

Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility
(Version 5)

STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: October 08, 2013

Screener: Paul Grigoriev

Panel member validation by: Sandra Diaz
Consultant(s):

I. PIF Information *(Copied from the PIF)*

FULL SIZE PROJECT **GEF TRUST FUND**

GEF PROJECT ID: 5440

PROJECT DURATION : 4

COUNTRIES : Ethiopia

PROJECT TITLE: Mainstreaming Incentives for Biodiversity Conservation in the Climate Resilient Green Economy Strategy (CRGE)

GEF AGENCIES: UNDP

OTHER EXECUTING PARTNERS: The Environmental Protection Authority; The Environmental Protection Bureaus of the Oromia, Harari Somali Southern Nations, Nationalities and Peoples Regional State; Dilla University, Wollega University and Arba Minch University

GEF FOCAL AREA: Biodiversity

II. STAP Advisory Response *(see table below for explanation)*

Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies): **Consent**

III. Further guidance from STAP

STAP welcomes the submission of this innovative and ambitious project focused upon ensuring that the currently high level of economic growth and investment in the country does not lead to further losses of biodiversity, thereby undermining environmental, social and economic sustainability. The timing of this initiative is very opportune as the CRGE is just starting to be implemented and thus there is an opening to try to influence its development and implementation early on. The proposed project also builds well upon past and ongoing relevant projects and initiatives, which is welcomed.

1. The proposal, overall, demonstrates general coherence among the multiple levels of the project's structure and it is evident that considerable thought, background research and consultation have occurred. This review has identified certain points that require further clarification, detail or attention moving forward.
2. The problem definition is straight forward in that a whole range of factors have been defined as leading to the currently alarming situation confronting biodiversity and ecosystem services in the country (high population growth, persistent rural poverty, loss of forest cover, arable soils, pastures). Clearly, these cannot be entirely addressed through this project. In that regard, the project objective, as stated, is likely a little too ambitious and could be focused better on what can actually be attained through the project (better protectedâ€|helping ensureâ€| have less impact).
3. Concerning Component 1, Outcome 1, in the table on the first page, it is presumed that the presented list of species that will benefit through better conservation of habitats are the indicators that will be used, in the targeted demonstration area and throughout the country. This should be made more clear. Concerning the PEER, in the text on page 8 it states that the expected outcome of the PEER is (for example) redistribution of spending towards biodiversity priorities, and towards longer-term goals rather than short-term ones that could result in biodiversity loss and undermine long term economic growth. This outcome is not reflected in the table.
4. It should be noted that with regard to PES, the question of land tenure and its impact on such a system is not clearly addressed. This will require further attention.
5. Regarding the development of a system of metrics for determining payments, it is proposed that an environmental service index based on biodiversity values and land uses will be developed and employed to determine levels of payment to farmers. This appears to be too static and simplistic as presented. There is, for example, no mention of

ecosystem functions or processes, or to concrete ecosystem services that will be delivered in the PES scheme, other than preservation of important animal and plant species. And how does one factor in environmental variability over time and changes due to e.g. climate change? Will payments have to be adjusted if species numbers decrease? As rightly noted in the proposal, this is an area that will require considerable further elaboration.

6. It is also noteworthy that The Economics of Ecosystems and Biodiversity (TEEB) study and its lessons is not mentioned or drawn upon at all. It would be worthwhile to consult the documents from this study.

7. The definition of risks is adequate at this stage, although it is noted that for the risk related to land tenure and property rights no mitigation is proposed. This is something that certainly needs further attention.

8. The definition of stakeholders and their respective roles is fine, although as is the case with many projects, the actual meaningfulness of engagement with local communities needs to be addressed to greatest extent possible, particularly with regard to Component 2 in this case.

9. The sustainability of the project's results is treated rather lightly and more thought should be given to this, considering the risks.

10. The key will be influencing the CRGE at an early stage through the demonstration of PES in practice. But the challenge will lie in that the measurable benefits will be hopefully observable years after the project.

<i>STAP advisory response</i>	<i>Brief explanation of advisory response and action proposed</i>
1. Consent	<p>STAP acknowledges that on scientific or technical grounds the concept has merit. However, STAP may state its views on the concept emphasizing any issues where the project could be improved.</p> <p>Follow up: The GEF Agency is invited to approach STAP for advice during the development of the project prior to submission of the final document for CEO endorsement.</p>
2. Minor revision required.	<p>STAP has identified specific scientific or technical challenges, omissions or opportunities that should be addressed by the project proponents during project development.</p> <p>Follow up: One or more options are open to STAP and the GEF Agency:</p> <ul style="list-style-type: none"> (i) GEF Agency should discuss the issues with STAP to clarify them and possible solutions. (ii) In its request for CEO endorsement, the GEF Agency will report on actions taken in response to STAP's recommended actions.
3. Major revision required	<p>STAP has identified significant scientific or technical challenges or omissions in the PIF and recommends significant improvements to project design.</p> <p>Follow-up:</p> <ul style="list-style-type: none"> (i) The Agency should request that the project undergo a STAP review prior to CEO endorsement, at a point in time when the particular scientific or technical issue is sufficiently developed to be reviewed, or as agreed between the Agency and STAP. (ii) In its request for CEO endorsement, the Agency will report on actions taken in response to STAP concerns.