



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS* THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4559		
Country/Region:	Eritrea		
Project Title:	Integrated Semenawi and Debubawi Bahri-Buri-Irrori- Hawakil Protected Area System for Conservation of Biodiversity and Mitigation of Land Degradation		
GEF Agency:	UNDP	GEF Agency Project ID:	4816 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-1;		
Anticipated Financing PPG:	\$0	Project Grant:	\$5,878,000
Co-financing:	\$10,555,400	Total Project Cost:	\$16,433,400
PIF Approval:	July 25, 2011	Council Approval/Expected:	November 01, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Jaime Cavalier	Agency Contact Person:	Veronica Muthui,

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	6-24-11 Yes. Eritrea is eligible for GEF funding. Cleared	
	2. Has the operational focal point endorsed the project?	6-24-11 Yes. There is a LoE from the OFP (Mr. Mogos Woldeyannes) for \$6,030,000. Cleared	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	6-24-11 Yes. Cleared	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	N/A	
	5. Does the project fit into the Agency's program and staff capacity in the country?	6-24-11 Yes. This project fits UNDP's priority areas on sustainable land management	

		biodiversity. "Conservation of marine resources and sustainable land-use management" are cited as priorities in the UNDAF document 2006-2011 for Eritrea. The project will benefit from the UNDP's Ecosystem and Biodiversity Teams in the Eritrea Country Office, the Africa Regional and Global Offices. Cleared	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> the STAR allocation? 	<p>LSH/Climate June 16, 2011: The STAR allocation is \$6.6million, and only \$6.03 is being used here (in PIF and LoE). Is this correct?</p> <p>7-21-11 Addressed in the revised PIF submitted July 18, 2011. Cleared</p>	
	<ul style="list-style-type: none"> the focal area allocation? 	<p>LSH/Climate June 16, 2011: In Table C, funds listed should follow the amounts that are being used from the respective STAR allocations available. The amounts per focal area should not exceed BD, \$ 1.5 million , LD \$3.13 million, and CC \$ 2.0 million. Please square the figures. Ethiopia is in the "Flexible" category.</p> <p>7-21-11 Addressed in the revised PIF submitted July 18, 2011. Cleared</p>	
	<ul style="list-style-type: none"> the LDCF under the principle of equitable access 	N/A	

	<ul style="list-style-type: none"> • the SCCF (Adaptation or Technology Transfer)? 	N/A	
	<ul style="list-style-type: none"> • Nagoya Protocol Investment Fund 		
	<ul style="list-style-type: none"> • focal area set-aside? 	NA	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	6-24-11 Yes. Cleared	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	6-24-11 Yes. BD-1, 1.1 Cleared	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	6-24-11 The project is in line with Eritrea's national development framework, and will contribute directly to the implementation of the National Biodiversity Strategy and Action Plan (NBSAP, 2000). It is also supportive of the NAPA and the Interim Poverty Reduction Strategy Paper (I-PRSP). The project will contribute directly to the revised CBD Program of Work on Protected Area (updated at CBD COP 10 in 2010) and to the vision and the two strategic objectives of the UNCCD Ten Year Strategy. Cleared	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	6-24-11 The institutional and financial sustainability of the proposed outcomes appears to rest ".....the formulation of a ten-year business plan for managing the NP and Reserves including 3-year general work plans. This business plan will include a strategy for private sector engagement, which is expected to catalyze tourism development". Please elaborate on the assumption that a business plan and action plan actually	

		<p>the first step, please provide examples on how this has evolved in other comparable situations (countries).</p> <p>While co-financing to start up the project is considerable (\$2.95 M) is there a process in place within the Government of Eritrea to absorb the recurrent costs associated with the maintenance of the PA System within the government's central and/or regional levels?</p> <p>7-21-11 Issue addressed in the revised PIF. See Response to GEFSec Review of PIF. Cleared</p>	
Project Design	<p>11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?</p>	<p>6-24-11</p> <p>On the PAs.</p> <p>Eritrea has only just embarked on establishing a formal national protected-area system for in situ conservation of biodiversity, with the 2010 gazettelement of Semenawi Bahri (Northern Sea) and the Debubawi Bahri (Southern Sea) protected areas covering 100,000 ha, with two more PAs to be gazzetted (Buri-Irrori-Hawakill and Bay of Bera'soli). All four areas are to be operationilized.</p> <p>On the Institutions charged with PA creation and management</p> <p>Understanding that a "National Protected Area Management Unit" is be established to provide systematic capacity to coordinate PA management</p>	

		<p>to determine what is the baseline investment for the creation and management of PAs in the ministries that have the authority to create the PAs (Ministries of Agriculture and Environment and the Department of Environment)? This to compare with the GEF incremental.</p> <p>7-21-11 Issue addressed in the revised PIF. See Response to GEFSec Review of PIF. Cleared</p>	
	<p>12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>		
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>6-24-11 Yes. Cleared</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>LSH/Climate June 16, 2011: The PIF indicates that the country is choosing to be flexible with its STAR allocation, and it is spending these funds on a biodiversity objective. This is theoretically fine.</p> <p>What is unclear and inconsistent is the component 3 on SLM practices and its mention on mitigation (see 3.7, and footnote 3 talks about carbon monitoring) and then in later text on page 9 there is a discussion of carbon benefits from mitigation of 200,000t carbon.)</p> <p>If the project has carbon benefit</p>	

		<p>these in the framework, and modify the rest of the text accordingly. There is an advantage to this: if at least two focal area objectives were stated, and if the project could additionally include SFM/REDD+ objectives (and it looks like this could be a candidate), then SFM funds could be requested. If the only objective is BD-1 then please focus on this objective, and modify the text to make it consistent. If other focal area objectives are of interest, please include them in the project framework and modify the text and tables accordingly. I am stopping my review at this question until the project framework is clarified.</p> <p>6-27-11 It is the understanding of BD that SLM is being used here as a "tool" to reduce threats in managed resource use PAs (IUCN VI). Clarification is required on the issues associated with Carbon benefits.</p> <p>7-21-11 Addressed in the revised PIF submitted July 18, 2011. Cleared</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>6-24-11</p> <p>The success of the project rests on the following two assumption: i) the National PA Management Unit can be structure and will carry-out its functions starting from scratch, and ii) local communities will benefit directly and indirectly from the PAs being established and managed through</p>	

		<p>SLM practices.</p> <p>What are the comparable examples in the region that suggest that this approaches actually work and deliver GEBs?</p> <p>What are the experiences so far with the two SIP projects in Eritrea (SIP- Sustainable Land Management Pilot Project ID 3364 UNDP, and SIP- Catchments and Landscape Management ID 3362 IFAD)? Although "adoption of SLM practices" sound logic, what are these practices anyway? SLM appears as a "black-box" in the PIF making difficult to evaluate the appropriateness of the proposed SLM activities.</p> <p>7-21-11 Issue addressed in the revised PIF. See item 31 (Items to consider at CEO endorsement/approval). Cleared</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>6-24-11 The socio-economic benefits are described in theory (benefiting from SLM practices, ecotourism etc). The project would need to demonstrate that they can become effective to assist in household income increases.</p> <p>What are the "climate resilient" SLM practices to be used in the project?</p> <p>7-21-11 Issue addressed in the revised PIF. See item 31 (Items to consider at CEO endorsement/approval).</p>	

	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>6-24-11 Local communities are central to the success of the project, particularly in Component 3 (managed resource use). Local communities will be engaged in co-management, and adoption of SLM technologies. Are there co-management structures and SLM technologies readily available for adoption in Eritrea? What has impeded these communities to adopt these technologies (assuming they are available)?</p> <p>7-21-11 Can the project really ".....build the capacity of the extension service to support their implementation (SLM practices) by land users as well as to continue updating their ability to match changing needs". This sounds way out of the league of this project and unlikely to be achieved within time and budget available. This is far too generic (and overoptimistic) event at PIF stage. At CEO Endorsement, please narrow down the proposed activities and approach (see item 31) Cleared</p>	
	<p>18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)</p>	<p>6-24-11 Yes. As stated in the PIF, this is a high-risk, high-reward project. Given that financial resources for PA management are considerable (\$10/ha to \$19/ha considering GEF resources only), have the Government and UNDP consider extending the project beyond 5 years to give time to the Government to tackle the risks to increase the opportunities for institutional and financial sustainability? The project may</p>	

		<p>may need some of them towards the end of the proposed 5 year project. Please elaborate.</p> <p>7-21-11 Issue addressed in the revised PIF. Cleared</p>	
	<p>19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>6-24-11 Yes. Building on the results of the ECMIB project and coordinating with the SLM project. Cleared</p>	
	<p>20. Is the project implementation/ execution arrangement adequate?</p>	<p>6-24-11 Not clear what Ministry would be the leading agency for implementation. While in Part I of the PIF, the Leading Agency is the "Department of Environment of the Min of Land ,Water and Environment", in B.5 (p.10), the leading institution is the Ministry of Agriculture. Please clarify.</p> <p>Is the National PA Management Unit going to be an independent parastatal unit, or is it going to belong to a Ministry? If so, which one?</p> <p>Every Ministry appears to have a leading role (B.5. page 10). Are these roles for the development and implementation for the project only, and then passed on to the National PA Management Unit? Please clarify.</p> <p>7-21-11 Issue addressed in the revised PIF. Please provide detailed information on "Institutional "Arrangements" at CEO Endorsement (see item 31). Cleared</p>	

	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		N/A at PIF
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		N/A
Project Financing	23. Is funding level for project management cost appropriate?	<p>6-24-11 Project Management is 8.4% of GEF funding. Following ion GEFSEC communication of 6/17/11, project management costs shall not exceed 5 percent of the total GEF grant for projects requesting GEF grants of \$2 million and above. Please address this matter.</p> <p>7-21-11 Addressed in the revised PIF submitted July 18, 2011. Cleared</p>	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>6-24-11 Yes. There is significant investment (GEF resources only) for management of restricted use PAs (\$19/ha) and managed resource PAs (\$10/ha). Please clarify if Components 2 and 3 are Investments. TA for Component 1. Cleared</p>	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	<p>6-24-11 Co-financing ratio (all in cash) is 1:1.9. Cleared</p>	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>6-24-11 Co-financing of this project is \$10,55 M from UNDP (\$2.60 M cash), Government (\$2.95 M cash), EU (\$3.0 M cash) and NORAD (\$2.0 M cash).</p>	

Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		6-27-11 At CEO Endorsement.
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>LSH/Climate June 16, 2011: Climate would like to see the PIF made consistent as described our response to #14.</p> <p>6-27-11 No. Please address issues under items 8,11,12,14,16,17,18,19,20,22,24 and 27.</p> <p>7-21-11 Yes. This PIF is recommended for clearance.</p>	
	31. Items to consider at CEO endorsement/approval.	<p>7-21-11</p> <p>1. Copy of the assessment of "lessons Learned" in Community Based Conservation Initiatives carried out during PPG (See item 15)</p> <p>2. Request detailed explanation on the Climate Resilient SLM practices to be used in the project, and a copy of the report carried out with PPG funds (see</p>	

		3. Please provide detailed information on "Institutional "Arrangements" resulting from consultations at PPG stage (see item 20).	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	June 27, 2011	
	Additional review (as necessary)	July 21, 2011	
	Additional review (as necessary)		
	Additional review (as necessary)		
	Additional review (as necessary)		

* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	<p>Program Manager Comments 6-27-11</p> <p>Component 1. The list of outputs is over-ambitious. It is not clear that this project can or even need so much information at this stage in order to prepare the CEO Endorsement (i.e sedimentation levels, climate change scenarios, identification of potential adaptation and mitigation opportunities, etc). In addition, funding will be insufficient for all these activities. Please concentrate on the pieces of information that are actually required to put the CEO Endorsement together.</p> <p>Component 3. May want to concentrate on question closely associated with the PIF (i.e item c. An assessment of opportunities.....). Budget line may be too high if focus on a few set of issues.</p> <p>Component 5. Travel expenses appear to be too high. Please re-asses.</p>

		9-1-11 Cleared
	2. Is itemized budget justified?	6-27-11 Please review total budget and itemized budget based on the reduction in project management costs (see PIF). 9-1-11 Cleared
Secretariat Recommendation	3. Is PPG approval being recommended?	6-27-11 No. Please sharpen the activities to be carried out at this stage. 9-1-11 Yes. This PPG is recommended for approval.
	4. Other comments	
Review Date (s)	First review*	June 27, 2011
	Additional review (as necessary)	September 01, 2011

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