to either narrow down project scope to focus solely on technical advice or work on a joint implementation arrangement with one of the multilateral development banks to ensure adequate fiduciary oversight.

8. ***Argentina,*** *Energy Efficiency* (**World Bank**): One Council Member believed that the project seems premature to move forward until the Government implements the increases in electricity and natural gas prices and that the price mechanism should play an essential role in giving businesses and residential consumers strong incentives to use energy more efficiently.

9. ***Egypt,*** *Bioenergy for Sustainable Rural Development* (**UNDP**): One Council Member suggested that the project needs a better focus with a comprehensive approach, taking into account the difficulty of technology dissemination in the rural sector and the failure of many similar projects elsewhere.

10. ***Egypt,*** *Sustainable Transport* (**UNDP**): One Council Member raised the issue over the justification for providing GEF funding as incentive to service providers for minimizing their losses.

Land Degradation

11. ***Regional (Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan, Tajikistan),*** *Central Asian Countries Initiative for Land Management (CACILM) Multi-country Partnership Framework, Phase 1* (**ADB**): One Council Member raised the issue of delegated

[3] The US Council Member objected to the inclusion of Palestinian Authority as a beneficiary of this Project.

authority in the approval of subprojects and that there is not sufficient clarity on whether or not the Council will see the subprojects prior to CEO endorsement. In addition, the Council Member thought that it will be difficult for the project to have substantial impacts in Uzbekistan, given the governance concerns in the country.

12. ***Burkina Faso,*** *Partnership Programme for Sustainable Land Management (CPP), Phase 1* (**UNDP**): One Council Member raised the issue of delegated authority in the approval of subprojects and requested that Council to review the subprojects prior to CEO endorsement. In addition, the Council Member requested further clarification regarding the balance between land rehabilitation and prevention of land degradation in the project.

<u>Multi-focal Areas</u>

13. ***Regional (Albania, Algeria, Bosnia-Herzegovina, Bulgaria, Croatia, Egypt, Lebanon, Libya, Macedonia, Morocco, Serbia and Montenegro, Syria, Tunisia, Turkey),*** *World Bank-GEF Investment Fund for the Mediterranean Sea Large Marine Ecosystem Partnership, Tranche 1* (**World Bank**): the issue on delegated authority in the approval of subprojects was raised by one Council Member. In addition, the Council Member suggested that having a STAP review for this framework would be useful to ensure the targeting of the right global environmental indicators.[4]

14. ***Philippines,*** *National Program Support for Environment and Natural Resources Management Project (NPS-ENRMP)* (**World Bank**): One Council Member raised concern that the leading executing agency, the Department of Environment and Natural Resources of the Philippines, has serious capacity problems and there does not appear to be sufficient government commitment in the form of counterpart funds.

<u>Persistent Organic Pollutants (POPs)</u>

15. ***Brazil,*** *Development of a National Implementation Plan in Brazil as a First Step to Implement the Stockholm Convention on Persistent Organic Pollutants (POPs)* (**UNEP**): One Council Member raised concern that the project includes chemicals that are not yet included in annexes to the Stockholm Convention. Initiating work on proposed substances not yet agreed to be added to the Convention by the COP could constitute a potentially unnecessary and burdensome amount of work and presumes the outcome of COP decisions on addition of substances to the Convention.

16. ***China,*** *Alternatives to DDT Usage for the Production of Anti-fouling Paint* (**UNDP**): One Council Member felt that the project does not appear to be a cost-effective use of GEF funds.

[4] The US Council Member objected to the project providing funding to Syria and the West Bank.

In summary, of the 16 proposals requested for resubmission, Council Members raise two corporate policy issues with regard to seven proposals:

(a) Approval of sub-projects by CEO under delegated authority. One Council Member expressed concern about the lack of a consistent policy regarding the approval of sub-projects within larger programs/projects. The issue was raised for five proposals. It was suggested that the final project documents for all sub-projects within the five proposals be circulated to the Council for a four-week review period, prior to CEO endorsement. It is long standing practice in the GEF that sub-projects under larger programs/projects are approved by the CEO under delegated authority from the Council, without prior re-circulation of final sub-project documents to the Council.

(b) Comparative advantage of Agency. One Council Member raised the issue of the comparative advantage of UNEP in implementing investment activities. This issue was raised for two proposals. When this issue emerged in recent work programs, and when the Council concluded that there were elements in project proposals beyond the comparative advantage of an Agency, the Agency was requested to establish a partnership with a GEF Implementing and/or Executing Agency with appropriate capacity, and required to circulate the final project document, including the partnership arrangements, to the Council for a four-week prior to CEO endorsement.

A document on *Comparative Advantages and Complementary Roles of Implementing and Executing Agencies of the GEF* (GEF/C.28/15) was submitted for discussion at the June 2006 Council Meeting. However, due to the busy agenda it could not be discussed in June, and the Council agreed to discuss the document at its December 2006 meeting. It is proposed that the two proposals in question be approved as part of the work program at the August Council meeting, and following current practice, request UNEP to seek an appropriate partner. It would also be understood that further development of the proposals prior to CEO endorsement would be in conformance with the policy agreed by the Council at its December meeting.

For the other nine proposals, Council Members have raised the following project-related design/policy issues:

(a) Inclusion of chemicals not under the Stockholm Convention;

(b) Eligibility of biosafety activities;

(c) Effectiveness of technology dissemination;

(d) Cost-effectiveness of use of funds;

(e) Status of implementation of government policies and/or regulatory frameworks; and

(f) Lack of clarity about global benefits and incrementality.

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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

I. PROJECTS IN THE PROPOSED WORK PROGRAM[5]

Biodiversity

1. **Global :** Critical Ecosystem Partnership Fund, Phase 2 (World Bank) (GEF Grant : $20.00 m)
2. **Global :** Institutionalizing Payments for Ecosystem Services (UNDP) (GEF Grant : $5.69 m)

Biodiversity (Biosafety)

3. **Regional (Benin, Burkina Faso, Mali, Senegal, Togo) :** West African Regional Biosafety Project (World Bank) (GEF Grant : $5.40 m)

Climate Change

4. **Global (Bangladesh, Bolivia, Niger, Samoa, Guatemala, Jamaica, Kazakhstan, Morocco, Namibia, Vietnam):** Community-based Adaptation (CBA) Programme (UNDP) (GEF Grant : $4.53 m)
5. **Global:** Solar Water Heating Market Transformation and Strengthening Initiative, Phase 1(UNDP/UNEP) (GEF Grant : $12.00 m)
6. **Regional (Ethiopia, Kenya, Malawi, Swaziland, Tanzania, Uganda, Sudan) :** Cogen for Africa (UNEP) (GEF Grant : $5.25 m)
7. **Regional (Burundi, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda, Zambia) :** Greening the Tea Industry in East Africa (UNEP) (GEF Grant : $2.85 m)
8. **Argentina :** Energy Efficiency (World Bank) (GEF Grant : $15.16 m)
9. **Egypt :** Bioenergy for Sustainable Rural Development (UNDP) (GEF Grant : $3.00 m)
10. **Egypt :** Sustainable Transport (UNDP) (GEF Grant : $6.90 m)

Land Degradation

11. **Regional (Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan, Tajikistan):** Central Asian Countries Initiative for Land Management (CACILM) Multi-country Partnership Framework, Phase 1 (ADB) (GEF Grant : $20.00 m)
12. **Burkina Faso :** Partnership Programme for Sustainable Land Management (CPP), Phase 1 (UNDP) (GEF Grant : $9.65 m)

Multi-focal Areas

13. **Regional (Albania, Algeria, Bosnia-Herzegovina, Bulgaria, Croatia, Egypt, Lebanon, Libya, Macedonia, Morocco, Serbia and Montenegro, Syria, Tunisia, Turkey) :** World Bank-GEF Investment Fund for the Mediterranean Sea Large Marine Ecosystem Partnership, Tranche 1 (World Bank) (GEF Grant : $10.00 m)
14. **Philippines :** National Program Support for Environment and Natural Resources Management Project (NPS-ENRMP) (World Bank) (GEF Grant : $7.00 m)

Persistent Organic Pollutants (POPs)

15. **Brazil :** Development of a National Implementation Plan in Brazil as a First Step to Implement the Stockholm Convention on Persistent Organic Pollutants (POPs) (UNEP) (GEF Grant : $1.50 m)

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[5] The GEF grant is the funding request for the project and does not include PDFs previously approved by the CEO.

16. **China :** Alternatives to DDT Usage for the Production of Anti-fouling Paint (UNDP) (GEF Grant : $11.61 m)

II. WORK PROGRAM

1. The GEF Chief Executive Officer/Chairperson (CEO) proposes to the Council the approval of this work program consisting of 16 full-sized project (FSP) proposals reflecting a GEF allocation of $146.455 million[6] (see "Work Program Project Summaries" for details on these projects and Annex A for their financial breakdown). The total GEF financing requested through this work program is $153.71 million.[7]

2. Fourteen proposals in the work program have utilized PDF-B grants totaling $5.872 towards proposal development. Two proposals have used PDF-A grants totaling $0.050 million to prepare project concepts. Table 1 presents the total amount of GEF allocations for the 16 proposals, including the PDF amounts previously approved.[8]

Table 1. Proposed Allocations for August 2006 Work Program by Focal Area

Focal Area	Projects(No)	GEF Amount ($m)	Cofin Amount ($m)	Total Project Cost ($m)
Biodiversity	2	26.148	92.027	118.175
Biodiversity (Biosafety)	1	6.100	15.540	21.640
Climate Change	7	52.403	235.358	287.761
International Waters	-	-	-	-
Land Degradation	2	30.700	195.530	226.230
Multi-focal Areas	2	17.350	140.000	157.350
Ozone Depletion	-	-	-	-
Persistent Organic Pollutants (POPs)	2	13.754	13.930	27.684
Total	**16**	**146.455**	**692.386**	**838.841**

3. One project was submitted by an Executing Agency for inclusion in this work program under the policy of expanded opportunities.

Project Allocation Trends

4. Table 2 contains the cumulative project allocations approved through work programs, including the GEF Pilot Phase and includes only non-expedited medium-sized projects (MSPs) and enabling activities (EAs) that were submitted for Council approval. Of the total GEF allocations, including the proposed work program, 34 percent is allocated to projects in the Biodiversity/Biosafety focal area, 35 percent to Climate Change, 14 percent to International Waters, 3 percent to Land Degradation, 9 percent to Multi-focal Area projects, 3 percent to Ozone Depleting Substances and 2 percent to Persistent Organic Pollutants (POPs).

[6] $140.53 million in new funding for the 16 proposals + $5.922 million for PDFs previously approved by CEO/IAs.
[7] $140.53 million in new funding for the 16 proposals + $13.18 million in Agency fees.
[8] PDF-B grants were previously approved by the CEO, and the PDF-A grants were approved by the Implementing Agencies.

Table 2. Project Allocation Trends in the Work Programs (GEF Pilot Phase - GEF 3) by Focal Area ($ million)*

GEF Phase	BD	BD-BS	CC	IW	LD	MFA	ODS	POPs	Total
Pilot Phase	323.20	-	280.73	120.36	-	15.60	4.20	-	744.10
GEF - 1	394.83	-	424.92	119.43	-	48.95	121.63	-	1,109.77
GEF - 2	561.74	33.28	623.69	294.80	-	132.52	42.22	6.19	1,694.43
GEF - 3	743.24	33.71	856.06	340.17	199.24	338.44	11.96	124.35	2,647.17
2003	103.74	1.00	169.63	80.43	-	80.95	2.09	40.81	478.64
2004	152.22	9.83	199.03	116.49	34.35	82.62	5.18	4.57	604.29
2005	184.28	11.51	131.59	60.18	48.27	64.78	4.70	43.62	548.94
2006	167.06	-	120.30	77.07	78.26	61.38	-	7.90	511.96
2007	135.94	11.36	235.50	6.01	38.36	48.71	-	27.46	503.34
Total	**2,023.01**	**66.99**	**2,185.40**	**874.76**	**199.24**	**535.52**	**180.02**	**130.54**	**6,195.47**
Total %	33%	1%	35%	14%	3%	9%	3%	2%	100%

* *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.

5. Table 2(a) provides a more comprehensive picture as it contains cumulative GEF allocations approved by the Council through work program submissions as well as those MSPs and EAs approved by the CEO with delegated authority under the expedited procedures.

Table 2(a). Project Allocation Trends (GEF Pilot Phase - GEF 3) by Focal Area ($ million)*

GEF Phase	BD	BD-BS	CC	IW	LD	MFA	ODS	POPs	Total
Pilot Phase	323.20	-	280.73	120.36	-	15.60	4.20	-	744.10
GEF - 1	420.13	2.74	452.87	119.43	-	49.67	122.33	-	1,167.17
GEF - 2	643.18	34.28	667.23	301.29	-	143.41	43.40	26.05	1,858.84
GEF - 3	814.51	41.13	885.33	350.43	211.20	378.77	11.96	159.91	2,853.24
2003	128.13	1.00	174.40	83.92	-	92.93	2.09	59.80	542.26
2004	164.98	9.83	205.20	119.48	38.86	97.71	5.18	13.07	654.30
2005	207.84	11.51	143.23	62.94	54.57	72.87	4.70	46.92	604.60
2006	177.62	7.42	127.00	78.07	79.41	66.55	-	12.67	548.74
2007	135.94	11.36	235.50	6.01	38.36	48.71	-	27.46	503.34
Total	**2,201.02**	**78.15**	**2,286.16**	**891.51**	**211.20**	**587.46**	**181.89**	**185.96**	**6,623.34**

* Table includes all projects approved by the Council as well as those expedited MSPs and EAs that were approved by the CEO with delegated authority.

Cofinancing Amount and Trends

6. The proposed co-financing for this current work program, as shown in Table 3, comes from beneficiaries, bilateral and multilateral agencies, foundations, recipient governments, non-governmental organizations (NGOs), the private sector, and other sources. The total co-financing is $692.39 million, which, when added to the total GEF allocation brings the total project value to $838.84 million. Hence, each dollar that the GEF allocates is matched by $4.73 in co-financing.

7. In terms of focal areas, 77 percent of the project cost in the biodiversity focal area comes from co-financing, 82 percent in climate change, 86 percent in land degradation, 89 percent in

multifocal areas, and 50 percent in persistent organic pollutants. On the average, cofinancing will provide 83 percent of total project costs in this work program.

Table 3. Proposed FSP Co-financing in the August 2006 Work Program ($ m)

Type	Biodiversity	Climate Change	Land Degradation	Multi-focal Areas	Persistent Organic Pollutants (POPs)	Total
GEF Grant	32.25	52.40	30.70	17.35	13.75	146.45
Co-Financier	-	-	-	-	-	-
Beneficiaries	-	5.90	-	-	-	5.90
Bilateral	31.90	0.69	37.91	-	-	70.50
Foundation	25.74	-	-	-	-	25.74
Government	2.34	66.88	34.31	-	5.32	108.84
Multilateral	3.71	5.86	122.51	-	0.12	132.20
NGO	28.68	2.26	-	-	-	30.94
Others	6.94	21.69	0.80	140.00	-	169.43
Private Sector	8.26	103.52	-	-	8.50	120.27
Total Co-Financing	107.57	235.36	195.53	140.00	13.93	692.39
Total Project Cost	139.81	287.76	226.23	157.35	27.68	838.84
GEF:Co-Financing Ratio	3.34	4.49	6.37	8.07	1.01	4.73
Percentage Co-Financing	77%	82%	86%	89%	50%	83%

8. Table 4 shows the historical trend in total cofinancing amounts and ratios. The cofinancing ratio average for GEF-3 to date is 4.12 compared to the overall historical average of 3.69 .

Table 4. Trends in Co-financing Amounts and Ratios (GEF Pilot Phase - GEF 3)*

GEF Phase	GEF Allocation ($m)	Co-financing Amount ($m)							Total Project Cost ($m)	Co-Financing Ratio
		BD	CC	IW	LD	MFA	ODS	POPs		
Pilot Phase	744.10	189.40	2,402.89	144.26	-	4.35	1.85	-	3,486.84	3.69
GEF - 1	1,109.77	878.37	2,119.27	217.40	-	54.37	95.20	-	4,474.37	3.03
GEF - 2	1,694.43	1,609.20	3,244.93	545.06	-	328.46	78.05	3.13	7,503.26	3.43
GEF - 3	2,647.17	2,764.42	4,474.97	2,068.95	920.69	811.58	11.49	134.08	13,566.11	4.12
2003	478.64	251.72	913.35	367.91	-	235.31	-	51.77	2,298.70	3.80
2004	604.29	611.40	430.83	752.42	67.95	212.85	6.73	7.76	2,694.23	3.46
2005	548.94	539.26	855.51	173.86	193.14	78.94	4.76	37.67	2,432.08	3.43
2006	511.96	667.34	599.14	751.41	447.99	82.27	-	7.40	2,800.28	4.47
2007	503.34	694.69	1,676.14	23.36	211.62	202.21	-	29.47	3,340.82	5.64
Total	**6,195.47**	**5,441.39**	**12,242.06**	**2,975.66**	**920.69**	**1,198.75**	**186.59**	**137.21**	**29,030.59**	**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 nonexpedited MSPs and EAs that were submitted for Council approval

Note: Cofinancing ratio = Cofinancing/GEF Allocation

Agency Fees for the Current Work Program

9. Fees are paid to the Implementing and Executing Agencies for GEF project cycle management services. This is the sixth work program in which fees are paid at a flat rate of 9 percent of the GEF grant since the revised fee system was approved at the June 2005 Council Meeting. Table 5 shows the fees amounting to $13.18 million that Implementing and Executing agencies receive for the project proposals in the August 2006 Work Program.

Table 5. Proposed FSP Agency Fees for August 2006 Work Program*

Agency**	Projects(No)	GEF Project Allocation	PDF Amount	Total GEF Allocation	Total Fees
ADB	1	20.00	0.70	20.70	1.86
UNDP	6	41.38	2.21	43.58	3.92
UNDP/UNEP	1	12.00	0.29	12.29	1.11
UNEP	3	9.60	1.34	10.94	0.98
World Bank	5	57.56	1.40	58.95	5.31
Total	**16**	**140.53**	**5.92**	**146.45**	**13.18**

* All amounts are in $ million.

III. APPROVED PROJECTS UNDER EXPEDITED PROCEDURES (APRIL - JUNE 2006)

10. The GEF also finances medium-sized projects, PDF grants, and enabling activities under expedited procedures. Expedited approvals by the CEO or Implementing Agencies in the reporting period April 2006 - June 2006 comprise:

Medium-sized projects	$ 1.542 million	(2 projects)	CEO, Annex B
PDF-A	$ 0.426 million	(13 grants)	IAs, Annex C
Total GEF allocation	*$ **1.968** million*		

Medium-sized Projects

11. Two medium-sized projects were approved in this period for $1.542 million with cofinancing of $1.347 million. The co-financing ratio for the MSPs during this period is 1: 0.87. Details are in Annex B.

Project Development Facility

12. Thirteen PDF-A proposals amounting to $0.426 million were approved by the Implementing Agencies to prepare project concepts.

Projects Approved under the Policy of Expanded Opportunities

13. No projects were approved by the Executing Agencies (ExAs) under the policy of Expanded Opportunities in this period.

IV. WORK PROGRAM PROJECT SUMMARIES

Biodiversity

1. Global: Critical Ecosystem Partnership Fund, Phase 2 (World Bank)

Focal Area/OP/Strategic Priority:	Biodiversity/OP1, 2, 3, and 4/SP1, 2 and 4
Local Executing Agency:	UNOPS
Total Cost of the Project:	$100 million
GEF Funding Request:	$20 million
Key Indicators:	The project will contribute to the protection of 20 million hectares of key protected areas with strengthened protection and management, including at least 8 million hectares of new protected area. The project will also contribute to improve management of 1 million hectares in protection landscape for biodiversity conservation or sustainable use.

Project Rationale and Objective:
This proposal is a request for additional GEF resources to rollout a second phase of the global program of the Critical Ecosystem Partnership Fund (CEPF). The second phase is essential to consolidate the program in existing hotspots, further strengthen local civil society capacity to conserve and manage biodiversity, and extend CEPF support to civil society in newly defined areas of critical biodiversity importance, which would include marine and coastal ecosystems. CEPF will significantly expand the conservation efforts of its partners and national governments as a streamlined, agile fund designed for civil society, including many nongovernmental organizations and community groups often outside the reach of traditional funding mechanisms. Its approach emphasizes partnerships to avoid duplication of effort and maximize outcomes per dollar spent.

The World Bank, GEF and Conservation International launched the CEPF in 2000 as an urgently needed new approach to engage civil society in conserving the hotspots. The program's unique focus on hotspots and civil society attracted the John D. and Catherine T. MacArthur Foundation as a partner in 2001 and the Government of Japan in 2002, with each partner committed to provide $25 million to the program. During its first phase, CEPF established active grant programs in 15 regions within 14 of the original hotspots. By the end of 2005, CEPF had committed $76.9 million in grants to more than 570 civil society groups. Each grant awarded helped implement a region-specific investment strategy developed together with diverse stakeholders and approved by a council of high-level representatives from each CEPF donor institution. A 2005 independent evaluation of the global program was overwhelmingly positive and recommended that the donors seek further expansion opportunities. The evaluators found projects to be strategic and well selected to form integrated portfolios, with small grants complemented by targeted larger grants and a focus on influencing changes within institutions and governments. CEPF was particularly effective in strengthening NGO capability in some regions where local NGOs are just beginning to emerge and in influencing development decisions. Under the program, at least 14 critical ecosystems and hotspots will have active investment programs implemented by civil society groups at the national and local levels. For the second phase, the program supports a decentralized approach with increased responsibilities to the entities at the site level. Moreover, further emphasis has been made on socioeconomic, policy, and civil society assessment and consideration, including indigenous groups' participation in project activities

Project Outcomes:
The project will have four components:

(a) strengthening protection and management of globally significant biodiversity;
(b) increasing local and national capacity to integrate biodiversity conservation into development and landscape planning;
(c) effective monitoring and knowledge sharing; and
(d) global priorities, business planning and project execution.

2. Global: Institutionalizing Payments for Ecosystem Services (UNDP)

Focal Area/OP/Strategic Priority:	Biodiversity/OP2-Freshwater, Coastal, Marine; OP3-Forests/OP4-Mountains/SP2-Mainstreaming Biodiversity in Production Landscapes and Sectors
Local executing agency:	UNOPS
Total Cost of the Project:	$18.175 million
GEF Funding Request:	$5.691 million (+ PDFs of $457,000)

Key Indicators:
Biodiversity outcomes are improved on at least one million hectares in Eastern and Southern Africa and tropical America, by improving design of PES schemes, stimulating new PES schemes, and supporting pilots of new models of biodiversity payments. Activities will increase the number of ecosystem service buyers from the private sector globally, and mobilize new buyers for four PES schemes. Low-income communities will become engaged in PES that benefit livelihoods and local conservation.

The project will indirectly contribute to improved biodiversity outcomes on at least two million hectares globally by reducing costs and risks of ecosystem market transactions, and providing best practice guidelines through a global ecosystem market information service.

Rationale & Objective:
Proactive, systematic, cross-sectoral, and collaborative efforts are needed to overcome barriers to private sector's role as ecosystems service buyers or investors, and to realize the potential of PES to finance biodiversity conservation on a meaningful scale. This project will cost-effectively remove key barriers and fill gaps in national PES developments through the provision of global and regional support mechanisms and empowering and enabling the innovators who will be responsible for policy and institutional development. Elements of support include: accurate and timely market intelligence; state-of-the-art understanding of PES policy, institution and project design; on-going access to expert and peer experience and advice during the process of PES design and implementation; and platforms for cross-sectoral dialogue and institution building.

The Project Objective is to conserve biodiversity and ecosystem services by supporting the institutional capacity for expanding systems of payments for ecosystem services to a scale and quality sufficient to have a meaningful impact on global conservation.

Project Outcomes:

(a) timely, relevant, PES market information services for PES available to all stakeholders globally, through the Katoomba Group's Ecosystem Marketplace;
(b) national champions and stakeholders of PES in E. and S. Africa and Tropical America have improved capacity and access to resources and support for institutional and policy development for PES; and
(c) operational models and capacity to effectively design, establish and implement new PES and improve existing PES for biodiversity conservation.

Project Outputs:

(a) biodiversity market information services provided for market actors and communities;
(b) awareness-raising and marketing activities, aimed at all user groups implemented;
(c) 50% self-financing achieved by 2010 for the Marketplace;

(d) information, analytical tools and technical support provided to key stakeholders of the recently formed Eastern and Southern African Katoomba Group network and the Tropical America Katoomba Group;
(e) PES policy, planning and institutions improved;
(f) replicable models and tools developed to implement landscape-scale approaches to agri-environmental payments;
(g) improved ecoagriculture payment schemes designed and piloted in two landscapes in Eastern Africa and tropical America;
(h) a portfolio of successful biodiversity offset pilot projects established;
(i) best practices and guidance for designing and implementing biodiversity offsets developed, tested and disseminated;
(j) new PES in forest enterprises designed and implemented with project support;
(k) cases documented, and lessons synthesized and disseminated with a toolkit on how to set up PES in forest enterprises;
(l) pipeline developed for investment in PES in forest enterprise;
(m) develop a conceptual framework and decision support tool for fishery and flood protection PES;
(n) feasibility assessment for coastal PES in two landscapes; and
(o) resource materials on coastal PES compiled and disseminated.

Biosafety

3. Regional (Benin, Burkina Faso, Mali, Senegal, Togo): West African Regional Biosafety Project (World Bank)

Focal Area/OP/Strategic Priority: Biodiversity-Biosafety/OP1, 2, 13/SP3
Local Executing Agency:
Total Cost of the Project: $21.64 million
GEF Funding Request: $5.40 million (+ PDF of $700,000)
Key Indicators:
All five participating countries will have aligned national biosafety safeguards, regulations, and the like to regulate and monitor the use of specific modern biotechnologies (mainly cotton) and respond to gene/pollen flows and invasiveness by the end of the project. One or more countries will have aligned national policies, regulations, and the like to regulate the commercial release of transgenic cotton by the end of the project. Regional biosafety legal framework and regional risk assessment and management methods will be implemented by the end of the project with the strong coordination by a regional body (WAEMU). Three or more countries will have "regulatory" field trials on agricultural products using science based risk assessment and management methods developed by the project. .

Rationale & Objective: The project will assist the beneficiary countries in implementing a biosafety regulatory framework that will ensure safe field trials and commercial release, if proven safe, of transgenic cotton and other transgenic crops. This objective will be achieved by establishing an enabling regulatory environment, by capacity building, and by public outreach to meet not only the requirements of the Cartagena Protocol on Biosafety (CPB), which all five countries have ratified, but also other international obligations relevant to biosafety.

The global environment objective of the project is to protect regional biodiversity against the potential risks associated with introduction of LMOs that could eventually be released into the environment. This will be achieved through the development of common science–based, internationally accepted methods for risk assessment and management in the approval process of modern LMO biotechnologies. A particular attention will be given to gene transfer to related and unrelated organisms, pest resistances and effects on non target organisms. The project will initially benefit the West Africa Economic and Monetary Union (WAEMU) region (actually a smaller scale subregional entity), and offers a potential for scaling up to the level of the Economic Community of West African States (ECOWAS).

Project Outcomes:

(a) adaptation and dissemination of regional methodologies to assess and manage risks;
(b) implementation of National Biosafety Frameworks; and
(c) set up of biosafety and Intellectual Property Rights (IPR) legal frameworks among beneficiary (WAEMU) countries and monitor the impacts for the introduction of modern biotechnologies in the cotton sector in the WAEMU space.

Climate Change

4. Global (Bangladesh, Bolivia, Niger, Samoa, Guatemala, Jamaica, Kazakhstan, Morocco, Namibia, Vietnam): Community-based Adaptation (CBA) Programme (UNDP)

Focal Area/OP/Strategic Priority:	Climate Change/SPA
Local Executing Agency:	UNOPS
Total Cost of the Project:	$9.535 million
GEF Funding Request:	$4.525 million (+ PDF of $484,000)

Key Indicators:

- Reduction to vulnerability to climate change including variability.
- Magnitude of global environmental benefits secured (using the Small Grant Program's Impact Assessment System (IAS)).
- Number of strategies adopted to address drought and other categories of vulnerability.
- Approval of Country Program Strategies (CPS) documents.
- Number of Country Based Adaptation (CBA) concepts submitted.
- Number of approved CBA projects.
- Number of policies and programmes adopted or adapted on the basis of CBA experiences.
- Number of policy makers engaged in the CBA.
- Number of lessons compiled and disseminated.
- Adoption or adaptation of practices piloted through the CBA.
- Existence of CBA web-site. Value of web-site.
- Existence of CBA global database. Value of CBA global database.
- Number of cases included in the Adaptation Learning Mechanism (ALM).
- Documented CBA experiences guide future GEF interventions on adaptation to climate change including variability.

Rationale & Objective: To enhance the capacity of communities in the pilot countries to adapt to climate change including variability.

Project Outcomes:

(a) enhanced adaptive capacity allows communities to reduce their vulnerability to adverse impacts of future climate hazards;

(b) national policies and programmes promote replication of best practices derived from CBA projects; and

(c) cooperation among member countries promotes innovation in adaptation to climate change including variability.

5. Global: Solar Water Heating Market Transformation and Strengthening Initiative, Phase 1 (UNDP/UNEP)

Focal Area/OP/Strategic Priority:	Climate Change/OP6/Market Transformation
Local Executing Agency:	
Total Cost of the Project:	$31.435 million
GEF Funding Request:	$12.00 million (+ PDF of $285,000)
Key Indicators:	1 million square meters of SWH installed, sustainable market growth of at least 20% by the end of project.

Rationale & Objective: Solar water heaters (SWH) for households and service industries have long been recognized as a cost-effective alternative to fossil-fueled water heaters and geysers. Through a suitable mix of policy and support schemes, they have reached broad consumer markets in a number of countries, for example, China and Turkey. In many other countries, their potential contribution to saving greenhouse gas emissions has not been tapped. This project tries to transfer the experiences and lessons from the more successful markets to countries that are interested in developing their SWH markets, thereby, effecting investments in 3 million square meters of SWH, or investments by homeowners and small businesses of SWH worth $900 million.

The program is also an experiment with respect to GEF procedures and knowledge management. A global program support component has the task of collecting and updating the global knowledge on market transformation for SWH. It will ensure that participating countries can learn from the latest experiences in terms of market transformation programs, but also from current technological developments and the global market situation. Each participating country has a nationally executed country program that delivers the support that is locally needed. The country programs are tailored to the market situation at program outset, which is facilitated by a standard program template and standard log frame that is delivered as part of the basis for the global program. The first phase, for which funding is sought now, covers six countries. In the second phase, further countries can join the program.

This project setup has several advantages.

(a) Firstly, it responds to the need for global market transformation for an important technology that has not received much GEF support in the past. The lack of support for SWH has actually been questioned in one of the Council responses to the programming document for the climate change program under GEF-4.

(b) Secondly, the project design integrates global knowledge management with national implementation, leading to a better and more consistent program.

(c) Thirdly, the setup provides cost savings. The project documents estimate that the global component saves around 20-30 percent as compared to stand-alone country programs, by making available, among other things, consolidated technical backstopping, shared help-desk functions, shared experiences and lessons as well as public awareness raising and marketing materials.

(d) Fourthly, the second phase allows countries to conduct a very cost-effective market transformation program with the limited resources available under small GEF-4 country allocations. Project preparation will be fast as countries can directly draw on the standard program template provided with this project. In addition, they can benefit from the global knowledge management component which will ensure that they only use best practices and well targeted activities to develop their national markets.

6. Regional (Ethiopia, Kenya, Malawi, Swaziland, Tanzania, Uganda, Sudan): Cogen for Africa (UNEP)

Focal Area/OP/Strategic Priority:	Climate Change/Operational Program 5 & 6
Local executing agency:	Afrepren and various government agencies
Total Cost of the Project:	$67. 25 million
GEF Funding Request:	$5.25 million (+ PDF-B of $417,400)

Rationale & Objective: Cogeneration, which is the simultaneous production of two different forms of energy (usually in the forms of heat and power) from a single energy system and source, is a highly efficient technique to provide electricity and heat to industries and the national grid. Moreover, when biomass residues from wood and agro-industries are used as fuel for cogeneration, the plant becomes a renewable energy system which, in many cases replaces the use of fossil fuel. The concept of cogeneration and its associated benefits have been proven in many regions of the world and modern technologies using high-pressure cogeneration systems exist in the global market. The Cogen for Africa Project will promote the concept of highly efficient cogeneration, focusing on the use of residues (wastes) from sugar factories and other agro-industries. By making modern high-pressure cogeneration a more widely spread option for agro-industries, the current power crisis in East Africa can be mitigated and the agro-industries will be able to better hedge against price risks on their respective commodity markets.

The project approach is modeled on a successful predecessor in the Asia region. The strengths of that approach have been extracted and adapted to suit the African context and business environment. A key model of success for this Project is the experience in Mauritius where its sugar industry uses the bagasse residues generated from the factories as fuel in high pressure cogeneration systems which allow the project owners to implement much higher capacities than what the factories need, thereby giving them opportunity to sell excess power to the grid. Today, the electricity produced by these cogeneration plants in the sugar industry is supplying close to 40% of the total consumption of the whole country.

Project Outcomes: The project will help establish technical capacity in the region and in the participating countries, including not only capacity building and focusing on cogeneration within existing institutions but also in the private sector. The project has a target to directly support the implementation of an additional of 40 MW of modern and efficient cogeneration capacity as Full Scale Promotion Projects (FSPPs) during the Project duration of six (6) years. These projects will act as showcases for convincing other potential project developers/owners of the technical reliability, economic viability and environmental soundness of more efficient cogeneration systems. The project will also provide advisory services to the interested industrial partners, and links with potential cofinanciers. It is expected that during the Project implementation another 20 MW of projects will have been directly supported through the provision of advice, services and training but which are not part of the FSPPs. These projects are expected to be under construction or at the advanced stage of project development at the end of the 6-year project period.

7. Regional (Burundi, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda, Zambia): Greening the Tea Industry in East Africa (UNEP)

Focal Area/OP/Strategic Priority:	Climate Change/OP6, productive uses of renewable energy
Local Executing Agency:	East African Tea Trade Association
Total Cost of the Project:	$29.037 million
GEF Funding Request:	$2.854 million (+ PDF-B of $569,000)

Rationale & Objective: Tea growing is an important source of revenue for many countries in East Africa. Tea plantations are typically located in hilly areas with secure rainfall. That is why tea factories are well suited to exploit hydrological resources for power generation, which is what this project intends to do.

As a result of the proposed project, tea factories in participating countries in Eastern and Southern Africa, under the East Africa Tea Trade Association (EATTA) will have access to clean and reliable electricity from small hydropower for their processing needs. This will substitute for expensive and unreliable electricity from the grid and diesel backup power. An accompanying activity will increase the efficiency of energy use in tea factories. Together these steps will reduce the cost of production and make the tea more competitive on the world market. Communities that neighbor tea factories can benefit from access to electricity generated by the small hydropower projects. Thus, the project will contribute to rural electrification in countries with among the lowest rural electricity access in the world, particularly where the government has policies to support private-public investment in rural electrification. Surplus power not used by the tea factories or for rural electrification will be available to the national grid where there is a supportive environment for private sector independent power producers (IPPs). By substituting for proposed addition of GHG intensive electricity, the project will partially mitigate the increasing trend of fossil-fuel based IPPs, and make a modest contribution to the greening of the power grids within the EATTA countries.

In order to demonstrate these advantages of hydropower in the tea industry, the project will support a number of demonstration projects with technical assistance. These demonstration projects will be selected so as to show different arrangements with respect to using surplus power (grid connection versus community connections), different country environment, and different organizational structures (e.g., sole owners vs. cooperatives). The project will thus establish investment confidence in small hydropower among investors and financial institutions, build technical capacity in the countries, create business models for public-private partnerships, and improve some regulations to facilitate the sales of surplus electricity, for example, with respect to licensing procedures and power purchase agreements.

8. Argentina: Energy Efficiency (World Bank)

Focal Area/OP/Strategic Priority:	Climate Change/OP5/CC-1 and CC-2
Local Executing Agency:	Secretariat of Energy
Total Cost of the Project:	$98.113 million
GEF Funding Request:	$15.155 million (+ PDF of $345,000)
Key Indicators:	5.9 million tons of CO_2 reduction over the life of the project (2012); 71.9 million tons of CO_2 reduction over 10 years post-project.

Rationale & Objective:
The objective of the project is to attain a sustained increase in energy efficiency of electricity and natural gas use in major economic sectors and in the process reduce greenhouse gas emissions. The project will achieve this by removing key institutional, financial, and information barriers and the perceived risks for EE investments among commercial banks, improving the capacity and incentives for electricity utilities to promote EE, and developing new EE regulations and strengthen the ESCO industry.

Project Components:

(a) establishment of the Argentina EE Fund, which includes a contingent grant facility and a guarantee facility;
(b) development of a utility program to support EE investments by electricity utilities in the residential, commercial and public sectors;
(c) capacity building and project management, including preparation of energy sector, tax and financial policies and regulations to promote EE as well as a standardization, testing, certification, and labeling program;
(d) ESCO capacity building to foster the ESCO industry and to implement EE investments through the EE Fund;
(e) information, training, and disseminator programs; and
(f) project coordination and M&E.

Project Outcomes:

(a) 8,992 GWh saved, 745 MW deferred, 804,000 TOE of fuels saved;
(b) $9.6 million of EE lending supported by AEEF and $53 million by utilities;
(c) 6 banks involved in EE project financing; and
(d) 310,000 EE lamps and 8 other types of new EE equipment installed and 8.3 to 12.5 million EE labeled equipment sold.

9. Egypt: Bioenergy for Sustainable Rural Development (UNDP)

Focal Area/OP/Strategic Priority:	Climate Change/OP 6, productive uses of renewable energy
Local Executing Agency:	Egyptian Environmental Affairs Agency
Total Cost of the Project:	$16.644 million
GEF Funding Request:	$3.0 million (+ PDF-B of $344,000)

Key Indicators:

- Bioenergy systems constructed and operated on a profitable and sustainable basis.
- Over 90 percent customer satisfaction on the services provided by the first pilot projects.
- Enabling policy framework for promoting sustainable rural biomass energy created, including financial and fiscal incentives.

Rationale & Objective: The project seeks to remove the technical, institutional, information, financial, and market barriers to developing the BET market in Egypt. The project will promote the use of agricultural waste as a greenhouse gas-neutral, alternative energy source to kerosene or LPG (please define), by relying on modern technologies such as biogas digesters, biomass combustion plants and, as applicable, gasifiers. While efforts have already been made to introduce these technologies in Egypt, these attempts have typically suffered from an approach that was too technology oriented, without adequate follow-up during the operation and without addressing those broader policy, capacity, financing, and institutional barriers that prevent sustainable market transformation. The proposed project seeks to take lessons learnt from these previous attempts into account and initiate a more sustainable market transformation. Access to biogas will both provide rural non-electrified households with clean energy for their overall social and economic development needs and deal with the problem of agricultural waste disposal.

Project Outcomes: The project will achieve the abovementioned objective by

(a) testing the feasibility and building the public confidence on BET systems and on the new business and financing models to facilitate their broader adoption, and on the basis of those models showing success, developing further the financial, institutional, and market strategies for their large-scale replication;

(b) supporting the development and adoption of an enabling policy framework to implement and leverage financing for the recommended strategies;

(c) building the capacity of the supply side to do marketing, finance, and deliver rural bioenergy services; and

(d) institutionalizing the support provided by the project to facilitate sustainable growth of the market after the end of the project.

Project Outputs: The project will directly lead to the establishment of a biomass energy support scheme and a number of biomass service providers. They are expected to install during project implementation at least 1000 family scale, 10–20 community scale, and 2 farm-scale biogas systems, and at 3–6 larger systems to mitigate the biomass waste problem. The project will further lead to institutionalization of the support delivered and a sustainable financing mechanism through policy advice, market intelligence, and the leveraging of local and bilateral co-financing.

10. Egypt: Sustainable Transport (UNDP)

Focal Area/OP/Strategic Priority: Climate Change/ OP11/SP6
Local Executing Agency: Egyptian Environment Affairs Agency (EEAA)
Total Cost of the Project: $35.745 million
GEF Funding Request: $6.9 million (+ PDF-B of $275,000)
Key Indicators:

- Cumulative direct CO_2 reduction potential, to which the project is contributing: 2.0 million tons of CO_2 over the next 20 years.
- Share of public transportation maintained or, if possible, increased.
- New non-motorized transport (NMT) corridors developed with the total length of at least 50 km.

Rationale & Objective:
The population of Egypt is growing by some 1 to 1.5 million people per year and is expected to reach 80 million by 2015. Together with the growing economy, this is inevitably putting more pressure on the country's transportation system. The problems are particularly acute in the Greater Cairo area, one of the world's mega-cities with a population of more than 17 million and where the demand for mobility has greatly outpaced the capacity of the public transportation system to cope. While the situation in other cities of Egypt is not as critical as in Cairo in terms of congestion and local air pollution, the trend of increasing energy use and GHG emissions is similar. In 2002/2003, the transport sector was responsible for 28 percent of the final energy consumption in Egypt and for about 25 percent of the energy related CO_2 emissions and is the fastest growing source of CO_2 emissions in the country. The total amount of greenhouse gas emissions from the transport sector in Egypt in 2002/2003 was estimated at 29 million tons of CO_2.

The objective of the proposed GEF Grant is to create an enabling policy and institutional environment and to leverage financial resources for the sustainable transport sector development, measured by the level of success in initiating replication of the sustainable transport concepts promoted in the project and the level of adoption of the required institutional changes and improvements in the general policy framework.

Project Outcomes:
The project is designed to produce the following key outcomes:

(a) the concept for new, integrated high quality public transport services (to exert shift from private cars) for Cairo and its satellite cities successfully introduced and replicated on the basis of public-private partnerships;
(b) the modal share of non-motorized transport in middle size provincial cities increased or sustained;
(c) successful introduction of the Transport demand Management (TDM) concept with an objective to expand it towards more aggressive measures over time to effectively discourage the use of private cars;
(d) improved energy efficiency of freight transport;
(e) strengthened institutional capacity to promote sustainable transport sector development during and after the project.

Land Degradation

11. Regional (Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan, Tajikistan): Central Asian Countries Initiative for Land Management (CACILM) Multi-country Partnership Framework, Phase 1 (ADB)

Focal Area/OP/Strategic Priority: LD/GEF 3 - SLM 1 & 2/GEF 4 - SLM 1,2,3 & 4
Local Executing Agency: Ministries of Environment and Ministries of Agriculture
Total Cost of the Project: $155.523 million
GEF Funding Request: $20.00 million (+ PDF of $700,000)
Key Indicators: Area of land protected from land degradation in five countries is estimated to be 9,840,000 hectares over the ten-year program. Rehabilitation of degraded and threatened lands and creation of conditions for sustainability will occur on approximately 2,840,000 hectares. Additional area benefiting from sustainable land management improvements by replication and strengthening of sustainable land management practices at all levels is estimated to be seven million hectares.

Rationale:
Land degradation is a serious economic, social, and environmental problem in the Central Asian countries (CACs) of Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. It directly affects the livelihoods of nearly 20 million rural inhabitants by reducing the productivity of land resources. Agricultural yields are reported to have declined by 20–30 percent across the region since these countries achieved independence over a decade ago. Annual losses of agricultural production from salinization alone are estimated at $2 billion.

The CACs contain unique dryland, mountain and riparian ecosystems of importance to global biodiversity. These are being degraded and lost as rural populations become more desperate to sustain their livelihoods. Significant further progress in poverty reduction in the CACs will rely to a large extent on the countries' ability to achieve growth in the agricultural sector—a major contributor to CAC economies—and, hence, on attaining sustainable land management (SLM). The anthropogenic causes of land degradation are largely attributable to the abuse and overexploitation of the natural resource base, particularly through inappropriate and unsustainable agricultural policies and practices, forest degradation, and complications derived from natural disasters.

Program Objective**:**
The Central Asian Countries Initiative for Land Management **(**CACILM) Multi-country Partnership Framework seeks to restore, maintain, and enhance the productive functions of land in Central Asia, leading to improved economic and social well-being of those who depend on these resources while preserving the ecological functions of these lands in the spirit of UN Convention to Combat Desertification. This is to be achieved largely by successfully implementing national programs of the CACs that were developed using a framework formulated under CACILM. The Framework supports the implementation of the NPFs in a way that ensures comprehensive and integrated approaches to SLM in the region.

Program Outcomes**:**

(a) favorable environment for SLM investments in CACs, supported by SLM mainstreaming and improvements in policies, regulations, and land administration;

(b) improved capacity of the institutions in the CACs to adopt integrated land-use planning and management;

(c) rehabilitation and improved productivity of selected lands, thereby leading to improved livelihoods, foreign exchange earnings, and food security, and providing indirect protection to threatened ecosystems;

(d) enhanced protection of ecosystem integrity and landscapes.

(e) broader involvement of civil society and other stakeholders in SLM in the CACs; and

(f) sustained and harmonized commitments of financial and human resources through mainstreaming of SLM in development cooperation partner programs and national budgets of the CACs.

12. Burkina Faso: Partnership Programme for Sustainable Land Management (CPP), Phase 1 (UNDP)

Focal Area/OP/Strategic Priority:	Land Degradation/ SLM-1 Targeted Capacity Building/SLM-2 Implementation of Innovative and Indigenous Sustainable Land-Management Practices
Local Executing Agency:	National Government, Ministre de l'Environnement et du Cadre de Vie
Total Cost of the Project:	$70.71 million
GEF Funding Request:	$9.65 million (+ PDF of $350,000)
Key Indicators:	Achievement in Phase 1 of sustainable land management and rehabilitation of degraded lands directly in at least 501,000 hectares in four pilot regions, increasing to at least 1,130,000 hectares by the end of Phase 3.

Program Rationale & Objective:

The Country-Program Partnership (CPP) for Burkina Faso seeks to conserve globally important ecological systems by controlling and preventing land degradation through a well-coordinated collaborative program at the national level. The program will involve government, multilateral and bilateral development agencies, private sector, and local stakeholders. It will focus on sector integration, mainstreaming of SLM in national sustainable development priorities, and harmonized stakeholder collaboration and coordination. The CPP will specifically address the following concerns:

(a) strengthening the enabling environment for policy reforms to support SLM and develop both human and institutional capacity for SLM;
(b) adopting, implementing, and replicating innovative and viable traditional approaches and best practices in SLM;
(c) adopting integrated approaches to SLM, including synergies between environment and other sectors, especially water use efficiency measures; and
(d) promoting effective resource mobilization strategies and cost effectiveness through the use of harmonized project cycles of stakeholders and collaborators.

Program Outcomes:

(a) adoption of integrated SLM program with strong country ownership and leadership;
(b) a strong enabling environment for SLM that includes appropriate policies, regulations and incentives;
(c) strong in-country human and institutional capacity to implement SLM and replication of best practices and approaches for SLM; and
(d) a strong collaborative program for SLM at country level which includes sustainable resource mobilization.

Multi-Focal Area

13. Regional (Albania, Algeria, Bosnia-Herzegovina, Bulgaria, Croatia, Egypt, Lebanon, Libya, Macedonia, Morocco, Serbia and Montenegro, Syria, Tunisia, Turkey): World Bank-GEF Investment Fund for the Mediterranean Sea Large Marine Ecosystem Partnership, Tranche 1 (World Bank)

Focal Area/OP/Strategic Priority:	MFA/ IW-OP9/SP-1 and & BD-OP2/SP-1,2,4
Local executing agency:	National Governments
Total Cost of the Project:	$100 million
GEF Funding Request:	$10 million (Part1 of Tranche 1; $7 mil IW and $3 mil Biodiversity)

Key Indicators:

- 15 percent of major hotspots/sensitive areas identified in the TDA are addressed.
- Replication strategy is adopted and initiated in at least 3 countries.
- US$ 100 million replication investments are leveraged.
- US$250 million of project co-financing is secured.
- Measures to address SAP targets are incorporated in at least 7 CASes.
- At least 5 innovative low-cost techniques (such as managed aquifer recharge. engineered wetlands, treated wastewater reuse, etc) are demonstrated.
- 1,000,000 population equivalent of wastewater is treated.
- 5-7 sensitive areas are under effective management.
- Bank IF Coordination team participates in all (100%) SP consultations.
- Bank IF Coordination team organizes and/or participates in at least 5 regional conferences and/or technical workshops in support of the SP objectives.

Rationale & Objective:

Through the years, the GEF has supported the preparation and adoption of the two Strategic Action Programmes (one reducing land-based pollution and another for marine biodiversity conservation) by all Mediterranean riparian countries and opened the way to a series of country-driven investments targeted to priority actions agreed upon by the countries. The Strategic Partnership for the Mediterranean Sea Large Marine Ecosystem—with its regional component and investment fund pillars—is the most effective financing modality available to catalyze critical investments from public and private sector for pollution reduction, coastal management, and biodiversity conservation. It promotes the institutional, technical, and financial innovations needed to accelerate implementation and is the logical next step for GEF intervention. Without the catalytic effect of the GEF Investment Fund financing, investments would likely be limited, scattered, and not targeted to reduction of transboundary pollution. Moreover, governments would likely give only marginal attention to the implementation of the SAPs within their financially constrained development programs. The Strategic Partnership Investment Fund for the Mediterranean Sea Large Marine Ecosystem follows the model established by the Strategic Partnership for the Black Sea and Danube Basins, which has been under implementation for five years and has already successfully achieved many of its targets through 3 Tranches approved by Council totaling $70 mil. The progress report on the Danube/Black Sea Basin was presented to Council in Nov 2005 in GEF/C.27/Inf.6. This current proposal represents the first part of Tranche 1 of the Investment Fund and is requesting $10 million in GEF because that was all the funding that was available within GEF 3.

Project Outcomes:

(a) transboundary pollution reduction and biodiversity conservation in priority hotspots and sensitive areas of the Mediterranean Sea identified through the TDA-SAP process are achieved;
(b) in-country replication of pollution reduction and biodiversity conservation investments is initiated;
(c) investments for pollution reduction and biodiversity conservation in selected countries are catalyzed;
(d) SAPs implementation is addressed in World Bank country dialogues;
(e) innovative, cost-effective investments in specific country contexts are promoted;
(f) measurable pollution reduction and biodiversity conservation in support of the SAP targets are achieved; and
(g) knowledge-sharing and cross-fertilization of project achievements among SP partners are facilitated.

14. Philippines: National Program Support for Environment and Natural Resources Management Project (NPS-ENRMP) (World Bank)

Focal Area/OP/Strategic Priority:	MFA/OP12; EM-1: Integrated Approach to Ecosystem Management; SLM-1: Capacity Building; SLM-2: Implementation of Innovative and Indigenous Sustainable Land Management Practices; Biodiversity/SP1-Catalyzing Sustainability of Protected Areas/SP2- Mainstreaming biodiversity in the production landscapes and sectors
Local Executing Agency:	Department of Environment and Natural Resources Management (DENR); Local Government Units
Total Cost of the Project:	$57.35 million
GEF Funding Request:	$7.0 million (+ PDF of $350,000)
Key Indicators:	217,000 ha of protected areas more effectively managed; 60 percent of PAs using PA management effectiveness tool; SLM practiced in areas covering 264,000 ha; 25 percent decline in areas under slash and burn agriculture

Program Rationale & Objective:
For the Philippines, it is critical that a robust sector-wide approach for natural resources management be designed and implemented to ensure increased effectiveness and efficiency in GEF and other donor operations in Philippines.

The project will contribute to sustainable growth and improved environment and natural resources management through its support to the development and implementation of appropriate polices and practices. The GEF component will assist the GoP in enhancing ecosystem services for global and additional local benefits. This would be achieved by establishing and implementing integrated and effective systems for protection and management of natural resources in select priority areas of global significance. The project will contribute to the conservation and sustainable use of biodiversity, including improved protection and management of watersheds, river basins and coastal areas; climate change benefits, through carbon sequestration; and sustainable land management. National benefits resulting from complementary baseline activities would come from stabilizing ecosystems and improving productive capacity of watersheds thereby reducing economic vulnerability of the rural poor and contributing to poverty reduction.

Program Components:
The project will have the five components:

Component 1: Environment Information, Planning & Monitoring System.
Component 2: Strengthening Institutional Capacity and Service Delivery.
Component 3: Strengthening the safeguards and environmental management system.
Component 4: Integrated Watershed Management, Training and Awareness.
Component 5: Technical Assistance to mining activities.

Persistent Organic Pollutants (POPs)

15. Brazil: Development of a National Implementation Plan in Brazil as a First Step to Implement the Stockholm Convention on Persistent Organic Pollutants (POPs) (UNEP)

Focal Area/OP/Strategic Priority:	POPs/Enabling Activities/SP-1
Local Executing Agency:	Ministry of Environment
Total Cost of the Project:	\$3.529 million
GEF Funding Request:	\$1.499 million (+ PDF-B of \$350,000)
Key Indicators:	Submission by the Government of Brazil to the Conference of the Parties (COP) to the Stockholm Convention of a National Implementation Plan (NIP). Intermediate indicators include action plans for the management of PCBs and the reduction of unintentionally produced POPs, along with inventories and draft strategies for management of POPs wastes.

Rationale & Objective: The proposal is a response to Convention requirement that each party submit a NIP to the COP within two years of entry into force of the Stockholm Convention for that party (Art. 7). It is designed to strengthen both the institutional and human resource capacity for the management of POPs in Brazil and the policy and regulatory framework to facilitate the environmentally sound management of POPs and other chemicals as well as products and articles containing or contaminated by POPs.

The project design follows the broad structure of the Initial Guidelines for Enabling Activities for the Stockholm Convention on POPs (GEF/C.17/4, May 2001) and the more recent guidance prepared by UNEP and the World Bank and adopted by the Conference of the Parties at its first meetings. (UNEP/POPS/COP.1/31 SC-1/12).

Project Outcomes:

(a) identification of stockpiles, products, and articles in use that contain or are contaminated by POPs, including those newly proposed for listing under the Convention;
(b) identification of wastes consisting of, containing, or contaminated by POPs;
(c) national inventory of PCBs and equipment containing PCBs and other articles with PCBs;
(d) strategy for the sound management and phase out of PCBs and PCB equipment;
(e) assessment of the potential for releases of unintentionally produced POPs from anthropogenic sources;
(f) development of measures for the progressive reduction of releases and elimination of sources of unintentionally produced POPs;
(g) development of national management system for Stockholm Convention;
(h) development of national and provincial policy, legal, regulatory and promotional frameworks to meet Convention requirements;
(i) public awareness and education programs and materials; and
(j) draft National Implementation Plan.

16. China : Alternatives to DDT Usage for the Production of Anti-fouling Paint (UNDP)

Focal Area/OP/Strategic Priority:	POPs/OP14 (draft)/SP-2/linkages with OP10
Local Executing Agency:	FECO/SEPA
Total Cost of the Project:	$24.155 million
GEF Funding Request:	$11.61 (+ PDF-B of $295,000)
Key Indicators:	Elimination of 250 tons per year of DDT emissions from production of antifouling paint. Related regulations, standards and action plans will be established or revised, supported by capacity development, to create an enabling policy environment to sustain the phase out.

Rationale & Objective:
Antifouling paint used by small and medium fishing ships in China contains DDT—a usage that was long abandoned in other parts of the world and for which no exemption exists under the Stockholm Convention. China is the only country that has reported such a usage. The amount of DDT in antifouling paint is approximately 5 percent by weight, leading to an estimated release to the environment of 250 tons of DDT per annum. Most of the antifouling paint that does not contain DDT (about 50 percent) is TBT-based, which can cause environmental degradation as well since TBT is a potent endocrine disruptor, the usage of which is curtailed by a convention under the IMO.

The project seeks to phase out the use of DDT in antifouling paint and to promote the production, distribution, and use of alternative products, while encouraging China to phase out TBT as well in the longer term.

Project Outcomes:

(a) project management institutions with improved managerial and technical capabilities for effective project implementation and management and coordination mechanism;

(b) the establishment of a Management Information System (MIS) for data collection, processing, and analysis, and information transmission and sharing, which will support long-term reporting requirement after completion of the project;

(c) establishment or revision of regulations and standards and an action plan supported by capacity building to create an enabling policy environment for phase out of DDT-based antifouling paint and promotion of sustainable alternatives;

(d) conversion from DDT-based antifouling paints to alternatives;

(e) improved understanding of the key stakeholders and the public of the harm of DDT and TBT-based antifouling paints and the benefits of alternatives; and

(f) effective monitoring and evaluation of project implementation and achievement of results.

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