Global Environment Facility

GEF/C.27/6
October 13, 2005

GEF Council
November 8-10, 2005

Agenda Item 9

WORK PROGRAM SUBMITTED FOR COUNCIL APPROVAL

Recommended Council Decision

The Council reviewed the proposed work program submitted to Council in document GEF/C.27/6, and approves it subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by November 25, 2005.

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

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

Executive Summary

The CEO proposes to the Council the approval of this work program containing 26 full-size project (FSP) proposals requesting a total GEF allocation of $250.86 million. The work program includes one project which was submitted as part of the July 2005 intersessional work program that is being re-submitted in this work program at the request of one Council Member.

Total co-financing amounts to $1,400.979 million which, when added to the total GEF allocation gives a total project value of $1,658.587 million.

The proposed Work Program includes the ***Croatia****: Conservation and Sustainable Use of Biodiversity in the Dalmatian Coast through Greening Coastal Development* (UNDP) project which was initially submitted for Council review in the July 2005 intersessional work program, and is now being re-submitted for Council review as part of the November 2005 work program at the request of one Council Member who raised concerns regarding several cost issues, including the incremental cost calculation, the proposed partial risk guarantee, proposed banking reforms, and co-financing commitments.

In the international waters focal area, there are two strategic partnership projects in this work program. They are the ***Regional*** *(Africa): Strategic Partnership: Sustainable Fisheries Investment Fund in the LMEs of Sub-Saharan Africa* (World Bank) and the ***Regional*** *(Asia/Pacific): Partnership Investment Fund for Pollution Reduction in the LMEs of East Asia* (World Bank). Each of these partnership projects include investment funds with investment phases/tranches. The Council is requested to approve the strategy, objectives, eligibility criteria for the funds, and design of the partnership investment funds for these projects. GEF resources will be made available for the first phase/tranche of the Investment Fund in this work program. Subsequent phases/tranches will be submitted for Council approval upon achievement of triggers of the first phase/tranche.

In preparing this Work Program, the Secretariat reviewed 31 project proposals submitted by the Implementing Agencies and cleared them as meeting all of GEF's project review criteria. Including the re-submitted project proposal, the total requests for GEF resources in the 32 project proposals far exceeded the amount of resources currently available in the GEF Trust Fund, i.e., the Council's commitment authority. In order to stay within the Council's commitment authority, the CEO, in consultation with the Implementing Agencies, is proposing a joint work program for Council approval, consisting of 26 projects where: (i) 17 projects are proposed for full-funding; and (ii) nine projects are proposed for partial-funding, with the balance of the funding to be requested through future work programs.

Six projects that met all of the GEF's strategic and technical criteria, but which could not be accommodated in this Work Program, will be given priority for inclusion in future work programs.

The Secretariat, the Implementing and Executing Agencies, and the Trustee are closely monitoring the anticipated Council commitment authority under the GEF Trust Fund and comparing it to the project proposals under development for Council approval during the remainder of GEF-3 to ensure that there is a better match between demand for, and availability of, resources.

Table of Contents

I. Projects in the Proposed Work Program 1

II. Work Program 3
Highlights in this Work Program 4
Project Allocation Trends 8
Co-financing Amount and Trends 9
Agency Fees for the Current Work Program 10

III. Approved Projects under Expedited Procedures (July 2005 – September 2005) 11
Medium-sized Projects 11
Project Development Facility 11
Enabling Activities 11
Projects Approved under the Policy of Expanded Opportunities 11

IV. Cancelled Projects 12

V. Work Program Project Summaries 13

List of Attachments:

Attachment 1. Table A.1: Projects Requesting Partial Funding in the November Work Program
Attachment 1. Table A.2: Projects Deferred to Future Work Programs
Attachment 2. Projects in the Climate Change Focal Area expected for the remainder of GEF-3
Attachment 3. Explanation Notes for Annexes A(1) - A(3)

List of Annexes:

Annexes A(1) - A(2): Project Proposals Submitted for Council Approval, November 2005
Annex B: Medium-Sized Projects under Expedited Procedures
Annex C: Project Development Facility – PDF A
Annex D: Project Development Facility – PDF B/C
Annex E: Enabling Activities under Expedited Procedures
Annex F: GEF Projects Cancelled

List of Tables:

Table 1 Proposed Allocations for November 2005 Work Program by Focal Area
Table 2 Project Allocation Trends in the Work Programs (GEF Pilot Phase - GEF 3) by Focal Area ($ million)
Table 2(a) Project Allocation Trends (GEF Pilot Phase - GEF 3) by Focal Area ($ million)
Table 3 Proposed FSP Co-financing in the November 2005 Work Program ($ m)
Table 4 Trends in Co-financing Amounts and Ratios (GEF Pilot Phase - GEF 3)
Table 5 Proposed FSP Agency Fees for November 2005 Work Program

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[1]

Biodiversity

1. **Global:** Supporting Country Early Action on Protected Areas (UNDP) (GEF Grant : $4.00 m)
2. **Regional (Guatemala, Honduras, Brazil, El Salvador, Peru):** Biodiversity Conservation in Coffee: Transforming Productive Practices in the Coffee Sector by Increasing Market Demand for Certified Sustainable Coffee (UNDP) (GEF Grant : $12.00 m)
3. **Regional (Yemen, Lebanon, Palestinian Authority, Djibouti, Egypt, Eritrea, Ethiopia, Jordan, Sudan, Syria):** Mainstreaming Conservation of Migratory Soaring Birds into Key Productive Sectors along the Rift Valley/Red Sea Flyway (Tranches 1 and 2) (UNDP) (GEF Grant : $5.00 m)
4. **Brazil :** GEF Sustainable Cerrado Initiative (World Bank) (GEF Grant : $13.00 m)
5. **Brazil:** National Biodiversity Mainstreaming and Institutional Consolidation Project (World Bank) (GEF Grant : $22.00 m)
6. **Colombia:** Colombian National Protected Areas Conservation Trust Fund (World Bank) (GEF Grant : $15.00 m)
7. **Croatia:** Conservation and Sustainable Use of Biodiversity in the Dalmatian Coast through Greening Coastal Development (resubmitted from the July IWP) (UNDP) (GEF Grant : $6.99 m)
8. **Mexico:** Environmental Services Project (World Bank) (GEF Grant : $15.00 m)

Climate Change

9. **Regional (Belarus, Bulgaria, Kazakhstan, Romania, Russian Federation, Serbia and Montenegro, Ukraine, Macedonia):** Financing Energy Efficiency and Renewable Energy Investments for Climate Change Mitigation (UNEP) (GEF Grant : $3.00 m)
10. **Regional (Cameroon, Mali, Central African Republic, Benin, Togo, Gabon, Rwanda, Congo, Congo DR, Burundi):** First Regional Micro/Mini-Hydropower Capacity Development and Investment in Rural Electricity Access in Sub-Saharan Africa (UNDP) (GEF Grant : $18.58 m)
11. **Belarus:** Removing Barriers to Energy Efficiency Improvements in the State Sector in Belarus (UNDP) (GEF Grant : $1.40 m)
12. **China:** Demonstration of Fuel Cell Bus Commercialization in China, Phase 2 (UNDP) (GEF Grant : $5.77 m)
13. **Colombia:** Integrated National Adaptation Pilot: High Mountain Ecosystems, Colombia's Caribbean Insular Areas and Human Health (INAP) (World Bank) (GEF Grant : $5.30 m)

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

14. **Kiribati:** Kiribati Adaptation Program - Pilot Implementation Phase (KAP-II) (World Bank) (GEF Grant : $1.80 m)
15. **Mauritania:** Adrar Solar Initiative and Decentralized Electrification in the Northern Coastline of Mauritania through Hybrid (Wind/Diesel) Systems (UNDP) (GEF Grant : $2.70 m)
16. **Peru:** Second National Communication of Peru to the UNFCCC (UNDP) (GEF Grant : $1.80 m)

International Waters

17. **Regional (Africa):** Strategic Partnership for a Sustainable Fisheries Investment Fund in the Large Marine Ecosystems of Sub-Saharan Africa (Tranche 1 of 3 tranches) (World Bank) (GEF Grant : $13.00 m)
18. **Regional (Asia/Pacific):** World Bank/GEF Partnership Investment Fund for Pollution Reduction in the Large Marine Ecosystems of East Asia (Tranche 1 of 3 tranches) (World Bank) (GEF Grant : $25.00 m)

Land Degradation

19. **Regional (Gambia, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Sierra Leone):** Fouta Djallon Highlands Integrated Natural Resources Management Project (FDH-INRM) (Tranches 1 and 2) (UNEP) (GEF Grant : $5.00 m)
20. **Cameroon:** Sustainable Agro-Pastoral and Land Management Promotion Under the National Community Development Program Support Program (PNDP) (World Bank) (GEF Grant : $6.00 m)
21. **Cuba:** Supporting Implementation of the Cuban National Programme to Combat Desertification and Drought (NPCDD) (UNDP) (GEF Grant : $9.65 m)
22. **Kenya:** Agricultural Productivity and Sustainable Land Management (World Bank) (GEF Grant : $10.00 m)
23. **Namibia:** Country Pilot Partnership (CPP) for Integrated Sustainable Land Management (UNDP) (GEF Grant : $10.00 m)

Multi-focal Areas

24. **Global:** Country Support Program for Focal Points and Council Members (UNDP/UNEP) (GEF Grant : $11.86 m)
25. **Global:** GEF- Development Marketplace Partnership (World Bank) (GEF Grant : $2.00 m)
26. **Global:** Small Grants Programme (Third Operational Phase), Tranche 2 (UNDP) (GEF Grant : $25.00 m)

II. WORK PROGRAM

1. The GEF Chief Executive Officer/Chairman (CEO), having reviewed the conclusions and recommendations of the project review meetings with the Implementing Agencies (IAs), proposes to the Council the approval of this Work Program consisting of 26 full-sized project (FSP) proposals, including one re-submitted project for a GEF allocation of $250.86 million (see Work Program Project Summaries for details on these projects and Annexes A(1)-A(2) for their financial breakdown).

2. In addition to the GEF allocation for these projects, $6.627 million for Project Development Facility block B grants (PDF-B) were previously approved by the CEO and $124,350 for Project Development Facility block A grants (PDF-A) were approved by the agencies. Table 1 presents the total amount of GEF allocations for the 26 projects, including the PDF amounts previously approved.[2]

Table 1. Proposed Allocations for November 2005 Work Program by Focal Area[3]

Focal Area	Projects(No)	GEF Amount ($m)	Cofin Amount ($m)	Total Project Cost ($m)
New Projects				
Biodiversity	8	95.215	401.673	496.887
Biodiversity (Biosafety)	-	-	-	-
Climate Change	8	41.654	178.893	220.547
International Waters	2	39.370	482.357	521.727
Land Degradation	5	42.504	311.226	353.730
Multi-focal Areas	3	38.865	26.830	65.695
Ozone Depletion	-	-	-	-
Persistent Organic Pollutants (POPs)	-	-	-	-
Total	**26**	**257.608**	**1,400.979**	**1,658.587**

3. Eighteen projects in the work program have utilized PDF-B grants to prepare the proposals. These grants amount to $6.627 million. Four projects have used PDF-A grants to prepare project concepts.

4. No projects were submitted by the Executing Agencies for inclusion in this work program under the policy of expanded opportunities.

5. There are two strategic partnership projects in the international waters focal area in this work program. They are the ***Regional:*** *Partnership Investment Fund for Pollution Reduction in the LMEs of East Asia* (World Bank) and the ***Regional:*** *Strategic Partnership: Sustainable Fisheries Investment Fund in the LMEs of Sub-Saharan Africa* (World Bank). The Partnership

[2] Co-financing amounts are pro-rated for projects where partial funding is requested, to reflect the corresponding GEF allocation requested in the November Work Program.

[3] The amount of GEF allocations in this Table captures the funding request for the 17 fully funded projects plus the 9 partially funded projects for the amounts to be funded in the November Work Program. Co-financing amount is pro-rated in accordance with the GEF allocation to be funded in the November Work Program (see Annexes A (1)-A (2) for detailed financial breakdown).

Fund under the regional project in Asia is a key element of the Strategic Partnership and one of the primary financing arms of the land-based pollution reduction activities agreed by the countries of the region in their sustainable development strategy for the East Asian Seas.

6. The Strategic Partnership Fund in Sub-Saharan Africa is intended to accelerate country level investments in order to help individual coastal countries in Sub-Saharan Africa to undertake the necessary governance reforms and sector adjustments to sustainably manage their fisheries.

Highlights in this Work Program

Resource Available for this Work Program

7. The Implementing Agencies submitted 34 new project proposals, requesting a total of $457.33 million in GEF resources, for review and inclusion in this Work Program. 31 project proposals, amounting to a total of $399.46 million, were technically cleared as meeting all of the GEF's project review criteria. In addition, one project proposal, requesting $6.988 million in GEF resources, was deferred from the July 2005 Intersessional Work Program at the request of one Council Member. Total GEF resources requested through the technically cleared project proposals far exceeded the Council's commitment authority of $284 million (uncommitted resources available in the GEF Trust Fund) at the time the Work Program was constituted.

8. Faced with the challenge of proposing a Work Program within the Council's commitment authority, the CEO, in consultation with the Implementing Agencies, is proposing for Council review and approval:

(a) seventeen project proposals, with request for full-funding of GEF resources totaling $136.86 million (see Annex A(1));

(b) nine project proposals, with request for partial funding totalling $114 million, with the balance ($85.051 million) to be requested in the January 2006 Intersessional and other future work programs[4] (see Annexes A(2) and A(3)). Table A.1 in Attachment 1 contains details of these project proposals; and

(c) six project proposals, requesting $38.36 million in GEF resources, are being deferred to the January intersessional and other future Work Programs.[5] Table A.2 in Attachment 1 contains details regarding project proposals deferred to future Work Programs.

9. The project selections were made, among other considerations, on the basis of resources available in each focal area/theme as per the GEF Business Plan, and the sensitivity of project design, co-financing and implementation to deferment.

10. It is understood that projects receiving partial funding in the November work program will have priority against the respective focal area resource envelopes to receive the balance of funding in the January 2006 intersessional and future work programs. Projects that are deferred

[4] When these projects are included in future work programs for requesting the remaining partial funding, the documentation submitted for the November 2005 Work Program will be distributed for Council review.

[5] Same as above.

to the January 2006 work program and future work programs will have the next priority against the respective focal area resource envelopes when those work programs are constituted.

Country Program Partnerships for SLM in the Land Degradation Focal Area (Namibia and Cuba).

11. The adoption of the GEF operational program on sustainable land management presented an excellent opportunity for the GEF to demonstrate integrated land and water management at the national level in order to maintain the ecological integrity of the resource base. The GEF Council at its meeting in May 2004 noted the launch of the GEF Country Pilot Partnership for Sustainable Land Management being implemented on a pilot basis in ten countries. The Land Degradation Focal Area Task Force identified six pilots to test the approach beginning in GEF-3: Ethiopia, Burkina Faso, Vietnam, Central Asia, Cuba and Namibia. As part of the November Work Program, the Land Degradation Focal Area requests GEF Council approval of the first two Country Program Partnerships for Sustainable Land Management: Namibia and Cuba.

12. Two program partnerships have been developed based on the key principles of the partnership approach and reflect important characteristics which distinguish them from conventional projects. These include:

(a) longer term planning and implementation framework across sectors better suited to the success of sustainable land management;

(b) sizeable and predictable commitments of financial resources throughout the implementation period;[6]

(c) greater impact and cost effectiveness at the country level due to stronger national commitments and mainstreaming as well as synergies and non-duplication between different projects; and

(d) collaboration and cooperation among all participating national institutions, GEF and non-GEF organizations under the agreed SLM framework, and greater project design efficiency.

13. The process for the formulation, planning and future implementation is and will be nationally driven by the demonstrable commitment and ownership of government and other stakeholders. In both instances, Namibian and Cuban government dedication and leadership was evident from the beginning, reflecting national development aspirations. The major stakeholder groups in the country (GOs, CBOs, NGOs, scientific bodies, etc.) have been fully involved throughout the development stage. They and the identified donors have adjusted their own planning and aligned it to the agreed program partnership objectives.

14. Lessons learned from this Pilot Phase will be synthesized in early 2006 to provide input into developing this promising approach.

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[6] Country programming in the Land Degradation Focal Area has nothing in common with budget support to sector ministries in countries. The GEF agencies will be fully accountable for the appropriate use of the GEF funds based on the incremental cost calculation presented in the program and individual project documents, and will follow all established review criteria. GEF Council will review both the CPP program at the time of Work Program Inclusion, and the individual project documents at CEO endorsement.

Climate Change Work Program

15. The climate change work program is smaller than the average expected size of this focal area. However, the climate change allocations in the two remaining work programs are expected to exceed the average resource envelope by a considerable amount. According to the pipeline information, another 32 full-size project proposals, requiring at least $275 million in GEF financing, are expected to be submitted for Council approval by the Implementing Agencies during the remaining work programs of the GEF 3 period (see Attachment 2). These proposals will fully utilize the remaining resources available for programming under the climate change focal area.

Strategic Pilot on Adaptation

16. This work program contains the first two full-size project proposals approved under the Strategic Pilot on Adaptation. These two projects, *Colombia: Integrated national Adaptation Pilot: High Mountain Ecosystems, Colombia's Caribbean Insular Areas and Human Health* and *Kiribati: Kiribati Adaptation Program--Pilot Implementation Phase (KAP-II)* are both being implemented by the World Bank. Together with the two adaptation-related medium-sized projects (MSP's) already approved by the CEO, they bring the total amount of funding approved for projects under the SPA to $8.81million.

Issues related to UNEP working with Investment Funds

17. During the June 2005 Council Meeting, Council expressed concerns regarding a UNEP proposal entitled "*Seed Capital Access Facility (SCAF).*" The project would have involved UNEP working with investment funds to make seed capital investments in small-scale renewable energy companies in developing countries. The concern expressed by Council was that creating and managing investment funds lies outside the realm of UNEP's comparative advantage or "particular emphasis" under the GEF instrument. Therefore, Council's approval of the project proposal was "contingent upon UNEP securing agreement prior to CEO endorsement from the World Bank/IFC or one of the regional development banks or another credible financial institution to jointly implement the project." The Joint Summary of the Chairs further specified that "if after one year UNEP has not found a partner from amongst such financial institutions, the project is to be removed from the work program and returned to the pipeline until an appropriate partner can be found."

18. This work program includes another UNEP project proposal that involves providing support to an investment fund. The project is entitled "*Financing Energy Efficiency and Renewable Energy Investments for Climate Change Mitigation*," and involves eight countries in Eastern Europe and the CIS. In this project, UNEP requests $3 million from the GEF to provide technical assistance as part of the establishment of a public-private equity fund that will make investments in energy efficiency and renewable energy projects. In the Secretariat's view, this project merits GEF support and is different from the previous SCAF submission in that: (i) the investment fund will not be managed by UNEP but by the private sector; (ii) no GEF funds will be used to endow the fund; and (iii) the GEF funds being channeled through UNEP for the project will be used largely for technical assistance and capacity building for proponents of

investment projects in the recipient countries. The activities proposed in this project proposal are consistent with UNEP's comparative advantage.

GEF-Development Marketplace Partnership

19. At its meeting in November 2004, the Council approved the establishment of a pilot global program for smaller medium size projects (SMSPs). The proposal, modeled after the World Bank's Development Marketplace, a competitive World Bank grant program which funds innovative, small-scale development projects, would provide a maximum of $250,000 in GEF resources for the development of global environment projects by NGOs and community based organizations.

20. The project proposal *GEF Development Marketplace Partnership* is a result of a collaborative and consultative process by the GEF Medium-Size Project (MSP) Working Group, which included representatives from the three Implementing Agencies, two NGOs, an Executing Agency, and the Secretariat. The Working Group agreed that the *GEF Development Marketplace Partnership* would be the most cost effective and practical modality to implement a pilot global program to approve and manage SMSPs.

21. The project proposal *GEF Development Marketplace Partnership* is included in the work program as a response to the Council decision requiring the Secretariat to implement the pilot global program for smaller size medium sized projects with a reduced administrative cost. The project will facilitate the submission and execution of SMSPs under the GEF portfolio by a broad range of groups and organizations, and promote rapid and efficient project execution by simplifying preparation and approval procedures and by shortening the MSP project cycle. Furthermore, the *GEF Development Marketplace Partnership* will significantly reduce administrative costs as it will build upon the existing administration and outreach infrastructure already in place to implement the World Bank Development Marketplace.

22. Since the Development Marketplace provides funds directly to civil society and community based organizations, which are outside traditional GEF-government grant making relationships, the Working Group proposes to continue to keep the need for a streamlined and cost effective modality for approval of SMSPs under review and to explore other modalities for an expedited SMSP mechanism within the traditional GEF-Government grant making structure. In doing so, the Working Group will draw upon any relevant outcomes from the planned GEF project cycle review, which is a part of the Office of Monitoring and Evaluation's FY 06 work program, as well as lessons learned from the implementation of the LDC/SIDS country capacity building programs which are expected to result in expedited processes for approval of capacity building projects in LDCs and SIDS.

23. The Council approved, in principle, $10 million over two years for a pilot program on SMSPs, and the project proposal *GEF Development Marketplace Partnership* is currently programming an allocation of $5 million for two years, of which $2 million is requested as partial funding under this Work Program. Should the Working Group agree upon other modalities for piloting the expedited approval of SMSPs, proposals will be submitted for Council approval that may draw upon the remaining $5 million to fund activities under the proposed modalities.

Country Support Programme for Focal Points

24. In June 2005, the Council approved a new four-year phase of a program to strengthen the capacity of national focal points and Council Members (*GEF/C.25/9, Elements for Strengthening National Focal Points and Enhancing Constituency Coordination in GEF Recipient Countries*). In approving the program, the Council requested the GEF Secretariat and the Implementing Agencies to collaborate on a proposal to operationalize and finance the program, and to submit it for Council approval at the November 2005 meeting. The Council further requested that, in preparing the proposal, a clear distinction should be made between administrative costs and capacity building costs with a view to incorporating administrative costs into the corporate budget.

25. The document, GEF/C.27/8, *Administrative Costs of Council Member Support Program*, lays out the rationale for the separation of administrative and capacity building costs and requests that administrative costs be incorporated into the corporate budget. The paper has been submitted to Council for review and approval at the November Council Meeting. The paper identifies costs associated with constituency coordination by Council Members as administrative in nature and requests that these costs be funded as part of the GEF Secretariat's corporate budget. The paper also identifies costs related to building long-term capacity in recipient countries as capacity building costs, which it is proposed should be funded through project support.

26. The Country Support Programme for focal points, (GEF/C.27/9 *GEF Country Support Program for Focal Points)* implements the capacity building component of the elements outlined in *GEF/C.25/9, Elements for Strengthening National Focal Points and Enhancing Constituency Coordination in GEF Recipient Countries*. The main objective of the project is to build the capacity of national focal points to develop, implement, coordinate and monitor GEF activities. Support to Council Members will now be provided directly by the Secretariat as part of the administrative support to recipient country Council Members. Support to focal points will be provided through the GEF Country Support Programme for focal points.

27. This project is conceived as part of a comprehensive approach to strengthen country ownership by building the capacity of focal points to engage more meaningfully and strategically with the GEF. The project will also facilitate mainstreaming of global environmental issues into the national development agendas resulting in better country coordination and a strengthened country program focus.

Project Allocation Trends

28. Table 2 contains the cumulative project allocations approved through work programs, including the GEF Pilot Phase and includes only non-expedited MSPs and enabling activities that were submitted for Council approval. Of the total GEF allocations, including the proposed work program, 34 percent is allocated to projects in the Climate Change focal area, 35 percent to Biodiversity/Biosafety, 15 percent to International Waters, 8 percent to Multi-focal Area

projects, 2 percent to Land Degradation, 2 percent to Persistent Organic Pollutants (POPs), and 3 percent to Ozone Depleting Substances.

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	413.36	-	474.67	119.43	-	48.95	121.63	-	1,178.05
GEF - 2	615.32	33.28	623.69	298.95	-	132.52	42.22	6.19	1,752.16
GEF - 3	591.29	23.35	573.36	333.46	140.66	279.34	11.96	96.90	2,050.31
2003	120.79	2.00	171.65	80.08	-	75.56	2.09	40.81	492.97
2004	152.22	9.83	199.03	116.49	34.35	82.62	5.18	4.57	604.29
2005	192.42	11.51	131.59	60.18	48.27	77.78	4.70	43.62	570.08
2006	125.85	-	71.09	76.72	58.04	43.38	-	7.90	382.97
Total	**1,943.16**	**56.63**	**1,952.45**	**872.20**	**140.66**	**476.41**	**180.02**	**103.08**	**5,724.61**
Total %	34%	1%	34%	15%	2%	8%	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.

29. 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	438.67	2.74	502.62	119.43	-	49.67	122.33	-	1,235.45
GEF - 2	696.00	34.28	667.23	305.44	-	144.16	43.40	26.05	1,916.56
GEF - 3	662.56	23.35	597.65	342.72	150.87	315.28	11.96	127.85	2,232.22
2003	146.18	2.00	176.41	83.57	-	86.54	2.09	59.80	556.59
2004	164.98	9.83	205.20	119.48	38.86	97.71	5.18	13.07	654.30
2005	215.98	11.51	143.23	62.94	53.97	85.87	4.70	46.96	625.18
2006	135.41	-	72.81	76.72	58.04	45.16	-	8.02	396.15
Total	**2,120.42**	**60.37**	**2,048.23**	**887.95**	**150.87**	**524.71**	**181.89**	**153.90**	**6,128.34**

* 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.

Co-financing Amount and Trends

30. 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 $1,400.98 million which, when added to the total GEF allocation brings the total project value to $1,658.59 million. Hence, each dollar GEF allocates is matched by $5.44 in co-financing.

31. In terms of focal areas, 81 percent of the project cost in the biodiversity focal area comes from co-financing, 81 percent in climate change, 92 percent in international waters, 88 percent

in land degradation and 41 percent in multi-focal areas. On the average, co-financing will provide 84 percent of total project costs in this work program.

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

Type	Biodiversity	Climate Change	International Waters	Land Degradation	Multi-focal Areas	Persistent Organic Pollutants (POPs)	Total
GEF Grant	95.21	41.65	39.37	42.50	38.86	-	257.61
Co-Financier	-	-	-	-	-	-	-
Beneficiaries	32.73	-	-	2.75	-	-	35.49
Bilateral	8.70	7.45	-	38.87	-	-	55.02
Foundation	3.52	1.00	-	-	0.60	-	5.12
Government	160.18	47.82	220.14	189.75	0.27	-	618.16
Multilateral	81.04	112.98	262.21	77.22	0.56	-	534.02
NGO	34.80	0.23	-	2.63	-	-	37.66
Others	5.39	7.12	-	-	25.20	-	37.71
Private Sector	75.31	2.30	-	-	0.20	-	77.80
Total Co-Financing	401.67	178.89	482.36	311.23	26.83	-	1,400.98
Total Project Cost	496.89	220.55	521.73	353.73	65.69	-	1,658.59
GEF:Co-Financing Ratio	4.22	4.29	12.25	7.32	0.69	-	5.44
Percentage Co-Financing	81%	81%	92%	88%	41%	0%	84%

32. Table 4 shows the historical trend in total co-financing amounts and ratios. The co-financing ratio average for GEF-3 to date is 3.73 compared to the overall historical average of 3.49.

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	1,178.05	943.77	2,315.27	217.40	-	54.37	95.20	-	4,804.06	3.08
GEF - 2	1,752.16	1,755.42	3,244.93	545.06	-	328.46	78.05	3.13	7,707.20	3.40
GEF - 3	2,050.31	1,986.96	2,595.64	2,045.56	621.27	583.41	11.49	104.61	9,693.36	3.73
2003	492.97	270.41	915.98	367.88	-	228.05	-	51.77	2,327.06	3.72
2004	604.29	611.40	420.51	752.42	67.95	212.85	6.73	7.76	2,683.90	3.44
2005	570.08	575.50	855.51	173.86	193.14	78.94	4.76	37.67	2,489.46	3.37
2006	382.97	529.64	403.64	751.41	360.19	63.57	-	7.40	2,192.93	4.73
Total	**5,724.61**	**4,875.54**	**10,558.73**	**2,952.28**	**621.27**	**970.58**	**186.59**	**107.74**	**25,691.45**	**3.49**

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

* Table includes non-expedited MSPs and EAs that were submitted for Council approval

Note: Cofinancing ratio = Cofinancing/GEF Allocation

Agency Fees for the Current Work Program

33. Fees are paid to the Implementing and Executing Agencies for GEF project cycle management services. This is the second work program in which fees are paid at a flat rate of 9 percent of the GEF grant since this revised fee system was approved by the June 2005 Council Meeting. Table 5 shows the fees amounting to $22.95 million that Implementing Agencies will receive for the project proposals in the November 2005 Work Program.

Table 5. Proposed FSP Agency Fees for November 2005 Work Program*[7]

Agency**	Projects(No)	GEF Project Allocation	PDF Amount	Total GEF Allocation	Total Fees
UNDP	12	102.89	3.06	105.95	9.54
UNDP/UNEP	1	11.86	-	11.86	0.83
UNEP	2	8.00	0.55	8.55	0.77
World Bank	11	128.10	3.14	131.24	11.81
Total	**26**	**250.86**	**6.75**	**257.61**	**22.95**

* All amounts are in $ million.
** The Executing Agencies did not submit any project proposal to the current November Work Program.

III. APPROVED PROJECTS UNDER EXPEDITED PROCEDURES (JULY 2005 – SEPTEMBER 2005)

34. The GEF also finances medium-size projects, PDF grants, and enabling activities under expedited procedures. Expedited approvals by the CEO or Implementing Agencies in the reporting period July 2005 - September 2005 comprise:

Medium-size projects	$ 10.622 million	(11 projects)	CEO, Annex B
PDF-A	$ 0.975 million	(23 grants)	IAs, Annex C
PDF-B	$ 6.371 million	(18 grants)	CEO, Annex D
Enabling activities	$ 2.558 million	(13 projects)	CEO, Annex E
Total GEF allocation	*$ 20.526 million*		

Medium-size Projects

35. Eleven medium-sized projects were approved in this period for $10.622 million with co-financing of $10.894 million. Eight of these projects used PDF-A grants amounting to $0.199 million. The co-financing ratio for the MSPs during this period is 1: 1.03 . Details are in Annex B.

Project Development Facility

36. Twenty-three PDF-A proposals amounting to $0.975 million were approved by the Implementing Agencies to prepare project concepts.

[7] The proposed agency fees are calculated at 9 percent of the GEF project allocation requested for funding in the November Work Program only and does not include the proposed partial allocation for future work programs.

37. Eighteen PDF-B proposals were approved by the CEO for $6.371 million with co-financing of $5.817 million. The co-financing ratio is 1: 0.91 .

Enabling Activities

38. A total of 13 enabling activity project proposals were approved during the reporting period for a total amount of $2.558 million and total fee of $0.230 million. Details are in Annex E.

39. Among the enabling activity proposals during this period, three biodiversity enabling activity project proposals were submitted and approved for $0.655 million.

40. Eight project proposals for National Capacity Self Assessment in the multi-focal areas were submitted and approved for $1.782 million.

41. Two project proposals for development of national implementation plans in the Persistent Organic Pollutants focal area were submitted and approved for $120,000.

Projects Approved under the Policy of Expanded Opportunities

42. Five PDF proposals were submitted by the Executing Agencies under the policy of Expanded Opportunities in this period. Of these proposals, three were submitted by IFAD, one each by ADB and IDB.

IV. CANCELLED PROJECTS

24. Annex F shows a list of Council approved projects that were cancelled during the November 2004 – September 2005. Total undisbursed resources returned to the GEF Trust Fund against these projects amount to $50 million. Since these projects were approved by the Council prior to the Council approval of the new fee policy in June 2005, Agencies will return unused fees associated with these projects based on Agencies' own accounting of fees used in project implementation.

25. However, all projects that are approved on or after July 1, 2005, will be subject to the provisions of the fee paper. This includes, among others, a 9 percent flat fee for all types of projects approved by the Council and the CEO, and for cancelled projects, the return of the unused agency fee will follow provisions stipulated in the fee paper for the different stages of the project cycle.

V. WORK PROGRAM PROJECT SUMMARIES

Biodiversity

1. Global : Supporting Country Early Action on Protected Areas (UNDP)

Focal Area/OP/Strategic Priority:	Biodiversity/ OP1, 2, 3, and 4/ SP1
Local executing agency:	UNOPS
Total Cost of the Project:	$15.414 million
GEF Funding Request:	$11.308 million; of which $4 million is requested for the November WP approval (+ $65,000 PDF-B)
Key Indicators:	40 countries show concrete improvements in their capacity to manage their PA systems against baseline scenarios by the end of project.

Rationale and Objective:
In direct response to the recent CBD COP7 decision, the project is designed to establish a fast disbursing mechanism to assist eligible countries to undertake country driven early actions in line with the Programme of Work on Protected Areas.

The project goal is to assist eligible countries meet their commitment under the Programme of Work on Protected Areas adopted by COP7. The objective of the project is to enable eligible countries in need of assistance to launch early action in response to the COP7 POW on PA's that compliments but will not be addressed by other national programs and projects, including those supported by the GEF, official donors and international NGOs. The project will take a simple and streamlined approach to facilitate rapid disbursement of funds to eligible national governments by adopting a process that draws on the innovative best practice model of the World Bank's Development Marketplace and the GEF Small Grants Programme. Eligible countries, with particular emphasis on LDCs and SIDs, would submit proposals based on a biannual call for proposals, which would be managed by the UN Office for Project Services (UNOPS).

Project Outcomes**:**

(a) Eligible countries receive direct and expedited support for COP7 PoW priority activities and deadlines;

(b) Capacity barriers to LDCs and SIDs receiving support for early action on PA PoW are overcome; and

(c) Successful approaches to taking early action on the PA PoW and lessons about the project implementation disseminated and applied by countries.

2. Regional (Guatemala, Honduras, Brazil, El Salvador, Peru): Biodiversity Conservation in Coffee: Transforming Productive Practices in the Coffee Sector by Increasing Market Demand for Certified Sustainable Coffee (UNDP)

Focal Area/OP/Strategic Priority:	Biodiversity/OP2/SP2
Local executing agency:	Rainforest Alliance
Total Cost of the Project:	$94.864 million
GEF Funding Request:	$12.00 million (+ $640,000 PDF-B)
Key Indicators:	Coffee habitat area with high biodiversity value that is certified has drastically increased by the end of the project's seven-year lifetime

Rationale & Objective**:**
The project will support the promotion of biodiversity-friendly coffee in international coffee markets and generate biodiversity benefits by transforming productive practices on certified farms in biodiversity-rich coffee landscapes.

The GEF will finance barrier removal to allow mainstreaming of sustainability principles within the coffee sector, and expansion of the certification system to coffee farmers, coffee companies, and coffee consumers who voluntarily and perpetually invest in environmental sustainability. The project is innovative because it strengthens a direct linkage between market forces on one hand and conservation interests on the other.

Project Outcomes**:**

(a) Demand for biodiversity-friendly coffee created on international coffee markets has increased;

(b) Consumer interest to purchase certified coffee has increased;

(c) National capacities to certify all sizes of coffee farms in biologically rich production landscapes has increased;

(d) Economic sustainability of certified coffee farms has increased;

(e) Increased capacity to engage policy makers in coffee-producing and consuming countries in promoting sustainable coffee practices and to monitor and respond to policy initiatives/ threats to sustainable coffee; and

(f) Increased learning and adaptive management.

Project Outputs**:**

(a) Conservation of 1,500,000 hectares of biodiversity-friendly coffee habitat, up from currently 93,000;

(b) Biodiversity conservation impact across coffee landscapes, representing approximately 10-15 million hectares;

(c) Increase in the volume of sustainable coffee sold from 30,000 to 500,000 metric tons, with at least 100,000 of these metric tons coming from smallholders; and

(d) The number of coffee companies supporting biodiversity conservation by selling sustainable coffee will increase to approximately 580.

3. Regional (Yemen, Lebanon, Palestinian Authority, Djibouti, Egypt, Eritrea, Ethiopia, Jordan, Sudan, Syria): Mainstreaming Conservation of Migratory Soaring Birds into Key Productive Sectors along the Rift Valley/Red Sea Flyway (Tranches 1 and 2) (UNDP)

Focal Area/OP/Strategic Priority:	Biodiversity/OP1 & 2/SP2
Local executing agency:	BirdLife International
Total Cost of the Project:	$15.340 million
GEF Funding Request:	$9.743 million, of which $5 million is requested for Nov. WP approval (+ $500,000 PDFs)
Key Indicators:	The project contributes to the conservation and sustainable use of biodiversity in 53,700 sq. km. of production landscapes along the Rift Valley/Red Sea flyway by incorporating biodiversity aspects into sector policies and plans at national and sub-national levels, adapting appropriate regulations and implementing plans accordingly with a focus on the agriculture and tourism sectors. It also supports the mainstreaming of biodiversity into the hunting, energy and waste management sectors.

Over 1.5 million large-winged birds—raptors, storks, cranes, and pelicans—annually migrate along the Rift Valley-Red Sea flyway between their breeding grounds in Europe and West Asia, and their wintering areas in Africa. Thirty-nine species of birds, six of which are globally threatened, regularly use the flyway. In some species, 50 to 100 percent of their global or regional populations pass along the route. Although the birds are relatively well conserved in Europe and valued for their appeal to game park tourists in Africa, they are the most vulnerable during their migration. Hunting and collisions with wind turbines, for example, are among the most serious threats.

This project aims to ensure that these slow-moving, highly visible birds are protected during their migration. The project will mainstream conservation management into the hunting, energy, agriculture, waste management, and tourism sectors along the Rift Valley-Red Sea flyway to make it a safer route for the large migratory bird populations potentially affected.

The project's expected outcomes include:

(a) Raising awareness of the Rift Valley-Red Sea flyway and altering social and cultural behaviors among target groups that threaten the migratory flocks, decision-makers, and the general public;

(b) Increasing national and regional capacity to mainstream Rift Valley-Red Sea issues into existing and planned development projects that pose the greatest risks;

(c) Developing "flyway friendly" practices and mainstreaming them into sector processes and programs; and

(d) Increasing learning, evaluation, and adaptive management practices.

4. Brazil : GEF Sustainable Cerrado Initiative (World Bank)

Focal Area/OP/Strategic Priority:	Biodiversity/OP3/SP2
Local executing agency:	Government of Brazil-MMA/SBF, SEMARH/GO, SEPLAN/TO, COMPARQUES/DF.
Total Cost of the Project:	$81 million
GEF Funding Request:	$27 million, of which $13 million is requested for November WP approval.

Key indicators:

- An additional 4.6 million hectares of the *cerrado* Biome protected through the creation/expansion of Protected Areas (PAs),
- 70% of the *cerrado* PA's integrity assured
- 6 new public policies (state or federal), related to the conservation and sustainable use of the Cerrado's natural resources developed.

Brazil's Cerrado region comprises 21 percent of the country and is the most extensive woodland savannah region in South America. More than 50 percent of Brazil's soy bean production comes from the Cerrado. The region is inhabited by indigenous communities and soy bean producers and cattle ranchers.

The goals of this project are to place an additional 4.6 million hectares of the Cerrado Biome under protection, ensure the integrity of 70 percent of the Cerrado's protected areas, and develop new public policies (state or federal)related to the conservation and sustainable use of the Cerrado's natural resources.

The project's expected outcomes include:

(a) Full development of a conservation policy framework for the Cerrado;

(b) Adoption of policies contributing to biodiversity conservation in more than 20 percent of the Cerrado biome;

(c) More effective management and protection of Brazil's protected area systems;

(d) Increased replications of pilot activities with incentive measures and instruments;

(e) Increased mainstreaming of biodiversity in sector policies and plans; and

(f) Increased production systems which contribute to biodiversity conservation or the sustainable use of its components.

5. Brazil: National Biodiversity Mainstreaming and Institutional Consolidation Project (World Bank)

Focal Area/OP/Strategic Priority:	Biodiversity/OP1, 2, 3, 4, 12, 13, 15/BD-2
Local executing agency:	Ministry of the Environment (MMA), Brazilian Biodiversity Fund (FUNBIO)
Total Cost of the Project:	$100 million
GEF Funding Request:	$25 million, of which $22 million is requested for Nov. WP approval.
Key Indicators:	Key economic sectors incorporate biodiversity criteria and guidelines in their plans and policies; Progress toward the 2010 CBD targets for Brazil supported by specific biodiversity use and conservation policies; and productive landscape unit for integrated conservation and sustainable uses of biodiversity components implemented in the National Biodiversity Project (PROBIO) priority areas for each biome.

Building on the work of various Brazilian agencies and civil society, this project will promote the mainstreaming of biodiversity into key government and private sector planning strategies, investments, and practices. More specifically, the project will seek to build consensus on possible solutions to critical constraints preventing the mainstreaming of biodiversity conservation across different sectors. The project will also test proposed solutions and build capacity to implement such activities.

This project compliments a $502.5 million World Bank Environmental Sustainability and Technical Assistance Loan to the Government of Brazil. The goal is to involve the energy, transport, agriculture, and agrarian reform sector in the dialogue on environmental policy and reinforce co-financing opportunities.

The project's expected outcomes include:

(a) Incorporating biodiversity considerations into public sector actions which affect biodiversity;

(b) Developing large-scale subprojects designed to incorporate biodiversity criteria into productive private sector activities;

(c) Strengthening institutional capacities for conservation and mainstreaming; and

(d) Overcoming barriers to the creation and generation of biodiversity information which is critical to policymakers.

6. Colombia : Colombian National Protected Areas Conservation Trust Fund (World Bank)

Focal Area/OP/Strategic Priority:	Biodiversity/ OP2,3 and 4/SP-1
Local executing agency:	Ministry of the Environment, Housing and Territorial Development, National Natural Parks Unit (UAESPNN) and Fondo para la Conservacion de Areas Protegidas (FONCAP)
Total Cost of the Project:	$42.85 million
GEF Funding Request:	$15.00 million (+ $350,000 PDF-B)
Key Indicators:	At least 2.8 million hectares of protected areas supported show improved management effectiveness against baseline scenarios.

Rationale and Objective:
The project seeks to design and implement a Protected Areas Conservation Trust Fund (CTF) that will promote the consolidation and long-term sustainability of Colombia's National Protected Areas System. This objective is a key strategy of the Colombian Ministry of the Environment, Housing and Territorial Development. The project supports the establishment and consolidation of conservation mosaics, in part because of Colombia's social conflict. Conservation Mosaics (CM) are defined as networks of protected areas (PAs) and complementary surrounding landscapes. Working with CMs instead of strict conservation PAs emphasizes the need to complement National Parks with other management categories and conservation strategies, while promoting the sustainable use of biodiversity and seeking local development through use agreements and benefit sharing with local communities.

The Protected Areas Conservation Trust Fund is being designed as a foundation under a private sector legal regime with a public-private board composition. The new foundation, FONCAP is envisioned to have both endowment and sinking funds: a sinking account to direct capacity building investments seeking effective consolidation of 14 Conservation Mosaics (CMs), and an endowment account to cover recurrent operational costs for at least 3 Conservation Mosaics. The principal co-financing source for the project is a debt-for-nature swap signed with the US Government under the Tropical Forest Conservation Act (TFCA) and a complementary donation made by three international NGOs (WWF, TNC and CI), obtained as counterpart funding for the FONCAP.

Project Outcomes**:**

(a) FONCAP established and operational, with at least $15 million in its endowment account;

(b) at least 2.8 million hectares of core conservation areas (National Parks) and 20% of the surrounding territories within the respective conservation mosaics under improved management systems;

(c) FONCAP's institutional capacity sufficient to implement the project in coordination with the National Protected Areas System's development process; and

(d) 90% of baseline natural vegetation cover maintained in core conservation areas.

7. Croatia : Conservation and Sustainable Use of Biodiversity in the Dalmatian Coast through Greening Coastal Development (UNDP) (Re-submitted from the July 2005 IWP)

Focal Area/OP/Strategic Priority:	Biodiversity/OP2/SP-2
Local executing agency:	Ministry of Environmental Protection, Physical Planning and Construction
Total Cost of the Project:	$29.564 million
GEF Funding Request:	$6.988 million (+ $322,000 PDFs)
Key Indicators:	The project promotes conservation of biodiversity and sustainable use of its components directly on 663,000 hectares of productive landscape and 702,000 hectares of seascape.

In the Mediterranean Basin, the southern half of the Croatian coast (the "Dalmatian coast") and adjacent parts of the Adriatic Sea and islands are threatened by recent economic development and the collapse of previous management systems. Tourism, fisheries and agriculture are having an increasingly negative impact on biodiversity in the region. This includes habitat destruction, unsustainable consumption of biodiversity and natural resources, and growing waste and pollution.

The project seeks to transform the tourism, agriculture and fisheries industries in the four coastal counties and thereby mainstream biodiversity conservation into these sectors. The project promotes conservation of biodiversity and sustainable use of its components directly on 663,000 hectares of productive landscape and 702,000 hectares of seascape. Not only will the project integrate biodiversity into the tourism, banking, fisheries and agriculture sectoral plans, policies, legislation and regulations, it will stimulate the growth of income generated from biodiversity-friendly businesses. Starting in 2007, this will result in at least a 60% growth (by revenue) of biodiversity-friendly investments in tourism, fisheries and agriculture sectors by project end.

The project's expected outcomes include:

(a) Demonstration of biodiversity-friendly development in four globally important small productive landscapes;

(b) Improved investment climate across the project area for biodiversity-friendly enterprises;

(c) Increased compliance with biodiversity-related regulations across all sectors in the project area; and

(d) National-level enabling environment that appreciates, supports, institutionalizes and disseminates biodiversity-friendly development in coastal areas.

8. Mexico: Environmental Services Project

Focal Area/OP/Strategic Priority: BD/ OP2-OP3/SP1-SP2
Local executing agency: National Forestry Commission (CONAFOR)
Total Cost of the Project: $173,642,000
GEF Funding Request: $15,000,000
Key Indicators: Through the project interventions (i) at least 200,000 hectares of forests and other natural ecosystems of global biodiversity significance will be placed under effective conservation (protection and sustainable management); (ii) effective biodiversity conservation will be achieved in the project sites as measured by increased vegetation cover and status of indicator species of conservation interest; and (iii) long-term financing mechanisms will be put in place for biodiversity conservation.

Mexico, one of the mega-biodiversity countries in the world, faces two important environmental challenges: water scarcity and deforestation. To address the challenge of environmental issues, the country has taken a number of actions; two of them are (i) the creation and management of Protected Areas, and (ii) providing economic incentives to induce changes in landholder behavior to protect the environment. Thus, this project proposal would let the country to advance this agenda.

The project objective is to improve the provision of environmental services that bring both national benefits (primarily water services) and global benefits (primarily increased biodiversity conservation) by strengthening and expanding existing programs for payment of environmental services (PES) related to water (PSAH) and to carbon capture and biodiversity (CABSA) as well as supporting the establishment of new local PES mechanisms. All the pilot sites where PES systems would be established, strengthened, or continued under the project were chosen to overlap with at least two of the following high-priority biodiversity conservation designations: (i) existing Natural Protected Areas; (ii) Priority Terrestrial Ecoregions established by CONABIO; (iii) Important Bird Areas that are vital to the survival of endemic species or to protecting key bird breeding, feeding, and migration areas; and (iv) Ramsar Wetlands of International Importance.

The expected projects outcomes include:

(a) Strengthening the capacity of CONAFOR, INE, community associations, and NGOs to increase flexibility and improve efficiency of existing service provision to support long-term development of the PSAH program in Mexico;
(b) Establishing sustainable long-term financing mechanisms including an endowment fund for biodiversity conservation;
(c) Establishing legal, institutional, and financial arrangements to pilot market-based mechanisms for payment for environmental services,
(d) Documenting links between land use changes, water services improvements, and biodiversity conservation, and
(e) Defining good practices to replicate, scale up, and sustain programs based on PES markets.

Climate Change

9. Regional (Belarus, Bulgaria, Kazakhstan, Romania, Russian Federation, Serbia and Montenegro, Ukraine, Macedonia): Financing Energy Efficiency and Renewable Energy Investments for Climate Change Mitigation (UNEP)

Focal Area/OP/Strategic Priority:	Climate Change/OP5 & 6/SP2
Local executing agency:	UNECE
Total Cost of the Project:	\$12.26 million
GEF Funding Request:	\$3.00 million

Rationale and Objective:
The project aims to establish a dedicated financial facility that can serve as a vehicle for the large-scale participation of private sector investors in partnership with public entities. It will support the development of a \$250 million public-private equity Fund that will complement other funding schemes and, as a result, leverage an investment volume of up to \$2 billion for energy efficiency and renewable energy projects. The Fund will provide equity and quasi-equity to Special Purpose Vehicles set up by project sponsors and to Energy Service Companies.

Project Outcomes**:**

(a) Creation of a public-private partnership Fund in four steps;

(b) Development of skills of the public- and private-sector experts at the local level to identify, design, and submit bankable projects for financing to the Fund; and

(c) Raising awareness and providing assistance to municipal authorities and national administrations to introduce economic, institutional, and regulatory reforms needed to support the investment proposal.

Output Targets**:**

(a) A public-private investment Fund of \$250 million created and funds invested;

(b) An EE and RE investment portfolio meeting the Fund’s eligibility criteria; and

(c) Policy reforms implemented in at least five countries.

Contribution to the Portfolio**:**
Although a number of special funds and guarantee facilities have been created by other GEF projects in Eastern Europe and the CIS, this project is the first of its kind in the GEF portfolio that will create a public-private equity fund to invest in energy efficiency and renewable energy projects. The project intends to complement existing EE and RE investment activities. The goal of the project is ambitious – to raise and invest \$250 million in EE and RE; the diverse conditions in the eight countries will also be challenging. The proposed Fund will be managed by an experienced fund manager to be recruited externally, and no GEF funds will be used for the investment activities.

10. Regional (Cameroon, Mali, Central African Republic, Benin, Togo, Gabon, Rwanda, Congo, Congo DR): First Regional Micro/Mini-Hydropower Capacity Development and Investment in Rural Electricity Access in Sub-Saharan Africa (UNDP)

Focal Area/OP/Strategic Priority:	Climate Change/ OP6 / SP 3, SP4
Local executing agency:	UNOPS
Total Cost of the Project:	$139.97 million
GEF Funding Request:	$18.584 million (+ $590,000 PDF-B)

This ambitious program intends to build up regional and local capacity in West African country for the establishment of mini- and microhydro power as a major pillar of the electrification of West Africa. Many of the countries participating in this project have good resources for mini- and microhydro power production that are currently not utilized due to a number of institutional, policy-related, and investment barriers, as well as lack of access to technology information, resource information and equipment.

For many of the participating countries, this is the first GEF project in the Climate Change focal area. This means that it makes an important contribution to balancing the GEF portfolio in the geographic dimension. The technology chosen for this regional approach has the potential to satisfy a significant part of the energy needs for poverty alleviation in the area, and the project has a strong buy-in from all relevant players in the region. In addition, the regional approach ensures both cost-effectiveness as well as robustness of the results and impacts on sustainable development in the area.

11. Belarus : Removing Barriers to Energy Efficiency Improvements in the State Sector in Belarus (UNDP)

Focal Area/OP/Strategic Priority:	Climate Change/OP5/SP2
Local executing agency:	Committee on Energy Efficiency
Total Cost of the Project:	$9.965 million
GEF Funding Request:	$1.40 million (+ $195,000 PDF-B)

Rationale and Objective**:**
The state sector accounts for 68 percent of total energy consumption in Belarus, while over 90 percent of its energy (natural gas and petroleum projects) are imported. The main objective of the project is to increase internal investment in energy efficiency projects in the state sector through targeted assistance in the areas of application of energy norms to energy planning, introduction of staff incentives and settlement account for accruing of energy savings, improving audit standards, and increasing the share of loan funds over grants in energy efficiency financing.

Project Outcomes**:**

(a) Increased incentives are provided for state organizations to invest in energy efficiency;

(b) Financial resources made available by the state sector for energy efficiency investment are used more efficiently; and

(c) Project successes are sustained and replicated throughout the country.

Output Targets**:**

(a) Approximately 10,000 tons of coal equivalent saved and more than 23,000 tons of CO_2 emissions reduced annually by the end of the project;

(b) 30 budget organizations using energy norms in estimating their annual budget requirements and depositing their energy savings into a settlement account;

(c) 60% of audits submitted to the EEC meeting international standards;

(d) New government regulations stimulating loans for energy efficiency;

(e) Energy Center becoming self-sustained by project end and new energy efficiency program of at least $10 million adopted; and

(f) At least 30 new contracts signed with budget organizations using energy norms.

Contribution to the Portfolio**:**
In Belarus, the state sector still plays a dominant role in managing the economy. Therefore, having a project focusing on the state sector and removal of the related barriers to energy efficiency is well justified. The government currently provides financing, mostly in the form of grants, for energy efficiency to budget organizations. The project intends to help the government to gradually move to loan financing. The success of the project, including the financial sustainability of the Energy Center, will depend on the overall pace and direction of government policies on reforming the state sector.

12. China: Demonstration of Fuel Cell Bus Commercialization in China, Phase 2 (UNDP)

Focal Area/OP/Strategic Priority:	Climate Change/OP11/SP6
Local executing agency:	Ministry of Science and Technology
Total Cost of the Project:	$18.625 million
GEF Funding Request:	$5.767 million

Rationale and Objective**:**
The widespread use of FCBs in China has the potential to reduce both urban air pollution and GHG emissions. Given the high priority that China is giving to the development of its public bus fleets, the demand for medium- to large-size (7 to 18 m) buses is estimated to grow at 5% per year between 2000 and 2030, which would result in a bus population of more than 720,000 by 2030. If FCBs were to capture 30% of the Chinese bus market by 2030, CO_2 emissions would be reduced by 9.3 million tons a year. The objective of this project is to demonstrate the operational viability of FCBs fueled by hydrogen drawn from natural gas and by-product gases with rich hydrogen and their refueling infrastructure under Chinese conditions. Over the longer term, the project aims to increase the production of FCBs and eventually the reduction of their costs to the point where they will become commercially competitive with conventional diesel buses.

The project has been formulated in two phases, with Phase I approved in September 2002. Implementation of Phase I was evaluated in November 2004, and the evaluation team found the results to be satisfactory and recommended continuation of Phase II. It should be noted that due to unexpected high costs, only three Citaro FCBs (instead of six, as originally planned) were purchased under Phase I, and three to six FCBs are to be purchased under Phase II.

Project Outcomes**:**

(a) Three to six FCBs and two hydrogen refueling stations operational;

(b) Knowledge accumulated, available, and accessible for advancing commercialization of FCB technology and hydrogen refueling system; and

(c) Awareness promoted among stakeholders and creation of an enabling environment for FCB expansion in China.

Output Targets**:**

(a) Three to six FCBs procured in Phase II;

(b) Six to nine FCBs (including three procured in Phase I) in operation for two to three years;

(c) Two refueling stations placed into operation;

(d) Training in Beijing and Shanghai for hydrogen stations, FCB operators and mechanics; and

(e) At least two policy studies produced and certification regulations developed for FCBs and hydrogen refueling station.

Contribution to the Portfolio**:**
The Council decided in November 2000 that the GEF should develop the five FCB projects in its pipeline. By supporting development of FCBs in GEF program countries, the GEF is seen as playing the role of an important agent that supports technology transfer and the process of technological leapfrogging.

Recently, three of the five FCB projects have been officially dropped, leaving only two FCB projects (in China and Brazil), under implementation. Experience to date has pointed to over-optimism of the original project designs and unrealistic expectation of near-term cost reduction. Implementation of the China FCB Project will provide important lessons for the GEF regarding future interventions in the fuel cell technologies.

13. Colombia : Integrated National Adaptation Plan: High Mountain Ecosystems, Colombia's Caribbean Insular Areas and Human Health (INAP) (World Bank)

Focal Area/OP/Strategic Priority:	Climate Change /Strategic Priority on Adaptation (SPA)
Local executing agency:	IDEAM (National Environmental Institute)
Total Cost of the Project:	$17.47 million
GEF Funding Request:	$5.30 million (+ $270,000 PDF-B)
Key Indicators:	

(a) Number of pilot adaptation activities implemented, monitored and managed, addressing vulnerability to climate change in ecosystem of global importance, including high mountain ecosystems and coral reefs;

(b) Strengthened EA’s capacity to produce and disseminate climate change information;

(c) Maintenance of the hydropower generation ability, measures through water regulation in the Las Hermosas massif on the Amoya river basin; and

(d) Biodiversity and land Degradation impacts documented.

The First National Communication to the UNFCCC reports that Colombia is highly vulnerable to climate change and identifies high mountain habitats, insular and coastal areas and health as the areas of primary concern. As a response, this project is aimed at: (1) reducing vulnerability and increasing adaptive capacity to climate change of globally important ecosystems in Colombia, including high mountain ecosystems and coral reefs; (2) developing an adaptation program to regulate water for hydropower generation and protecting the Amoya watershed in the Las Hermosas Massif (therefore combining climate change adaptation and mitigation); (3) developing adaptation measures in Caribbean insular areas; (4) developing responses to the increase exposure to tropical vector-borne diseases (malaria and dengue) induced by climate change; and (5) making climate variability and climate change information available for adoption of adaptation measures and policies.

It is recognized that a single project is likely to generate both local and global benefits. This project was submitted under the SPA (GEF trust fund) as the majority of its benefits are related to the following global environmental goals: biodiversity conservation and sustainable use (high mountain ecosystems and coral reefs); climate change mitigation (greenhouse gas emission avoidance) achieved through maintenance of potential for hydropower generation through adaptive water conservation measures in view of water shortage due to climate change impacts, and overall integrating climate change risks into natural resources planning.

14. Kiribati: Kiribati Adaptation Program - Pilot Implementation Phase (KAP-II) (World Bank)

Focal Area/OP/Strategic Priority:	Climate Change/Strategic Priority on Adaptation (SPA)
Local executing agency:	Office of the President through several line Ministries, Republic of Kiribati
Total Cost of the Project:	$6.699 million
GEF Funding Request:	$1.80 million (+ $99,000 PDF-B)
Key Indicators:	

- Percentage of government programs for climate affected sectors that reflect systematic climate risk management; and
- Consistent use of best practice in the application of risk management, environmental assessment and option analysis to vulnerability reduction measures. (see logframe for more indicators).

Kiribati is one of the most vulnerable countries in the world to the adverse impacts of climate change. Kiribati consists of 33 low-lying atoll islands spread over a vast area of 3.5 million square meters of ocean in the central and western Pacific. All sectors of Kiribati's economy will be affected by climate change, and this project integrates climate change risks and adaptation measures into Kiribati's development planning. Kiribati's economy largely depends on natural resources and marine ecosystems, including coral reefs, which are highly vulnerable to climate change. This project facilitates the development and the implementation of adaptation-related programs in the national Government's budget and sector development plans, in combination with a process of participatory adaptation, involving island councils, NGOs, churches, communities, and individuals. Project components include policy planning and information; land use and ecosystem protection and restoration in coastal areas; development and management of freshwater resources to reduce their vulnerability to climate variability and climate change; capacity building at all levels, from government and institutions to community level.

Kiribati is a highly vulnerable small island state. This project is the first pilot that systematically integrates climate risk into development and has a huge potential for learning, scaling up and replication in similar island states around the world. By integrating adaptation interventions throughout all sectors of Kiribati's development planning, this project generates both local and global benefits. With respect to global benefits, KAP will contribute to biodiversity conservation of target ecosystems such as coastal and near-shore marine habitats, particularly coral reef and mangrove systems, which harbor valuable biodiversity. This global environmental goal will be achieved by focusing on environmental sustainability as part of coastal protection and asset management strategies, which are supported by strong participatory processes and public awareness campaigns. Moreover, KAP would assist in building a monitoring system, particularly for the coral reefs, but which can also be adapted for other ecosystems, to strengthen the country's capacity to reduce the ecosystems' vulnerability; supplemented by enhanced access to new technologies in coral and ecosystem management (including through pilot experiments).

Outcomes that contain global benefits include: (1) strengthening of government’s capacity to deal with the global environmental and sustainable development consequences of the climate risks, by fully integrating adaptation into economic planning and by enhancing legislation and regulations; (2) conservation and sustainable use of aquatic biodiversity in globally important ecosystems, through involvement of civil society and communities in the planning and management of the aquatic resources, and implementing actions that reduce the threat to coastal areas and coral reefs; (3) better compliance with obligations stemming from the country’s international commitments for the conservation and sustainable use of biodiversity resources in the country, even in the face of new climate risks; (4) awareness raising among high-level policymakers as well as the wider public; and (5) development and application of tools, techniques and technologies that will result in sustainable management of climate change risks in an integrated and cost-effective manner.

15. Mauritania: Adrar Solar Initiative and Decentralized Electrification in the Northern Coastline of Mauritania through Hybrid (Wind/Diesel) Systems (UNDP)

Focal Area/OP/Strategic Priority:	Climate Change / OP6 /SP2
Local executing agency:	National Rural Energy Agency ADER
Total Cost of the Project:	$12.157 million
GEF Funding Request:	$2.70 million (+ $100,000 PDF-B)

The majority of the population of Mauritania has no access to electricity. This project seeks to introduce the utilization of solar and wind/Diesel hybrid technologies for a variety of productive uses in agriculture and fisheries in a number of villages in coastal and inland Mauritania. The project seeks to build local capacity with the national rural energy agency in order to anchor the productive uses of renewable energy sustainably in the national energy strategy.

Like the other OP6 project in this work program, this project helps balancing the portfolio in both a geographical and a substantive sense. It is a worthwhile addition to the GEF portfolio in West Africa, which so far has been underrepresented in the GEF portfolio. In addition to the regional balance it also improves the balance between the strategic priorities in OP6, and in the Climate Change portfolio in general, as it is integrating the productive uses and income generating opportunities offered by the newly available energy as a major pillar of the project's sustainability strategy. It is co-financed by the African Development Bank, and will contribute strongly to the buildup of local capacity.

16. Peru: Second National Communication of Peru to the UNFCCC (UNDP)

Focal Area/OP/Strategic Priority:	Climate Change /OP6 /SP2
Local executing agency:	National Operational Focal Point
Total Cost of the Project:	$2.862 million
GEF Funding Request:	$1.80 million (+ $49,000 PDF-A)

Peru, as a developing country Party to the UN Framework Convention on Climate Change has agreed to undertake actions and comply with the commitments described under article 4, paragraph 1, of the Convention, in accordance with its specific national and regional development priorities. As such, Peru is required to provide the UNFCCC with adequate information on the status of implementation of these commitments. Specifically, article 12.1, calls for National Communications that include an inventory of net anthropogenic emissions of GHG and a general description of steps taken or envisaged to implement the Convention.

Peru has gathered and generated Climate Change information and has been developing capacities to deal with Climate Change through its First National Communication to the UNFCCC and the National Programme on Climate Change and Air Quality. However, there is still insufficient information for adequate decision making and lack of awareness of climate change issues, resulting in inadequate compliance with the commitments to the UNFCCC. These gaps will be filled through this GEF enabling activity project to prepare the Second National Communications.

This three year project will also enhance national capacities and facilitate the process of mainstreaming climate change issues into national development and poverty reduction processes. This will enable the Peru to cope with climate change and to address this challenge from an environmental and sustainable development perspective.

The project's general objective is to enable Peru to prepare and submit its Second National Communication (SNC) to the United Framework Convention on Climate Change (UNFCCC), in accordance with guidelines in decision 17/CP.8 and with articles 4 and 12 of the Convention**.**

The project is composed of the following 6 outputs:

(a) Adaptation Strategy for prioritized areas and sectors;

(b) Development of a National GHG Inventory Management System;

(c) Strategy to mitigate GHG emissions in the Energy, Industry, Transport and LULUCF sectors;

(d) Description of Steps taken to integrate climate change and development;

(e) Prioritized Analysis of Constraints, Gaps and Needs of a National Observation System and Climate Change Research; and

(f) Preparation, revision, approval and dissemination of the Second National Communication.

International Waters

17. Regional (Africa): Strategic Partnership for a Sustainable Fisheries Investment Fund in the Large Marine Ecosystems of Sub-Saharan Africa, Tranche 1 of 3 tranches (World Bank)

Focal Area/OP/Strategic Priority:	International Waters/OP8/SP1
Local executing agency:	National Organizations in the various countries
Total Cost of the Project:	$100.67 million
GEF Funding Request:	$25.00 million, of which $13 million is requested for Nov. WP approval (+ $670,000 PDFs)
Key Indicators:	This Partnership among coastal nations of SSA, IAs and global development partners will reduce the stress on marine fisheries resources of SSA as a contribution to WSSD POI Sustainable Fisheries Target – IW Target (b), GEF/C21/Inf.11.

In order to achieve the above goal, a Strategic Partnership is proposed, based on the model of the Danube/Black Sea Basin Strategic Partnership approved by the GEF Council in May 2001 (GEF/C.17/7), with two subsequent tranches that were approved in May 2002 and May 2003. Based on that model, the GEF will create a Sustainable Fisheries Investment Fund, i.e., Partnership Investment Fund, of $60 million (disbursed in 3 tranches over 10 years). This Partnership Investment Fund will be available to co-finance single country, single sector sub-projects aimed at helping countries in SSA meet the WSSD fisheries targets and poverty eradication goal. Each sub-project under the Fund would be processed according to streamlined GEF/WB procedures, and would be submitted directly to the GEF CEO for endorsement. The Partnership Investment Fund will be co-financed through the World Bank's Global Program for Fisheries (PROFISH); IDA credits and IBRD loans and through other interested multilateral and bilateral donors. As a co-financing ratio of one GEF dollar to three donor dollars is being targeted by GEF, the total anticipated funding volume of the Sustainable Fisheries Investment Fund is $240 million. The GEF Council is now requested to approve $25 million GEF co-financing for the first Tranche of the Partnership Fund.

Strategic Background

The targeted LMEs possess a wealth of globally significant marine biodiversity and habitats that provide the coastal countries of SSA with some of the world's most fertile fishing grounds, many of which are transboundary in nature (with either the fish stocks or the fishing fleets migrating regularly across national boundaries, or both). The continuing decline of many fisheries and fish resources throughout these LMEs, and the livelihoods that depend on these fisheries, as well as the loss of marine biodiversity, underline the urgency of assisting coastal African countries to create systems of sustainable governance and utilization of fish resources. In response to this decline in Africa and the rest of the world's oceans, the World Summit on Sustainable Development (WSSD) called on all nations to meet defined targets for sustainable fisheries and poverty reduction over the next 10 years. In response, a GEF/WB Strategic Partnership for a Sustainable Fisheries Investment Fund in the Large Marine Ecosystems (LMEs) of Sub-Saharan Africa is being proposed in order to generate the funds to help countries bordering the LMEs in the region meet the WSSD fisheries and poverty reduction targets. Specifically the five LME's identified in the SSA region are the Canary Current (West Africa); Guinea Current (Gulf of Guinea), Benguela Current (Namibia, Angola, South Africa), Agulhas Current (continental shelf shared by South Africa, Mozambique, Comoro Islands, Seychelles, Madagascar and Mauritius) and; Somali Current (Tanzania, Kenya, Somali).

The types of country-level projects/investments that could be potentially supported by the Partnership Investment Fund are mentioned below.

(a) Strengthening or improving sector governance (i.e. policy, legal, and institutional reforms), including stakeholder consultation processes, and institutions at the national and local level;

(b) Promoting the conservation of ecologically important areas for fisheries and the wider marine environment in general;

(c) Strengthening resource management systems for industrial and international fishing fleets;

(d) Supporting industrial fishing effort reduction programs and promoting alternative livelihoods to fishing;

(e) Supporting the creation and/or expansion of co-management programs and area based management programs for small-scale fisheries;

(f) Freezing and/or reducing small- and medium scale fisheries fishing effort where and when necessary and compensating or otherwise assisting those affected;

(g) Strengthening the effectiveness of local and national Monitoring, Control and Surveillance of fisheries;

(h) Strengthening the institutional and financial effectiveness of Ministries, fisheries extension services, fisheries training institutions and research institutes;

(i) Providing direct financial support to meet the sustainable development objectives in fisheries;

(j) Integrating fisheries in national poverty reduction strategies; and

(k) Building the capacity to participate in the ongoing GEF-led LME projects and other regional and sub-regional initiatives to implement management measures for the marine ecosystems and the transboundary fisheries resources.

18. Regional (Asia/Pacific): World Bank/GEF Partnership Investment Fund for Pollution Reduction in the Large Marine Ecosystems of East Asia, Tranche 1 of 3 tranches (World Bank)

Focal Area/OP/Strategic Priority:	International Waters/OP10/SP1
Local executing agency:	National Organizations in the various countries
Total Cost of the Project:	$656.40 million
GEF Funding Request:	$35.00 million, of which $25 million is requested for Nov. WP approval (+ $700,000 PDFs)
Key Indicators:	Additional representative transboundary water bodies for which GEF catalyzed financial mobilization for implementation of stress reduction measures as a contribution to WSSD POI - IW Target (a), GEF/C21/Inf.11.

The GEF Council is requested to approve $25 million GEF co-financing for the first tranche of the *WB/GEF Partnership Investment Fund for Pollution Reduction in the Large Marine Ecosystems of East Asia* (the Fund). The second and third tranches would be requested once 75% of each tranche funding will be committed. Sub-projects under the Fund would be processed according to streamlined WB/GEF procedures, and would be submitted directly to the GEF CEO for endorsement. The GEF CEO would approve individual sub-projects on a rolling basis using eligibility criteria approved by GEF Council, until the limit of each tranche has been reached. Individual sub-projects under the Fund would be executed by selected agencies within the recipient countries. World Bank task teams would be responsible for appraising and supervising each sub-project and for coordinating with the Fund on sub-project results.
The target co-financing rate for the Fund would be 1:10 (GEF:IBRD/IDA/other), making a total target investment for the first tranche of $350 million. The total GEF co-financing over three tranches of the Fund would be $80 million, with an expected total investment of between $800 million and $1.5 billion. The Fund is modelled on the WB/GEF Nutrient Reduction Investment Fund for the Black Sea/Danube Strategic Partnership, which was approved by the GEF Council on May 9, 2001 (GEF/C.17/7), and whose second and third tranches were approved in May 2002 and May 2003 respectively. The GEF allocated a total of $70 million to the Black Sea/Danube fund over six years.

Strategic Background

The seas of East Asia comprise six interconnected large marine ecosystems (LMEs) - the Yellow Sea, the East China Sea, the South China Sea, the Gulf of Thailand, the Sulu-Celebes (Sulawesi) Sea, and the Indonesian Seas. All these marine ecosystems are under increasing pressure from land-based human activities. Billions of tons of untreated wastewater are in fact discharged annually from coastal cities and from industries, including major livestock concentrations.

In the last decade, significant steps have been taken towards establishing collaboration between the governments of the region to address the threats faced by the seas of East Asia. In 1995, with GEF catalytic support, twelve East Asian countries created the *Partnerships in Environmental Management for the Seas of East Asia* (PEMSEA) through which they developed a *Sustainable Development Strategy for the Seas of East Asia* (SDS-SEA). The SDS-SEA is a call to action. It is equivalent to a GEF-IW Strategic Action Program as it provides a strategic vision and a specific commitment by the countries to work together. This Strategy was adopted by the countries in December 2003 (Putrajaya Declaration).

Following the Putrajaya Declaration, the littoral countries have identified cooperative ways to accelerate the implementation of the SDS-SEA within the context of PEMSEA, thus creating an enabling environment for on the ground investments addressing land based point sources of marine pollution. The countries have moreover requested the assistance of GEF and of the World Bank in the implementation of the Strategy. The present proposal is the response to this request, and is aimed at catalyzing investments, both public and private, directed to reduce the stress on coastal and marine ecosystems and living resources in the seas of East Asia. The Fund will focus on demonstrating the viability of innovative waste water treatment facilities, and on the introduction of financial tools aimed at leveraging private sector investments and replication.

Land Degradation

19. Regional (Gambia, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Sierra Leone): Fouta Djallon Highlands Integrated Natural Resources Management Project (FDH-INRM), Phase I: Strengthening of the Legal and Institutional Regional Cooperation Framework and Pilot Demonstrations of INRM (UNEP)

Focal Area/OP/Strategic Priority:	Land Degradation/OP 15/ SLM-1 and 2
Local executing agency:	FAO in collaboration with: International Bureau of Coordination/African Union (IBC-AU); National Environment Agency (Gambia); Ministry of the Environment (Guinea); Ministry of Energy and Natural Resources (Guinea-Bissau); Ministry of Environment and Sanitation (Mali); Ministry of Rural Development and Environment (Mauritania); Ministry of Hydrology, Environment, and the Fight against Desertification (Niger); Ministry of Environment and Protection of Nature (Senegal); and Ministry of Lands, Country Planning and the Environment (Sierra Leone)
Total Cost of the Project:	$49.654 million
GEF Funding Request:	$11.00 million, of which $5 million is requested for Nov. WP approval (+ $554,000 PDF-B)
Key Indicators:	Sustainable land management practices implemented on 145 000 ha of land; 20% positive change in carbon stores on 7 000 ha of land; 10% reduction in sediment load in 29 representative pilot basins; 5000 people trained in INRM; enabling environment for regional cooperation in INRM established.

Rationale & Objective**:**
The Fouta Djallon Highlands are a series of high plateaus concentrated in the central part of the Republic of Guinea but whose areal extent continue into Guinea-Bissau, Mali, Senegal and Sierra Leone. This highland area is the point of origin of a number of international rivers, notably the Gambia, Niger and Senegal Rivers, as well as a number of small water courses contributing to the characterization of the area as the “water tower” of West Africa. Due to their geographic and climatic diversity the highlands and surrounding foothills also support a rich diversity of ecosystems that include savanna, dry forest, high forest, lentic, lotic, as well as agro-ecosystems.

Despite these efforts, a number of growing threats over the last four decades have combined to take their toll on the highlands’ natural resources and contributed to a decline in their value as a source of water, endemic biodiversity and bio-productive potential. While the underlying causes are numerous and diverse, the main sources are: population pressure, poor or ineffective policies, and weak institutions.

The development objective of the ten-year project is to ensure the sustainable management of the natural resources of the Fouta Djallon Highlands over the medium to long-term (2025) in order to improve rural livelihoods of the population directly or indirectly dependent on the natural resources in the area. The environmental objective of the project is to mitigate the causes and negative impacts of land degradation on the structural and functional integrity of the ecosystems of the highlands through the establishment of a regional legal and institutional framework and institutional capacity designed to: (i) facilitate collaboration in the management of the highlands; (ii) assess the status of natural resources in the highlands; and (iii) develop replicable, community-based sustainable land management models.

Project Outcomes**:**

(a) Enhanced regional collaboration in integrated natural resources management in the Fouta Djallon Highlands;

(b) Improved natural resources management and livelihoods in the Fouta Djallon Highlands;

(c) Increased Stakeholder Capacity in integrated natural resources management in the Fouta Djallon Highlands; and

(d) Project Management, Monitoring and Evaluation, and Information Dissemination.

20. Cameroon: Sustainable Agro-Pastoral and Land Management Promotion Under the National Community Development Program Support Program (PNDP) (World Bank)

Foc Area/OP/Strategic Priority:	Land degradation /OP15/SP2
Local al executing agency:	
Total Cost of the Project:	$98.35 million
GEF Funding Request:	$6.00 million (+ $350,000 PDF-B)

Key Indicators: The project will expand the areas which will be covered by a SLM regime by integrating sustainable land management into local development; introducing and implementing land-use plans and conflict resolution frameworks; as well as adopting legal texts on land-use rights.

Rationale & Objective:

Land degradation in Cameroon threatens the integrity of the ecosystems and its components key upon which Cameroon's globally unique biodiversity depends. In addition, land degradation results in the loss of primary productivity and thus reduces the carbon sequestration potential of the vegetation. With reduced aboveground productivity, there is a corresponding loss of carbon inputs to the soil.

The proposed initiative will be fully blended with the WB Community Development Program Support Project that is co-financed by IDA and AFD. It aims to reduce poverty and promote sustainable rural development in Cameroon by setting up a decentralized financing mechanism to ensure participatory community development in rural areas, strengthening local governance, and empowering communes and communities, including marginalized groups. More specifically, the project is being implemented using the Adaptable Program Loan (APL) instrument in three four-year phases, and will co-finance demand-driven micro-projects and carry out local capacity-building activities.

The GEF is uniquely positioned to support the proposed project's objectives. The project would promote a more coherent, integrated approach to address environmental and resource management challenges. The project's global environmental objective is to improve the well functioning of ecosystems by integrating SLM into local development and by decreasing biodiversity loss in fragile agro-sylvo-pastoral areas. It will contribute to rehabilitating degraded lands and curbing further degradation, reducing soil erosion, stabilizing sediment storage and release in critical trans-boundary water bodies such as Lake Chad and the Gulf of Guinea, and increasing vegetative cover and carbon sequestration in the targeted areas.

Project Outcomes:

(a) Communities in critical, priority areas are enabled to conserve above and belowground biodiversity and reduce greenhouse gas emissions by preventing land degradation and rehabilitating degraded lands, and ultimately to increase productivity of agro-sylvo-pastoral lands under management;

(b) Institutional and human capacities developed at the local and national levels in SLM planning and implementation of environmentally friendly sustainable land management practices; and

(c) An appropriate enabling environment and stronger legal, institutional, and policy framework for SLM implementation established.

21. Cuba : Supporting Implementation of the Cuban National Programme to Combat Desertification and Drought (NPCDD) (UNDP)

Focal Area/OP/Strategic Priority:	Land Degradation/OP 15/ SLM-1 and 2
Local executing agency:	Government of Cuba/ Ministry of Science, Technology and Envrionment
Total Cost of the Project:	$89.44 million
GEF Funding Request:	$9.65 million (+ $348,000 PDF-B)
Key Indicators:	10,953 sqkm of land under sustainable management.

Rationale & Objective:
Land degradation processes vary widely across Cuba, depending largely on local variations in climate and topography. An estimated 1.0 million hectares are affected by salinity, strong erosion; bad drainage, high levels of compaction, high levels of acidity, and by low organic material content. These processes affect a range of agricultural circumstances, including mechanized and manual cultivation, irrigated and rain fed crops, permanent and shifting agriculture. Cuba has an estimated 970 water reservoirs, which face ever-increasing problems of sedimentation due to the high levels of soil erosion in the hydrological basins which drain into them. A number of important aquifers are affected by nitrate buildup originating from artificial fertilizers. Land degradation in Cuba (including soil erosion, salinity buildup, compaction and acidification, and loss of soil organic matter and soil fertility) is jeopardizing ecosystem function, resilience and productivity over large areas of the island, leading to impacts on the livelihoods of large numbers of local people and exacerbating unsustainable demographic trends. Land degradation also affects the globally important biodiversity in the Greater Antillean Marine ecoregion within which Cuba lies, detracts from the benefits for the country's investments in reforestation for carbon sequestration and reduces the potential of ecosystems to adapt to climate change processes.

Six main barriers for sustainable land management in Cuba have been identified:

(a) Limited inter-sector integration and inter-institutional coordination;

(b) Inadequate incorporation of SLM considerations into extension and environmental education programs;

(c) Limited development of financing and incentive mechanisms for SLM;

(d) The inadequacy of systems for monitoring of LD and management of related information;

(e) Planners have limited tools and knowledge for incorporating SLM considerations into plans, programs and policies; and

(f) Inadequate development of regulatory framework for combating LD.

Program Objective:
The removal of these barriers require a systemic long-term approach that will be piloted through the GEF Country Pilot Partnership (GEF-CPP) with the goal that the "Reduction of land degradation will allow Cuba to achieve its goals for sustainable development and increased food

security". The CPP **purpose** will be that "Cuba has the capacities and conditions for sustainable managing land in a manner that contributes to maintaining ecosystem productivity and functions". Central to the CPP will be the promotion of a model of improved vertical and horizontal integration between stakeholders and between field level actions and the policy, planning and regulatory context.

22. Kenya : Agricultural Productivity and Sustainable Land Management (World Bank)

Focal Area/OP/Strategic Priority:	Land Degradation/OP 15/ SLM-1 and 2
Local executing agency:	Government of Kenya/Ministries of Agriculture, Livestock and Fisheries, Environment, Land, Local Government, and Water, Water Resources Management Authority
Total Cost of the Project:	$83.15 million
GEF Funding Request:	$10.00 million (+ $350,000 PDF-B)
Key Indicators:	The project will reduce and/or control land degradation through improved land management in five operational/catchment areas covering (fully or partially) 16 districts, by supporting investments in SLM; enhancing local capacity for farmers, communities, extension agents, and other service providers to promote SLM based on participatory approaches; and mainstreaming SLM into the national land policy dialogue.

Rationale & Objective:
Kenya is one of the most degraded areas in Africa, and land degradation, resulting from soil removal by erosion, nutrient depletion due to burning of biomass and continued loss and degradation of forest areas, is the most serious environmental problem facing the country. About 70 percent of the population lives in just 12 percent of the total land area, and the growing population (2.3 percent per year) puts tremendous pressure on the land. Since 1962, 3.2 million MT of soil have been washed into Lake Victoria, and more than half of the land in Western Kenya has been abandoned due to depletion of soil nutrients.

This deterioration of the natural resource base has resulted in a gradual reduction in incomes of rural families, in a country where more than 56 percent of the population already lives in poverty. Land degradation has also had a negative impact on Kenya’s biodiversity, including many of the country’s 35,000 identified species of animals, plants and micro-organisms that are endemic to Kenya and the Eastern Arc Mountains.

There are multiple issues that underpin the trend of increasing land degradation in Kenya that can be grouped into 3 major barriers for sustainable land management: institutional and individual capacities, policy and regulatory frameworks, access to appropriate information and technologies/practices related to sustainable land management.

23. Namibia : Country Pilot Partnership (CPP) for Integrated Sustainable Land Management (UNDP)

Focal Area/OP/Strategic Priority:	Land Degradation/OP 15/ SLM-1 and 2
Local executing agency:	Government of Namibia/Ministry of Environment & Tourism
Total Cost of the Project:	$62.24 million
GEF Funding Request:	$10.00 million (+ $250,000 PDF-B)
Key Indicators:	

- Sustainable Land Management: Improvement of the economic productivity of land under sustainable management and the restoration of the functional integrity of ecosystems over an area of 3 million hectares equivalent, to 3.6% of the land mass or 8,9% of communal land. Area benefiting from wide replication activities through strengthening of capacity for sustainable land management at the systemic, institutional and individual levels: 24 million hectares, or 29.2% of the land mass or 71% of communal land.
- Strategic Priority on Adaptation: Increased resilience to the adverse impacts of climate change of vulnerable sectors and communities.

Rationale & Objective:
Namibia is classed as the driest country in sub-Saharan Africa, and is subject to frequent drought episodes owing to temporal and spatial perturbations in rainfall patterns. Land degradation and attendant desertification is an increasing problem, manifest amongst other things in soil erosion, the impairment of hydrological functions, habitat conversion, e.g. through deforestation, overgrazing of rangelands, and changes in the vegetation structure in pastoral areas.

As approximately 70% of the population is directly dependant on subsistence agriculture and livestock husbandry, land degradation poses an acute challenge to rural livelihoods, while also undermining ecosystem integrity, and threatening the forfeiture of global environmental benefits.

The Government of Namibia has identified land degradation as a serious problem, demanding remedial intervention, and has recognized that integrated ecosystem management strategies are needed to effectively address the underlying causes. In a climatic environment such as Namibia's where successful resource management is, to a large extent, dependent on swift adaptation to changes in weather conditions, the ability to monitor and evaluate the risk of desertification as well as impacts on the ground is critical. Yet locally applicable M&E systems that provide information for integrated land use planning and adaptive resource management are largely unavailable at local level as are guidance materials on good practices.

The proposed GEF Country Partnership for Integrated Sustainable Land Management will seek to address these constraints through the development and coordinated execution of a package of strategic interventions. The identified four main barriers for sustainable land management in Namibia (systemic, institutional and individual capacities; and knowledge management) will be addressed through specific activities, and progressively leverage investment finance from the Government of Namibia, donor community and communities, and to take promising management models to scale. The partnership will be led by UNDP in close collaboration with the Government of Namibia. UNDP will work and coordinate with other GEF agencies such as UNEP and the World Bank, and national partners to design and implement projects that are fully consistent to the government-supported country framework for sustainable land management.

Program Objective:

The goal of the programmatic partnership is to combat land degradation using integrated cross-sectoral approaches which enable Namibia to reach its MDG #7: "environmental sustainability" and assure the integrity of dryland ecosystems and ecosystem services.

The CPP embraces a programmatic approach, comprising a suite of linked projects, funded by the GEF, Government of Namibia, European Union, GTZ and UNDP and with provision made to progressively secure additional finance from the private sector. These projects are aligned against a common set of goals, objectives and outcomes, and will be monitored against indicators established at the Program Level. A coordination framework will be put in place, involving five Ministries, NGOs, academia and donors, to give policy direction, and monitor and take steps to improve the impacts of projects.

Program Outcomes:

Program Objective 1:

Capacity at systemic, institutional and individual level built and sustained, ensuring cross-sectoral and demand driven coordination and implementation of SLM activities.

- Outcome 1.1: Policies related to land management and production are harmonised and incentives for SLM created and/or strengthened.
- Outcome 1.2: Enabling institutional mechanisms and linkages that support coordinated community-led ISLM endeavours are promoted.
- Outcome 1.3: Individual capacity to implement ISLM is strengthened at all levels.
- Outcome 1.4 Effective Monitoring and Evaluation systems in place for adaptive management at local and national levels.

Program Objective 2:

Cost effective, innovative and appropriate ISLM techniques which integrate environmental and economic benefits are identified and disseminated.

- Outcome 2.1: Management methods, models and best practices for ISLM identified.
- Outcome 2.2: Best practices are shared and replicability tested.

Multi-focal Areas

24. Global: Country Support Program for Focal Points and Council Members (UNDP/UNEP)

Focal Area/OP/Strategic Priority:	Multi-focal Area
Local executing agency:	
Total Cost of the Project:	$12.135 million
GEF Funding Request:	$11.865 million

In May 1999, the Council approved a four year program of support to Council Members and focal points. This program was extended for an additional year by Council in 2003, pending a review of the program and a decision on how to continue providing support to focal points. As a result of the review, which recommended that the GEF support program be "extended with some redesign", the Country Support Programmme has been developed as a means to continue and enhance the support to focal points.

The Country Support Programme implements the proposals presented in GEF/C.25/9, *Elements for Strengthening National Focal Points and Enhancing Constituency Coordination in GEF Recipient Countries*, as approved by the GEF Council at its June 2005 meeting. The project directly responds to Council's request that the GEF Secretariat and the Implementing Agencies collaborate in preparing a proposal to operationalize and finance the program for approval by the Council at its meeting in November 2005.

The program focuses only on focal points. As requested by Council, support to Council Members for constituency coordination has been identified as an administrative cost and separated from the program costs. The GEF Secretariat has asked Council to incorporate Council Member support costs in the GEF's Corporate budget.

Main Objective**:**
The project implements a comprehensive strategy to strengthen capacity for country level GEF coordination and support, with linkages to ongoing GEF country support activities including, but not limited to, the National Dialogue Initiative, the proposed country capacity building programs for LDCs and SIDS, and the land degradation Country Program Partnerships (CPP).

Approach:
The comprehensive and integrated approach to building the capacity of GEF focal points is comprised of three components (component 1 to be implemented by UNEP; components 2 and 3 to be implemented by UNDP), the combined outputs of which will build the capacity of focal points to better design, implement, cooordinate and monitor GEF projects.

Specifically, the program will provide direct funding to support dissemination and outreach activities (component 1), develop a GEF country and constituency knowledge management framework (component 2) and deliver targeted capacity building activities through sub-regional information exchange and training workshops (component 3).

Expected Outcomes:
It is expected that the program will result in the establishment of a Country Support Program which will assist GEF focal points by providing them with improved access to the newest information on GEF policies and procedures, strengthening stakeholder involvement, creating institutional memory and increasing country coordination and ownership.

It is also expected that the program will result in the creation of a GEF knowledge management framework which will provide a dynamic resource to assist GEF focal points in carrying out their activities. Focal points will have the opportunity to apply the knowledge gained through the knowledge management framework and supplemented by sub-regional capacity building activities to improve their support for GEF projects at national level.

These sub-regional targeted capacity building activities for focal points and key stakeholders will aim to result in focal points with improved knowledge of establishing or strengthening sustainable national, multi-stakeholder coordination mechanisms, and ability and know how to contribute to mainstreaming GEF activities into national planning frameworks.

Finally the program will contribute to strengthening the capacity of institutions to coordinate, develop and monitor performance of national environment projects.

Total Cost:
The total project cost is $12,134,902 of which $270,000 is in kind Government co- financing. The GEF funding request is $11,864,902.

25. Global: GEF-Development Marketplace Partnership (World Bank)

Focal Area/OP/Strategic Priority:	Multi-focal Area
Local executing agency:	
Total Cost of the Project:	$8.90 million
GEF Funding Request:	$5.00 million, of which $2 million is requested for Nov. WP approval.

Background:

At its meeting in November 2004, Council approved the establishment of a pilot global program for smaller-sized medium sized projects (a maximum of $250,000 in GEF resources) as a means to expedite and streamline the processing of medium-sized projects. The proposal for the global program was modeled on the World Bank's Development Marketplace, a competitive grant program of the World Bank that funds innovative, small scale development projects. The Council requested the Secretariat to reconsider the administrative cost of the proposed global program and report back to the Council on the administrative expenses necessary to manage the program.

In reconsidering the administrative expenses, the GEF MSP Working Group consisting of representatives from each of the three Implementing Agencies, two NGOs, and an executing agency, discussed different options to operationalize the proposal and to reduce the proposed administrative costs as requested by the Council. The Working Group reached a consensus that the most cost effective way to implement the global pilot program was by making a direct contribution to the World Bank Development Marketplace significantly cutting down on administrative costs. This directly responds to the Council concerns while providing NGOs access to GEF funding.

Main Objectives:

The objective of this project is to establish an expedited modality of Smaller Size Medium Sized Project (SMSP) using a one stop appraisal process and a fixed schedule for globally competitive project approval system. The GEF Development Marketplace partnership will help streamline and expedite processing of SMSPs by civil society and expand the funding pool for bottom up innovative global environment projects in a cost effective manner. The funded projects will be limited to maximum GEF funding of $250,000 each supporting innovative activities to attain global environmental benefits in the focal area of climate change, biodiversity, international waters, POPs and Land Degradation.

Approach:

The GEF Development Marketplace partnership will support two environment marketplaces in 2006 and 2007. The WB Development Marketplace usually has a central theme and the theme for 2006 is *Innovations in water, Sanitation, Energy Services for Poor People* and seeks to support innovative sustainable local level solutions that improve the quality of and access to water supply, sanitation and energy services in an environmentally sustainable manner. The theme for 2007 has yet to be determined, but discussions are underway to ensure that the opportunities for participants to develop GEF eligible projects will be available.

The Development marketplace issues a call for proposals and projects chosen for funding under the GEF DM must fall within the GEF eligibility criteria and include means for evaluation and monitoring.

Expected Outcomes:
The GEF Development Marketplace partnership is expected to produce innovative projects that provide global environmental benefits, are sustainable and can be easily replicated elsewhere. The environmental benefits are expected for a wide number of beneficiaries, and enhance the development of partnership between local and international partners and contribute to knowledge management and dissemination of lessons learned and good practices.

Total Cost:
The total cost of the project is $8.40 million. The GEF Funding Request is $5 million with $2 million allocated in the November work program and $3 million allocated in the intersessional work program in January 2006.

26. Global: Small Grants Programme (Third Operational Phase), Tranche 2 (UNDP)

Focal Area/OP/Strategic Priority:	Multi-focal Area
Local executing agency:	
Total Cost of the Project:	$100.00 million
GEF Funding Request:	$50.00 million, of which $25 million is requested for Nov. WP approval.

The GEF Small Grants Programme (SGP) is an ongoing activity, launched in 1992 to support community initiatives in global biodiversity conservation, climate change mitigation and protection of international waters. To date the programme has funded close to 6,000 projects through small grants not exceeding $50,000, in 92 countries.

The attached project document presents a request for Tranche 2 of the Small Grants Programme (SGP) that is to run from 2006 to 2007. This tranche requests $50 million following the last annual grant of $47 million.

The SGP works on the underlying assumption that path-breaking local environmental initiatives can contribute to securing global environmental benefits. The third phase of the Small Grants Programme (SGP) will be more strategic in supporting similar initiatives and also document the resulting global environmental benefits using specifically developed indicators.

Many of the small-scale initiatives are considered to have the potential of becoming good practices or extending into large-scale activities. These initiatives include promotion of sustainable use activities within the protected areas and buffer zones, conservation in productive landscapes and seascapes, productive uses of renewable energy, innovative demonstrations in international waters, innovative and indigenous sustainable land management practices and targeted capacity building through learning by doing.

The following additional outcomes are to be achieved by the second tranche of the Small Grants Programme:

- Extend the programme to 10 new countries, including a minimum of 5 Least Developed Countries (LDCs) and/or Small Island Developing States (SIDS).
- Build capacity of SGP country teams.
- Establish SGP country project portfolios including new GEF focal areas of land degradation and POPs.
- At least two thematic and /or ex-poste case studies assessing local and global environmental benefits of the programme.
- Analysis made on how many full-sized projects with IAs/EAs have SGP components or could use SGP approaches and strategies.

The overall programme management will continue to be with UNDP, maintaining SGP's decentralized decision-making and country driven character. The grants are to be managed by the national project staff and national steering committees with administrative support from UNDP country office and technical assistance from UNDP-GEF offices at headquarters. The national committees will be further strengthened to include a larger variety of stakeholders, including academic institutions, private sector and indigenous people.

The project comprises a monitoring and evaluation framework that include visits by country programme teams, semi-annual and annual reporting and regular updates through on-line and off-line database. In addition, an independent evaluation will be done.

Attachment 1

Table A.1: Projects Requesting Partial Funding in the November Work Program

(in $ million)

Agency	Country	Project Name	GEF Amount	Nov. WP Amount	Deferred to future WPs
Biodiversity					
UNDP	Global	Supporting Country Early Action on Protected Areas	11.308	4.00	7.308
UNDP	Regional	Mainstreaming Conservation of Migratory Soaring Birds into Key Productive Sectors (Tranche 1 & 2)	9.743	5.00	4.743
World Bank	Brazil	GEF Sustainable Cerrado Initiative	27.00	13.00	14.00
World Bank	Brazil	National Biodiversity Mainstreaming and Institutional Consolidation Project	25.00	22.00	3.00
Total Biodiversity			73.051	44.00	29.051
International Waters					
World Bank	Regional (Africa)	Strategic Partnership for a Sustainable Fisheries Investment Fund in the LME of Sub-Saharan Africa, Tranche 1 of 3	25.00	13.00	12.00
World Bank	Regional (Asia/ Pacific)	WB/GEF Partnership Investment Fund for Pollution Reduction in the LME of East Asia, Tranche 1 of 3	35.00	25.00	10.00
Total International Waters			60.00	38.00	22.00
Land Degradation					
UNEP	Regional	Fouta Djallon Highlands Integrated Natural Resources Management Project, Tranche 1 of 2	11.00	5.00	6.00
Total Land Degradation			11.00	5.00	6.00
Multi-focal Area					
World Bank	Global	GEF-Development Marketplace Partnership	5.00	2.00	3.00
UNDP	Global	Small Grants Programme (3rd)	50.00	25.00	25.00
Total Multi-focal Area			55.00	27.00	28.00
Total to be approved/deferred amounts			**199.051**	**114.00**	**85.051**

Attachment 1

Table A.2: Projects Deferred to Future Work Programs
(in $ million)

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Agency	Country	Project Name	Deferred to future WPs
Biodiversity			
UNDP	Chile	Regional System of Protected Areas for Sustainable Conservation and Use of Valdivian Temperate Rainforest	4.707
UNDP	China	Conservation and Sustainable Utilization of Wild Relatives of Crops	7.85
UNDP	Cuba	Mainstreaming and Sustaining Biodiversity Conservation in three Productive Sectors of the Sabana Camaguey Ecosystem	4.119
UNDP	Ethiopia	Sustainable Development of the Protected Area System (Tranche 1 & 2)	9.00
Total Biodiversity			25.676
Land Degradation			
UNDP	Argentina	Sustainable Management of Arid and Semi-Arid Ecosystems to Combat Desertificationn in Patagonia	5.184
UNDP	Pakistan	Sustainable Land Management for Combating Desertification (Tranches 1 & 2)	7.50
Total Land Degradation			12.684
Total projects deferred to future Work Programs			**38.36**
Grand total of projects deferred partially or fully to future WPs			**123.41**

Notes to Attachment 1:

1. Attachment 1 shows 15 of the 26 projects that have been reviewed by the Secretariat and are technically cleared for work program inclusion. Table A.1 includes 9 projects that are requesting partial funding and Table A.2 includes 6 projects that are deferred to future work programs.
2. For the partially funded projects in Attachment 1, the agencies are requesting funding request for the partial amount listed for the November work program. The balance of the funding will be requested in January 2006 Intersessional Work Program and/or future work programs.
3. For the deferred projects, the agencies will request the full funding in the January 2006 Intersessional Work Program or future work programs. The same documentation submitted for the November 2005 Work Program will be distributed for Council Review.

Attachment 2

Climate Change Projects that are Expected to be submitted for Work Program Inclusion during the Remainder of GEF-3

	GEF_ID	Impl Agency	Country Name	Project Name	GEF Amount w/o PDF ($ million)	GEF Amount w/PDF ($ million)	Co-financing Amount ($ million)	Total Project Cost ($ million)
1	2776	UNDP	Egypt	Promoting Sustainable Public Transportation in Urban Areas	12.00	12.275	50.00	62.275
2	1335	UNDP	Egypt	Biomass Resources and Biomass Energy Technologies for Rural Development	3.00	3.34	7.00	10.34
3	2608	UNDP	India	Enabling activities for preparation of India's Second National Communication to UNFCCC	2.00	2.35	0.30	2.65
4	2383	UNDP	India	Market Transformation through Consumer Awareness Programs for Energy Efficiency Standards and Labeling	5.00	5.16	20.00	25.16
5	2113	UNEP	Regional (Dominica, St. Kitts And Nevis, St. Lucia)	Eastern Caribbean Geothermal Development Project	7.50	8.23	18.00	26.23
6	2119	UNEP	Regional (Kenya, Ethiopia, Djibouti, Tanzania, Uganda, Eritrea)	African Rift Geothermal Development Facility (ARGeo)	40.00	40.70	200.00	240.70
7	2114	UNEP	Regional (Zambia, Malawi)	Renewable Energy Promotion through Information and Communication Technology Introduction in Off-Grid Rural Communities	5.40	5.80	7.25	13.05

Climate Change Projects that are Expected to be submitted for Work Program Inclusion during the Remainder of GEF-3

	GEF_ID	Impl Agency	Country Name	Project Name	GEF Amount w/o PDF ($ million)	GEF Amount w/PDF ($ million)	Co-financing Amount ($ million)	Total Project Cost ($ million)
8	2612	World Bank	Brazil	Transport and Air Quality Improvement Program for São Paulo	12.00	12.35	44.10	56.45
9	2596	World Bank	Ghana	Accra Urban Transport	8.00	8.35	28.00	36.35
10	2555	World Bank	Jordan	Promotion of a Wind Power Market	9.00	9.35	60.00	69.35
11	2017	World Bank	Madagascar	Integration of Renewable Energy in Rural Electrification	5.00	5.32	15.00	20.32
12	2552	World Bank	Regional (Dominica, St. Lucia, St. Vincent and Grenadines)	Implementation of Pilot Adaptation Measures in coastal areas of Dominica, St. Lucia and St. Vincent & the Grenadines	1.95	2.25	2.00	4.25
13	2108	World Bank/IFC	Global (India, Malaysia, Philippines, Brazil, Mexico)	Energy Efficiency Credit Facility	8.00	8.00	41.60	49.60
14	2685	UNDP	Albania	Market Transformation for Solar Thermal Water Heating	0.28	2.65	10.00	12.65
15	1901	UNDP	Bangladesh	Improving Kiln Efficiency in the Brick Making Industry in Bangladesh	3.30	3.30	20.10	23.40
16	2774	UNDP	Global (Bangladesh, Bolivia, Niger, Samoa)	Community-based Adaptation (CBA) Programme	4.60	5.08	4.60	9.68
17	2606	UNDP	India	Cleaner Mobility in Urban Area	6.50	6.73	18.50	25.23
18	1739	UNDP	Iran	Industrial Energy Efficiency Improvement	3.00	3.23	9.27	12.49

Climate Change Projects that are Expected to be submitted for Work Program Inclusion during the Remainder of GEF-3

	GEF_ID	Impl Agency	Country Name	Project Name	GEF Amount w/o PDF ($ million)	GEF Amount w/PDF ($ million)	Co-financing Amount ($ million)	Total Project Cost ($ million)
19	2775	UNDP	Kenya	Development and Implementation of a Standards and Labeling Programme	3.00	3.35	6.15	9.50
20	2554	UNDP	Morocco	Energy Efficiency in Large Buildings	3.00	3.28	12.00	15.28
21	2256	UNDP	Namibia	Barrier Removal to Namibian Renewable Energy Programme, Tranche 2	1.50	1.50		1.50
22	2614	UNDP	Regional	Adaptation to Climate Change - Responding to Shoreline Change and its human dimensions in West Africa through integrated coastal area management.	4.00	4.70	4.00	8.70
23	2604	UNDP	South Africa	Sustainable Public Transport and Sport: a 2010 Opportunity.	11.00	11.20	19.00	30.20
24	2692	UNDP	South Africa	Market Transformation through Energy Efficiency Standards and Labelling of Appliances in South Africa	6.00	6.00	14.00	20.00
25	1891	UNEP	Regional (Bangladesh, Bhutan, Nepal, Sri Lanka)	Reducing Greenhouse Gas Emissions by Promoting Bioenergy Technologies for Heat Applications	3.50	3.85		3.85
26	2768	UNEP	Regional (Cambodia, China, Lao PDR, Myanmar, Thailand, Vietnam	Fostering Modern Energy Systems in Rural Mekong	7.10	7.10	22.55	29.65
27	2625	World Bank	Argentina	Argentina Energy Efficiency Project	14.90	15.25	25.40	40.65

Climate Change Projects that are Expected to be submitted for Work Program Inclusion during the Remainder of GEF-3

	GEF_ID	Impl Agency	Country Name	Project Name	GEF Amount w/o PDF ($ million)	GEF Amount w/PDF ($ million)	Co-financing Amount ($ million)	Total Project Cost ($ million)
28	1613	World Bank	Malawi	Energy Access Expansion and Development Project	3.00	3.29	67.00	70.29
29	2611	World Bank	Mexico	Integrated Energy Services for Small Localities of Rural Mexico	15.00	15.35	95.00	110.35
30	2767	World Bank	Regional (Latin America and Carribbean)	Sustainable Transport and Air Quality Program	40.00	40.00	300.00	340.00
31	2368	World Bank	Vietnam	Hanoi Urban Transport Development	10.00	10.35	115.00	125.35
32	1607	World Bank	Zambia	Power Sector Reform for Increased Access to Electricity	5.00	5.24	115.00	120.24
	Total anticipated climate change project submissions in the remainder of GEF-3				**263.53**	**274.91**	**1,350.82**	**1,625.73**

Attachment 3

Explanation Notes to Annexes A(1) – A (3)

The presentation of the three Annex As deviate from Annex A of standard work program cover notes to reflect the composition of this Work Program. This Work Program includes 17 fully funded projects and nine partially funded projects. Their financial information associated with these projects are provided in three annexes. The November Work Program submitted for Council approval consists of the sum of Annex A(1) and Annex A (2).

1. Annex A (1) provides the list of 17 projects in the November work program requesting full funding for the projects.

2. Annex A (2) provides the list of nine partially funded projects in the November work program. The column on "GEF Project Allocation" is the partial funding amount requested in the November 2005 Work Program. Co-financing amounts have been pro-rated in accordance with the partial GEF allocation.

3. Annex A (3) provides a list of the nine projects with the remaining funding to be requested in the January 2006 Intersessional Work Program and/or future work programs. The funding of these remaining balances will receive priority for the GEF fund allocation in the January and/or future work program. Likewise, co-financing amount has been pro-rated in accordance with the remaining funding request.