



Effective implementation of the Nagoya Protocol on Access and Benefit Sharing from the Use of Genetic Resources and Associated Traditional Knowledge in Madagascar

Part I: Project Information

GEF ID

10316

Project Type

MSP

Type of Trust Fund

GET

CBIT/NGI

☐ CBIT

☐ NGI

Project Title

Effective implementation of the Nagoya Protocol on Access and Benefit Sharing from the Use of Genetic Resources and Associated Traditional Knowledge in Madagascar

Countries

Madagascar

Agency(ies)

UNEP

Other Executing Partner(s)

Ministry of Environment and Sustainable Development - Direction of Terrestrial Protected Areas (DSAP)

Executing Partner Type

Government

GEF Focal Area

Biodiversity

Taxonomy

Biodiversity, Focal Areas, Supplementary Protocol to the CBD, Access to Genetic Resources Benefit Sharing, Convene multi-stakeholder alliances, Influencing models, Strengthen institutional capacity and decision-making, Non-Governmental Organization, Civil Society, Large corporations, Private Sector, SMEs, Partnership, Stakeholders, Type of Engagement, Participation and leadership, Gender results areas, Gender Equality, Gender Mainstreaming, Beneficiaries, Women groups, Sex-disaggregated indicators, Gender-sensitive indicators, Learning, Theory of change, Indicators to measure change, Adaptive management, Capacity Development, Capacity, Knowledge and Research, Innovation, Transform policy and regulatory environments, Local Communities, Communications, Awareness Raising, Behavior change, Strategic Communications, Public Campaigns, Education, Individuals/Entrepreneurs, Community Based Organization, Academia, Participation, Information Dissemination, Consultation, Knowledge Generation and Exchange, Access and control over natural resources, Access to benefits and services, Knowledge Generation, Training, South-South, Knowledge Exchange, Conference, Enabling Activities

Rio Markers**Climate Change Mitigation**

Climate Change Mitigation 0

Climate Change Adaptation

Climate Change Adaptation 0

Duration

36 In Months

Agency Fee(\$)

160,090

Submission Date

8/2/2019

A. Indicative Focal/Non-Focal Area Elements

Programming Directions	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
BD-3-9	GET	1,685,160	4,223,600
	Total Project Cost (\$)	1,685,160	4,223,600

B. Indicative Project description summary

Project Objective

To establish Madagascar’s ABS national framework and operational capacity to enable the implementation of the Nagoya Protocol

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
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Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
1. Strengthening policy, legal and institutional frameworks to implement Madagascar's ABS mechanism	Technical Assistance	<p>1.1 Revised, adopted and operationalised policy, legislative and institutional frameworks for ABS</p> <p>Proposed indicators:</p> <ul style="list-style-type: none"> - <i>ABS policy document officially adopted</i> - <i>No. of legal instruments developed/modified as a consequence of the revised policy</i> - <i>No. of national institutions that provide evidence of use and uptake of the new policy</i> - <i>national stakeholders with knowledge on ABS rules and procedures</i> 	<p>1.1.1 National policy, legal and institutional framework submitted for adoption for implementation of the Nagoya Protocol through a process of national consultations</p> <p>1.1.2. National Operational Guidelines and model agreements (PIC, MAT) for implementation of ABS and TK are developed</p> <p>1.1.3 Relevant key agencies and stakeholders (Government, researchers, private sector) trained^[1] on ABS policy, institutional and legal framework</p> <hr/> <p>* targets to be set at PPG</p> <p>[1] Training will address, inter alia, how to grant permits and assess access-applications, the rights and roles of communities, specific PIC/MAT protocols, the monitoring of genetic resource use. This will ensure that the policies and laws that are adopted can be implemented.</p>	GET	412,000	700,000

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
2. Awareness raising and capacity building on Nagoya Protocol and ABS	Technical Assistance	<p>2.1. Relevant institutions are ABS compliant through increased awareness and capacities</p> <p>- <i>Institutional development plan on ABS under implementation</i></p> <p>- <i>No of community biocultural protocols adopted</i></p> <p>*</p> <p>This component envisages both TA and INV as component type</p>	<p>2.1.1 Institutional development plan on ABS developed based on needs assessment developed and available for use by relevant stakeholders</p> <p>2.1.2 National communication strategy and public awareness program on ABS designed, developed and rolled out nationally</p> <p>2.1.3 Targeted communication and training materials[1] produced, published and disseminated nationally and at target pilot sites</p> <p>2.1.4 Community biocultural protocols drafted at target sites[2]</p> <hr/> <p>[1] Targeted training materials will be produced as part of the awareness-raising Component and will include, inter alia, information regarding how to address roles and responsibilities in the new ABS mechanism, guidelines for bioprospecting, agreement templates for access and use of genetic resources, market research and international quality standards. Further details are provided in ‘Alternative Scenario’ section below.</p> <p>[2] Target sites are described in Section 1a below. It will be re-visited during PPG to determine the most appropriate resources and communities. The sites currently being considered are already targeted by cosmetic and pharmaceutical companies and will benefit from testing application of the national ABS mechanism for enhanced access and benefit sharing at the local level.</p>	GET	512,000	1,800,000

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
3. ABS Monitoring Unit established	Technical Assistance	<p>3.1. Competent National Authority (CAN) becomes official Monitoring Unit and is operationalized</p> <p>- <i>No. of CGRRs developed by communities that are being monitored by CNA*</i></p> <p>- <i>No. of ABS cases submitted that comply with international standards*</i></p>	<p>3.1.1. Options to involve communities in the creation of a Community Genetic Resources Registers identified</p> <p>3.1.2. Community Genetic Resources Registers^[1] developed and tested at target sites in line with PIC/MAT principles</p> <p>^[1] The CGRRs will only include TK on Genetic Resources and will draw on available documentation where TK has been captured (for example, the Vohimana Medicinal Plant TK book published under UNEP-WCMC in 2011, etc)</p>	GET	572,914	1,322,500

Project Component	Financing Type	Project Outcomes	Project Outputs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
4. Knowledge Management and Gender Equality	Technical Assistance	4.1 Competent National Authority reports regularly to ABS clearing house on lessons learned including gender equality results - No. of cases on lessons learned shared through the ABS clearing house - No. of gender mainstreaming strategies results/targets achieved <u>(Baseline and targets will be determined at PPG)</u>	4.1.1 Gender equality strategy developed and used to guide project implementation 4.1.2 Participatory project monitoring and learning framework developed for future guidance at other pilot sites 4.1.3 Lessons learned documented and disseminated nationally and internationally	GET	108,000	200,000
Sub Total (\$)					1,604,914	4,022,500
Project Management Cost (PMC)						

Project Management Cost (PMC)			
	GET	80,246	201,100
	Sub Total(\$)	80,246	201,100
	Total Project Cost(\$)	1,685,160	4,223,600

C. Indicative sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Government	Government of Madagascar	In-kind	Recurrent expenditures	120,000
Donor Agency	ABS Initiative – Project BioInnovation	Grant	Investment mobilized	2,000,000
Donor Agency	Biotechnology Development in Africa (BDA -The BDA’s foundation mission is to create an innovative botanical supply chain without intermediaries, that has sustainable, fair and significant benefits for the BDA-Ecopreneurs and their communities.), Fondation Tany Meva, USAID	In-kind	Recurrent expenditures	373,600
CSO	Conservation International	In-kind	Recurrent expenditures	500,000
CSO	WWF, PIIPA (Public Interest Intellectual Property Advisors, Inc is an international non-profit organization providing pro-bono legal counsel on intellectual property to governments, private sector, communities, etc.)	Grant	Investment mobilized	840,000
Private Sector	IMRA, JCR Group, Homeopharma	Grant	Investment mobilized	390,000
Total Project Cost(\$)				4,223,600

Describe how any "Investment Mobilized" was identified

The Government of Madagascar investments are identified in the Medium-Term Expenditure Framework (MTEF) budget allocations for the contributing Ministries. Donor agency and Civil Society Organizations investments are identified from bilateral discussions on the income projections from fund-raising activities. Private sector ‘investment mobilized’ has been identified during recent discussions with national and international private sector involved in high value commodity chains. The figures will be confirmed during PPG through

potential agreements/permits/benefits that might result during the project period, particularly with regard to community livelihoods. *It is anticipated that the current co-financing commitment will increase considerably as verbal commitments from partners will be formalized during PPG.

D. Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNEP	GET	Madagascar	Biodiversity	BD STAR Allocation	1,685,160	160,090	1,845,250
Total GEF Resources(\$)					1,685,160	160,090	1,845,250

E. Project Preparation Grant (PPG)

PPG Amount (\$)

50,000

PPG Agency Fee (\$)

4,750

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNEP	GET	Madagascar	Biodiversity	BD STAR Allocation	50,000	4,750	54,750
Total Project Costs(\$)					50,000	4,750	54,750

Core Indicators

Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	2,000			
Male	2,000			
Total	4000	0	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

The Project will carry out activities in 2 project sites in Madagascar, targeting 20 community groups comprising 100 individuals per group, making a total of 4,000 direct beneficiaries of GEF investment. The precise target number of beneficiaries will be determined during PPG and following field visits to the project sites. Additional information (population, landscape, biodiversity) for the potential Regions being considered for piloting activities under the Project are provided in Table 1 under section 1.b project map and coordinates. Targets will be determined during PPG. The Project will also include the private sector involved in genetic resource access and use in Madagascar, as well as scientific institutions and Universities carrying out targeted and pertinent research. Whilst not direct beneficiaries of the Project, they comprise a number of individuals who will benefit directly from the awareness-raising and capacity building that are envisaged under the Project. This project directly addresses Programming Option 'Implement the Nagoya Protocol on Access and Benefit Sharing', under objective 3 of the GEF-7 Biodiversity Focal Area Strategy: 'Strengthen biodiversity policy and institutional frameworks'. In particular, Expected Outcome 14: 'Number of countries that have adopted legislative, administrative or policy measures on access and benefit-sharing to implement the Protocol is increased, including, inter alia and as appropriate, measures for mutual implementation with other relevant international agreements, coordination in transboundary genetic resources and associated traditional knowledge, and/or procedures to issue internationally recognized certificates of compliance'. The project will contribute to the achievement of the following Aichi Targets: Target 16: The Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization is in force and operational, consistent with national legislation Activities of proposed project contributing to Aichi Target 16: • Revised national policy, legislation and institutional frameworks are operationalized • Enhanced capacity to implement national ABS mechanism • Improved control over access to genetic resources Target 18: The traditional knowledge, innovations and practices of indigenous and local communities relevant for the conservation and sustainable use of biodiversity, and their customary use of biological resources, are respected, subject to national legislation and relevant international obligations, and fully integrated and reflected in the

implementation of the Convention with the full and effective participation of indigenous and local communities, at all relevant levels Activities of proposed project contributing to Aichi Target 18: • Improved awareness through targeted information materials and national communications campaign • Engagement of communities in development of Genetic Resource Register • Active participation of communities in ABS negotiations • Robust stakeholder consultations at community level • Improved protection of natural resources at selected sites and ecosystems • Resource use is more sustainable resulting from improved enforcement of harvest and access protocols

Part II. Project Justification

1a. Project Description

1a. *Project Description.*

1a. 1) **The global environmental and/or adaptation problems, root causes and barriers**

Geographic location: Madagascar is located in the southern hemisphere, approximately 400 km from the east coast of Africa separated by the Mozambique Channel. Madagascar is the fourth largest island in the world with a land area of 592 040 km², extending 1500 km from north to south and 500 km from east to west. The eastern coastal plain is narrow, while to the west the altitude decreases quite regularly until it reaches the sedimentary formations of the western and southern plains. Five main bioclimatic zones have been identified: wet, sub-humid, montane, dry, and sub-humid. Each of these bioclimates corresponds to a natural geographical formation with specific biodiversity. The population is estimated to be 26,824,816 and is largely rural, with 80% of the population living in rural areas and highly dependent on natural resources, with the result that the environment is severely threatened for food, fuel and income-generating purposes. The pockets of remaining forests are under pressure from shifting cultivation and charcoal production.

Biodiversity in Madagascar: Having separated from ancient Gondwana and then from the Indian subcontinent 90 million years ago, Madagascar's isolation has resulted in a high level of endemism with over 90% of the country's biodiversity found nowhere else on earth. It is classified as a biodiversity hotspot, with 250,000 plant species, 13,000 of which are endemic, and over 3,500 of which have medicinal properties.[1]¹ Madagascar's natural resources provide important ecological, social and economic values and ensures multiple environmental goods and services, as well as being an important source of food, building materials, energy needs and traditional medicine. The rarity factor of Madagascar's biodiversity has placed a high economic value on some species, which has led to unsustainable harvesting and trade in certain species (for example the endangered Radiated Tortoise *Astrochelys radiata*, several species of smaller herpetofauna such *Phelsuma* lizard species and *Mantella* frog species), as well as the precious wood species, (for example *Dalbergia* and *Diospyros* rosewood and palisander species). There is no doubt that Madagascar's biodiversity offers great potential for the economic development of the country but requires effective enforcement of management and control systems as well as coherent and fair benefit sharing protocols along the value chains.

Project Sites: The Project will pilot activities at two sites, Sahandrazana and Antavolobe.

Sahandrazana (SIG data: 47°50E – 21°24S) is within the Ambositra-Vondrozo Forest Corridor Natural Resource Reserve (COFAV), a new protected area managed by Conservation International covering 314,000 ha. This Corridor is a remnant of low, medium and high altitude moist tropical forests consisting of a strip of forest – very rich biodiversity with a high rate of endemism – important ecological, social and economic services. Sahandrazana site covers 3,339 hectares and is close to Ranomafana National Park

in the Municipality of Ranomafana, in the Region of Vatovavy Fitovinany. Rich in biodiversity, Sahandrazana comprises an evergreen humid forest at medium altitude. The medicinal properties of local plants are known to the local population, with 80% of the population in the Municipality using medicinal plants as a matter of routine (Rasolofoarijaona, 1995). For example, *Harungana madagascariensis* is an endemic tree, very popular to treat asthenia, stiffness, jaundice and skin conditions. *Harungana* extract is used in cosmetics, as it promotes collagen synthesis for a firmer skin. Similarly, *Aframomum angustifolium* ('Longoza') is also found in Sahandrazana, and used in the cosmetic industry as a popular anti-aging product. In 2010, Conservation International, with World Bank support, developed a Social Safeguard Plan, which aims to compensate for any negative impacts arising from the creation of the COFAV Protected Area. Madagascar's Environment Charter notes clearly the "inseparability of conservation of the environment with the socio-economic development of the population, especially regarding their proximity to protected areas". A map showing the location of Sahandrazana is shown in Annex A.

Antavolobe (SIG data: 18°57'-18°59'S and 48°30'-48°35'E) occurs within Ankeniheny-Zahamena Corridor (CAZ), a new protected area managed by Conservation International, covering an area of 384,000 ha. This Corridor contains great vestiges of the humid evergreen rainforest of eastern Madagascar of biological importance with a very high specific diversity and provides important ecological, social and economic services. Antavolobe forest is close to Mantadia National Park in the Municipality of Andasibe (Alaotra Mangoro Region). The Antavolobe forest covers 3,300 hectares and is managed by communities with management contracts allocated by the local Forest Administration. Private sector investors in the phytomedicine industry are also active in the forest, as well as scientific researchers. Biodiversity International carried out studies in the area on the institutional arrangements in place for genetic resource exploitation under the project "Mutually Supporting Implementation of the Nagoya Protocol and the International treaty for Plant Genetic Resources for Food and Agriculture" (2015-2017). 39 medicinal plants (10 endemic) used by the local population were identified and catalogued (Andriamahery, 1994) together with the (then) 18 common diseases that could be treated by the plants. The potential bioprospecting potential for these species remains to be investigated. The feasibility of developing a Community Biocultural Protocol (CBP) at Antavolobe will be included in project activities, particularly with regard to enhancing community benefits and enhancing community negotiating skills with international companies seeking these genetic resources. For example, *Lygodium lanceolatum* is a fern endemic to Madagascar, used in traditional medicine in Antavolobe to treat different diseases, especially asthma, because of its antispasmodic nature. Its pharmacological activity has already been evaluated and confirmed by the Madagasy Institute of Applied Research (IMRA in French) and the Faculty of Sciences at the University of Mahajanga. *Ficus pyrifolia* is another medicinal plant commonly used in Antavolobe by local populations to treat numerous diseases such as dysentery, anemia and pneumonia. A map identifying the location of the Antavolobe area is shown in Annex A.

Policy and legal framework: Madagascar is a Party to a number of international treaties directly related to the Convention on Biological Diversity.[2]² Madagascar is also a Party to the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising from their Utilization. Having signed the Nagoya Protocol in 2011, Madagascar established a draft national policy letter in 2012 to define the overall direction of conservation and sustainable use of biodiversity. The principles defined by the policy are based on national sovereignty, the awareness and contribution of all citizens in the issues of genetic resources and the reconciliation between conservation and development. Madagascar ratified the Nagoya Protocol in 2014 and developed a National Biodiversity Strategy and Action Plan (NBSAP) for 2015-2025 with five strategic goals, aligned to the Aichi Targets. In 2015, Madagascar updated its Environment Charter of 1990 Law 2015-003 carrying the updated Environment Charter, which underscores the

importance of equitable sharing of benefits from the use of genetic resources. Also, the *in-situ* and *ex-situ* conservation of genetic resources is included in the sustainable management actions of the environment recommended by the Charter.

Legislation on ABS: There are two main legislative texts dealing with ABS in Madagascar:

1) *Arrêté No 11.567/2017 du 27 mai 2017 portant mesures intérimaires de demande d'accès aux Ressources Phytogénétiques pour l'Alimentation et l'Agriculture et de partage des avantages dans le cadre du Système Multilatéral du Traité International sur les Ressources Phytogénétiques pour l'Alimentation et l'Agriculture (TIRPAA)* [Order No 11.567/2017 of 27 May 2017 on Interim Measures for Access to Plant Genetic Resources for Food and Agriculture and Benefit-sharing under the Multilateral System of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA)] that sets in place interim measures to regulate requests for access to Plant Genetic Resources for Food and Agriculture listed in Annex I of the ITPGRFA and benefit sharing in the Multilateral System. The Order's scope deals with plants and access to genetic resources for commercial and non-commercial uses. Article 7.2 provides for issuance of a permit at the time of access for constituting an internationally-recognised certificate of compliance. However, no further provision for compliance with ABS is provided in the Order;

2) *Décret N°2017-066 du 31/01/2017 portant réglementation de l'accès et du partage des avantages découlant de l'utilisation des ressources génétiques* [Decree No 2017-066 of 31 January 2017 on the regulation of access and benefit-sharing arising from the use of genetic resources] that regulates the access and use of genetic resources and associated traditional knowledge (TK) to ensure fair and equitable sharing of benefits arising from the use of genetic *resources* and, where appropriate, the use of associated traditional knowledge. The Decree was established for a transitional period (until the promulgation of a national law on ABS) and is composed of six chapters to regulate the access and use of genetic resources and associated traditional knowledge and the fair and equitable sharing of benefits arising from their use.[3]³ Madagascar is currently (June-July 2019) finalizing the implementing text of the Decree. Of particular relevance to this project, the Decree defines the access modalities according to specific conditions, such as: a) the application process and documentation, b) securing Prior Informed Consent (PIC) from the local stakeholders affected by the resource being sought; and c) the elaboration of the Mutually Agreed Terms (MAT) with the CAN. This project will support the formal adoption and implementation of the implementing text to put in practice the ABS national interim regulation through Component 1.

Institutional framework: According to the Decree No 2017-066 of 31 January 2017, the institutional framework consists of the following: the Competent National Authority (CNA)[4]⁴ within the MEDD in charge of the implementation of the CBD and the Nagoya Protocol. It is assisted by a technical Secretariat and the National Focal Point (NFP) and an ad-hoc commission composed of representatives from the different sectors affected by the ABS mechanism (in particular the technical departments responsible for natural resource management and the Ministry responsible for scientific research). This commission collaborates with the CNA and the NFP to carry out technical evaluations of applications.

With regard to indigenous peoples and local communities (IPLCs), the customary community structure of *Fokolonona* is recognized in Madagascar's Constitution and several sectoral laws and policies. The *Loi No 96-025 relative à la gestion locale des ressources naturelles renouvelables*[5]⁵ [Law No 96-025 on the local management of renewable natural resources] on resource management transfer to the local level gives the “*Communautés Locales de Base*” (local communities or associations created at the local level for resource management purposes) the right to manage and use resources based on a renewable contract with the government. A further decree was adopted in 2001 (*Decrét No 2001-122 Fixant les conditions de mise en oeuvre de la gestion contractualisée des forêts* [Decree No 2001-122 setting the conditions for the implementation of the contractual management of forests]), known as the GCF (*Gestion contractualisée des forêts*), which addresses institutional arrangements and the delegation of user rights to the local level. In both schemes (GELOSE and GCF), the contract aims to delegate responsibilities to local communities on natural resource / forest conservation and sustainable use (the State retains ultimate control over natural resources). Numerous contracts have been established between forest administration and communities, mainly around protected areas, to allow them to continue to secure benefits from their rights of use and to ensure natural resources, forests conservation and sustainable use are based on a collective social agreement. This GEF project will develop community biocultural protocols in line with these regulations concerning communities and local management of natural resources.

Threats: The main threats and pressures on Madagascar's biodiversity are anthropogenic. Massive land transformation, huge impacts from climate change, and a high risk for species extinction due to deforestation and forest degradation that affect terrestrial ecosystems with consequences in wetlands, coastal and marine zones. Deforestation is mainly caused by the conversion of forest ecosystems into crop fields and forest degradation results from illegal and inappropriate exploitation of natural resources. Shifting cultivation in Madagascar is marked by wild fires that devastate large areas of land. Climate change is predicted to impact the island of Madagascar with anticipated changes in rainfall patterns in some areas and exacerbated drought conditions in others, thereby exacting an additional stress on the already vulnerable ecosystems and potentially having a marked effect on different ecosystems and species. Indeed, Madagascar is among the most vulnerable countries because of its insularity and its geographical position.

The principal underlying drivers of threats to biodiversity are the high value of the plants to pharmaceutical and cosmetic companies, which drives unsustainable and uncontrolled harvests and inequitable benefit sharing regimes. The absence of an effective legal framework (related PIC/MAT protocols), coupled with poor technological know-how in-country has resulted in illegal exploitation of plants and export of raw materials that have undermined the true value of biodiversity, weakened economic returns to communities and the State, and been to the detriment of biodiversity. Political instability adversely affected investor confidence in Madagascar (particularly the most recent political crisis from 2009-2014). The inadequate funding allocated from national budgets to develop the necessary legal framework for ABS, and to implement it through the various government departments, has resulted in the ineffective application of the Nagoya Protocol in Madagascar. Without a robust national framework, companies and bio prospectors are relying on individual contractual agreements to utilise Madagascar's natural resources that may not always be in compliance with Nagoya Protocol obligations. The project is designed to address these shortcomings and provide a more stable and user-friendly procedural mechanism around the principles of PIC/MAT.

Opportunities: From 2010 to 2014, Madagascar exported an average of 850 tons of medicinal plants annually, mainly composed of three genera: *Aloe*, *Cinnamomum* and *Cinnamosma*. This amounted to an annual export revenue of US\$ 2,000,000. Other plants, such as blue ginger and *Aframomum* species, are also exported, as well as plants exported as essential oils. The average annual quantity is 1,800 tonnes with a value of US\$ 17,000,000.[6]⁶ The export in this commodity is showing considerable growth (from

US\$ 37.7million in 2014 to US\$ 71.3 million in 2018) but precise data on species concerned is not available. The international cosmetics market is growing at an average annual rate of 5%, which is a strategic opportunity for megadiverse Madagascar. The vast pharmacopeia of Madagascar provides potential and opportunity for the economic development of the country; if properly managed and controlled also for increased investments in biodiversity conservation.

Madagascar's long-term solution to effectively address the challenges identified requires a conducive environment to incentivize the safeguarding of biological diversity. Consequently, Madagascar's ABS framework needs to be fully developed and implemented to generate tangible local and national benefits from the wealth of genetic resources that can be reinvested towards biodiversity conservation. The following barriers, which have been described in the interim national ABS report (November 2017) need to be addressed:

Barrier 1: Incomplete policy and legal frameworks for ABS implementation: Madagascar is in the process of implementing the Nagoya Protocol as described in detail above. However, ABS implementation in Madagascar, although of potential benefit to the conservation of biodiversity and sustainable development, is limited to an effort to apply existing frameworks to the various international users carrying out research and development (R&D) on genetic resources (GR).^[7] The national measures for the implementation of ABS in the country are incomplete because Decree n°066-2017 was adopted by the Government of Madagascar only for an interim period. In addition, the mechanisms needed to apply sanctions are not included in the Decree, nor is there provision for how the national ABS mechanisms can or will interact with relevant processes on access to genetic and/or biological resources (e.g. research, exportation, phytosanitary aspect, CITES permitting, etc). Specific protocols and regulations for implementing arrangements using Prior Informed Consent (PIC) and Mutually Agreed Terms (MAT) have not yet been elaborated.

Barrier 2: Poor inter-institutional and cross-sectoral coordination on ABS issues, and weak capacity for ABS implementation at national and local levels: The capacities to revise and adopt coherent legislative and regulatory frameworks, designing clear procedures and institutions, are weak, with poorly defined coordination mechanisms across the key Ministries and agencies. The Competent National Authority (CNA) must work with an inter-departmental committee to process applications; however, the modalities of collaboration with representatives of the sectors concerned are not yet defined. Within the country's current framework to implement the Nagoya Protocol, public awareness and capacity building of stakeholders, including the communities and decentralized MEDD officers, remain insufficient to ensure compliance with the conditions of ABS as prescribed by the Nagoya Protocol. Experience in ABS, such as ABS capacity in general, must be developed at all levels, including most importantly at the local level (especially areas with rich genetic resources and associated traditional knowledge). To date, no PIC or ABS processes—pilot or otherwise— have been implemented. Local awareness of ABS and of the need to observe or participate in local-level ABS activities is either taking place at an extremely localized and small-scale degree (eg at Vohimana Reserve) or appears to be almost completely lacking. Users and researchers lack motivation to develop awareness or capacity regarding ABS compliance. Local governments, institutions and research companies have limited scientific capacity to carry out bioprospecting, obtain PICs and facilitate equitable benefit sharing.

Barrier 3: Insufficient stakeholder awareness and information on genetic resources, their potential values and uses, and their actual and potential markets: The relevant technology for processing and commerce of genetic resources within Madagascar is either unavailable or inadequate, particularly with regard to reinforcing the potential benefit of

biodiversity and genetic resources towards meeting national development goals. ABS policy has not elicited sufficient investment by Government to improve participation in the value chain for genetic resources. Developing the economic value of these resources relies to a great extent on the development of partnerships with individuals and entities outside the country. Madagascar's government is however largely unaware of the nature and extent of recent and ongoing uses of genetic resources and traditional knowledge. In addition, various administrative tools are not yet available for the CNA (i.e. a database to record applications, a template or 'model' for PIC/MAT agreements, a monitoring system to monitor ABS implementation, etc.). The absence of a monitoring Unit and related institutional capacity for monitoring fair access and promoting research for sustainable use of genetic resources are barriers to the effective implementation of the Nagoya Protocol in Madagascar.

Barrier 4: Poor sharing of information and gender inequality: the exploitation of genetic resources was previously a question of linking each time two different entities: local populations (collectors) and exporters – exporters and administration (issuing collection and export authorizations) - foreign firms and national researchers. In consequences, the flow and sharing of information is thus very limited between stakeholders involved in the value chains. This lack of information leads to a glaring imbalance in the distribution of income earned and favors informal or even illegal practices. In the Malagasy culture, extra or temporary employment not requiring much physical effort are attributed to women. They are, for example, working in collection of leaves to supply economical operators on medicinal or cosmetic plants. However, price negotiation remains an attribution of men.

1a. 2) The baseline scenario and any associated baseline projects

Madagascar aims at and is committed to an effective implementation of the Nagoya Protocol that it ratified in 2014 despite limited human and financial resources. The Government has mostly relied on the support of international partners to advance the fair sharing of benefits from its genetic resources, concentrating its efforts to support the active participation of local communities in environmental stewardship through transfer of the management of natural resources (forests in particular). Budgets for environmental protection, research and policy development are largely insufficient to establish an effective national framework on ABS. In the baseline, Government interventions towards enabling the implementation of the Nagoya Protocol are roughly estimated at US\$120,000, mostly from the Ministries of Environment, Education, Trade, Agriculture and Health.

There is considerable collaboration between the Government of Madagascar, principally the MEDD, donor agencies and NGOs with regard to implementation of the Nagoya Protocol. Baseline projects include the PAGE (Environmental Management Support Program, 2015-2020) project of the GIZ. This project aims to improve conditions in Madagascar for conservation and sustainable use of natural resources, with a particular focus on strengthening the political, institutional and legal framework for the sustainable use of natural resources through the following 4 components: i) policy, strategic and legal framework, ii) valorization of genetic resources and ABS study cases, iii) protection and valorization of traditional knowledge (TK), iv) awareness, communication and capacity building. Although the PAGE program ends in 2020, a new phase is being developed that will continue GIZ's inputs to conservation and development in Madagascar; finalized plans will be available during PPG, at which time precise co-financing information will be provided.

Project activities will align with the goals of a Green Climate Fund project (US\$ 53,500,000, of which US\$ 500,000 have been targeted as co-financing for this project) being carried out by Conservation International in Madagascar (the "Sustainable Landscapes in Eastern Madagascar" project)^[8] to address local adaptation and mitigation measures by

reducing forest logging and promoting non-timber forest products, such as medicinal or cosmetic plants. Smallholders are frequently exposed to extreme weather events, particularly cyclones and flooding, which impacts negatively on incomes derived from crops, and exacerbates food insecurity. In addition, efforts are underway in Madagascar to research the values of plant resources and demonstrate bioprospection for selected resources, with private institutions carrying out research on a regular basis to further national understanding of the therapeutic and economic values of Madagascar's medicinal plants. Conservation International manages Ankeniheny-Zahamena Corridor (CAZ) and Ambositra-Vondrozo Forest Corridor Natural Resource Reserve (COFAV) which constitute a large part of the remaining humid eastern forest in Madagascar, important for biodiversity given the high rate of endemism. These PAs cover an area of about 683,000 ha and are key water service providers.

1a. 3) The proposed alternative scenario with a brief description of expected outcomes and components of the project

Building on the project baseline, the Project will be implemented at national and local level to ensure effective implementation of the Nagoya Protocol in Madagascar and to create legal certainty for investment. The incremental support from GEF will be critical to effectively address the barriers identified in the previous section on the basis of the commitment and leadership demonstrated by the MEDD and the progress made since the ratification of the Protocol in 2014. This project has been designed to build on the achievements and recommendations from the GEF-4 UNEP Project (ID 2820) "Supporting the Development and Implementation of Access and Benefit Sharing Policies in Africa" project as it aims to assist Madagascar to further the development and adoption of its national regulatory and institutional frameworks to improve implementation of the Nagoya Protocol. This project will develop the national ABS mechanism to ensure fair and equitable benefit sharing from the sustainable use of genetic resources. The project will ultimately lead to improved capacity within Madagascar to implement the Nagoya Protocol and fulfil the activities identified in its NBSAP 2015-2025.

The Project Objective is: **To support the Development and Implementation of a National ABS Framework for Conservation, Sustainable Use and Secure Livelihoods in Madagascar.** The project will be carried out through 4 Components:

Component 1: Strengthening political, legal and institutional frameworks to implement Madagascar's ABS mechanism.

The Outcome of Component 1 is Revised, adopted and operationalised policy, legislative and institutional frameworks.

Component 1 aims to take stock and assess gaps of ABS provisions in existing policies, laws and regulations, and build on those that are already in place to ensure that the CNA has the necessary tools and mechanisms for effective implementation of ABS. In addition to finalising the necessary and coherent (cross-sectoral) supporting policies and legislative, regulatory measures on ABS and TK (output 1.1.1), the project will further refine and put in place the necessary institutional framework, including the drafting of model agreements for ABS (PIC/MAT), for their effective implementation nationally and at site-level. ABS implementation requires intra and inter sectoral coordination and hence output 1.1.3 will actively promote coordination within and between key sectoral agencies programs and management (rural development, scientific research, finance and conservation among others) and regulatory systems so that ABS principles and practices can integrate fully across the range of GR and TK use. This component therefore intends to strengthen the capacity of key Government agencies to address and implement a robust ABS mechanism with national operational guidelines, model agreements and procedures for the private sector, research institutions and community actors (output 1.1.2), who will be aware of PIC, MAT processes, their respective roles in ABS and collaborate in a

coherent manner. Mechanisms to be institutionalised to facilitate and enhance access, benefit-sharing and compliance will include: operational ABS monitoring and information-sharing mechanism;^[9] checkpoints along the value-chain; management platform for research and development; means to protect traditional knowledge, and revenue sharing system.

Component 2: Awareness Raising and capacity building on ABS and the Nagoya Protocol.

The Outcome of Component 2 is Relevant institutions are ABS compliant through increased awareness and capacities.

The activities and outputs envisaged under this Component will ensure that the various stakeholders are informed of the newly adopted regulatory and institutional arrangements and the procedures and laws that must be respected when engaging in ABS issues. The information and training materials to be produced will be targeted to stakeholder groups and relevant institutions based on a capacity gaps/needs analysis (including individual, institutions, local communities, especially women) during PPG (at which point baselines will be established), when further stakeholder consultations will be carried out, as well as field visits to the potential target sites (output 2.1.1). Whilst a national communication/outreach strategy (output 2.1.2) will ensure that the public at large is made aware of the national mechanisms in place to implement the Nagoya Protocol and ABS, the key objective of this Component is to equip the key stakeholders and institutions with the necessary information and capacity to ensure legal, sustainable, verifiable trade in genetic resources and the fair and equitable sharing of benefits arising from their use. It should be noted that awareness-raising at the community level will be a two-way process whereby traditional knowledge (TK) will be shared and documented (output 2.1.3). This will lead to the creation of the Community Genetic Resource Registers, which will be addressed in more detail under Component 3. This project aims to create a community-focused ABS programme, recognizing that communities are key stakeholders in the ABS mechanism and that their rights to access, entitlement to fair and equitable benefits from their use, and respect of their traditional knowledge must be given priority in all decision-making. Community biocultural protocols will be drafted at pilot sites to provide predictability, clarity and transparency about community values and decision-making processes (output 2.1.4). Providing information and raising awareness will be the precursor to more detailed and targeted training events to ensure that capacity is built at all levels of intervention on ABS, i.e. from government to communities, and from scientists to private sector businesses.

Component 3: ABS Monitoring Unit established.

The Outcome of Component 3 is Competent National Authority (CAN) becomes official Monitoring Unit and is operationalized.

Parties to the Nagoya Protocol are obliged to monitor use of genetic resources and are encouraged to use the ABS Clearing-House mechanism to provide monitoring reports. This Component aims at putting in place an adequate system to ensure long-term monitoring and awareness on the progress of utilization of genetic resources and traditional knowledge and compliance with the PIC/MAT processes established under Component 1. The full operationalization of the CAN is critical to this effect. Through the training and awareness-raising activities that will be carried out at the target sites, the information on genetic resources being used locally, nationally and internationally will be sourced,

documented and entered into site-based databases or Community Genetic Resources Registers (CGRR) that will be created specifically to address the monitoring gap in Madagascar (output 3.1.2). The Community Genetic Resources Registers (the project will only focus on capturing the TK of GRs in the registers and not GRs in its entirety) will be co-identified with communities in the targeted pilot zones (output 3.1.1), in close collaboration with partner NGOs and donors (eg WWF, CI, USAID and Tany Meva Foundation). The project will develop the capacity of local governments, communities, institutions and research companies, in those areas with rich genetic resources and associated TK, and enhance the capacity of the CNA to oversee bioprospecting and collection in line with PIC/MAT processes that will be set up by the project and tested at pilot sites for targeted genetic resources. Development of the CGRRs will take into consideration recommendations from, and be guided by, the gender strategy to be produced under Component 4 (based on gender analysis carried out during PPG), to ensure that gender equality is mainstreamed in project activities under this Component and across the entire GEF project.

Component 4: Knowledge Management and Gender Equality.

The Outcome of Component 4 is Competent National Authority reports regularly to ABS clearing house on lessons learned including gender equality results.

This Component has been designed to ensure that the lessons learned during project implementation are captured and shared in order to strengthen the abilities and skills of stakeholders beyond the project period. The gender equality strategy will guide not only project implementation but also monitoring and evaluation at pilot sites targeted by the project, and at future sites where genetic resource use and ABS are of concern and importance (output 4.1.1). The gender equality strategy will also help evaluate cultural attitudes in the rural areas of Madagascar and determine how to address scenarios where women are excluded in discussions regarding access to and marketing of genetic resources, nor in negotiating with buyers, researchers and other stakeholders. The Project Steering Committee will be responsible for the coordinated sharing of knowledge with project partners (output 4.1.2), whilst the CNA and NFP will take charge of knowledge sharing through the ABS CH mechanism (output 4.1.3).

1a. 4) Alignment with GEF focal area and/or Impact Program strategies

The project is aligned with the GEF Biodiversity focal area **BD-3-9: Further development of biodiversity policy and institutional frameworks through the Implementation of the Nagoya Protocol on access and benefit sharing**. The project specifically targets the further development of Madagascar's policy, regulatory and institutional frameworks for the implementation of its ABS mechanism. Project activities will target capacity building and awareness raising of key stakeholders to improve compliance with national laws and compliance with the Nagoya Protocol. Implementation of the Nagoya Protocol will be further improved through the coordinated efforts of the Project Steering Committee with cross-sectoral partner agencies, with a focus on ensuring sustainable use. Development of the database and inclusion of information from Community Genetic Resource Registers under the leadership of the Monitoring Unit to be established under the project will ensure a reliable monitoring system of implementation of the ABS mechanism. The project will contribute primarily to Aichi Targets 16 and 18, as indicated under section F on core indicators.

1a. 5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTE, and co-financing

This project goes beyond the protection of one species or one area and seeks to invest in a coordinated suite of activities to address the current biodiversity decline across the country, with a focus on genetic resources being harvested and used for the medicinal and cosmetic industries. Interventions will focus on the mechanisms and underlying conditions that can provide the opportunities for sustainable use and equitable sharing of benefits for improved livelihoods and investments in biodiversity conservation. The project will ultimately lead to a situation in Madagascar where the threat from over-harvesting and exploitation of resources in areas threatened with continual degradation, deforestation and unsustainable offtake, will be reduced, thereby enabling species conservation. This will ultimately strengthen Madagascar's capability to manage access and benefit sharing through effective engagement of communities in conservation for sustainable development.

Baseline situation	Incremental contribution (Alternative practices)	Global Environmental Benefit
<ul style="list-style-type: none"> · ABS-specific regulations remain in draft and interim format and are not updated or adopted for formal application nationwide · Cross-sectoral capacity to participate in Nagoya and ABS remains limited · Lack of awareness and understanding of ABS and TK in the context of the Nagoya Protocol and the potential contribution to enhanced livelihoods and biodiversity conservation · Data on genetic resources is scattered and insufficient to inform decision making and investments · Local communities are largely unaware of processes, their rights and obligations in the context of genetic resources available in their area · Private sector lacks clear legal and investment frameworks and procedures concerning ABS 	<ul style="list-style-type: none"> · Revision, validation and operationalization of policy, legislation and institutional coordination for ABS implementation will enhance control of access to genetic resources and ensure fair and equitable sharing of benefits along the value chain · Cross-sectoral and inter-institutional collaboration will ensure that ABS is incorporated into numerous sectors and enable Madagascar to implement the Nagoya Protocol effectively · Capacity development within key Ministries responsible for Nagoya Protocol and ABS · Improved understanding across the country of the issues targeted by the Nagoya Protocol and ABS implementation in Madagascar, leading to improved appreciation of the enhanced livelihoods that can result from compliance with ABS regulations 	<ul style="list-style-type: none"> · A national ABS framework is completed and functional to support conservation and development objectives · Companies begin to witness the development of legal certainty in Madagascar as well as clear and workable ABS procedures · Local communities and holders of traditional knowledge (TK) benefit from user compliance with the formally approved Mutually Agreed Terms (MAT) and Prior Informed Consent (PIC) · Data availability to inform decision making and investments in relation to genetic resources · Madagascar shares best practice on the implementation of ABS principles stemming from CBD and Nagoya Protocol in relevant fora, such as the ABS Clearing-House mechanism and at relevant international and regional events.

1a. 6) Global environmental benefits (GEFTF)

The proposed project will contribute to global environmental benefits through the creation of incentives to use sustainably the natural genetic resources affected by the Nagoya Protocol and ABS. Implementation of the ABS mechanism will contribute to conservation of genetic resources, some of which are potentially unique to Madagascar, but have not received the necessary scientific or governance attention. Through improved access rights to these resources, the project will contribute to numerous efforts underway in the country to prevent the extinction of endangered ecosystems and their species. Enhancing awareness and capacity at the local level as well as including multi-sectoral partners in

project implementation, will ensure a coordinated approach and include expertise on species conservation as well as human livelihoods. The project will contribute to management of biodiversity in production landscapes. ABS regime will provide a lever to enhance roles of research that is a provider of knowledge and technology to support national and global development. Targeted and robust scientific research and development provide added-value to genetic resources, which, together with the clear, coherent and complete regulatory and institutional frameworks for ABS mechanism, will contribute to ensuring Madagascar's valuable natural resources are conserved for future generation.

1a. 7) Innovation, sustainability and potential for scaling up.

Innovation. The project's inputs to capacity building, awareness-raising, community engagement to identify appropriate financing mechanisms and monitoring systems are new approaches to ensuring Madagascar's compliance with the Nagoya Protocol treaty. With Madagascar's newly re-structured Ministry of Environment & Sustainable Development (February 2019), an pioneering approach to biodiversity conservation that places sustainable development at a par with environmental protection has been signaled, thus enabling innovative multi-stakeholder engagement and stewardship that have been a challenge for ABS-related activities in the past.

In order to achieve sustainability, the project will enhance capacity and focus on ensuring long-term ownership of the project's outputs by institutionalizing ABS mechanisms at State, Regional and local-level entities for effective implementation. Project outputs will also be integrated within existing government programs and management plans for rural development (Ministry of Rural Development), scientific research (Ministry of Higher Education), finance (Ministry of Economy and Finance) and conservation (MEDD). The project's aim to work with multiple stakeholders, including the private sector, will include exploration of sustainable financing mechanisms to ensure effective application of ABS, community engagement and solutions to enhancing the value of genetic resources for sustainable livelihoods. Sustainability will arise when the ABS mechanism leads to income-generation that more than adequately meets household needs, which will motivate communities to continue their role in the formal ABS process into the future.

Scaling up. The project aims to set in place the necessary laws, protocols and model agreements for implementation of the Nagoya Protocol through capacity building and the effective application of tools and ABS principles (PIC/MAT) in Madagascar. Piloting these tools and testing the capacities developed in at least 2 regions will provide valuable and necessary lessons learned and lead to refined protocols for action (and testing) in other landscapes and with other communities and genetic resources. The potential for mainstreaming ABS control mechanisms into policies and plans of other sectors, including land-use planning, ethnobotanical research, scientific studies, etc will ensure that the project's achievements are not static one-off achievements, but can be incorporated into a number of sectors in the future. The knowledge management and sharing of best practices and lessons learned through the ABS Clearing-House reporting will facilitate scaling up and strengthen partnerships with other countries and Parties to the Nagoya Protocol.

[1] <http://web.worldbank.org/archive/website01219/WEB/IMAGES/IKNT91.PDF> CRG

[2] Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the Convention on the Conservation of Migratory Species of Wild Animals (CMS), the RAMSAR Convention on Wetland Areas, the Convention on the Protection of the World Cultural and Natural Heritage, the Cartagena Protocol on Biosafety and the International Treaty on Plant Genetic Resources for Food and Agriculture

[3] The decree does not apply to human genetic resources and plant genetic resources included in Annex 1 of the International Treaty on Plant Genetic Resources for Agriculture and Food (ITPGRFA).

[4] The Direction du Système des Aires Protégées (DSAP) at the MEDD is the sole Competent National Authority for Madagascar

[5] Also referred to as the GELOSE Law (gestion locale sécurisée)

[6] *DG INSTAT/ DSE/ SSES/ COMEXT/ OCTOBRE 2015*

[7] Some of the users have been carrying out R&D on GRs for several years in collaboration with local operators responsible for the collection and export of resources, others are newly investing in this field. Information is largely incomplete.

[8] Project FP026 Sustainable Landscapes in Eastern Madagascar

[9] Whilst Component 1 deals with the development and adoption of institutional arrangements, including institutionalizing a monitoring system, the actual creation of a monitoring unit will be addressed in more detail under Component 3

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

The project activities will be carried out at both national and regional levels. The pilot sites are Sahandrazana within the Ambositra-Vondrozo Forest Corridor Natural Resource Reserve (COFAV) and Antavolobe within Ankeniheny-Zahamena Corridor (CAZ). The sites are described in section 1a and will be re-visited during PPG to determine the most appropriate resources and communities will be clarified during PPG. These pilot sites have been primarily identified on the basis of the following criteria: high availability and demand of genetic resources, genetic resources have already been identified, accessed and harvested for the cosmetic and pharmaceutical sectors and preliminary agreement for a partnership with the Conservation International's Green Climate Fund project supporting local communities' work on medicinal and cosmetic plants (refer to baseline). The map in Annex A shows the location of the pilot sites.

sites.

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Indigenous Peoples and Local Communities Yes

Civil Society Organizations Yes

Private Sector Entities Yes

If none of the above, please explain why:

In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.

It is clear from preparatory consultations that local communities in Madagascar are not aware of the issues surrounding use and marketing of genetic resources, nor of the value of their traditional knowledge. This project will offer an opportunity to change this situation by adopting regulatory frameworks, implementing awareness-raising and capacity building, and actively engaging with communities on Madagascar’s ABS mechanism. Making ABS a community-centred action programme is an assigned challenge of the project.

WWF and Conservation International have helped inform the baseline scenario and will be consulted during the PPG. Similarly, IMRA (*Institut Malgache de Recherche Appliquée*) will be involved with the project during its preparation and implementation. The JCR Group and Homeopharma will continue to be engaged in the development of the project, also to share experiences and knowledge during its implementation. They have noted in particular the important role that the private sector can play in governance and management of genetic resources for effective implementation of the ABS mechanism.

The project affects a wide range of stakeholders in Madagascar, ranging from Government authorities to communities living alongside genetic resources, and from researchers and scientists to the private sector. The project also has a far-reaching impact on stakeholders along value chains, from source to transit to consumer, which could include international stakeholders. Further information on stakeholders and their roles in the development of the project can be found in the Stakeholder Engagement table below.

Institution	Responsibility in Madagascar	Role in the Project
Government of Madagascar		

Ministry of Environment & Sustainable Development	Management and protection of the environment for conservation and sustainable development, including development, coordination, implementation and monitoring/evaluation of State policy on environment and sustainable development	<ul style="list-style-type: none"> - Implementation of the project - Chair of the Project Steering Committee (PSC) - Coordination with other sectors - Will contribute to revisions of laws and policies - Development of procedures on access and export of GR, formulation of study on financial mechanism for ABS, lead on development of communications strategy and campaign <p>Consulted for this PIF</p>
Direction for the Management of Renewable Natural Resources and Ecosystems (DGRNE)	<p>Protected Area management, permit issuance for biodiversity and monitoring, ensures national commitments to implementation of CBD</p> <p>Delivery of collection, export, CITES permits as well as responsible for issuing forest management transfer contracts to communities</p>	<ul style="list-style-type: none"> - Project management and execution - ABS Competent National Authority (CNA) - Activities in the ABS Clearing-House - Active collaboration in a) developing policy, legal and institutional frameworks; b) local community awareness and capacity building; c) access to and export of GR <p>Consulted for this PIF</p>
Regional Directions of MEDD	- biodiversity conservation, extension work, enforcement of regulations and permits, oversight and control of natural resource use	<ul style="list-style-type: none"> - monitoring of natural resource use - liaison between community representatives and MEDD - local communications campaign - will receive and then give training and coaching to communities, particularly on community protocols, PIC, MAT and the community GR and TK registers <p>Consultation at CEO Endorsement</p>

Ministry of Economy and Finance (includes Customs authorities)	All aspects of Madagascar's policy on economic management and development, including development of financial planning, budgeting (revenue and expenditure forecasting) and control of the public budget. Includes responsibility of export tariffs and border control	<ul style="list-style-type: none"> - Active collaboration to develop (and implement) ABS financial mechanism - Customs control <p>Consultation at CEO Endorsement</p>
Ministry of Agriculture, Livestock and Fisheries	Sectoral policy development and programming, including agricultural research. - Member of CNA's ad-hoc Committee	<ul style="list-style-type: none"> - Member of the PSC - Support to creation of Community GR & TK Registers <p>Consultation at CEO Endorsement</p>
Ministry of Higher Education and Scientific Research	Policy and strategy development on scientific research, Development of research partnerships with a view to applying results for development of Madagascar, and Higher education programmatic development and governance of national Universities and research centres. - Member of CNA's ad-hoc Committee	<ul style="list-style-type: none"> - Member of PSC - Coordination of scientific research on genetic resources - Responsible for applied research and preparing future researchers with roles and responsibilities within national ABS framework - certification of research on traditional medicine - supports environmental/agricultural research (with view to implementation of ITPGRFA) <p>Consultation at CEO Endorsement</p>
Ministry of Trade & Industry	Ensures partnership between the State and private sector through public-private dialogue and supports competitive development of small and medium-sized enterprises in compliance with industrial standards. Also promotes export industry and assists with creation of business climate in Madagascar, including promotion of entrepreneurship and innovation	<ul style="list-style-type: none"> - Member of PSC - Active collaboration to: a) develop inventory of private sector, b) raise awareness and enhance capacity of private sector, c) carry out market study, d) develop international quality standards, <p>Consultation at CEO Endorsement</p>

OMAPI – <i>Office Malgache de Propriété Intellectuelle</i> [Madagascar Intellectual Property Office]	Management of national policy on industrial and intellectual property, under the technical supervision of the Ministry of Trade & Industry	<ul style="list-style-type: none"> - collaboration to ensure appropriate check points are incorporated into monitoring system for genetic resources - develop IP regulations related to GR and TK <p>Consultation at CEO Endorsement</p>
Ministry of Public Health	Responsible for implementation of National Health Policy, development of partnerships with national and international health-focused partners, mobilization of resources to ensure effective and sustainable health interventions. Member of CNA's ad-hoc Committee	<ul style="list-style-type: none"> - member of PSC - active collaboration with CNA to a) develop inventory of traditional healers, and b) awareness-raising of traditional healers <p>Consultation at CEO Endorsement</p>
Ministry of Communication and Culture	Responsible for implementation of sectoral laws, regulations, code of ethics and development and promotion of national identity and cohesion	<ul style="list-style-type: none"> - key participant in the ABS communication campaign - participation in revision of regulations on TK to ensure strong consideration of culture and identity <p>Consultation at CEO Endorsement</p>
Civil Society Organizations		
WWF-Madagascar	Involved in protected area management in Madagascar as well as addressing sustainable livelihoods of communities from the sustainable use of natural resources	<ul style="list-style-type: none"> - Member of PSC - Will collaborate during PPG to develop the project - Active collaboration on: a) awareness-raising with communities; b) capacity-building of communities; c) bioprospecting; d) community genetic resources register <p>Consulted for this PIF</p>
Conservation International	Working on conservation projects in Madagascar and carried out a bioprospecting program with various partners. Previously carried out studies on the sustainability of harvest of two medicinal plants, <i>Centella asiatica</i> and <i>Drosera madagascariensis</i> through the CEPF in 2003	<ul style="list-style-type: none"> - Member of PSC - Will collaborate to develop project during PPG - Active collaboration with communities on: a) awareness-raising; b) capacity-building; c) bioprospecting; d) community genetic resources register <p>Consulted for this PIF</p>

Public Interest Intellectual Property Advisors (PIIPA)	Provides intellectual property legal counsel to governments, private sector, indigenous peoples in developing countries	<ul style="list-style-type: none"> - will provide inputs into design and creation of the ABS and TK frameworks, as well as support capacity building activities for stakeholders <p>Consulted for this PIF</p>
Donor Agencies		
USAID	Supporting government, private sector and local communities in natural resource management and environmental protection for sustainable development	<ul style="list-style-type: none"> - Active participation in Component 1 to review and finalise national policy and legal tools governing ABS and ensuring robust link with biodiversity conservation, social enterprise development and Natural Capital Valuation - Active participation in capacity development and awareness raising through promotion of applied research on resource management, biodiversity conservation and promotion of Population, Health & Environment initiatives - Active involvement in: a) support to local communities, traditional healers, researchers and private sector; b) monitoring, evaluation and capitalisation of ABS initiatives in the country <p>Consulted for this PIF</p>
GIZ	Implementing agency for BioInnovation Project of the ABS Initiative	<ul style="list-style-type: none"> - Member of PSC - Active collaboration on: a) policy and legislative ABS framework development; b) capacity building and monitoring of ABS value chain development <p>Consulted for this PIF</p>
Tany Meva Foundation	Mobilisation of funding for community economic, social and environmental development activities and sustainable management of natural resources with a focus on governance and addressing SDGs through community programs	<ul style="list-style-type: none"> - collaboration in a) pilot case studies to add value to Genetic Resource use, and b) capacity building for communities <p>Consulted for this PIF</p>
BDA Foundation Biotechnology for Sustainable Development in Africa <i>(Biotechnologie pour le Développement durable en Afrique)</i>	Canadian Foundation assisting African countries with capacity development for value-added marketing of plant resources	<ul style="list-style-type: none"> - active collaboration on: a) market study; b) development of international quality standards; c) awareness-raising and capacity building; - will provide direct support to two of the pilot test sites <p>Consulted for this PIF</p>

Private Sector		
IMRA	Carries out research on medicinal plants with the aim of producing medicines for national commercial use. Also collaborates with foreign pharmaceutical and cosmetic companies and supplies raw materials, essential oils, plant extracts	Will contribute to project development during PPG and will be long-term partner in ABS mechanism in Madagascar. Will also be main recipient of targeted training and awareness-raising regarding revised ABS mechanism and ways to adhere to associated regulations Consulted for this PIF
Homeopharma	Natural health institute specialising in herbal medicine with easily accessible, certified, high quality products available on the domestic market. Also exports essential oils to various overseas clients.	Will assist with development of quality standards and their promotion within the private sector Consulted for this PIF
JCR Group	JCR Group is a consortium of companies working in the domain of alternative and traditional medicine, including biological laboratory analysis and replanting of trees and plants for environmental protection and conservation of endemic plants of Madagascar. The JCR Group has formulated and markets a number of products using Malagasy plants	Will share knowledge and experience Consulted for this PIF
Indigenous Peoples & Local Communities		
Community representatives in at least 2 targeted Regions	Collect and use plant resources from the wild as well as provide supply to various private sector players	<ul style="list-style-type: none"> - provide information to the project on the plant species collected, resource values along the trade chain, traditional uses at household and village level - receive guidance on ABS mechanism in Madagascar - provide guidance to the project regarding community needs and capabilities - provide inputs to development of Community Genetic Resources Register - contribute to bioprospecting programme Consulted for this PIF

Local authorities (traditional authorities and public administration entities, <i>Dina, Fokontany</i> , etc)	Supervision and monitoring of natural resource management as well as facilitation, development and promotion of local projects	<ul style="list-style-type: none"> - organise community meetings for awareness-raising and capacity-building - provide advice during revision and finalisation of ABS policy and regulatory frameworks <p>Consulted for this PIF</p>
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3. Gender Equality and Women's Empowerment

Briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis).

This GEF project has been designed in compliance with Madagascar's national gender strategy. Further, the project approach recognizes the importance of women being involved in setting up an ABS regime due to the leading role that women play in collection and management of genetic resources for different uses (medicinal plants, foods, fuel, etc). Previous projects (e.g., the Darwin project on implementation of ITPGRFA and the Nagoya Protocol) have identified the prominence of women in plant collection and their contribution to household income generation, even if seasonal. Currently, women collectors do not dictate the price of their harvest; this is determined by the buyer. The project will address this skewed approach and ensure that the needs and capacities of women are enhanced to allow them to protect their rights and be in an informed position to negotiate the price with the buyers, i.e. through awareness-raising and capacity building on the PIC/MAT principles under the national ABS mechanism to be adopted. This empowerment of women by building their entrepreneurial skills will generate more benefits for all members of the households. The project includes a specific component (Component 4) designed to develop gender guidelines that will apply to on-the-ground interventions during project implementation. The project design will incorporate consideration of parallel consultation processes at local levels where women may culturally be excluded from participation in community events. This will ensure that women are heard and will benefit from project interventions. This will be explored in more detail during PPG, including through gender sensitive capacity/needs assessments, following project site visits and confirmation of pilot areas and will be budgeted for adequately.

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes

closing gender gaps in access to and control over natural resources; Yes

improving women's participation and decision-making; and/or Yes

generating socio-economic benefits or services for women. Yes

Will the project's results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Will there be private sector engagement in the project?

Yes

Please briefly explain the rationale behind your answer.

The private sector will be involved in the project based on the important role they play in Madagascar's national ABS system. Not only is the private sector key to resource extraction rates and income generation, but it also is a critical actor in lobbying, awareness-raising and advocacy. The private sector will be actively involved in discussions and strategy development for PIC and MAT, in order that rules and regulations that are established are mutually agreed upon and adhered to. The private sector in Madagascar has created a professional membership group (FIV.MPA.MA)[1] that aims to promote effective participation of its members in Malagasy economy and social sector. In addition, each formal entity is recorded officially at the Chamber of Commerce and Industry (CCI).[2] The CCI's missions are to: i) help to position and develop their members' activities within the framework of Madagascar's economic and social objectives; ii) represent the professional interests of its members; iii) constitute, at all levels of their organization, a structure of dialogue for both national and foreign professionals and to play a role as interlocutors of national and international economic bodies. The GEF project will work closely with FIV.MPA.MA and CCI and will identify other informal individuals and entities working on genetic resources and guide them towards compliance with the ABS mechanism.

[1] The FIV.MPA.MA vision is a 'Grouping of multi-sectorial operators, spokespersons for SMEs, partners of the State in economic and social decision-making, facilitator, means and networks mobilisator to ensure the perpetuation of their activities'

[2] The CCI was created in terms of Law No 2006/029 of 24 November 2006 on The Organization of the Chamber of Commerce and Industry, and Decree No 2007/990 of 19 November 2007 on The Statutes of Chambers of Commerce and Industry and their Federation.

5. Risks

Indicate risks, including climate change, potential social and environmental risks that might prevent the Project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the Project design (table format acceptable)

Risk	Risk Level	Mitigation measures
Political		
Political instability related to potential decentralization could result in delays in the adoption of legal and institutional framework	Low	Promote ownership by local communities through Component 2 to pressure political actors to minimize the risk.
Inability of government to meet its financial and co-finance commitments	Moderate	Current budgetary commitments to the environment and biodiversity in Madagascar remain low. During PPG, a detailed evaluation of national budgeting will be carried out and letters of funding and co-financing commitment will be secured to ensure successful implementation.
Insufficient cross-sectoral coordination and related policy harmonization.	Low	The project has been designed to incorporate a cross-sectoral approach to implementation of Nagoya/ABS in Madagascar such that policy review will address not just environmental policy, but financial, health, research and enforcement policies also (Component 1). Further extensive stakeholder consultations will be carried out during PPG to increase interest from other sectors and secure buy-in and active engagement.
Changes in authorities in charge of ABS and TK	Low	A large number of technical personnel at the DSAP will be actively involved in the project and will remain in their posts even if institutional re-arrangement takes place following post-election government restructuring (early 2019). It is anticipated that any such changes will be known and can be confirmed during PPG.
Social		
Lack of cooperation and involvement of private sector	Low/Moderate	It is always likely that the private sector will be reluctant to share their business (market) and technical expertise and knowledge. However, the private sector has been involved in project development and will continue to be engaged during PPG and during project implementation, leading to a low risk categorisation.

Suspensions related to sharing of traditional knowledge for key species of concern	Low	The genetic resources that will be targeted during testing at pilot sites of the ABS mechanism to be developed under the project have not yet been identified but it is anticipated that certain species will be confirmed during studies undertaken at PPG. Given their strategic role as key stakeholders, site visits during PIF and PPG to engage with communities will continue to endeavour to secure their trust and active involvement in the project.
The project might challenge local socioeconomic and traditional perceptions of community rights in the context of ABS and TK given low capacity and technical expertise of local authorities	Moderate	Component 2 is designed to address this risk through awareness raising and capacity building. Project activities will include rigorous lobbying and development of relevant protocols with communities using lessons learned from previous projects to ensure sustainability of the interventions.
Impacts on gender equality and women's rights whereby the project reinforces existing gender imbalances and does not include women in the targeted areas	Low	A gender analysis will be carried out during PPG and a gender strategy will be prepared that will guide project activities during implementation of the project. The gender strategy will ensure that women are actively engaged and directly involved in all project activities.
Environmental		
Climate change is predicted to change rainfall patterns and exacerbate drought conditions, exacting an additional stress on the already vulnerable ecosystems	Moderate	Further assessment is required during PPG to consider the potential impact of climate change, particularly once the pilot sites have been confirmed. Project activities will include consideration of adaptation and resilience measures, as well as a study to evaluate the vulnerability of communities investing in value chains.

6. Coordination

Outline the institutional structure of the project including monitoring and evaluation coordination at the project level. Describe possible coordination with other relevant GEF-financed projects and other initiatives.

The project will be implemented by UNEP and executed nationally by the Ministry of Environment and Sustainable Development (MEDD).

UNEP – through its GEF Task Manager (TM) and Funds Management Officer (FMO) - will monitor the implementation of the project, review progress in the realization of the project outputs, and ensure the proper use of GEF funds. The UNEP TM will be directly responsible for: (i) providing consistent and regular project oversight to ensure the

achievement of project objectives; (ii) liaising between the project and the GEF Secretariat; (iii) ensuring that both GEF and UNEP policy requirements and standards are applied and met (i.e. reporting obligations, technical, fiduciary, M&E); (iv) approving budget revisions, certifying fund availability and transferring funds; (v) organizing mid- and end-term evaluations and reviewing project audits; (vi) providing technical, legal and administrative guidance if requested; and (vii) certifying project operational completion. UNEP Law Division acts as the Executing Agency for most of the UNEP/GEF ABS portfolio. The Division ensures coherence and complementarity with the ABS portfolio. The Division can play a facilitation role, provide technical support, and facilitate financial transactions and reporting. It can also help the country to identify and mobilise as necessary the expertise to move the national ABS agenda. These roles will be discussed and agreed upon during the PPG phase.

The MEDD will be accountable to UNEP for the disbursement of funds and the achievement of the project objective and outcomes, according to the approved overall project work plan. The *Direction de la Gestion des Ressources Naturelles Renouvelables et des Ecosystèmes* [Direction responsible for Management of Renewable Natural Resources and Ecosystems] (DGRNE), as the Competent National Authority (CNA) for the Nagoya Protocol/ABS mechanism within the MEDD, assisted by the NFP, will form a small joint Project Implementation Unit (PIU) to provide the strategic oversight and guidance to project implementation. The PIU will be responsible for: (i) preparing the overall project work plan during PPG; (ii) overseeing project execution in accordance with the project results framework and budget, the agreed project work plan and reporting requirements; (iii) ensuring technical quality of products, outputs and deliverables; (iii) certifying project reports prior to submitting these to UNEP (including progress, financial and audit statements); and (iv) ensuring ongoing coordination with all other relevant GEF-financed projects and other initiatives.

A Project Steering Committee (PSC) will be constituted to serve as the project oversight, advisory and support body for the project. The final composition of the PSC will be determined at the Project Inception Workshop, but will include representatives of the national executing agencies, and from the partner Ministries (eg Ministry of Public Health, Ministry of Agriculture, Livestock and Fisheries, Ministry of Higher Education and Scientific Research, etc). The PSC will ensure that the project remains on course to deliver the desired outcomes of the required quality. The PSC provides overall guidance and policy direction to the implementation of the project and provides advice on appropriate strategies for project sustainability. The PSC will play a critical role in project monitoring and evaluation by quality assuring the project processes and products. It advises on any conflicts within the project or to any problems with external bodies.

Projects with which the project will coordinate will be identified and clarified during PPG. New projects are in the process of being approved, with some funding streams only coming online from 2020 for some projects and donor organisations. Detailed stakeholder consultations will be held during PPG to identify and clarify complementarities, overlap, synergies and support with other projects and activities. The stakeholder consultations during PPG will enable the project to formalize in-country coordination with other GEF-financed and other donor-funded projects that will continue throughout the project period. Evaluation reports during project implementation will provide extensive review of previous ABS-specific GEF-financed projects in Madagascar, particularly focusing on key achievements and lessons learned.

7. Consistency with National Priorities

Is the Project consistent with the National Strategies and plans or reports and assessments under relevant conventions

Yes

If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc

Madagascar's National Biodiversity Strategy and Action Plan (NBSAP) for 2015-2025 focuses on five strategic goals:

- Increased awareness of the value of biodiversity (including knowledge sharing to inform and guide decision-makers and stimulate investment in biodiversity conservation)
- Reduced pressure on biodiversity (including promotion of sustainable use through good governance, rational management and reduced loss and degradation of ecosystems)
- Improved state and valuation of biodiversity (including means to safeguard ecosystems, species and genetic diversity)
- Strengthening benefits from biodiversity (including reference to implementation of the Nagoya Protocol and ABS)
- Knowledge management and capacity building (including setting up a system to protect traditional knowledge)

Objective 16 of Madagascar's NBSAP specifically notes that *“By 2025, the Nagoya Protocol on access and the fair and equitable sharing of benefits arising from the use of genetic resources is in force and operational, in accordance with national legislation and the actual needs of the Malagasy people”*. Strategic guidelines to achieve the objective include the requirement that structures are set up to implement a program of activities to operationalize the Nagoya Protocol and ABS. The strategic goal of this objective (Strategic Goal E) is to strengthen implementation of Nagoya and ABS through participatory planning, knowledge management and capacity building. This project will address Objective 16 through activities targeting the strengthening of policy, legal and institutional frameworks (Component 1), creating operational mechanisms (Component 1 and Component 3), ensuring coherent collaboration between stakeholders and effective monitoring (Component 2 and Component 3), and improving knowledge and understanding of target actors ‘and the Malagasy population in general’ to ensure that biodiversity is used sustainably (Component 2 and Component 4).

Madagascar's new government, established in 2019 following presidential elections, is developing policies for the accelerated growth of Madagascar based on a party manifesto entitled “Initiative Emergence Madagascar”, IEM, that is the effective national development plan. Project activities respond to Strategic Objective No 23 of the IEM, “Preserve natural resources and the environment”, and will contribute particularly to Action 365 to *strengthen governance of environment and biodiversity protection*, Action 366 to *strengthen the environmental protection system in accordance with international conventions* and Action 373 on *national survey of forest resources* (where it is noted that such surveys would enable comprehension of the potential and economic value of forest patrimony).

8. Knowledge Management

Outline the Knowledge management approach for the Project, including, if any, plans for the Project to learn from other relevant Projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

The proposed project includes knowledge management initiatives by developing exchanges with similar projects in Africa and in provider countries. Activities under the project include sharing of lessons learned and best practices with the participating agencies and institutions, key stakeholders, and partner projects. UNEP, as implementing agency, will facilitate a two-way flow of information and knowledge between the project and similar initiatives being carried out in the region, such as the UNEP/GEF Project Effective National Implementation of Access and Benefit Sharing (ABS) in accordance with the Nagoya Protocol and Valorization of Botanical Plants (Medicinal, Cosmetic and Neutraceutical) in the Democratic Republic of Congo (DRC), thereby enhancing the impact of the project in Madagascar.

Knowledge management is a key component of outputs 1.1.3, 2.1.2 and 4.1.3. The project has been designed to build awareness among project partners of how Madagascar has complied with its obligations under the Convention of Biological Diversity and ratification of the Nagoya Protocol. This includes awareness-raising and capacity building at academic institutions in order that students will have the opportunity to learn about ABS and, ultimately, to apply the mechanism in the future. The project will also target universities and research institutions overseas to strengthen existing, and initiate new, south-south and north-south knowledge sharing.

UNEP will also support Madagascar to publish relevant lessons learned, experiences gained, and best practices at the ABS Clearing-House. Sharing this information, as well as examples of training materials and tools, with project partners will build awareness amongst current and future stakeholders of Madagascar's efforts and achievements regarding the fair and equitable sharing of benefits derived from sustainable use of genetic resources.

Part III: Approval/Endorsement By GEF Operational Focal Point(S) And Gef Agency(ies)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Point endorsement letter with this template).

Name	Position	Ministry	Date
Christine Edmée RALALAHARISOA	Director/GEF Operational Focal Point	General Directorate of Environment, Ministry of Environment and Sustainable Development	10/15/2019

ANNEX A: Project Map and Geographic Coordinates

Please provide geo-referenced information and map where the project intervention takes place

Antavolobe forest in Ankeniheny-Zahamena Corridor (CAZ)[\[1\]](#)



[\[1\]](#) Conservation International, May 2012.

Sahandrazana site in Ambositra-Vondrozo Forest Corridor Natural Resource Reserve (COFAV):[\[1\]](#)



[\[1\]](#) Conservation International, March 2018.