

GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS

Country/Region: China
 Project Title: China: CBPF: Strengthening the Effectiveness of the Protected Area System in Qinghai Province
 GEFSEC Project ID: **3992**
 GEF Agency Project ID: 4179 (UNDP) GEF Agency: UNDP
 GEF Focal Area (s): Biodiversity
 GEF-4 Strategic Program (s): BD-1;
 Anticipated Project Financing (\$): PPG: \$100,000 GEF Project Allocation: \$5,354,545 Co-financing: \$18,349,000 Total Project Cost: \$23,803,545
 PIF Approval Date: October 15, 2009 Anticipated Work Program Inclusion: March 17, 2010
 Program Manager: Yoko Watanabe GEF Agency Contact Person: Midori Paxton

Review Criteria	Questions	Secretariat Comment at PIF/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	China has ratified the CBD and eligible for GEF BD finance.	Yes, as noted at the time of PIF approval.
	2. If there is a non-grant instrument in the project, check if project document includes a calendar of reflows and provide comments, if any.		n/a
	3. Has the operational focal point endorsed the project?	An endorsement letter dated 20 April 2009 is attached which endorses the amount of \$6 million for this project.	Yes, the letter submitted at the time of PIF approval is still valid.
	4. Which GEF Strategic Objective/ Program does the project fit into?	The project conforms well with BD SO1, particularly with SP3 (terrestrial ecosystem) and SP1 (sustainable financing).	Yes. The project document is consistent with the PIF and conforms well with BD1.
	5. Does the Agency have a comparative advantage for the project?	The comparative advantage of UNDP in managing the project is recognized as it has the overall lead on CBPF program management and its experience and ongoing projects on PA management in China and elsewhere.	Yes, as noted at the time of PIF approval.
Resource Availability	5. Is the proposed GEF Grant (including the Agency fee) within the resources available for (if appropriate):		
	• The RAF allocation?	The project is expected to seek total \$6	Yes, as noted at the time of PIF approval.

		million from the GEF (including PPG) and \$5.354 million for the project. China has a remaining GEF RAF resources of \$17 million and it is within the allocation.	
	• The focal areas?	refer above.	refer above.
	• Strategic objectives?	n/a	n/a
	• Strategic program?	The project is part of the China Biodiversity Partnership Framework program.	The project is part of the GEF4 China Biodiversity Partnership Framework program as well as well linked and coordinated with the GEF5 programmatic approach on the CBPF-Mainstream of Life.
Project Design	6. Will the project deliver tangible global environmental benefits?	The global biodiversity significance of the region is recognized and the project is expected to have tangible GEB in over 218000 sq km of PA estate in the Quinhai province in China. The demonstration conservation work at the Sanjiangyuan National Nature Reserve, known for its extensive wetlands and as habitats of globally threatened species, will directly cover an area of over 152300 sq km. Further identification of measurable indicators are expected at the time of CEO endorsement.	
	7. Is the global environmental benefit measurable?		Yes, adequate PA coverage indicators and species indicators are provided for this globally significant biodiversity area, particularly on wetlands ecosystem.
	8. Is the project design sound, its framework consistent & sufficiently clear (in particular for the outputs)?	<p>The PIF identifies general threats and barriers, and suggested action to strengthen the PA management and mainstreaming PA management objectives in the provincial development policies and plans.</p> <p>The following three components that have been identified are relevant and compliments each other: 1) mainstreaming PA management objectives in development plans and policies; 2) increased PA management effectiveness at the provincial level; and 3) demonstration of effective PA management at the Sanjiangyuan</p>	Yes, in general, the project framework is well developed with detail description on project components and approaches. The project employs a good balance between the provincial level planning/institutional capacity building for PA system management and on-the-ground initiative in the key PAs at the Sanjiangyuan National Nature Reserve. GEFSEC's comments at the time of PIF approval are sufficiently addressed in the project design. The co-management model could provide a useful model and lessons to the national efforts to

		<p>NNR.</p> <p>It is important that institutional and staff capacity assessment, gaps, and needs are clearly assessed during the PPG phase and have a focused approach on the capacity development initiatives.</p> <p>Oct 13, 2009 (IZavadsky): The revised PIF and PPG request responded to the comments on capacity building in a satisfactorily way.</p> <p>It would be important that the demonstration at the SNNR is clearly linked with component 2 on PA system strengthening. Further activities to ensure this linkage needs to be identified and developed during project preparation.</p>	<p>strengthen PA system management, particularly for the wetlands.</p>
	9. Is the project consistent with the recipient country's national priorities and policies?	<p>The linkage between the project and key national and provincial development plans is recognized. It is rather unclear what the linkage is with the NBSAP other than the area is identified as a largest of the biodiversity hotspots in China. Please kindly provide further information on how the region and the initiatives are prioritized and consistent with NBSAP and other key environment and biodiversity policies and plans.</p> <p>Oct 13, 2009 (IZavadsky): Additional information/clarification is provided in the revised PIF.</p>	<p>Yes, as noted at the time of PIF approval. The new NBSAP of China has prioritized the area as one of the most important areas for further investment.</p>
	10. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>The project's linkage with the CBPF is recognized. Further information and coordination mechanism needs to be clarified by the time of CEO endorsement.</p> <p>Please provide further information on the past and ongoing related conservation and</p>	<p>The coordination mechanism through the CBPF platform is well informed. However, the coordination with the local government's cofinancing initiatives (worth \$18 million in cash and in kind) could be further clarified (please refer further comments under cofinance). Please provide further</p>

		<p>sustainable use initiatives in the region, particularly by the EU and the international NGOs to determine relevance and complementarity of the GEF funded initiatives. The activities that has been conducted by the government to date is well articulated in the project design, however, it is rather unclear what other external technical support and investment have been made on PA management in Qinghai and SNNR. Is there any CEPF funding to the concerned area as well and how would it be coordinated? Please provide further information to particularly determine the value added of GEF finance.</p> <p>Oct 13, 2009 (IZavadsky): The additional information were provided in the revised PIF.</p>	<p>information on the type of activities supported by the government, and the source of finance.</p>
	11. Is the proposed project likely to be cost-effective?	<p>The cost effectiveness of the project is explained. The justification notes that per year per sq km investment in SNNR would be \$20 and it would be cost effective. Is there a comparison among investment in different PAs in China. If so, please provide some information.</p>	
	12. Has the cost-effectiveness sufficiently been demonstrated in project design?		<p>Yes, general information on the cost effectiveness is provided, particularly on project approaches that are built on proven method for upscaling (i.e. co-management etc) and on the multi-sectoral approach.</p>
	13. Is the project structure sufficiently close to what was presented at PIF?		<p>Yes, a few relevant activities have been added based on the PPG findings but the project is in line with the PIF in terms of project budget and overall project framework.</p>
	14. Does the project take into account potential major risks, including the consequences of climate change and includes sufficient risk mitigation measures?	<p>Major risks and mitigation measures are listed and considered adequate at this stage. Further information are expected at the time of CEO endorsement.</p>	<p>Yes, adequate information is provided.</p>

Justification for GEF Grant	15. Is the value-added of GEF involvement in the project clearly demonstrated through incremental reasoning?	<p>The value added of GEF investment to strengthen PA system management and ensuring linkage with the development plan in Qinghai province is well understood. As noted above, it would be useful to further understand the past and ongoing investment in the region by external actors to further determine the value added.</p> <p>Oct 13, 2009 (IZavadsky): The agency provided sufficient additional information.</p>	Yes. The GEF investment will add significant value in strengthening the PA system as a whole in Qinghai, with particular focus on the second largest PA management in China (the Sanjiangyuan National Nature Reserve), considering the still limited financial and institutional capacity for PA system management at the provincial level.
	16. Is the type of financing provided by GEF, as well as its level of concessionality, appropriate?	grant financing is sought and considered appropriate for this project.	Yes, as noted at the time of PIF approval.
	17. How would the proposed project outcomes and global environmental benefits be affected if GEF does not invest?		If GEF does not invest in the project, the PA system management in Qinghai - one of the largest province with globally important biodiversity sites with number of endangered species (such as snowleopard, wild yak, and tibetan antelope)- will remain very basic with limited coordination with production sectors particularly with infrastructure and agriculture sectors that are rapidly expanding their development activities. In adequate resources for PA planning and operations will continue to hamper the progress for biodiversity and PA management strengthening.
	18. Is the GEF funding level of project management budget appropriate?	The project management budget is identified as 10% of the GEF budget and it is proportionate to the cofinance.	Yes, it is 10% of the total GEF grant.
	19. Is the GEF funding level of other cost items (consultants, travel, etc.) appropriate?		Both the international and national consultant fees are within the norm and other office and travel costs are considered adequate.
	20. Is the indicative co-financing adequate for the project?	The cofinancing ratio is 1 to 2. Though understanding the limited capacity of the Qinghai province, the ratio is quite low for a biodiversity project in China. Are there any	

		<p>other investment in addition to the government cofinance? Increased cofinance is encouraged in addition to an explanation on the rather low cofinance ratio.</p> <p>Oct 13, 2009 (IZavadsky): The co-financing from PRC Government was increased in the revised PIF up to ratio 1:3.</p>	
	21.Are the confirmed co-financing amounts adequate for each project component?		<p>A cofinancing letter from the provincial government has been provided that confirms the total cofinancing of \$18.35m, which includes in-kind \$13m and cash \$5.3million. This is in line with what has been approved at the PIF stage, however, the in-kind portion is considered very high. Considering various related investment in the region, please consider increasing the cash portion of the cofinance.</p> <p>Moreover, considering that this is the only source of cofinance, the GEFSEC requires further information on the composition of the cofinance, particularly on the source of finance and activities that are supported under the project framework. While number of related government initiatives are noted, it is still unclear what the cofinancing amount would exactly support under the project framework and how it would compliment the GEF financed activities. Please provide further information.</p>
	22.Has the Tracking Tool been included with information for all relevant indicators?		Duly completed TTs are provided for each of the participating PA.
	23.Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		Yes, a detail M&E plan is provided with an adequate budget.
Secretariat's Response to various	STAP	Please provide adequate response once comments are provided.	Adequate response has been provided as part of the annex.

comments from:			
	Convention Secretariat	Please provide adequate response once comments are provided.	n/a
	Agencies' response to GEFSEC comments		Adequate response has been provided as part of the annex.
	Agencies' response to Council comments		Adequate response has been provided as part of the annex.
Secretariat Decisions			
Recommendation at PIF	24. Is PIF clearance being recommended?	<p>Please provide further information and revision on past and ongoing related initiatives in the region, linkage with the NBSAP and other environment related policies and plans, as well as the cofinance. Upon receipt of revised PIF, the PM will recommend the project for next work program inclusion.</p> <p>Oct 13, 2009 (IZavadsky): All GEFSEC comments/questions were satisfactorily addressed in the revised PIF and PPG request. The project manager therefore recommends the clearance of the PIF for work programme inclusion, subject to GEF 4 funding availability.</p>	
	25. Items worth noting at CEO Endorsement.		
Recommendation at CEO Endorsement	26. Is CEO Endorsement being recommended?		<p>No, please provide further information on the cofinance as commented above. Please also consider increasing the cash cofinancing ratio as appropriate. Upon receipt of the revised CEO endorsement package that adequately respond to the comments made, the PM will recommend the project for CEO endorsement.</p> <p>1 March 2012 The GEFSEC has received a revised CEO endorsement package that adequately</p>

			responds to the earlier comment. The cash cofinance has increased from \$ 5.35m to \$14.6m. Appropriate information has also been provided on the cofinanced activities related to the project. The PM recommends the project for CEO endorsement.
Review Date	1 st review		January 13, 2012
	2 nd review		March 01, 2012
	3 rd review		

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	Three broad areas of activities are identified under the PPG and they are adequate: 1) assessments of stakeholders' capacities to mainstream PA management objective across development sectors and across landscapes; 2) PA management effectiveness assessment and PA capacity building strategies' development; 3) prioritization of areas for community involvement to demonstrate effective co-management of PA; and 4) project monitoring and evaluation strategy. For effective co-management arrangements, a thorough socio-economic assessment, including gender analysis is expected.
	2. Is itemized budget justified?	The budget seems adequate and adequate cofinancing are also identified for each activities.
	3. Is the proposed GEF PPG Grant (including the Agency fee) within the resources available under the RAF/Focal Area allocation?	xxPPGResorcesxx
	4. Is the consultant cost reasonable?	Local consultant is identified as \$1250 and international consultant is \$3000 per week and considered adequate.
Recommendation	5. Is PPG being recommended?	The PPG will be recommended for CEO approval once the PIF is adequately revised and cleared. Oct 13, 2009 (IZavadsky): The revised PPG responded to certain comments made by the GEFSEC to the PIF. The PPG is being recommended for CEO approval once the PIF is cleared.

Other comments		
Review Date	1 st review	
	2 nd review	
	3 rd review	

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