



REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: FULL-SIZED PROJECT

TYPE OF TRUST FUND: GEF TRUST FUND

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PART I: PROJECT INFORMATION

Project Title: CBPF-MSL: Strengthening the management effectiveness of the protected area network in the Daxing'anling Landscape			
Country(ies):	People's Republic of China	GEF Project ID: ¹	4868
GEF Agency(ies):	UNDP	GEF Agency Project ID:	4824
Other Executing Partner(s):	State Forestry Administration, Inner Mongolia Daxing'anling Forestry Management Authority, Heilongjiang Daxing'anling Forestry Management Authority	Submission Date:	March 28, 2013
		Resubmission Date:	May 14, 2013
GEF Focal Area (s):	Biodiversity	Project Duration(Months)	60
Name of Parent Program (if applicable):	China Biodiversity Partnership Framework and Action Plan (CBPF) and Main Streams of Life - Wetland PA System Strengthening Programme	Agency Fee (\$):	319,021
	<ul style="list-style-type: none"> ➤ For SFM/REDD+ <input type="checkbox"/> ➤ For SGP <input type="checkbox"/> 		

A. FOCAL AREA STRATEGY FRAMEWORK²

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
BD-1	Outcome 1.1: Improved management effectiveness of existing and new protected areas	Output 1.1. New protected areas (29) and coverage (1.1 million ha) of unprotected ecosystems	GEF TF	1,356,300	11,000,000
		Output 1.2 New protected areas (29) and coverage (1.1 million ha) of unprotected threatened species	GEF TF	1,191,900	10,400,000
	Outcome 1.2: Increased revenue for protected area systems to meet total expenditures required for management	Output 1.3. Sustainable financing plans (1).	GEF TF	819,479	1,884,661
	Project management cost		GEF TF	177,000	1,215,339
Total project costs				3,544,679	24,500,000

B. PROJECT FRAMEWORK

Project Objective: Strengthen the management effectiveness of protected areas to respond to threats to the globally significant biodiversity in the Daxing'anling Landscape of Heilongjiang Province and Inner Mongolia Autonomous Region.						
Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
1. Expansion of forest and wetland PAs	TA	<ul style="list-style-type: none"> ▪ Strengthened regional development and sector planning framework, through stronger 	1.1 Valuation of the ecosystem services (particularly water supply and regulation, carbon sequestration	GEF TF	700,000	9,584,661

¹ Project ID number will be assigned by GEFSEC.

² Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when completing Table A.

and mainstreaming in the development planning framework in Daxing'anling Landscape		<p>evidence of the value of biodiversity and PAs and improved inter-sectoral and landscape level coordination, provides safeguards from economic sector practices in and near wetland PAs in the long term</p> <ul style="list-style-type: none"> Regional and sectoral development planning frameworks for the Daxing'anling Landscape provide the enabling environment for expanding the forest and wetland PA network (by 1.1 million ha including 0.78 million hectares of wetland type PAs), PA coverage in the Daxing'anling landscape expanded from the baseline of 3.10 million ha to 4.20 million ha, with an increase of natural wetland (including NRs and wetland parks) from the baseline of 1.27 million ha to 2.42 million ha by EoP. 	<p>and forest products) provided by the Daxing'anling Landscape in a time of climate change provides a strong business case for conserving biodiversity and expanding and strengthening the PA network</p> <p>1.2 Inter-sectoral coordination and planning mechanism strengthened to integrate biodiversity and PA systems values and objectives into development and sectoral planning process through establishment of Project Coordination Groups for each province section, and a Daxing'anling Biodiversity Conservation Committee.</p> <p>1.3 An action plan for biodiversity conservation and sustainable use in the Daxing'anling Landscape including climate change measures is developed and implemented</p> <p>1.4 Wetland and forest PA network in Daxing'anling Landscape expanded and upgraded based on a systematic review of PA coverage</p>														
2. Strengthening of the PA network management in Daxing'anling landscape	TA	<ul style="list-style-type: none"> The management effectiveness of the PA network across the Daxing'anling landscape is greatly strengthened as measured by: (i) an 11% (Heilongjiang) and 14% (Inner Mongolia) increase in the Capacity development scorecard; (ii) an 11% increase in the average METT score; (iii) a 100% increase in the operational budget available for PA management from a baseline of US\$ 480,000 excluding salaries; and (iv) improved information management and a 10% decrease of illegal incidents PAs in the Daxing'anling landscape upgraded for enhanced protection by EoP. <table border="1" data-bbox="358 1583 683 1713"> <thead> <tr> <th rowspan="2">PA Levels</th> <th colspan="2">PA Area (mil. Ha)</th> </tr> <tr> <th>Baseline</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>National</td> <td>0.952</td> <td>1.080</td> </tr> <tr> <td>Provincial</td> <td>1.259</td> <td>2.420</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Increase landscape level PA financing (for salaries and operational costs) to close the existing annual financial gap by 50% for basic expenditure 	PA Levels	PA Area (mil. Ha)		Baseline	Target	National	0.952	1.080	Provincial	1.259	2.420	<p>2.1 PA institutional strengthening plan for each adopted and operationalised including establishment of a strategic training programme, revision of staff structures and responsibilities, adoption of competency standards.</p> <p>2.2 Systemic capacity strengthened for effective PA system management through regionally specific regulations and guidelines in line with the participatory and integrated management principles of the ecosystem approach</p> <p>2.3 Improved business planning and resource allocation for PAs to directly address threats delivered through a comprehensive financing plan including enhanced tradition as well as new funding sources.</p> <p>2.4 PA staff skills enhanced with over 300 trainees meeting occupational competency standards, and a strategic long-term training programme in place.</p> <p>2.5 PA and biodiversity information management system significantly improved at site, province section and landscape levels, and linked to the national-level system to be developed through MSL</p>	GEF TF	700,000	7,800,000
PA Levels	PA Area (mil. Ha)																
	Baseline	Target															
National	0.952	1.080															
Provincial	1.259	2.420															

		scenario of \$21.633 million in Heilongjiang and \$ 7.144 million in Inner Mongolia					
3. Effective management at the site level	TA	<ul style="list-style-type: none"> Effective PA management is demonstrated in the Duobuku'er NNR and the Genheyuan NWP, covering 188,019 ha, as indicated by: (i) a 20% increase in the METT score for each site; and (ii) a 4% increase in the EHI score for each site as a result of a reduction in pressures on biodiversity (eg over-harvesting, agricultural impacts, illegal activities) 	<p>3.1 Integrated management plans prepared in a participatory way, adopted and implemented</p> <p>3.2 Biodiversity and ecological health monitoring systems in place and delivering information suitable for management</p> <p>3.3 Effective and adaptive conservation of biodiversity is demonstrated through restoration of degraded habitats recovery measures for threatened species</p> <p>3.4 Sustainable use of biodiversity (particularly harvest of berries, ecotourism and agriculture) demonstrated through high quality planning, enhanced co-management arrangements, improved visitor management and better law enforcement</p> <p>3.5 PA management effectiveness at the demonstration sites improved through local community participation (establishment of community forums) and raised public awareness as a result of preparation and implementation of a communications, education, participation and awareness plan.</p>	GEF TF	1,967,679	5,900,000	
Subtotal						3,367,679	23,284,661
Project management Cost (PMC) ³				GEF TF	177,000	1,215,339	
Total project costs						3,544,679	24,500,000

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	State Forestry Administration	Grant	7,500,000
Local Government	Heilongjiang Daxing'anling FMA	Grant	8,000,000
Local Government	Inner Mongolia Daxing'anling FMA	Grant	8,000,000
GEF Agency	UNDP	Grant	1,000,000
Total Co-financing			24,500,000

³ PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
UNDP	GEF TF	Biodiversity	China	3,544,679	319,021	3,863,700
Total Grant Resources				3,544,679	319,021	3,863,700

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

² Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	114,000	0	114,000
National/Local Consultants	571,100	288,000	859,100

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF⁴

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e.] NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.

N/A

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities.

N/A

A.3 The GEF Agency’s comparative advantage:

In addition to what was described in the PIF, UNDP has finalized its Biodiversity and Ecosystem Framework for 2012 and 2020, which will be integrated in the UNDP Business plan and country programmes. Under the Framework, the second Programme is dedicated to unlocking the potential of protected areas, including indigenous and community conserved areas, to conserve biodiversity while contributing towards sustainable development.

A.4. The baseline project and the problem that it seeks to address:

The project design closely follows the objectives, outcomes, components, GEF budget and co-financing specified in the PIF. There has been no change in the GEF and Co-financing budget totals nor in the allocation of budgets across Outcomes. Most of the quantitative targets from the PIF have been maintained. The only significant variations concern: a) the confirmed number of pilot / demonstration sites that will be targeted under Outcome 3, b) the baseline area of PAs; c) adjustment of the target for PA status upgrading; and d) the move of two outputs from Outcome 2 to Outcome 1.

- a) Four sites (totalling 253,996 ha), including two nature reserves and two national wetland parks, were provisionally identified in the PIF by SFA and local governments as potential pilot sites. Prior to the PPG phase, the feasibility and suitability of the four sites as target sites was further investigated, including field visits to all the 4 sites by the

⁴ For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter “NA” after the respective question

experienced national specialist Prof. Zhang Mingxiang. As a result, it was agreed between the SFA, UNDP and the Daxing'anling Forest Management Authorities that only one pilot site should be selected from each of the two province sections to ensure the highest demonstration value and good information exchange, within the available funding which would not be sufficient to support the inclusion of many pilot sites. It was also agreed that the Genheyuan National Wetland Park in Inner Mongolia and Duobuku'er National Nature Reserve in Heilongjiang offered the best demonstration value. The field mission by UNDP PPG team in July confirmed that the selected demonstration sites both offer great potential and resources for demonstrating, promoting, replicating and magnifying the projects activities to the other sites throughout the PA network.

Duobuku'er NNR and Genheyuan NWP total 188,019 ha (74% of the area of the four "provisional" sites). Both sites include the range of characteristic ecosystems, habitat types and conservation / management issues that need to be addressed at other sites throughout the network, with Genheyuan being a predominantly "wetland" ecosystem, and Duobuku'er encompassing significantly more forests. The two sites also differ usefully in certain characteristics and issues, which will allow them to be used differently in the overall process of building management effectiveness across the Daxing'anling. This relates for example to their specific PA designation (NNR and NWP) and age, the types of habitats requiring restoration, the species mix that must be addressed in conservation activities, the issues regarding agriculture at Duobuku'er NNR, the very significant new interests and initiatives in ecotourism and nature interpretation at Genheyuan, and also the distance and mix of local communities in and around each site. Therefore, focusing the demonstration activities based on the characteristics and opportunities of these two sites, one in each province section, will provide a highly cost-effective input from the GEF project. Both sites will be used for training and capacity building courses to involve staff from other PAs in the Daxing'anling landscape so as to maximize the replication and leverage potential of the GEF investment for PA management effectiveness.

- b) Since the completion of the PIF, the number of PAs within the Daxing'anling landscape has risen from 36 (29 Nature Reserves and 7 Wetland Parks) totalling 2.99 million hectares to 43 (36 Nature Reserves and 7 Wetland Parks) covering 3.1 million hectares. As shown in Table 3 of the Project Document, there has been slight change in the baseline hectare of different protected area types in Daxing'anling landscape. The difference is summarised below.

Table 1: PA system coverage and expansion target

Protected Grade	PA Coverage (million ha) in Project Document	PA Coverage (million ha) in PIF
Wetland-Type Nature Reserve	1.136	1.67
Forest-type Nature Reserve	1.833	1.19
Wetland Park	0.13	0.13
	3.1	2.99

Several of the PAs have also been upgraded, including the Duobuku'er NNR which has been upgraded from Provincial NR. This increase in the number and area of PAs is very welcome and confirms the Government's commitment to building the future of the area on its environmental credentials. As a result of these changes, the baseline figures specified in the PIF have changed. However, the need to improve the management effectiveness of the PAs has not been resolved, and indeed is now even more important as the PAs now cover 16.6% of the Daxing'anling landscape.

- c) Based on further in-depth feasibility study during the PPG, the project target for upgrading of PA status have been revised as below.

Table 2: PA upgrade target

PA Levels	PA area (mil. ha) in Project Document		PA area (mil. ha) in PIF	
	Baseline	Target	Baseline	Target
National Nature Reserve	1.00	1.57	0.73	1.08

Provincial Nature Reserve	1.32	1.44	1.86	2.42
Total	2.32	3.01	2.59	3.50

More detailed calculations are shown in Table 8 of the Project Document. While the new target is slightly less than what was envisaged in the PIF, the target for the national level upgrade has been significantly increased. As stated in the Project Document, the national level nature reserves are generally better managed, with considerably more government resources invested in them. Hence, the PA network design with a higher ratio of national nature reserves will secure a considerably more effective conservation network compared with the target illustrated in the PIF that placed 31% of PAs under national conservation level and 69% of PAs under provincial conservation level. In a nutshell, more PAs with a higher conservation level will receive more secure conservation in the scenario described in the project document compared with that in the PIF. Thus, the current scenario in the project document, puts PA quality over PA quantity to ensure a higher cost-effectiveness of PA operation.

d) In the PIF, the proposed total economic valuation of the PA cluster was included under Outcome 2. However, in consultation with the key stakeholders it was agreed that this economic valuation should be undertaken for the whole of the Daxing'anling landscape as well as the PA cluster (separately), and that it would therefore be more logical to include it under Outcome 1 as a key component of the mainstreaming work. Similarly, in the PIF, the review of upgrading to the status of PAs was included under Outcome 2. However, it was concluded during PPG that it would be more logical to consider this as an integral part of the PA systems review and PA expansion under Outcome 1 which would consider spatial priorities for extending the PA network to meet biodiversity and climate change needs.

A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project: N/A

A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:

The risk table has been updated as below based on the PPG findings. One additional risk has been highlighted, which is related to economic development interests of communities overriding conservation priorities.

Table 3: Risk Table

<i>Risk</i>	<i>Rating</i>	<i>Mitigation Measure</i>
Mainstreaming biodiversity and PAs into development and sectoral planning process and policies will be hindered by poor inter-agency coordination, lack of incentives for other sectors and poor enforcement of agreed priorities and plans that may be incompatible with major engineering-oriented development programmes.	Medium	Given the importance the central Government has put on ecological management of this region because of the fact that the Daxing'anling Landscape is the source of the major river in NE China and plays a key role in climate change mitigation, there is an added impetus for all agencies across the area to work together and the project has been formulated with this spirit of partnership. Although this risk was historically high, the currently strong emphasis on ecosystem protection and rehabilitation and the vision of the <i>Master Plan for Ecological Protection and Economic Transition of the Daxing'anling and Xiaoxing'anling Regions</i> means there should be sufficient power for the SFA and provincial Forest Management Agencies to exert their influence and there should be sufficient incentive for sector agencies for mainstreaming. The project will support establishment and institutionalisation of the inter-sectoral coordination mechanisms at the landscape level for joint planning, approval of policy, programmes and legislation at provincial level with participation of key biodiversity impacting sectors and agencies. The project will support development of tools and safeguards specific to forestry and wetlands, agriculture, tourism and mining sectors in support of mainstreaming. In addition, the active participation of the private sector, local communities, scientists and other members of civil society in the project development and implementation will also be helpful to mitigate this risk. Success in the Daxing'anling region can be up-scaled to national level using the successful coordination mechanisms now in place in several other provinces through a BSAP process and using the CBPF forum.
Severity of climate change may undermine conservation efforts promoted by the project	Medium	Given that climate change impacts are likely to increase over the long term, the project will assess these changes as part of the PA system analysis and propose actions and management approaches to increase ecosystem resilience (in part by addressing non climate change

through changes in permafrost, water availability, biodiversity distribution, community resource use intensities etc.		related anthropogenic stressors on ecosystems). These will include realignment of wetland PA zones and boundaries and improving functional connectivity. Migration patterns and timings may change, requiring adjustments in the PA design to accommodate migratory species. These measures are expected to help in addressing threats of climate change to biodiversity in the region. The long and harsh winters make the area unprofitable for agriculture except in the very south; in the long-term there may be some further threat from agricultural expansion if the climate warms significantly.
Coordination of action between SFA and other PA management authorities proves difficult, as a result of institutional rigidities—thus undermining the conservation efforts promoted through the project.	Low to medium	The Government has recognised the need for better coordination, and has specifically requested support to develop the coordination apparatus, as a key measure to improve environmental governance. The project is fully positioned as an integral part of the CBPF, in order to ensure that it contributes directly to overall biodiversity conservation efforts of the country through implementation of the NBSCAP. CBPF and NBSAP implementation fora will be fully utilised in order to ensure essential coordination between the PA management authorities. During project preparation, initial consultative efforts have laid the basis for the creation of a new, permanent inter-agency coordination and management committee for each province section of the Daxing'anling (Project Coordination Groups) and for the landscape as a whole (Daxing'anling Biodiversity Conservation Committee) (Output 1.2).
After 2013, China will launch a new round of government institutional reforms to mainstream the people's livelihood-related issues (such as increasing incomes, regional equality, and health) into the agenda of governments. This may reduce the focus on environmental protection (including wetlands), disportion the national investment and budget on wetland conservation and PA planning in national revenues, and thus hinder the process of achieving wetland conservation objectives.	Low to medium	Biodiversity conservation and people's livelihoods are closely interlinked, in particular in terms of forest and wetland resource production, clean and sustainable water provision, as well as disaster mitigation. The project will ensure that these inter-linkages will be adequately acknowledged by policy makers at provincial and local levels as well as by the general public. The project will support necessary strategic studies and the production of practical tools and materials to foster better understanding of the contributions of biodiversity and PAs to the economy and peoples' welfare and livelihoods. Furthermore, the project will promote co-management and equitable sharing of benefits from PAs, as well as the establishment of eco-compensation mechanisms to provide increased opportunities for the local households, communities and institutions engaged in biodiversity conservation to directly benefit from conservation-oriented activities. The project will actively support Communication, Education, Participation and Awareness (CEPA) as tools for conservation and wise use of biodiversity resources.
Even under more integrated and participatory management, economic development interests of communities will override conservation priorities, leading to continued loss and degradation of biodiversity	Low	There is a strong commitment from national and local Government to the conservation of the valuable ecosystem services provided by the Daxing'anling Landscape as indicated by large reduction in forestry quotas, and increases in PA area. In addition the government is already experimenting with a variety of models of eco-compensation schemes for the benefit of local communities, and it is anticipated that rewards for good stewardship of ecosystem can be greatly improved over coming years. New businesses based around high added-value processing of timber and non-timber forest products are bringing new income to the area, and ecotourism is being given high priority. All these will depend on restoring a high quality environment.

A.7. Coordination with other relevant GEF financed initiatives: N/A

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation.

Throughout the project's development, close contact was maintained with key stakeholders at the provincial level through the daily activities of the local members of the PPG team, and through two 8-10 day visits to the project area by the International Team Leader and National Co-Leader. All affected government institutions were directly involved in

project development, as were research and academic institutions (through other specialist consultants). Numerous consultations occurred with all of the stakeholders to discuss different aspects of project design. These consultations included: bilateral discussions; visits to pilot sites; workshops and electronic communications. A working group, with representation of key stakeholders was constituted by each FMA to oversee the project preparation phase. The project activities were presented to stakeholders at initial working group meetings for review and discussions, and a revised draft of the project document was presented to a follow-up working group meeting for approval and endorsement. Consultation meetings were organised with local community representatives, including representatives of the Aolugoya Ewenki indigenous people. Based on the consultations, a stakeholder involvement plan was developed and annexed in the Project Document.

Approach to stakeholder participation

The project’s approach to stakeholder involvement and participation is premised on the principles outlined in the table below.

Table 4: Stakeholder participation principles

Principle	Stakeholder participation will:
Value Adding	Be an essential means of adding value to the project
Inclusivity	Include all relevant stakeholders
Accessibility	Be accessible and promote involvement in decision-making process
Transparency	Be based on transparency and fair access to information; main provisions of the project’s plans and
Fairness	Ensure that all stakeholders are treated with respect in a fair and unbiased way
Accountability	Be based on a commitment to accountability by all stakeholders
Constructive	Seek to manage conflict positively and to promote the public interest
Redressing	Seek to redress inequity and injustice
Capacitating	Seek to develop the capacity of all stakeholders
Needs Based	Be based on the perceived and real needs of all stakeholders
Flexible	Be flexibly designed and implemented
Rational and Coordinated	Be rationally planned and coordinated, and not on an <i>ad hoc</i> basis
Excellence	Be subject to on-going reflection and improvement

The project will focus stakeholder engagement at two levels of intervention: (i) working with public sector institutions and agencies (primarily the FMAs and their Bureaus, as well as provincial government) in order to strengthen their capacity to consolidate, expand and effectively manage the PA network and to align project activities with government’s strategic priorities; and (ii) working directly with local communities and their representatives, formal and informal resource users (rights holders), and individuals to mitigate impacts and optimise benefits of project activities.

Stakeholder involvement plan

The following stakeholders have been identified and will be fully involved in the project implementation.

Table 5: Key biodiversity stakeholders in the Daxing’anling and roles and responsibilities in the project

Stakeholder	Roles and Responsibilities
Ministry of Finance	GEF Operational Focal Point (OFP). Coordination and implementation of GEF projects
State Forestry Administration -SFA (including Wetland Conservation and Management Centre)	Executing Agency for project implementation as the supervisory organisation for the two co-executing agencies (FMAs). The SFA will provide the NPD and host the PMO. SFA will chair the PSC and the DBCC, and will take the lead on implementation of outputs under Outcome 1. Responsible for forest lands, most of China’s nature reserves, wildlife issues, wildlife trade (CITES), wetlands protection (Ramsar Convention), drafting of departmental level regulations especially wetlands. In Daxing’anling landscape, SFA is responsible for sustainable utilisation of the timber resources and set quota for timber extraction. SFA is also responsible for ensuring effective wetland PA management and

	<p>providing supervisory and technical support to PA management. Manages the vast majority of NRs (over 80% of the NR areas) and provide financial support for national NRs. SFA's Academy of Forestry Inventory and Planning is responsible for providing informed data and information for SFA to make relevant decisions</p>
<p>Heilongjiang Daxing'anling Forestry Management Authority (FMA)</p>	<p>The main co-executing (and co-financing) agency for the project in the Heilongjiang section and for the Duobuku'er NNR. Will host the PMU in Jiagedaqi.</p> <p>Responsible their section of the Daxing'anling Region (83,500 km²) including ecological conservation and development as well as associated governance within their jurisdiction as assigned by the State of Council, notably covering managing and conserving forests (and wetlands) and associated wild resources, developing nature reserves, preventing forest fires and conserving natural forests. Reports to the SFA and employs 62,969 staff.</p> <p>The administrative arm of the FMA is responsible for the development and management of nature reserves through its subsidiary institutions. The business arm of the FMA (Forestry Management Corporation) is responsible for commercial forestry operation including forest environment monitoring, carrying out quarantine of animals and plants, running state-owned forest resources and managing subordinate forestry companies in a for-profit way except undertaking administrative functions of Daxing'anling Forestry Management Bureaus.</p> <p>Key departments include: Planning, Wildlife and Plant Protection, Fire control, Forest Management and Production, Agriculture, Livestock, Fisheries, Green Food development, Industry, Infrastructure and construction, Natural Resources, Communications, Local Forest Management Bureaus</p>
<p>Inner Mongolia Daxing'anling Forestry Management Authority (FMA)</p>	<p>The main co-executing (and co-financing) agency for the project in the Inner Mongolia section and for the Genheyuan NWP. Will host the PMU in Genhe City, with a Local Technical Adviser also based in Yakeshi.</p> <p>Responsible their section of the Daxing'anling Region (106,275 km²) including ecological conservation and development as well as associated governance within their jurisdiction as assigned by the State of Council, notably covering managing and conserving forests (and wetlands) and associated wild resources, developing nature reserves, preventing forest fires and conserving natural forests. Reports to the SFA and employs 58,513 staff.</p> <p>The administrative arm of the FMA is responsible for the development and management of nature reserves through its subsidiary institutions. The business arm of the FMA (Forestry Management Corporation) is responsible for commercial forestry operation including forest environment monitoring, carrying out quarantine of animals and plants, running state-owned forest resources and managing subordinate forestry companies in a for-profit way except undertaking administrative functions of Daxing'anling Forestry Management Bureaus.</p> <p>Key departments include: Planning, Wildlife and Plant Protection, Fire control, Forest Management and Production, Agriculture, Livestock, Fisheries, Green Food development, Industry, Infrastructure and construction, Natural Resources, Communications, Local Forest Management Bureaus</p>
<p>Local Forestry Management Bureaus (of the FMAs)</p>	<p>Responsible for forests, wetlands and associated wild resources management, forest nursing, managing nature reserves and wetland parks, fire prevention etc. in line with the ultimate mission of Daxing'anling Forestry Management Bureaus.</p>
<p>Site-level Protected Area Management Authorities (of the FMAs) in Daxing'anling Region</p>	<p>The key implementing agencies for site level project activities.</p> <p>Specifically responsible for wildlife conservation and management, environmental promotion, drafting wildlife conservation local regulations, nature reserve's establishment, guiding forest resource-based tourism, wildlife monitoring, and inventory research as well as disease control and utilization.</p>
<p>Provincial Government departments of the Heilongjiang Province⁵ and Inner Mongolia</p>	<p>All these departments have a key role in mainstreaming biodiversity into their planning and activities.</p> <p><u>Land Resources Management Bureau</u>: Responsible for land management, conservation and planning, in particular regulating land use, mining resources' exploitation in the region.</p>

⁵ The situation is different in Inner Mongolia, where the FMA operates independently of the regional government

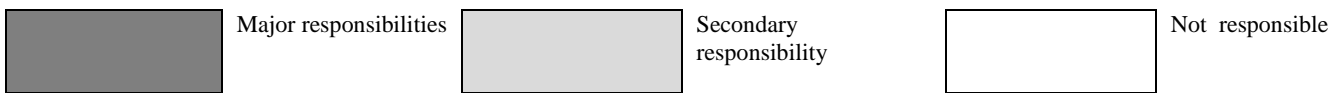
Autonomous Region	<p><u>Environment Protection Bureau</u>: Responsible for coordinating and supervising key environmental issues, including controlling environmental pollution, reducing carbon emissions, and guiding, coordinating and overseeing ecological conservation work and environment-related international cooperation.</p> <p><u>Agriculture Management Association</u>: Responsible for agriculture, fisheries, and husbandry, including land tenure conversion, agricultural land use planning, and agricultural biodiversity conservation, guiding the conservation of ecological environment of fishing waters and aquatic wildlife, and promoting environmentally friendly food production projects.</p> <p><u>Water Resources Management Bureau</u>: Responsible for sustainable water development and utilization, water resources conservation, hydrological construction and guiding the development and governance of rivers, lakes and streams.</p> <p><u>Fishery Management Bureau</u>: Responsible for fishery-related activities, in particular fishery management.</p> <p><u>Construction Bureau</u>: Responsible for residential housing management and regulation.</p> <p><u>Development Reform Commission</u>: Responsible for sustainable development, economic development projects and monitoring implementation of plans and projects</p>
People’s Congress of Heilongjiang ⁶ and Inner Mongolia Autonomous Region	Responsible for coordination of legislation and regulation functions in Heilongjiang, including reviewing and approving the regional regulations on the management of PAs.
Local communities (PA neighbours, including forest workers)	<p>As the primary resource users and traditional management of wetland and forest ecosystem in the region, local communities closely interacting with PAs will participate in community-related project activities by contributing their traditional and/or rich resources management and utilization knowledge and culture. Local communities will be the permanent supporters for the effectiveness of protected areas network in the region. Therefore, it is essential for the project to build their interests in PA conservation.</p> <p>Local communities benefit from biodiversity in the Daxing’anling through economic activities such as forestry, NTFP harvest, agriculture, tourism. They also can negatively impact biodiversity through illegal activities, pollution and wastes and positively impact biodiversity through sustainable lifestyles and volunteering.</p> <p>Possible beneficiaries and implementing partners for site level activities of the project – to be engaged through local community forums. Although the region is sparsely populated, neighbouring communities to the PAs (where applicable) will have a major role as hubs for non-timber industry development initiatives that mainly engage local citizens. The Ewenki indigenous community subsist on grazing and hunting near the Genheyuan National Wetland Park with a special traditional hunting permit granted to the people.</p>
NGOs and other civil society organizations	<p>Representing the community</p> <p>Involved in project implementation by providing technical and human support (eg volunteers) for conservation activities, monitoring, environmental awareness and so on.</p>
Media	TV, radio, newspapers, social media can help with raising environmental awareness and promoting project activities.
Private sector	Private Sector is a major resource user and has potentially negative impacts on the integrity of biodiversity and PAs. Active engagement of the existing and emerging private sector companies (tourism, mining, timber and non-timber forest-product processing, infrastructure etc.) will be sought as appropriate for implementation of the project.
Academy of Forest Inventory and Planning (SFA, SFA Daxing’anling, and Inner Mongolia Daxing’anling)	Responsible for wetland and forest survey, monitoring, and planning, including developing standards, GIS-based database and reporting systems.

⁶ The situation is different in Inner Mongolia, where the FMA operates independently of the regional government

<p>Chinese Academy of Sciences and its associated institutes, Chinese Academy of Forestry, Heilongjiang Academy of Agricultural Sciences, Northeast Institute of Geography and Agro-ecology, Chinese Academy of Sciences Harbin's Northeast Forestry University, colleges of the Inner Mongolia University in Huhhot</p>	<p>Technical pools available for forestry, hydrological, botanical and zoological perspectives. Available for sub-contracted research, specialist training workshops, PA expansion consultancy and etc.</p>
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Table 6: A preliminary list of responsibilities of key organizations and social communities related to the project

Stakeholders	Policy	Planning	Laws and regulations	Research	Promotion	Training	Partnerships	Project Implementation	M&E
State Forestry Administration	■	■	■	■	■	■	■	■	■
FMAs/FMCs and their sectoral depts and FMBs	■	■	■	■	■	■	■	■	■
People's Congresses of Heilongjiang & Inner Mongolia	■	■	■	□	□	□	□	□	□
Provincial Development and Reform Commissions	■	■	□	□	□	□	□	□	■
Provincial Departments of Water Resources	■	■	□	□	■	■	□	□	■
Provincial Bureaus of Environmental Protection	■	■	□	□	■	■	□	□	■
Provincial Department of Tourism	■	■	□	□	■	■	□	□	■
Private sector	□	□	□	□	□	□	□	□	□
Media	□	□	□	□	■	□	□	□	□
Institutes and Universities	□	□	□	■	□	■	□	□	□
National/international NGOs (WWF etc)	□	□	□	■	□	■	□	□	□
Local community CBOs in and near demo areas	■	■	■	■	■	■	■	■	■



The project proposes a mechanism to achieve broad-based stakeholder involvement in the project preparation and implementation processes. Stakeholder participation will include the following four components:

- Project Steering Committee (PSC):
- Daxing'anling Biodiversity Conservation Committee (landscape level) and two Project Coordination Groups (province-section level)
- Project Management Office (Beijing) and two Project Management Units (province sections)
- Community Forums

Table 7: Suggested members of PSC, PMO/PMUs, DBCC and PCGs and Community Forums

Project Steering Committee (PSC)	Project Management Office and Project Management Units	Daxing'anling Biodiversity Conservation Committee and Project Coordination Groups	Community Forums
Participating agencies: SFA, UNDP, MOF, FAO, Heilongjiang Daxing'anling FMA, Inner Mongolia Daxing'anling FMA	SFA and Heilongjiang Daxing'anling FMA, Inner Mongolia Daxing'anling FMA. PMO: NPD, PM, CTA, Admin. Assistant, Communications Officer/Translator, Accounting and Disbursement Officer PMUs: DPM, Local Technical Advisor, Project / Communications Assistant, Finance Officer	DBCC: SFA, Heilongjiang Daxing'anling FMA, Inner Mongolia Daxing'anling FMA, Wildlife Departments, demonstration sites, other important mainstreaming departments PCGs: Sectoral representation in each province section for: Conservation, Science, Water, Environment, Silviculture, Resource Management, Tourism, Planning, Industry, Finance, Agriculture, Livestock & Fishery, Communications, demonstration sites, community groups	Representatives of local community groups including women, youth, retired people, ethnic and religious minority groups, resource users

Long-term stakeholder participation

The project will provide the following opportunities for long-term participation of all stakeholders, with a special emphasis on the active participation of local communities:

Decision-making – through the Project Steering Committee, to ensure a participatory and transparent process involving the confirmation of all project stakeholders; conducting one-to-one consultations with all stakeholders; development of Terms of Reference and ground-rules; inception meeting.

Capacity building – at systemic, institutional and individual level – is one of the key strategic interventions of the project and will target all stakeholders that have the potential to be involved in planning, implementing and/or monitoring activities that will enhance the conservation of biodiversity and management effectiveness in and around the PAs. The project will give particular attention to stakeholders operating at the community level to enable them to actively participate in measures to improve the management effectiveness of the PAs, and enhance the values of the PAs to people's lives.

Communication - will include the participatory development of an integrated communication strategy. The communication strategy will be based on the following key principles:

- providing information to all stakeholders;
- promoting dialogue between all stakeholders;
- promoting access to information.

Finally, the project will be launched by a well-publicized multi-stakeholder inception workshop. This workshop will provide an opportunity to provide all stakeholders with updated information on the project as well as a basis for further consultation during the project's implementation, and will refine and confirm the work plan.

The project's design incorporates several features to ensure on-going and effective stakeholder participation in the project's implementation. The mechanisms to facilitate involvement and active participation of different stakeholder in project implementation will comprise a number of different components:

i) Project inception workshop

The project will be launched by a multi-stakeholder workshop bringing together key implementing partners from both the Heilongjiang and Inner Mongolia sections. This workshop will provide an opportunity to provide all stakeholders with the most updated information on the project, the work plan, and will establish a basis for further consultation as the project's implementation commences.

ii) Constitution of Project Steering Committee

A Project Steering Committee will be constituted to ensure broad representation of all key interests throughout the project's implementation. The representation, and broad terms of reference, of the PSC are described in the Management Arrangements in Part III of the Project Document.

iii) Establishment of the Project Management Office and two provincial Project Management Units

The Project Management Office, located with SFA in Beijing, will take direct operational responsibility for facilitating national stakeholder involvement and ensuring increased national ownership of the project and its results. The two provincial Project Management Units will be located with the respective FMAs in Heilongjiang Province and Inner Mongolia, and will take direct operational responsibility for facilitating provincial and local stakeholder involvement and ensuring increased local ownership of the project and its results to ensure coordination among key stakeholder organizations at the provincial level during the project period.

iv) Establishment of local technical groups and task forces

A Daxing'anling Biodiversity Conservation Committee, with two province section Project Coordination Groups, will be established to assure the formal inter-sectoral and inter-provincial coordination and inputs of all key stakeholders within the Daxing'anling region.

At the activity level, local specialist task forces (e.g., legal and institutional review, biodiversity monitoring, communications, education and community participation) will be established as required, to facilitate the active participation of expert institutions, organisations and individuals in the implementation of the respective project activities. Different stakeholder groups may take the lead in each of the task forces, depending on their respective mandates.

v) Project communications

The project will develop, implement and maintain a communications strategy to ensure that all stakeholders are informed on an on-going basis about: the project's objectives; the projects activities; overall project progress; and the opportunities for stakeholders' involvement in various aspects of the project's implementation.

vi) Implementation arrangements

A number of project activities have specifically been designed to directly involve local stakeholders in the implementation of, and benefit from, these activities. These include: the creation or development of new opportunities

for sustainable livelihood options and natural resource uses for local communities, stemming from the feasibility assessment and co-management models.

vii) Formalising cooperative governance structures

The project will actively seek to formalise cooperative governance structures at the level of PAs, to strengthen participation of local stakeholders in the planning and management of individual NRs.

viii) Capacity building

All project activities are strategically focused on building capacity – at systemic, institutional and individual levels – of the key stakeholder groups to ensure sustainability of project investments. The project will also seek to raise public awareness of the values of the biodiversity of the Daxing'anling region and the value and importance of ecosystem services derived from effective habitat conservation.

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

- a). The project will contribute to securing and restoring the enormous contribution that the Daxing'anling Landscape and the target PA system makes to the national and regional economy and social wellbeing through its ecosystem services. This includes providing water source and regulation, climate regulation through carbon sequestration, microclimatic regulation effects, air purification, landscape provision for tourism, and of course biodiversity support. The forest soils and wetlands of the Daxing'anling landscape store vast quantities of water which provide crucial water resources for agriculture, urban and industrial use for tens of millions of people living in the downstream river basins and particularly the important Sanjiang plain, one of China's top eight grain production regions. They also ensure the annual recharge of water for numerous downstream wetlands of international and national importance, such as the famous Zhalong Nature Reserve (Ramsar Site). The annual carbon sequestration is likely to be very substantial due both to the annual primary (forest) productivity of 25.2 million m³ and to the large proportion of larch and deciduous species that shed needles/leaves in winter which accumulate in the forest and wetlands soils and bogs and are converted to organic carbon.
- b). The wetlands and forests of the Daxing'anling landscape and PA system support crucial livelihood and economic opportunities for almost 1 million people living in the area, particularly the harvest and processing of timber and non-timber forest products, and tourism. They also offer opportunities for public recreation, education and scientific studies. By improving the design of the PA system, strengthening PA management, enhancing community co-management and putting in place measures to manage the adverse impacts of sector activities, the project will make an important contribution to realising sustainable development in the region. Local communities around the Duobuku'er NNR and Genheyuan NWP demonstration sites (including the Aolugoya minority tribe at the latter) will directly benefit from the sustainable use management system as well as full participation in PA co-management, benefit-sharing arrangements, and alternative livelihood programmes. Communities around other PAs including ethnic minority groups will indirectly benefit from the strengthened PA system across the landscape.

Until recently, livelihood opportunities (usually forestry-related) have mainly been taken up by men. However, the new livelihood opportunities that will be supported by the project, particularly related to eco-tourism and the harvest for added-value processing of non-timber forest products offer particular opportunities to women and minority groups. It is estimated that, the piloting and development of new livelihood options, particularly ecotourism in and around the PAs will create significant new employment opportunities for indigenous people and women. Local specialists estimate that 900 new jobs could be provided by PA system in the region (300 for Inner Mongolia section and 600 for Heilongjiang section respectively), of which 115 jobs will be offered to indigenous people and women. The Community Forums that are to be established will engage representatives of women, youth, old people and minorities to maximise their opportunities through a combination of community co-management activities, capacity building for alternative livelihoods and environmental awareness raising.

c) By enhancing the management effectiveness of the PA system and mainstreaming biodiversity conservation, the project is expected to achieve significant global benefits through enhanced conservation status of globally significant biodiversity, secured water supply from the Heilongjiang (Amur) River, improved carbon sequestration in trees and peatlands and reduced heat absorption resulting from improved vegetation cover, which will both ameliorate the present climate and slow climate change. These benefits will be achieved from the reduction of pressures on biodiversity through an improvement in PA management effectiveness in the Daxing'anling Landscape of over 3.1 million ha. of PA estate that will lead to improved biodiversity status in PAs. In particular, the demonstration work at the Duobuku'er NNR and Genheyuan NWP will have global biodiversity impacts covering an area of 188,019ha including specific restoration of natural habitats from degraded areas covering 0.5% of this area. These PAs include extensive wetlands providing habitats for globally threatened species such as *Alces alces cameloides*, *Mergus squamatus*, *Grus leucogeranus*, *Grus vipio*.

B.3. Explain how cost-effectiveness is reflected in the project design:

The project approach aims to maximize cost-effectiveness by targeting system level barriers that will have wider multiplier effects. The project is considered cost-effective in several ways. Firstly, the project's approaches in building support from across multiple sectors (including local communities) will bring in new partners and resources for biodiversity conservation and help to avoid biodiversity-degrading investments and activities (which would demand additional resources for ecosystem rehabilitation, should that even be feasible). In particular, the project will capitalise on the opportunity presented by the Master Plan on Ecological Restoration and Economic Transition, providing new mechanisms and an implementation plan that will fully address the opportunities provided by effective biodiversity conservation and PA management. Through its work on the valuation of ecosystem services and innovative financing, the project is expected to draw in new and sustainable funding for the conservation of biodiversity across the Daxing'anling Landscape.

Secondly, building capacities of Daxing'anling's two Forestry Management Authorities is expected to lead to cost-effective PA management by avoiding ineffective allocation of resources, duplication of work, and by ensuring sharing of timely information and resources. Capacity building and institutionalisation of these activities, both at strategic and operational level has been identified as a high priority.

Thirdly, through the development of two model demonstration sites for effective PA management, the project will be able to showcase and roll-out innovative and successful approaches for improving the management of biodiversity across the Daxing'anling PA network presently covering 3.1 million hectares. Work during the PPG has shown that the selected sites are highly representative of the ecosystems and issues being faced throughout the network, and that each offers different opportunities for show-casing and replication.

Finally, as one of the suite of MSL projects, the project will gain in efficiency through interconnected outputs and outcomes under the Programmatic Framework, shared experiences and cross-fertilisation between projects, support from the national level programme and, where appropriate, shared experts.

C. DESCRIBE THE BUDGETED M &E PLAN:

Monitoring and reporting

Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from the UNDP/GEF Regional Coordination Unit (RCU) in Bangkok. The Logical Framework Matrix in Section II - Part I provides performance and impact indicators for project implementation along with their corresponding means of verification. The METT tool, Financial Scorecard and Capacity Assessment Scorecard (see Annexes 1 & 2) will all be used as instruments to monitor progress in PA management effectiveness. The M&E plan includes: inception report, project implementation reviews, quarterly and annual review reports, a mid-term review and final evaluation. The following sections outline the principal components of the Monitoring and Evaluation Plan and indicative cost estimates related to M&E activities. The project's Monitoring and Evaluation Plan will be presented and finalized in the Project's Inception Report following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

Inception Phase: A Project Inception Workshop (IW) will be conducted within the first 6 months of project start, with the full project team, relevant government counterparts, co-financing partners, the UNDP-CO and representation from the UNDP RCU. A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goal and objective, as well as finalize preparation of the project's first annual work plan on the basis of the logframe matrix. This will include reviewing the logframe (indicators, means of verification, assumptions), imparting additional detail as needed, and on the basis of this exercise, finalizing the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project. In addition, the Inception Workshop will consider and review a Sustainability and Exit Plan for the project, which will be reviewed at regular intervals during project implementation. Additionally, the purpose and objective of the IW will be to: (i) introduce project staff with the UNDP-GEF team which will support the project during its implementation, namely the CO and responsible RCU staff; (ii) detail the roles, support services and complementary responsibilities of UNDP-CO and RCU staff *vis à vis* the project team; (iii) provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Review Report (ARR), as well as mid-term review and final evaluations. Equally, the IW will provide an opportunity to inform the project team on UNDP project related budgetary planning, budget reviews, and mandatory budget re-phasing. The IW will also provide an opportunity for all parties to understand their roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff and decision-making structures will be discussed in order to clarify for all, each party's responsibilities during the project's implementation phase.

Monitoring responsibilities and events: A detailed schedule of project review meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Project Steering Committee Meetings and (ii) project-related Monitoring and Evaluation activities. Day-to-day monitoring of implementation progress will be the responsibility of the Project Manager based on the project's Annual Work Plan and its indicators. The Project Manager will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion. The Project Manager will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the Inception Workshop with support from UNDP-CO and assisted by the UNDP-GEF RCU. Specific targets for the first year implementation progress indicators together with their means of verification will be developed at this Workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the Annual Work Plan. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

Measurement of impact indicators related to global biodiversity benefits will occur according to the schedules defined in the Inception Workshop. Besides the METT and Financial baseline presented in this Project Document, subsequent applications of the METT are expected at the occasion of the Mid-term Review and Final Evaluation. The measurement of certain indicators will be undertaken through subcontracts or retainers with relevant institutions. Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the Implementing Partner, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

Annual Monitoring will occur through the Project Steering Committee meetings. This is the highest policy-level meeting of the parties directly involved in the implementation of a project. The project will be subject to PSC meetings at least three times a year. The first such meeting will be held within the first six months of the start of full implementation.

The Project Manager in consultations with UNDP-CO and UNDP-GEF RCU will prepare a UNDP/GEF PIR/ARR and submit it to PSC members at least two weeks prior to the PSC for review and comments. The PIR/ARR will be used as one of the basic documents for discussions in the PSC meeting. The Project Manager will present the PIR/ARR to the Project Steering Committee, highlighting policy issues and recommendations for the decision of the PSC participants. The Project Manager also informs the participants of any agreement reached by stakeholders during the PIR/ARR preparation on how to resolve operational issues. Separate reviews of each project component may also be conducted if necessary. The Project Steering Committee has the authority to suspend disbursement if project performance benchmarks are not met. Benchmarks will be developed at the Inception Workshop, based on delivery rates, and

qualitative assessments of achievements of outputs.

The terminal PSC meeting is held in the last month of project operations. The Project Manager is responsible for preparing the Terminal Report and submitting it to UNDP-CO and UNDP-GEF RCU. It shall be prepared in draft at least two months in advance of the terminal PSC meeting in order to allow review, and will serve as the basis for discussions in the PSC. The terminal meeting considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learnt can be captured to feed into other projects under implementation of formulation.

UNDP Country Offices and UNDP-GEF RCU as appropriate, will conduct yearly visits to project sites based on an agreed upon schedule to be detailed in the project's Inception Report/Annual Work Plan to assess first hand project progress. Any other member of the Project Steering Committee can also accompany this visit. A Field Visit Report will be prepared by the UNDP-CO and UNDP-GEF RCU and circulated no less than one month after the visit to the project team, all Project Steering Committee members, and UNDP-GEF.

Project Reporting

The Project Manager in conjunction with the project team will be responsible for the preparation and submission of the following reports that form part of the monitoring process. The first six reports are mandatory and strictly related to monitoring, while the last two have a broader function and the frequency and nature is project specific to be defined throughout implementation.

A Project Inception Report will be prepared at least one month before the Inception Workshop and finalized immediately following the Inception Workshop after consolidating all the stakeholders' comments. It will include a detailed First Year/ Annual Work Plan divided into quarterly time-frames detailing the activities and progress indicators that will guide implementation during the first year of the project. This Work Plan will include the dates of specific field visits, support missions from the UNDP-CO or the RCU or consultants, as well as time-frames for meetings of the project's decision making structures. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 month time-frame. The Inception Report will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may affect project implementation. When finalized, the report will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to this circulation of the IR, the UNDP Country Office and UNDP-GEF RCU will review the document.

An Annual Review Report shall be prepared by the Project Manager and shared with the Project Steering Committee. As a self-assessment by the project management, it does not require a cumbersome preparatory process. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the Project Progress Report (PPR) covering the whole year with updated information for each element of the PPR as well as a summary of results achieved against pre-defined annual targets at the project level. As such, it can be readily used to spur dialogue with the Project Steering Committee and partners. An ARR will be prepared each year prior to the Project Steering Committee meeting to reflect progress achieved in implementing the Annual Work Plan and assess performance of the project in achieving intended outcomes/outputs and partnership work. The ARR should consist of the following sections: (i) project risks and issues; (ii) project progress against pre-defined indicators and targets and (iii) outcome performance.

The Project Implementation Review (PIR) is an annual monitoring process mandated by the GEF. It has become an essential management and monitoring tool for project managers and offers the main vehicle for extracting lessons from ongoing projects. Once the project has been under implementation for a year, a Project Implementation Report must be completed by the project team and submitted to UNDP CO for comments, after finalized will send to RTA for clearance. The PIR should be prepared in a participatory manner in July and discussed with the UNDP CO and the UNDP/GEF RCU during August with the final submission to the UNDP/GEF Headquarters in the first week of September.

Quarterly Progress Reports (QPR) are short reports outlining main updates in project progress and will be provided

quarterly to the local UNDP Country Office and the UNDP-GEF RCU by the project team. Their timely and regular completion is important, as a compound report with QPRs for all projects under implementation is submitted to the GEF Council at the occasion of their meetings.

A Combined Delivery Report (CDR) summarizing all project expenditures, is mandatory and should be issued quarterly. The Project Manager should send it to the Project Steering Committee for review and the Implementing Partner should certify it. The following logs should be prepared: (i) The Issues Log capture and track the status of all project issues throughout the implementation of the project. It will be the responsibility of the Project Manager to track, capture and assign issues, and to ensure that all project issues are appropriately addressed; (ii) the Risk Log is maintained throughout the project duration to capture potential risks to the project and associated measures to manage risks. It will be the responsibility of the Project Manager in collaboration and consultation with the UNDP CO to maintain and update the Risk Log, using Atlas; and (iii) the Lessons Learned Log is maintained throughout the project to capture insights and lessons based on good and bad experiences and behaviours. It is the responsibility of the Project Manager to maintain and update the Lessons Learned Log.

During the last three months of the project the project team will prepare the Project Terminal Report (PTR). This comprehensive report will summarize all activities, achievements and outputs of the Project, lessons learnt, objectives met (or not achieved), structures and systems implemented, etc. and will be the definitive statement of the Project's activities during its lifetime. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the Project's activities.

As and when called for by UNDP CO, UNDP-GEF or the Implementing Partner, the project team will prepare specific Thematic Reports, focusing on specific issues or areas of activity. The request for a Thematic Report will be provided to the project team in written form by UNDP and will clearly state the issue or activities that need to be reported on. These reports can be used as a form of lessons learnt exercise, specific oversight in key areas, or as troubleshooting exercises to evaluate and overcome obstacles and difficulties encountered. UNDP is requested to minimize its requests for Thematic Reports, and when such are necessary will allow reasonable timeframes for their preparation by the project team.

Technical Reports are detailed documents covering specific areas of analysis or scientific specializations within the overall project. As part of the Inception Report, the project team will prepare a draft Reports List, detailing the technical reports that are expected to be prepared on key areas of activity during the course of the Project, and tentative due dates. Where necessary this Reports List will be revised and updated, and included in subsequent APRs. Technical Reports may also be prepared by external consultants and should be comprehensive, specialized analyses of clearly defined areas of research within the framework of the project and its sites. These technical reports will represent, as appropriate, the project's substantive contribution to specific areas, and will be used in efforts to disseminate relevant information and best practices at local, national and international levels.

Project Publications will form a key method of crystallizing and disseminating the results and achievements of the Project. These publications may be scientific or informational texts on the activities and achievements of the Project, in the form of journal articles, multimedia publications, etc. These publications can be based on Technical Reports, depending upon the relevance, scientific worth, etc. of these Reports, or may be summaries or compilations of a series of Technical Reports and other research. Project publications may also include documentary films of video clips, pages on websites or other digital publications. The project team will determine if any of the Technical Reports merit formal publication, and will also (in consultation with UNDP, the government and other relevant stakeholder groups) plan and produce these Publications in a consistent and recognizable format. Project resources will need to be defined and allocated for these activities as appropriate and in a manner commensurate with the project's budget. Since the project is located in a predominantly Chinese-speaking area, those publications that are aimed at local stakeholders or communities should be also published in Chinese.

Independent Evaluations, Audits and financial reporting

SFA will require internal audit of use of government contribution funds. In addition the project will be subjected to at least two independent external evaluations as follows: An independent Mid-Term Review will be undertaken as near as possible to the mid-point of the project lifetime. The Mid-Term Review will determine progress being made towards the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. The review will pay close attention to

achievement of indicators identified in the project document and subsequent AWP. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term review will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term review will be prepared by the UNDP CO based on guidance from the UNDP-GEF RCU.

An independent Final Evaluation will take place three months prior to the terminal Project Steering Committee meeting, and will focus on the same issues as the mid-term review. The final evaluation will also look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals. The Final Evaluation should also provide recommendations for follow-up activities. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the UNDP-GEF RCU.

Learning and knowledge sharing

Capturing and sharing knowledge and lessons learned will constitute an important component of the project and an essential way to ensure sustainability and replicability of project achievements. Learning and knowledge sharing cuts across all three outcomes and relevant outputs are included under each respectively. As the local stakeholders are Chinese-speaking (with very limited capacity in English), it is essential that adequate human and financial resources are available for translation between English and Chinese for all communication activities and for the dissemination of outputs.

Results from the project will be disseminated within and beyond the project intervention zone through a number of existing information sharing networks and fora. In addition, the project will participate, as relevant and appropriate, in UNDP/GEF sponsored networks, organized for senior personnel working on projects that share common characteristics. UNDP/GEF RCU has established an electronic platform for sharing lessons between the project coordinators. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Identifying and analyzing lessons learned is an ongoing process, and the need to communicate such lessons as one of the project's central contributions is a requirement to be delivered not less frequently than once every 12 months. UNDP/GEF shall provide a format and assist the project team in categorizing, documenting and reporting on lessons learned.

Communications and visibility requirements

Full compliance is required with UNDP's Branding Guidelines and guidance on the use of the UNDP logo. These can be accessed at <http://web.undp.org/comtoolkit/reaching-the-outside-world/outside-world-core-concepts-visual.shtml>. Full compliance is also required with the GEF Branding Guidelines and guidance on the use of the GEF logo. These can be accessed at http://www.thegef.org/gef/GEF_logo. The UNDP and GEF logos should be the same size. When both logs appear on a publication, the UNDP logo should be on the left top corner and the GEF logo on the right top corner. Further details are available from the UNDP-GEF team based in the region.

Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at:

http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf. Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

Audit Clause

The Government of China will provide the Resident Representative with certified periodic financial statements and an annual audit of the financial statements relating to the status of UNDP (including GEF) funds according to the established procedures set out in the Programming and Finance manuals. The Audit will be conducted according to UNDP financial regulations, rules and audit policies by the legally recognized auditor of the Government of China, or by a commercial auditor engaged by the Government.

Table 8: M&E Activities, Responsibilities, Budget and Time Frame

Type of M&E activity	Responsible Parties	Budget (US\$)	Time frame
Inception Workshop	Project Team, UNDP CO, UNDP GEF	Cost: 10,000	Within first two months of project start up
Inception Report	Project Team UNDP CO	None	Submit draft two weeks before the IW and finalize immediately following IW
Measurement of Means of Verification for Project Purpose Indicators	Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members	Indicative cost: 10,000 Cost to be finalized in Inception Phase and Workshop.	Start, mid and end of project
Measurement of Means of Verification for Project Progress and Performance (measured on an annual basis)	Oversight by NPD. Project Team	No separate M&E cost: to be absorbed within salary and travel costs of project staff	Annually prior to ARR/PIR and to the definition of annual work plans
ARR and PIR	Project Team UNDP-CO,UNDP-GEF	No separate M&E cost: paid from IA fees and operational budget	Annually
Quarterly progress reports	Project team		Quarterly
CDRs	Project Manager		Quarterly
Issues Log	Project Manager		Quarterly
Risks Log	UNDP CO Programme Staff		Quarterly
Lessons Learned Log			Quarterly
Mid-term Review	NPD and Team. UNDP-CO. UNDP-GEF RCU. External Consultants (i.e. review team)	Cost:40,000	At the mid-point of project implementation.
Final Evaluation	NPD and Team. UNDP-CO. UNDP-GEF RCU. External Consultants (i.e. evaluation team)	Cost: 40,000	At the end of project implementation
Terminal Report	Project team UNDP-CO	None	At least one month before the end of the project
Lessons Learned	Project team UNDP-GEF RCU (suggested formats for documenting best practices, etc)	Cost :10,000 (average 2,000 per year)	Annually
Audit	UNDP-CO Project team	Cost: 45,000 (9,000 / year)	Annually

Type of M&E activity	Responsible Parties	Budget (US\$)	Time frame
TOTAL indicative COST <i>Excluding project team staff time and UNDP staff and travel expenses</i>		US\$ 155,000 (Some items covered under Government contribution)	


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\(s\)](#) with this form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Jiandi Ye GEF Operation Focal Point	Director: International Financial Institution Division III, International Department	MINISTRY OF FINANCE	01/10/2013

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date	Project Contact Person	Telephone	Email Address
Adrian Dinu, UNDP-GEF Officer-in-Charge and Deputy Executive Coordinator		May 14, 2013	Midori Paxton Regional Technical Adviser- EBD, UNDP	+66818787510	Midori.paxton@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Objective/ Outcome	Indicator	Baseline	End of Project target	Source of Information	Risks and assumptions
Objective: To strengthen the management effectiveness of protected areas to respond to threats to the globally significant biodiversity in the Daxing'anling Landscape of Heilongjiang Province and Inner Mongolia Autonomous Region.	Financial sustainability score (%) for provincial systems of protected areas: - Component 1 – Legal, regulatory and institutional frameworks - Component 2 – Business planning and tools for cost-effective management - Component 3 – Tools for revenue generation - TOTAL	25 % (HJ), 23% (IM) 14% (HJ), 14% (IM) 7 % (HJ), 8% (IM) 16.4 % (HJ), 16.0% (IM)	50% (for both HJ and IM) 25% 15% 30%	Financial Sustainability Scorecard	<u>Assumptions:</u> – The government remains committed to strengthening the PA system and to an incremental growth in the funding allocation to finance the protected area network – The government continues to be committed to provide eco-compensations. <u>Risks:</u> – Mainstreaming biodiversity and PAs into sectoral development policies will be hindered by poor inter-agency coordination, lack of incentives for other sectors and poor enforcement of agreed priorities and plans
	Average METT score of sample of 11 PAs in the Daxing'anling landscape as recorded in the BD-1 Tracking Tool	44	55	METT applied at PPG, Mid-Term Review and Final Evaluation	
	Status of selected indicator species that are rare and threatened (including <i>inter alia</i> : <i>Lynx lynx</i> , <i>Ursus arctos arctos</i> , <i>Alces alces</i> , <i>Lepus timidus</i> , <i>Tetrao parvirostris</i> , <i>Bonasia bonasia</i> , <i>Grus vipio</i> , <i>Grus leucogeranus</i> , <i>Aix galericulata</i> , <i>Brachymystax lenok</i> , <i>Astragalus mongholicus</i> , <i>Chosenia arbutifolia</i>)	Baseline survey of selected indicator species in Year 1 (see methodological plan in Table 9 in the Project Document)	Key wildlife populations maintained or increasing;	Biodiversity monitoring database	
	Number of new jobs created for local people from sustainable use of the PAs	0	900 (HJ 600, IM 300) of which 115 women and indigenous people	Analysis of PA network reports of FMAs	

Objective/ Outcome	Indicator	Baseline	End of Project target	Source of Information	Risks and assumptions
Outcome 1 Development planning frameworks for the Daxing'anling Landscape provide the enabling environment for expanding the forest and wetland PA network and mainstreaming biodiversity as an asset for sustainable development	Outputs: 1.1 Valuation of the ecosystem services provided by the Daxing'anling Landscape provides a strong business case for conserving biodiversity and expanding and strengthening the PA network 1.2 Inter-sectoral coordination and planning mechanism strengthened to integrate biodiversity and PA systems values and objectives into development and sectoral planning process 1.3 An action plan for biodiversity conservation and sustainable use in the Daxing'anling Landscape is developed and implemented 1.4 Wetland and forest PA network in Daxing'anling Landscape <u>expanded</u> based on a systematic review of PA coverage				
	Biodiversity conservation strengthened through monetary and non-monetary valuation of ecosystem services	No comprehensive (evidence-based) valuation of the ecosystem services exists	Investment in biodiversity, PAs and a regional green development strategy is being supported through widely communicated assessment of the value of the Daxing'anling's ecosystem services	Economic valuation report and communications documents	<u>Assumptions:</u> <ul style="list-style-type: none"> – Adequate information and scientific evidence exists to underpin understanding of economic values of key ecosystem services – The political will to enhance the PA network and create a landscape level inter-sectoral coordination mechanism for biodiversity conservation exists
	Threats reduced by mainstreaming biodiversity conservation and the PA system within the sectoral and development planning frameworks, indicated by effective intersectoral coordination and plans incorporating biodiversity conservation measures	No inter-sectoral coordination mechanism for biodiversity conservation and PAs exist at Landscape level Sectoral plans do not include adequate measures for biodiversity conservation 12 th 5 year plan includes chapter for biodiversity conservation but needs mainstreaming throughout	Inter-sectoral Group(s) for coordinating biodiversity conservation functioning and steering the process at landscape level At least 2 sectoral plans (among forestry, tourism, agriculture, water, mining) integrate biodiversity conservation measures, including clear safeguard measures in sector practices 13 th 5 year-Plan recognises clear linkage between biodiversity and PAs and sectoral development, and includes PA and biodiversity-related	Minutes of meetings Provincial sectoral plans 13 th 5-Year Plan	<u>Risks:</u> <ul style="list-style-type: none"> – Central government does not wish to expand the PA network or increase the number of NNRs because of financial implications – The processes for institutional change and development of regulations and safeguard measures to support effective management are too slow

Objective/ Outcome	Indicator	Baseline	End of Project target	Source of Information	Risks and assumptions
			targets		
	Expanded and more representative PA system approved	3.10 million ha (including 1.27 million ha of natural wetlands)	4.20 million ha (including 2.05 million ha of natural wetlands)	PA Systems Plan and individual gazetting documents	
	Area of PAs upgraded to National status	1.00 million ha	1.57 million ha		
	Area of PAs upgraded to Provincial status	1.32 million ha	1.44 million ha		
Outcome 2: The management effectiveness of the PA network across the Daxing'anling landscape is greatly strengthened	<p>Outputs</p> <p>2.1 PA institutional strengthening plan adopted and operationalised</p> <p>2.2 Systemic capacity strengthened for effective PA system management through regionally specific regulations and guidelines</p> <p>2.3 Improved business planning and resource allocation for PAs to directly address threats</p> <p>2.4 PA staff skills enhanced with over 300 trainees meeting occupational competency standards</p> <p>2.5 PA and biodiversity information management system significantly improved</p>				
	Capacity development scorecard (%) for the protected area system	49% (Heilongjiang) 41% (Inner Mongolia)	60% (Heilongjiang) 55% (Inner Mongolia)	Institutional capacity development scorecard	<p><u>Assumptions:</u></p> <ul style="list-style-type: none"> – Stakeholder institutions constructively engage in the identification of the most cost-effective institutional and governance arrangements for the PA network – The individual PA institutions maintain a clear mandate and unequivocal authority to fulfil local oversight and management obligations for the protected area network – Information to support the planning and management of the PAs is made available by government and institutional data
	Landscape level PA financing (for salaries and operational costs) increased to close the existing annual financing gap by 50% for basic expenditure scenario (planned through business plans and tracked with PA financial sustainability scorecard)	US\$ 2.98 million / year (HJ) US\$ 4.08 million / year (IM)	US\$ 12.322 million / year (HJ) US\$ 5.614million / year (IM)	Business plans Audited financial reports of PAs Financial sustainability scorecard	
	Increase in annual operational budgets for PAs	US\$ 480,000	US\$ 960,000	Departmental budgets and audits. approved investments under 12 th & 13 th 5-year plans.	
	Number of trained staff with certified competency standards	0	300 PA trainees to competency standards in	PA Training Section reports	

Objective/ Outcome	Indicator	Baseline	End of Project target	Source of Information	Risks and assumptions
	Reduction in illegal incidents within the PAs – poaching, illegal harvesting, etc., despite improved activity of rangers	Inner Mongolia section: average of 2908 administrative cases and 79 criminal cases (2009 & 10) Heilongjiang section: average of 95 administrative cases and 20 criminal cases (2010 & 11)	at least 5 subject modules 10% decrease from the baseline for each province section despite improved rangers	Police records	holders <u>Risks:</u> – Coordination of action between SFA and other PA management authorities proves difficult, as a result of institutional rigidities— thus undermining the conservation efforts promoted through the project. – After 2013, China will launch a new round of government institutional reforms to mainstream the people’s livelihood-related issues (such as increasing incomes, regional equality, and health) into the agenda of governments. This may reduce the focus on environmental protection (including wetlands), disproportion the national investment and budget on wetland conservation in national revenues, and thus hinder the process of achieving wetland conservation objectives.
Outcome 3: Effective PA management is demonstrated in the Duobuku’er NNR and the Genheyuan NWP	Outputs 3.1 Integrated management plans prepared in a participatory way, adopted and implemented 3.2 Biodiversity and ecological health monitoring systems in place 3.3 Effective and adaptive conservation of biodiversity is demonstrated through restoration of degraded habitats and recovery measures for threatened species 3.4 Sustainable use of biodiversity demonstrated through high quality planning, enhanced co-management arrangements and better law enforcement 3.5 PA management effectiveness at the demonstration sites improved through local community participation and raised public awareness				
	Management effectiveness increased in both demonstration sites (based on METT scores) Duobuku’er NNR Genheyuan NWP	35 46	55 66	METT applied at mid-term and at the end of the project.	Risks – Project affected by fire, drought or other “acts of God”.

Objective/ Outcome	Indicator	Baseline	End of Project target	Source of Information	Risks and assumptions
	Ecosystem Health improved (based on EHI Score) Duobuku'er NNR Genheyuan NWP	EHI system has been introduced during the PPG 0.51 0.62	Biodiversity monitoring system being implemented and EHI score improved 0.55 0.66	EHI Scorecards	

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

STAP Screening of PIF	Responses at Time of CEO Endorsement Request	Reference in Documents
<p>1. STAP welcomes this PIF which is submitted under the Program (GEF ID 4646) CBPF-MSL Main Streams of Life “Wetland PA System Strengthening for Biodiversity Conservation”. The project is well-aligned to the Program and STAP commends the proponents for including in the Project Framework some quantitative targets for the listed outcomes and notes that the PPG will be used to prepare the remaining targets cited in the Framework. STAP wishes to point out a number of issues below which may assist in further development of this initiative.</p>	<p>PPG has been used to prepare the remaining targets. However, it has not been possible to set quantitative species level biodiversity targets due to the almost complete lack of any quantitative baseline data on species abundance or distribution – even for IUCN Red List species. However, a list of indicator species has been identified by local specialists, and the baseline will be set in Year 1 as part of the establishment of an overall monitoring system. A draft monitoring protocol was prepared during PPG.</p> <p>Capacity building for biodiversity and ecological health monitoring has been given high priority in the project due to the absence of basic information and the low capacity of PA staff in this regard.</p>	<p>Pro Doc page 86 CEO Doc page 22 Pro Doc page 30</p> <p>Pro Doc page 54-55,</p>
<p>2. Of the projects within the Program, this one appears to hinge far more upon reaching agreement with the many local communities and authorities to reduce unplanned exploitation and to give up land to increased area of Protected Areas (PAs). STAP requests that the proponents consult STAP or its GEF advisory documents (STAP, 2010a,b) regarding GEF's application of Payments for Environmental Services and Community Forest Management to ensure that best practice is applied and opportunities taken for sound experimental design regarding eco-compensation and co-management proposals within this and other projects of the Program.</p> <p><u>References</u></p> <p>STAP. 2010a. Payments for Environmental Services and the Global Environment Facility: A STAP advisory document. http://www.thegef.org/gef/sites/thegef.org/files/publication/STAP_PES_2010.pdf</p> <p>STAP. 2010b. The Evidence Base for Community Forest Management as a</p>	<p>Human population densities in the Daxing’anling region are very low, and concentrated in towns. The wider landscape has few inhabitants with most of these being employees of the Forest Management Authorities. Indeed, the FMAs with 121,482 staff are BY FAR the largest employers in the region (out of a total population of 970,245 (ie almost every family will have a close relation working for an FMA), meaning that reaching agreements with local communities is not a major issue.</p> <p>The main current use of the landscape and PAs by local communities is for the collection of non-timber forest products (mainly berries and medicinal herbs) for subsistence use and sale to processing factories. This is already allowed in certain zones of the PAs, and the project will establish co-management agreements and other means to regulate harvests where necessary. Eco-tourism is an important potential source of community benefit from the area, and will be the focus of targeted activities during the project.</p> <p>The STAP documents on Payments for Environmental Services and Community Forest Management were consulted during the PPG and are highly relevant to the existing schemes in operation for the Daxing’anling region, most specifically the National Natural Forest Protection Programme which is supporting communities to protect this crucial water source area. Further potential PES schemes for wetlands will be explored and developed during the project. The documents will be valuable for project</p>	<p>Pro Doc page 14&15</p> <p>Pro Doc page 15</p> <p>Pro Doc page 22</p>

<p>Mechanism for Supplying Global Environmental Benefits and Improving Local Welfare: A STAP advisory document http://www.thegef.org/gef/sites/thegef.org/files/publication/STAP_CFM_2010.pdf</p>	<p>implementation and have been referenced for further use.</p>	<p>Pro Doc page 54</p>
<p>3. The baseline summary presented in the PIF contains the hypothesis that the "Master Plan of Ecological Conservation and Economic Transition in Daxing'anling and Xiaoxing'anling Forested Regions (2010-2020)" will, through its rationalization of development around exploitation of ecosystem services, strengthen the nature reserves for wetland and forest conservation. What is the evidence for this? Addressing this question will help the project proponents focus on the trade-offs that will be required. If these ecosystem services, including timber, water, and supply of non-timber products, are all expected to be produced in greater quantities in future, this implies considerable displacement of existing exploiting communities coupled with greater revenues to pay for the rehabilitation of the forest and wetland complex. Nevertheless, STAP expects that the challenges of community dependence and additional expansion of natural resource extraction and agriculture should be rated medium to high in the risk statements.</p>	<p>The National Natural Forest Protection Programme has been implemented in the Daxing'anling since 1998, leading to a sharp reduction of timber harvests. At the same time, "eco-forests" have been established under strict management, some farmlands have been restored to forests, and the area of nature reserves has risen to over 16.6% of the landscape in line with the new policy direction of the region.</p> <p>Water resource developments (dams and reservoirs) do not pose a major threat because of the unsuitable topography. Mining is confined to a few small gold-mines, and is under strict regulation – but the extraction of sand and gravel (often from rivers) and stone (from quarries) is more significant. Hunting is not permitted.</p> <p>Harvest of NTFPs provides an important source of income for local families and will be managed more effectively through guidelines, regulations and co-management arrangements.</p> <p>Ecotourism is probably the most likely major development, which could bring important economic benefits to local communities, but also poses threats to biodiversity if not well planned. The project will therefore focus on this sector, both in providing strategic advice but also demonstration of low-impact approaches.</p> <p>There is most unlikely to be "considerable displacement of existing exploiting communities" because of the reasoning given in this and the previous response. See also the Environmental and Social Screening Checklist</p> <p>This risk has been added to the risk table, but is assessed as "Low"</p>	<p>Pro Doc page 14, 15, 16, 17, 21, 22</p> <p>Pro Doc page 23, 24</p> <p>Pro Doc Page 15, 52, 60</p> <p>Pro Doc Page 15, 60</p> <p>Pro Doc Annex 5</p> <p>Pro Doc page 69</p>
<p>4. The fundamental concern that STAP shares with the proponents is that (i) the baseline describes an existing fragmented set of PAs and (ii) the baseline assumption that by simply expanding these that a sustainable landscape will result. Clearly a spatial analysis is essential to determine whether the proposed expansions of PAs are the most effective in terms of the</p>	<p>PA expansion will fully take into account the ecological representativeness, connectivity and biodiversity benefits. A systematic review of PA coverage will be undertaken (Output 1.4) to identify overall spatial needs for further protection of biodiversity in the Daxing'anling Landscape, with the objectives of: a) providing more effective and representative conservation of threatened habitats and species; b) providing more effective protection of critical ecosystem services, particularly those provided by wetlands and those that deliver economic benefits to the region; and</p>	<p>Pro Doc page 48-50</p>

<p>biodiversity connectivity of core areas, buffer zone management and hydrological integrity. The map attached to the PIF indicates a series of ridge-top PA sites, but does not demonstrate a rational functional context for these. Without such an independent analysis and feedback to the Master Plan authors, the global environmental benefits expected may not be realized.</p>	<p>c) ensuring the PA system is better able to sustain biodiversity in a changing climate. This review will consider extensions to existing PAs, the creation of new PAs, status upgrades to provincial and national level nature reserves, and potential for international designations to ensure a higher level of protection and investment. The result of this review will be the preparation of a Daxing'anling Landscape level PA Systems Plan including concrete actions to deliver PA expansion and investment in the 13th 5-year plan.</p>	
<p>5. STAP welcomes the planned review of spatial arrangements within Component 1 and agrees that this is fundamental to the success of every other intervention proposed. However, the PIF does not make clear whether subsequently the physical PA boundaries set by the Master Plan could be challenged using the results of the spatial (and functional) analysis. STAP recommends that the PPG work should expand Activity 1 (of the PPG) which includes an in-depth review of the Master Plan to check the feasibility of its amendment. The Risk Table at B.4, first item should be amended to reflect the risk of inflexibility.</p>	<p>See above response. Importantly, the project will also address biodiversity conservation across the whole landscape through mainstreaming activities under Outcome 1.</p> <p>SFA, as the managing authority of the Daxing'anling through its FMAs has a strong mandate (working with the Ministry of Environmental Protection) to add to or change national level PAs, while the provincial authorities can adjust provincial level PAs. The expansion of PA coverage and PA network are normally achieved through establishment of new PAs, or expansion of the existing PA, (e.g. change of boundary, which is a common practice in PA management). Often PA, or local government may demand boundary adjustments for economic development purposes, which may be a challenge. However, for the sake of comprehensive biodiversity conservation, expansion of a PA boundary will normally be accepted by SFA, or the Ministry of Environment Protection.</p> <p>The Master Plan has been carefully reviewed as part of the PPG and it can be confirmed that: a) the physical boundaries of the PAs are not defined in the plan (which only gives an overall target number and area of PAs); b) whilst it is very difficult to reduce the size of a PA, there is not usually any difficulty in extending a PA provided that adequate scientific justification is provided (the procedure normally takes one year). There is not therefore considered to be a serious risk of inflexibility in this regard.</p>	<p>Pro Doc page 48-50</p> <p>Pro Doc page 19</p>
<p>6. The wetland and forest complex was historically a part of the former range of the Amur tiger. Management of the complex to achieve good conservation status would be a useful contribution towards the potential of the area in the long term to host a future tiger population or at least to promote connectivity to the north eastern China population remnant.</p>	<p>In the 1800s the distribution of Amur tiger was very extensive. It covered not only the northeast of China including the Daxing'anling, but also to the north of Beijing area, as well as a similarly vast area in Russia.</p> <p>During the 1900s, the distribution shrank rapidly because of the large-scale population immigration, growth and exploitation of northeast China.</p> <p>By the 1980's, there were about 300 Amur tigers totally in the world, with about 100 in China, but it was absent from the Daxing'anling area. Today there are about 500 Amur tigers totally in the world, with only about 20 in China in the east parts of Heilongjiang and Jilin provinces (most are</p>	<p>Page 13</p>

	<p>in Russia). The nearest individuals are several hundred to 1000 km away from the Daxing'anling, so it will be impossible to increase landscape connectivity for the tigers to immigrate to the Daxing'anling naturally, given the ongoing growth of population, economy, and urbanization in this region.</p> <p>However, bringing the Daxing'anling back into good ecological condition will benefit many globally threatened species, and restore the food chain for large predators.</p>	
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RESPONSES TO COMMENTS BY GEF SECRETARIAT		
Comment	Responses	Reference in Documents
14. Is the project framework sound and sufficiently clear?		
<p>While the project framework is comprehensive, the project covers many outputs and activities which are very ambitious. Particularly component 3 covers wide range of activities, which requires further focus to ensure tangible results within the limited budget. For example, the project could focus on fewer, cost-effective, and most effective restoration measures as well as sustainable use activities with the community. Please further review the components and activities, and provide further focus.</p>	<p>GEF SEC comments and advice on the ambitious nature of the project, and the need to focus certain activities are welcomed.</p> <p>We do not propose any changes to Components 1 and 2, for which the proposed Outputs are all considered to be adequately focused and essential for achieving the Project Objective.</p> <p>However, for Component 3 we agree with the comments and have adjusted the Project document as follows:</p> <p>Output 3.3: The proposed activity on the restoration of fire-damaged forested wetland habitats has been deleted (although some experimental/research work on this subject may be continued by Government). This is because it is considered less of a priority (for achieving the Project Objective) than the restoration of artificially afforested wetlands and roadside quarries, and because the scientific evidence base for human intervention will take many years to establish.</p> <p>Output 3.4: The proposed work on sustainable agriculture at Duobukuer NNR has been deleted because further agricultural developments are already banned within the NNR, the current policy direction is already restoring agricultural land to natural habitats, and government is already working on this issue. The more strategic approach to addressing agricultural activities at landscape scale is retained under Component 1.</p> <p>Output 3.4 The proposed work on sustainable use of non-timber forest products (NTFPs) will be limited to developing a sustainable approach to the harvest of berries (cranberry and lingonberry) from wetland habitats, since this is considered to be the NTFP resource currently giving rise to the highest</p>	<p>ProDoc: Page 59</p> <p>ProDoc: Page 61</p> <p>ProDoc Page 61</p> <p>CEO Doc Page 3 Project</p>

	potential for conflict and over-exploitation. The approach developed will, however, also provide a good model for future work on other NTFPs.	Framework
15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?		
<p>The global environmental benefits, i.e. targets related to biodiversity are unclear. While it is understood that the baseline information are lacking in the area (in terms of species distribution, population, etc), one wonders then why the area is known for its globally significant biodiversity, and how and when the species information have been collected.</p> <p>While the detail baseline targets may be identified during the first year of project implementation, the PM suggests that potential or indicative species and ecosystem benefits and targets are included in the project results framework. The coverage and EHI targets are not enough to understand the GEBs of the project.</p> <p>Further the project relies heavily on scorecards to show results, which do not clearly specify the GEBs. For example, it is not very clear what exactly it means with 4% increase in EHI scoring. The PM suggest that the results framework to include both scorecards (i.e. aggregated) and specific (e.g. species, ecosystem, etc) indicators for results.</p>	<p>The existing information on the biodiversity of the region comes mainly from species lists that have been compiled for the PAs (but with no quantitative or spatial information), individual research studies by outside academics, and occasional more strategic reviews (such as the 2012 wetland inventory report by SFA, the 2004 survey of the Huzhong Nature Reserve, and a review of the status of the Eurasian Lynx in the region (Bao Weidong, 2010)). However these studies are not sufficient to clearly indicate global significance.</p> <p>There are at least 22 known IUCN Red List species in the area and there will be direct GEB on them measured through the reduction of threats on these. Please see the second indicator in component 1 of the logframe as for threat reduction indicators, as well as increase in the EHI score for each site as a result of a reduction in pressures on biodiversity (eg over-harvesting, agricultural impacts, illegal activities)</p> <p>12 species were originally included in the results framework as Objective Indicators. These are: Lynx lynx, Ursus arctos arctos, Alces alces, Lepus timidus, Tetrao parvirostris, Bonasia bonasia, Grus vipio, Grus leucogeranus, Aix galericulata, Brachymystax lenok, Astragalus mongholicus, Chosenia arbutifolia). They were selected by local specialists as being regionally significant or IUCN Red List species that occur both in the demonstration sites and across the Daxing'anling landscape. A major effort will be made to set baselines during Year 1 of the project and the end of project target is for the populations to be maintained or increasing. During PPG a draft monitoring protocol, defining monitoring methodologies for these and other ecosystem health indicators was developed. This will be finalised for implementation in year 1.</p> <p>The EHI target (with its 3 component assessments of Habitat Health, Species Health and Environmental Context Health) has been retained as an innovative and aggregated assessment of ecosystem benefits, in addition to the specific indicators mentioned above. EHI is a useful monitoring tool designed to check the ecological capacity of a given ecosystem to conserve specific biodiversity or provide certain important ecological services. Main indicators of health are biological, chemical or physical characteristics. It is also useful in that it can indicate ecosystem elements/issues that need to be regularly monitored by PA managers. EHI is not an evaluation. It is a dynamic, constantly varying index that reflects biodiversity health, just as a financial index reflects</p>	<p>ProDoc Page 12</p> <p>ProDoc Page 87</p> <p>ProDoc: Annex 3</p>

	<p>economic performance. In other words, improving in the index means that the capacity of a given ecosystem is generally improving/bettering the situation. A full report on the EHI methodology is available upon request.</p> <p>The absence of quantitative biodiversity baselines (and capacity to collect such information) is a reality, and a serious gap in the management effectiveness of the PA network that must be addressed by the proposed project. This has arisen because the managers and staff of the PAs are former foresters, with little or no training on wetlands or biodiversity. High priority is given to addressing this issue through activities under all three Components, and detailed baselines will be set during the first year, along with the provision of appropriate training</p>	
<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?</p>		
<p>Further information is requested to further clarify socio-economic benefits through the project intervention, including identification of relevant results indicators. On indigenous peoples and gender mainstreaming, please provide further information on the relevant assessments and consultations that have been undertaken during project preparation in order to identify appropriate activities.</p>	<p>The main socio-economic benefit expected from the project intervention will be a more sustainable economic model for the region and particularly for the protected areas network which currently provides employment for over 1200 local people. In addition, the piloting and development of new livelihood options, particularly ecotourism in and around the PAs will create significant new employment opportunities for indigenous people and women. Local specialists estimate that 900 new jobs could be provided by PA system in the region (300 for Inner Mongolia section and 600 for Heilongjiang section respectively), of which 115 jobs will be offered to indigenous people and women. An additional indicator for the number of new jobs created in each province (and total for indigenous people and women) has been added to the SRF as an Objective indicator.</p> <p>With regard to indigenous peoples and gender mainstreaming, the following additional information can be provided on assessments and consultations that were made during PPG in order to identify appropriate mainstreaming activities: (i) A visit was made at the start of PPG to the Township of the Aolugoya tribe to better understand their current situation and aspirations; this was then followed up by a more formal meeting (including the Chief of the Township), to gain input to specific questions to ensure their views were fully considered in the project document. The conclusion of this consultation has now been attached as new Annex 9 to the Project Document to guarantee its further consideration during project implementation. (ii) During the second visit of the project team to the Daxing'anling region, two "Community consultation" sessions were held to gain inputs to project formulation, with a specific emphasis on minority groups, women, youth etc.. Representatives of some 10 community groups attended each session. The results of these consultations were used to formulate project activities,</p>	<p>ProDoc Page 87</p> <p>CEO Doc Page 14, 22</p>

	<p>particularly under Component 3. There was strong interest in further engagement with the project, and these groups will participate in the 2 proposed Community Forums to ensure their views are considered in the future management of the two demonstration areas. It should be noted that the views of both the Aolugoya tribe and the community groups were unanimously positive with regard to the proposed project interventions. The results of these specific consultations and further consultations with the many other stakeholders who contributed to the project formulation were used to compile the Environmental and Social Screening Summary (Annex 5), which will be reviewed and updated at mid-term and end of the project.</p>	<p>ProDoc Page 179 CEO Doc Page 8</p>
<p>17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?</p>		
<p>Please note comments above on item 16.</p>	<p>See Response above.</p>	

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS⁷

A. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

The main issue of concern that arose during PPG was the almost total lack of quantitative information on the biodiversity of the PA system in the Daxing'anling region, which made it impossible to set baselines and targets for the project. Although a set of indicator species has been identified, including several globally threatened species, gathering the baseline information will need to be given priority attention during Year 1.

B. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF:			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
ATLAS Activity 1: Project Preparation	125,046	78,561.63	46,484.37
TOTAL	125,046	78,561.63	46,484.37

Note: Project Preparation covers the following activities as per the PPG request: (1) Systemic and institutional capacity for managing the sub-system of wetland PAs, (2) Biodiversity status assessment and assessment of monitoring and reporting needs, adaptation of national level biodiversity health index, (3) Assessment of PA information and data management system in Daxing'anling Region, (4) Wetland PA financing needs and management effectiveness assessment, (5) Profiling of PAs in Daxing'anling Region and initial design of co-management activities, (6) Feasibility analysis and budget.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A

⁷ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.