

Operationalising the national ABS framework and piloting innovative genetic resource products and value chains to enhance benefit-sharing for sustainable rural development and biodiversity conservation

Review PIF and Make a recommendation

Basic project information

GEF ID

10842

Countries

Morocco

Project Name

Operationalising the national ABS framework and piloting innovative genetic resource products and value chains to enhance benefit-sharing for sustainable rural development and biodiversity conservation

Agencies

UNDP

Date received by PM

8/1/2021

Review completed by PM

10/21/2021

Program Manager

Adriana Moreira

Focal Area

Biodiversity

Project Type

MSP

PIF

Part I ? Project Information

Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

8-10-21: The proposed project is aligned with the BD Focal Area Strategy: BD 3-9 Implement the Nagoya Protocol on Access and Benefit Sharing.

10-26-21: On Project Information: Please include the *Executing Partner*, considering that per the LoE, the Ministry of Energy, Mines and Environment will be executing this project. In addition, please also include the submission date of this PIF.

Countries	Agency(es)
Morocco	UNEP
Other Executing Partner(s) ⓘ	Executing Partner Type
	Government

Duration ⓘ	Agency Fee(\$)	Submission Date
60 In Months	168,779.00	

I am pleased to endorse the preparation of the above project proposal with the support of the GEF Agency listed below. If approved, the proposal will be prepared and implemented by the Ministry of Energy, Mines and Environment- Department of Environment (DE). I request the GEF Agency to provide a copy of the project document before it is submitted to the GEF Secretariat for CEO endorsement.

Agency Response

30 Oct 2021:

The Executing Partner and PIF submission date were now added to the GEF Portal, as requested.

Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion 8-26-21: Project Outputs: Output 1.1 and 1.2 refer to public policy actions (adoption of ABS law and creation of national commission). It is not clear how the project will deliver these results, given that success was not achieved in the previous project. What has changed? What are the lessons learned and new strategies to be applied?

Please clarify the nature of the mechanisms proposed in Output 1.9 and 1.11.

Output 2.5: Please indicate how the R&D and GR manipulation will be triggered under each ABS contract.

Please provide more detail on how the project plans to improve biodiversity outcomes in the 30,000 hectares of the three target areas.

In accordance with Council decision GEF/C.39.9, please ensure proportionality between the PMC covered by co-financing amounts and the PMC covered by the GEF funding, which is currently not the case.

10-26-21: Cleared.

Agency Response

05 Oct 2021:

Project Outputs 1.1 and 1.2, Public Policy Action:

The predecessor project(s) submitted the national ABS Law for adoption to the due channels in the Government of Morocco. Following endorsement by the Parliament, the adoption of the ABS Law like also the ratification of the ABS Nagoya Protocol have been held up at the highest echelons of the government. One of the key lessons implemented already during the consultations underpinning the design of the here-proposed GEF-7 project, was the need to engage government at more influential and higher levels, which is why the Mohammed VI Foundation for the Protection of the Environment and Mohammed VI Foundation for the Research and Safeguarding of the Argan Tree (with its President by Advisor to the Royal Palace Andr? Azoulay) were engaged. Another very recent change results from recent elections, which led to the formation of a new government under a new Prime Minister, Aziz Akhnouch, who was the former Minister for Agriculture, Maritime Fisheries, Rural Development, Water and Forests, with an interest in the protection and sustainable use of natural resources.

A further important change since the end of the predecessor project (# 5605) has been the legal establishment via decree in 2020 of the National Committee on Climate Change and Biodiversity, replacing the former informal National Biodiversity Committee, which will offer more political leverage, including for the creation of the National Commission for Genetic Resources (CNRG) (Output 1.2).

We hope that these three events together with the proposed activities of the GEF-7 project will create the momentum needed to deliver Outputs 1.1 and 1.2.

Project Outputs 1.9 and 1.11, Mechanisms:

The ?mechanism? is a digital platform with reliable and regularly updated information and data on biodiversity and national genetic resources that provides all the information, steps, contacts, and procedure to access GR. The idea is to create a ?one-stop shop? for bio-prospectors to request access, considering the complex and diverse access procedures from the different departments constituting the national competent authority. The platform can be linked to the CHM.

Outputs 1.9 and 1.11 were now merged into one and edited accordingly, also in the project description section (?40).

Project Output 2.5, R&D and GR:

Many thanks for your comment. Output 2.5 has been poorly written and was now eliminated from the results framework as the negotiation and signing of ABS contracts for the development of ABS products is already covered by the slightly revised Output 2.4: ?At least two comprehensive ABS contracts signed *for the development of new ABS products* that include inter alia bioprospecting permits, PIC, MAT, material transfer agreements with measures for sustainable use, and benefit-sharing for community benefit and ecosystem conservation?

Improved biodiversity outcomes:

The project aims to achieve improved biodiversity outcomes in the targeted areas by several complementary routes:

- a) the introduction of specific clauses in ABS contracts between suppliers (including cooperatives) and users of biological resources containing key genetic resources (including but not limited to the three companies cooperating with the project)

underpinning ABS value chains (Argan, Euphorb), ensuring i) monetary and non-monetary benefits accruing to local suppliers; ii) the introduction and application of sustainable natural resource collection practices; iii) improved ecosystem management practices allowing for the natural regeneration of ecosystems; and iv) ecosystem and resource restoration where required.

b) strengthened biodiversity governance at regional level, such as by ensuring inclusion of biodiversity management (and ABS value chains specifically) in regional development plans, and by strengthening the capacity of regional governments and regional ministerial delegations including for the oversight of compliance with the above-mentioned ABS contracts.

(c) capturing financial resources via the ABS benefit-sharing mechanism and redistributing these for biodiversity conservation and ecosystem restoration via national and regional agencies/authorities (Output 3.6)

No changes were made to the PIF as this is explicit and implicit in Table B. *Indicative Project Description Summary* as well as in Section 3) *the proposed alternative scenario with a brief description of expected outcomes and components of the project* and Section 5) *incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF and co-financing AND 6) global environmental benefits (GEFTF)*.

Co-financing ratio:

The distribution of government co-financing was amended such that the share for PMC was raised to 10% in line with MSP policy.

Co-financing

3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

8-10-21: The proposed co-financing is modest. Please indicate if there is a possibility of raising the co-financing ration during preparation and confirm that the current co-financiers listed on Table C have committed to contributing to the project in the terms stipulated.

10-26-21: Cleared.

Agency Response

05 Oct 2021

All the co-financiers listed in Table C are committed to contributing the co-financing indicated. The MEDD-Department of Environment is the implementing partner and will contribute grant co-financing in addition to its in-kind recurrent expenditure. UNDP's

co-financing is committed. The private company GREENTECH already provided a co-financing letter in early 2021 that was not annexed because it is not normally a requirement at PIF stage but was now added to the PIF in Annex B. The other private companies listed (SERDEX/SEPPIC and INDENA) indicated a general willingness to become a co-financier during project design discussions but felt this was premature at PIF stage; it is expected that this will be formalized during the PPG. Further private sector co-financing may be mobilized during preparation for R&D into cosmetic, pharmaceutical et nutraceutical ABS products once the ABS national framework has been fully operationalized (noting that until then, companies are not legally required to comply with the Nagoya Protocol/ABS).

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion 8-10-21: The resources requested are within the BD funds available in GEF-7.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion 8-12-21: The resources requested are within the BD funds available in GEF-7.

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion 8-12-21: The resources requested are within the BD funds available in GEF-7.

Agency Response

The LDCF under the principle of equitable access?

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion N/A

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion

8-12-21: PPG request is above the allowable cap of \$50,000 for MSPs. Please revise and adjust amounts accordingly also to the Letter of Endorsement.

10-26-21: Cleared.

Agency Response

05 Oct 2021:

The PPG amount requested for this MSP is in line with the guidance ? a maximum of \$50,000 without fees. No changes were made to the PIF.

Core indicators

6. Are the identified core indicators in Table F calculated using the methodology included in the corresponding Guidelines? (GEF/C.54/11/Rev.01)

Secretariat Comment at PIF/Work Program Inclusion

8-26-2021: There is an inconsistency in the target for core indicator 4 Area of Landscapes under improved practices (excluding PAs). Table F indicates 30,000 hectares and the text on paragraph 59 reads "15,000 hectares of landscapes in the three

target regions". Please revise. It will also be important to identify potential criteria for selecting specific intervention sites within the target regions. How the proposed area of 10,000 hectares per region was estimated? What percentage of the national Argan and Euphorb production is represented by these areas?

10-26-21: Cleared.

Agency Response

05 Oct 2021:

Inconsistencies in targeted surface area:

Indeed, there were a few inconsistencies. 30,000 ha is the correct total estimate. Errors were corrected in the former ?59 (now ?65) and the sum for Core Indicator 4 in Annex C.

Site selection criteria:

A number of preliminary site selection criteria were added to ?34.

Estimate of 10,000 ha:

Given that the specific sites (communities, forests, valleys, landscapes, etc.) have not been chosen, this number was a tentative estimate applied from similar projects, regarding the area that could and should realistically be targeted by the project. 3 times 10x10 km seems a suitable minimum surface area that could be covered by choosing just one centrally located community in each of the three administrative regions. Noting that the work on the two Argan ABS value chains may potentially be pooled at the sites selected in the Arganeraie.

% of national Argan and Euphorb production represented:

Attempts will be made to estimate this data during the PPG ? but it cannot be provided at this stage, because: i) the specific sites (communities, forests, valleys, landscapes, etc.) have not yet been chosen; ii) the ABS value chains are not yet established/operational; iii) in the case of the Argan fruit, there are of course several existing non-ABS value chains (fundamentally, for cooking oil and cosmetic oil as well as livestock fodder), and the production volume that the ABS value chain can initially target will only be a minute fraction of overall production ? the idea will be to create an additional incentive and mechanism for sustainable resource and ecosystem management.

Project/Program taxonomy

7. Is the project/program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion 8-12-21: Project is properly tagged with appropriate keywords.

Agency Response

Part II ? Project Justification

1. Has the project/program described the global environmental/adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

8-26-21: The description of root causes and barriers is adequate.

Agency Response

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

8-26-21: Baseline scenario is adequately described. It will be important to discuss in more depth how the lessons learned from the listed projects have been incorporated in project design.

10-26-21: Cleared.

Agency Response

05 Oct 2021:

As has been outlined in the PIF, following the signature of the Nagoya Protocol there have been several projects on ABS in Morocco that gradually built the capacity and framework to where it currently stands. All of these were implemented under or together with the same team of the Department of Environment in the Ministry of Energy, Mines and Environment that also includes the National ABS Focal Point. This team together with the UNDP CO and UNDP Regional Technical Advisor, a leading expert on ABS in the National Biodiversity Committee and ? most importantly ? the Project Manager of the predecessor MEME-DE/UNDP/GEF-5 project (# 5605), designed the project and put together the PIF after further due consultations. The gaps identified precisely reflect the current situation and remaining gaps, as well as the most promising ABS value chains.

Regarding the legal and regulatory framework, the project proposes a consolidation and amendment to integrate the emplacement of a mechanism for the sharing of monetary and non-monetary benefits, and with a more explicit focus on biodiversity benefits to complement the rural community benefits, which was a gap in the first regulatory texts.

The communication and awareness raising as well capacity development activities that were considered highly successful in the predecessor project will be continued and expanded to include more beneficiaries at regional and national level.

On ABS value chains, Argan emerged as the primary low-hanging fruit in an economic assessment of potential ABS value chains conducted during this predecessor project,

which is one of several reasons this value chain was chosen. Another key lesson was the need to engage government at more influential and higher levels in this new project, which is why the Mohammed VI Foundation for the Protection of the Environment and Mohammed VI Foundation for the Research and Safeguarding of the Argan Tree (with its President by Advisor to the Royal Palace Andr? Azoulay) were engaged during project design to finally secure the long-standing approval of the ABS Law and ratification of the ABS Nagoya Protocol. In addition, since the end of the predecessor project (# 5605), the formerly informal National Biodiversity Committee was legally formalized by a 2020 decree creating the National Committee on Climate Change and Biodiversity, offering more political leverage.

In this context, a further lesson was to engage the private sector players more decisively to promote the ABS framework and ensure better alignment of their plans with the emerging ABS framework, where the preceding projects had only limited success. Several discussions were held with the private sector, including but not limited to the companies listed in the PIF (SERDEX/SEPPIC, GREENTECH and INDENA, and the Union for Ethical BioTrade where a former ABS Senior Programme Officer of the CBD Secretariat works). These companies confirmed the relevance of Argan in the ABS context and added *Euphorbia resinifera* as a further relevant source of one or several potential ABS value chains. The application by the private sector companies of the legal framework after its approval will fill another key gap, as will be the signing of NP-compliant ABS contracts between these companies and local providers of genetic resource materials.

Under Component 3, the project will address further gaps by working on the ABS and wider biodiversity governance at regional level (in Souss-Massa, Marrakech-Safi and Beni Mellal-Khenifra), given that prior projects focused on the governance at national level. Finally, at local level, the project will in this project go beyond capacity development and aim to enhance the management of the ecosystems that provide the resources for the ABS value chains targeted by the project.

A slightly edited version of the above response was integrated into the PIF in a new subsection *Project design: integration of lessons learnt from past projects and filling gaps left by these (?55-60)*.

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

8-26-21: Alternative scenario description is satisfactory.

Agency Response

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

8-16-21: Proposed project is aligned with BD Focal Area strategy.

Agency Response

5. Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

6. Are the project?s/program?s indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

8-16-21: Proposed contributions to GEBs are reasonable, but need to be further detailed during preparation. Please be prepared to include aspects addressing "Green Recovery" and resilience of ecological and socio-economic systems.

10-26-21: Cleared.

Agency Response

05 Oct 2021:

This is well noted and will be heeded during project preparation.

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

8-16-21: Proposed project indicates potential for innovation and sustainability.

Agency Response

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project?s/program?s intended location?

Secretariat Comment at PIF/Work Program Inclusion

8-16-21: Maps presented in Annex A are adequate.

Agency Response

Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

8-18-21: The PIF includes initial information on a list of key stakeholders. Please briefly describe the consultations that took place during project design and identification phase, particularly for the local communities, CSOs and private sector entities.

10-26-21: Cleared.

Agency Response

05 Oct 2021:

The section on stakeholders was restructured and several paragraphs (under 73) were added to describe the consultations during project identification

Gender Equality and Women's Empowerment

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

8-18-21: Please include more contextual information on the relevant laws, cultural norms and traditions shaping behaviors that might hinder or accelerate the targets proposed for gender mainstreaming described in paragraph 74.

10-26-21: Cleared.

Agency Response

05 Oct 2021:

Several paragraphs were added to Section 3. Gender Equality and Women's Empowerment.

Private Sector Engagement

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion

8-18-21: The PIF mentions three companies (Serdex, Greentech, Indena) that will be directly involved in the project and one that will provide co-financing (Greentech). Please provide more specific information on how the project will engage with these companies.

Which instruments will be used for engagement? What are the links of the companies and the local communities?

10-26-21: Cleared.

Agency Response

05 Oct 2021:

The need for more effective engagement of private sector stakeholders was one of the lessons taken from the predecessor project. Private sector involvement will be crucial for the success of this project and for the implementation of the ABS framework more widely. Several discussions were therefore held with private sector stakeholders already during project design, including but not limited to those listed in the PIF (SERDEX/SEPPIC, GREENTECH and INDENA, and the Union for Ethical BioTrade). These were chosen because of the existing interest in specific ABS value chains equally relevant to the Government, because of existing links with research teams at the University Mohammed V in Rabat and the related NGOs (Association Ibn Al Baytar and Mohammed VI Foundation for the Research and Safeguarding of the Argan Tree). GREENTECH already committed to cooperate with the project and being a co-financier. SERDEX/SEPPIC and INDENA indicated a general willingness to become a co-financier during project design discussions but felt this was premature at PIF stage; it is expected that this will be formalized during preparation.

The more important aspect is the work that will be done by these companies:

- a) towards the further development of the three targeted value chains;
- b) their role in piloting the emerging ABS national framework, once finally adopted;
- c) the engagement of local providers of biological materials, i.e., the signing of ABS-contracts with communities/ cooperatives/ individuals/ businesses in the three targeted regions. These companies via either AIAB or the FM6RSA have existing relationships with communities that have already or might in the future provide biological materials under the targeted ABS value chains. In the absence of an active ABS framework, to date, these companies have explored the signing of ABS-type contracts on a voluntary basis, and therefore look forward to the approval of the legal framework to become fully compliant.

The further engagement of these companies will be based on direct consultations and discussions and also via their representations such as the General Confederation of Moroccan Companies / Green Economy Commission and the Union for Ethical Biotrade (UEBT). UEBT is a tentative provider for training to further companies in Morocco and beyond.

Risks to Achieving Project Objectives

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

8-18-21: Risk analysis is adequate for PIF stage. Please make sure that a clear articulation of risks that Covid-19 may pose on project implementation is included in the project document, particularly in relation to availability of technical expertise and capacity, changes in timeline, stakeholder engagement process and enabling environment.

10-26-21: Cleared.

Agency Response

05 Oct 2021:

This is well noted and will be heeded during project preparation.

Coordination

Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?

Secretariat Comment at PIF/Work Program Inclusion

8-18-21: Description of proposed institutional arrangements and coordination is adequate for PIF stage.

Agency Response

Consistency with National Priorities

Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

8-18-21: Proposed project demonstrates alignment with national strategies and plans.

Agency Response

Knowledge Management

Is the proposed knowledge management (KM) approach in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project's/program's overall impact and sustainability?

Secretariat Comment at PIF/Work Program Inclusion

8-18-21: Knowledge management is a key element of the proposed project. Please indicate how the lessons learned from previous projects have been incorporated into the current project design. Will the project include plans for strategic communications?

10-26-21: Cleared.

Agency Response

05 Oct 2021:

Please see the answer above to the request *?It will be important to discuss in more depth how the lessons learned from the listed projects have been incorporated in project design? under Section II. 2. Is the baseline scenario or any associated baseline projects appropriately described?*

The engagement of these stakeholders will be complemented with strategic communications, under the Output 1.1 *Strategic advocacy programme defined and delivered to leverage final adoption of any pending ABS legal and institutional framework elements (NP ratification, ABS law, etc.)*.

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at PIF/Work Program Inclusion

8-26-21: Information on environmental and social risks is adequate. The PIF includes preliminary risk categorization and social and environmental impact pre-screening.

Agency Response

Part III ? Country Endorsements

Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

8-12-21: The Letter of Endorsement is adequately signed by the current country's GEF Operational Focal Point listed in the data base.

Agency Response

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

8-26-21: Please, address the comments provided above and resubmit for review.

10-26-21: Please address the minor comments on Project Information above and resubmit. Thanks!

ADDITIONAL COMMENTS

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

Review Dates

PIF Review

Agency Response

First Review

PIF Review

Agency Response

Additional Review (as necessary)
Additional Review (as necessary)
Additional Review (as necessary)
Additional Review (as necessary)

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval