



REQUEST FOR CEO ENDORSEMENT
PROJECT TYPE: Medium-sized Project
TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

| | | | |
|--|--|---------------------------|-----------------|
| Project Title: Mainstreaming biodiversity conservation into Moldova's territorial planning policies and land use practices | | | |
| Country: | Moldova | GEF Project ID: | 5355 |
| GEF Agency: | UNDP | GEF Agency Project ID: | 5259 |
| Other Executing Partner(s): | Ministry of Environment (MoE); Agency Moldsilva; Ministry of Regional Development and Construction (MRDC) | Submission Date: | 16 January 2015 |
| GEF Focal Area (s): | Biodiversity | Project Duration (Months) | 48 |
| Name of Parent Program (if applicable): | NA | Project Agency Fee (\$): | 91,096 |
| | <ul style="list-style-type: none"> ➤ For SFM/REDD+ <input type="checkbox"/> ➤ For SGP <input type="checkbox"/> ➤ For PPP <input type="checkbox"/> | | |

A. FOCAL AREA STRATEGY FRAMEWORK

| Focal Area Objectives | Expected FA Outcomes | Expected FA Outputs | Trust Fund | Grant Amount (\$) | Cofinancing (\$) |
|--|--|--|------------|-------------------|------------------|
| BD-2: Mainstream biodiversity conservation and sustainable use into production landscapes/ seascapes and sectors | Outcome 2.1: Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation | Output 1. Policies and regulatory frameworks (three) for production sectors Output 2: National and sub-national land-use plans (2 DSPs and 4 LUPs) that incorporate biodiversity and ecosystem service valuation. | GEF TF | 958,904 | 4,850,000 |
| Total project costs | | | | 958,904 | 4,850,000 |

B. PROJECT FRAMEWORK

| Objective: Mainstream biodiversity conservation priorities into Moldova's territorial planning policies and land-use practices | | | | | | |
|---|------------|--|---|------------|-------------------|----------------------------|
| Project Component | Grant Type | Expected Outcomes | Expected Outputs | Trust Fund | Grant Amount (\$) | Confirmed Cofinancing (\$) |
| 1. Land use planning and enforcement system addresses biodiversity loss | TA | <p>Enabling policy and institutional environment for mainstreaming BD principles within the State programs and rayon level land use and forest management framework resulting in:</p> <p>Reduction in unsustainable practices (grazing, logging and hay-making) on steppes and wet meadows, wetlands, river floodplains and lakes and forest ecosystems (approx. 204,000 ha). Indicators: - Recorded cases of illegal logging reduced by half by project end from a baseline of 17 in 2013 in Soroca and 14 in 2013 in Stefan Voda</p> | 1.1 Modifications in land and forest legislation and related regulations/ standards for mainstreaming biodiversity at national and local levels, including: (i) Regulation on identification of vulnerable species, habitats and ecosystem goods and services during land use planning; (ii) Amendment to the 1991 Land Code introducing requirements for identification and incorporation of biodiversity outside PAs in District Spatial Plans (DSPs) and Land Use Plans (LUPs) of localities (iii) Minimal standards for biodiversity conservation in livestock management and hay-field | GEFTF | 110,000 | 750,000 |

| Project Component | Grant Type | Expected Outcomes | Expected Outputs | Trust Fund | Grant Amount (\$) | Confirmed Cofinancing (\$) |
|--|------------|--|---|------------|-------------------|----------------------------|
| | | <p>- Observance of grazing norms (especially those related to stocking rates and non-use of pastures in Spring) by local land users in all pilot sites increases from a baseline of 0 in 2013 to 50%</p> <p>Increased knowledge and skills of central and district-level institutions to apply innovative tools and approaches to prevent/mitigate and offset impacts on biodiversity. Indicator: UNDP capacity development Scorecard shows improvement (see scorecard for baseline and target values)</p> | <p>management, arable farming, forest use, fishing and water-based recreation introduced in relevant sectoral legislation.</p> <p>1.2 Monitoring system in place to evaluate acceptable limits of change in biodiversity-important areas, and take adaptive measures to reduce impacts.</p> <p>1.3 A national multi-sectoral stakeholder committee oversees land-use plan development, implementation and enforcement.</p> <p>1.4 System of penalties for malfeasance to approved DSPs and LUPs developed and adopted reflecting the new biodiversity-friendly land use practices, and clarifications made in the mandates of the different agencies responsible for enforcement and prosecution.</p> <p>1.5 Government officers of the Agency for Land, MoE, local public authorities trained in participatory spatial planning (including conflict resolution): A series of workshops at local and district level on (i) integrated spatial planning, (ii) ecosystem values; (iii) sustainable livestock management, hay-making and forest use, and (iv) land-use enforcement mechanisms.</p> | | | |
| 2. Conservation and sustainable use of biodiversity on communal land | TA | <p>Decision support system, , incorporating biodiversity and ecosystem service values, applied in land use planning, allocation and management with the result that there is no net loss in forest and steppe cover in the two target districts. Indicators:</p> <p>- Population of following indicator species outside PAs remains stable: indicator grass species (<i>Stipa pennata</i> and <i>S. ucrainica</i>) at natural steppes, populations of European Ground Squirrel (<i>Spermophilus citellus</i>) and Corn Crake (<i>Crex crex</i>) for steppes; Greater Spotted Eagle (<i>Aquila clanga</i>) for forests and adjacent wet meadows; and European Otter (<i>Lutra lutra</i>) for river and lake ecosystems (see baselines and targets in logframe).</p> | <p>2.1 District Spatial Plans, Land Use Plans, Grazing Management Plans, Forestry Management Plans that accommodate biodiversity concerns are developed for two districts by multi-sectoral stakeholder committees ensuring optimal allocation of land to generate development benefits and critical biodiversity benefits.</p> <p>2.2 Technologies developed, tested and appropriate infrastructure established to showcase biodiversity-compatible land uses over 100 hectares in line with the developed DSPs, LUPs, GMPs, and FMPs.</p> <p>2.3 Ecological connectivity established between & within different forest blocks, by implementing forest landscape practices within linear ecological corridors (primary linkages) and stepping stone corridors</p> | GEF TF | 761,731 | 3,659,091 |

| Project Component | Grant Type | Expected Outcomes | Expected Outputs | Trust Fund | Grant Amount (\$) | Confirmed Cofinancing (\$) |
|-------------------------------|------------|--|---|------------|-------------------|----------------------------|
| | | - 100% of local land-users in 2 districts that are conducting economic activities in ecologically sensitive areas receive in-field training and technical assistance with implementing modified practices - Budget allocations for biodiversity mainstreaming in pilot areas increased by 10% | (secondary linkages) identified in district spatial plans. Measures include reforestation of at least 100 ha of agricultural land (tree planting financed by Government; SFM practices and community forest management financed by GEF as further specified in the text) 2.4 Land users trained in mainstreaming: field-training sessions for affected land users held; capacities of trained staff increased on biodiversity standards, and approaches to managing biodiversity in each type of use (livestock management, hay-cutting, use of forests, etc.). Agricultural extension services will be used to carry out training. 2.5 Secure budgetary finances (from public funds) for mainstreaming initiatives and align existing financial contributions in the forestry, agricultural and rangeland sectors to support biodiversity-friendly practices in the two districts. | | | |
| Subtotal | | | | | 871,731 | 4,409,091 |
| Project management Cost (PMC) | | | | | 87,173 | 440,909 |
| Total project costs | | | | | 958,904 | 4,850,000 |

The Project Framework is in line with the PIF; only indicators have been brought in line with those selected by stakeholders during the PPG phase and that are presented in the project's logical framework (see UNDP Project Document).

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

| Sources of Co-financing | Name of Co-financier (source) | Type of Cofinancing | Cofinancing Amount (\$) |
|---------------------------|-------------------------------|---------------------|-------------------------|
| National Government | MoE | Cash | 460,000 |
| National Government | MoE | In-kind | 100,000 |
| National Government | Moldsilva | Cash | 4,200,000 |
| Local Government | Stefan Voda District | Cash | 30,000 |
| Local Government | Soroca District | Cash | 20,000 |
| GEF Agency | UNDP | Cash | 40,000 |
| Total Co-financing | | | 4,850,000 |

Letters confirming co-financing for the project are attached separately.

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY: NA

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

| Component | Grant Amount (\$) | Cofinancing (\$) | Project Total (\$) |
|----------------------------|-------------------|------------------|--------------------|
| International Consultants | 40,000 | | 40,000 |
| National/Local Consultants | 132,500 | | 132,500 |

F. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? No

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF¹

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

The project is in line with the updated NBSAP. The updated NBSAP places special emphasis on (i) assessing and integrating ecosystem services through economic valuation and (ii) mainstreaming biodiversity into development policies, plans and practices and into sectoral plans and strategies. The project specifically furthers this objective of mainstreaming biodiversity conservation into the following sectors – agriculture, forestry, livestock, and fishing – by making modifications to relevant sectoral policies and demonstrating this approach in 2 target districts. It will draw on data/information on the economic value of ecosystem services in the Republic of Moldova generated by the updated NBSAP process. Specifically, Output 1.4 that develops a system of penalties for malfeasance to approved spatial plans will be based on an assessment of economic/ monetary values of biodiversity and ecosystem services that, in turn, builds on GEF/ UNDP's NBSAP project results.

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

A.3 The GEF Agency's comparative advantage: NA

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

Changes to this section, compared to what was outlined in the PIF, are as follows. Further information has been added on direct threats to biodiversity. More detail is provided on baseline programs to address biodiversity conservation outside protected areas and how the project will build on them.

Direct threats to biodiversity

Threats to biodiversity in the wider landscape outside protected areas continue unabated. This is partly due to poverty-driven subsistence needs of the population (coupled with commercially-driven resource needs as well) and, partly, due to the general perception of biodiversity among ordinary citizens that is not in favor of conservation. These factors lead to various unsustainable approaches and practices at various levels (such as policy, educational, institutional, legal, traditions, etc.).

Human encroachment through land conversion

Even though about half of the country's exports consist of agricultural products, Moldova still lacks a rational approach to sustainable use of existing arable lands. Most agricultural land is now privatized and, in many cases, people hold small plots of land, making a rationalized approach challenging (according to various sources, around 200,000 hectares of agricultural lands are abandoned). Encroachment is evident in all habitats and through various schemes (e.g., long-term forest lease, need for new pasturelands, new areas for waste dumping, etc.). Communities do not fully realize the possible consequences of such practices, and more habitats are destroyed, altered, or fragmented leading to biodiversity loss.

Soil erosion

According to official data, some 800,000 ha are degraded agricultural land and some 100,000 ha are heavily eroded. There is also a prediction of annual losses of fertile soil due to erosion across the country. This is already affecting biodiversity and will likely strongly affect it in the near future. Based on various analyses, unsustainable use of natural resources (e.g. forests, pasturelands) will lead to a significant reduction in biodiversity and further increase in deforestation, which in turn will lead to further land degradation and erosion. The Government has, however, undertaken some measures to cooperate with international organizations to arrest erosion through afforestation and reforestation programs (by creating shelterbelts of other forested areas to mitigate the effects of wind and rainwater on soil), pastureland management, enhanced agricultural land productivity, and rehabilitation of certain areas.

Pollution

There are various sources of pollution, with municipal and industrial wastes affecting species and habitats directly. Siltation of waterways and wetlands (especially lakes) has reduced the area of wetlands and their potential to provide fish and other

¹ 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.

goods for local communities. Unauthorized dumping of waste poses a high risk not only to human health but also to ecosystems.

Exotic (non-native) and/ or invasive species

Although there is no complete list of exotic (non-native) species in Moldova, such species are present in the country, and many will probably be introduced. Many exotic species, along with some native species, have become invasive (e.g. aggressive shrubs/ trees, crop pests) producing colossal economic damage to agriculture and forestry. The introduced but invasive Black Locust (*Robinia pseudoacacia*) is largely used for forest extension in degraded lands, and also by some private forest owners. It is largely preferred by the local population as a fuelwood and for other household needs, which is a good example of the use of an invasive species (though the species itself can cause problems in natural habitats). Some introduced species have been reported as interbreeding with native species causing genetic pollution of native species (e.g. non-native Sika deer).

Unsustainable grazing

Currently, most cattle in Moldova belong to communities. Although communities have pasturelands, which are mostly depleted and of poor quality (low productivity), the herds are often moved into other habitats, such as forests (according to existing legislation, grazing in forests is not allowed). Generally, grazing is almost uncontrolled and against all principles of environmental sustainability. Pastures are often sensitive issue for communities and their management represents a true challenge.

Habitat fragmentation because of infrastructure development

Moldova's landscape includes roads, railroads or other infrastructure, which fragment the landscape. A railroad built recently through the wetlands of the Lower Prut River (also a Ramsar Site) has severely impacted not only the ecosystems and their biodiversity, but also local communities dependent on wetlands. The recent practice of granting forest leases for hunting and recreation has led to forest damage as those who lease forests build houses and other infrastructure, even though this is not endorsed by lease contracts. Overall, habitat/ ecosystem integrity is not taken into consideration in land or infrastructure planning.

Illegal logging

Forest biodiversity is under increasing pressure from illegal logging, mainly to meet demands for fuelwood and/ or selective logging of high-quality trees. Official statistics report that approximately 0.5 million m³ of wood are legally harvested per year, and there are only small volumes of illegally harvested wood. However, analysis from ENPI FLEG (European Neighborhood and Partnership Instrument east countries Forest Law Enforcement and Governance program) has shown that the true annual consumption of domestic wood is twice that figure. Authorities have already responded by reforesting degraded lands and introducing short rotation high yielding forest energy crops (mainly black locust).

Illegal collection of rare plants

Many species of plants are widely collected by local communities. Despite the fact that some of these plants are protected, people are collecting them in the forests and meadows for sale either along the roads near forests or in city/ town markets or directly in streets. Many rare species, such as snowdrops of the genus *Galanthus* and Lilly of the valley *Convallaria majalis*, are collected by locals every spring.

Illegal hunting and fishing

Though Moldova is not that rich in game, hunting is a traditional occupation of a number of people. People have the right to hunt and fish during certain periods, however, neither hunting nor fishing is done sustainably. There is a huge contradiction between existing law/ regulation and its enforcement/ implementation. Illegal hunting and fishing (for sport or by poachers) is still common in the country, despite the fact that some local communities (especially in the wetland areas) are dependent on fishing and/ or hunting. Also, wildlife management is not properly undertaken.

Climate change

Moldova is confronting more and more unstable weather conditions, and droughts and floods have become common over the last decades. At the same time, there is a low resilience of the natural habitats (and of agricultural land) to the increasing incidence of extreme weather conditions. More environmental problems in the country are reported, such as landslides, land erosion, forests/ trees dying, spread of pests/ diseases, invasions of plants and animals over agricultural lands etc. Climate change may result in deterioration of some ecosystems (namely forests) in some parts of the country with many species exhibiting reduced capacity to reproduce and increased susceptibility to other factors.

Baseline programs

Information on baseline programs and how the project will build on them has been updated since the PIF (see table below). In order to facilitate dialogue and ensure coordination with baseline projects/ programs of the targeted sectors, the project will establish a Multi Stakeholder Biodiversity Mainstreaming Committee under Output 1.3. This committee will bring together authorities tasked with natural resource and land use planning and permitting responsibilities – namely, Ministry of Environment, Ministry of Regional Development and Construction, Agency Moldsilva, Agency for Land Relations and Cadastre, Academy of Sciences, District Council of Soroca, District Council of Stefan Voda) – at a national scale.

The five baseline strategic programs of the government that pertain to the use and conservation/ management of natural resources are summarized in the table below. All these together serve as the foundation for the project, also highlighting the baseline on which project activities will be built.

| Title, description, implementing agency, total value (US\$) of the baseline program | Elements of the program which form part of the baseline project for GEF, and problems they address |
|---|---|
| <p><i>Environment Strategy for 2014 - 2023</i> (adopted by Governmental Decision nr. 301 from 24.04.2014)</p> <p>The vision is to create a functional system (institutional, administrative, management) adjusted to EU policy and to ensure a sustainable environment. It aims at guaranteeing the right for Moldovan people to a clean and healthy environment.</p> <p>Total budget for its implementation is US\$66,033,900 annually (1% of annual GDP).</p> <p>The costs are in line with provisions included in the EU-Moldova Association Agreement and the Deep and Comprehensive Free Trade Area (DCFTA).</p> | <p>Baseline element 1: Certain activities fit well into EU goals and will be covered by the EU costs.</p> <p>Afforestation/ reforestation² activities will take place on degraded lands through creating forest shelterbelts, and other green areas covered with forest vegetation.</p> <p>Pastures are mostly managed by LPAs and totally lack management, they are overloaded and almost degraded. Only 5% of such still maintain high biological value, while 70% have lost their capacity for self-rehabilitation. In addition, approximately 150 thousand ha of meadows and wetlands need ecological rehabilitation/ reconstruction and rational economic utilization.</p> <p>Proper management of pastures would provide for economic and biodiversity benefits and to this end the project will be piloting biodiversity-friendly pasture management systems on 100 ha of land in 2 district of Moldova, enabling combination of such measures as rotational grazing, hay-making, and silvo-pastoral practices.</p> |
| <p><i>National Ecological Network (NEN) in Moldova</i> (adopted by Governmental Decision nr. 593 from 01.08.2011)</p> <p>The NEN aims to protect biological and landscape diversity in Moldova under Pan-European Ecological Network, also in line with the CBD requirements and “National Biodiversity Strategy and Action Plan” of Moldova.</p> <p>Estimated costs for its implementation are US\$3,857,920 and will be allocated from the state (and local) budgets, special funds, international assistance and other sources.</p> | <p>Baseline element 2: The project’s pilot districts fit into the scope of NEN and will benefit from financial coverage and support</p> <p>In order to create stabilization of agro/forest ecosystems and ensure connectivity, NEN will undertake afforestation/ reforestation of 30,400 ha of water protection belts by 2018. It also pledges to extend the natural protected area network to include steppe areas in the Bugeac region (pilot district Stefan Voda is part of the region, including Copceac community). This provides a good foundation for the project’s activities related to mainstreaming biodiversity conservation into land use planning.</p> |
| <p>Strategy of Sustainable Development of the Forestry Sector of Moldova (adopted by Parliamentary Decision Nr. 350 from 12.07.2001)</p> <p>It is the main forestry policy document in the country and has several objectives: (i) enhancing forest eco/bio potential, (ii) biodiversity conservation, (iii) forest extension, (iv) ensuring forest guarding and protection, (v) meeting socio-economic problems, and (vi) conserving rural landscapes.</p> <p>There is no fixed funding amount, but sources are various: from forest/forestry management, state budget, credits and grants (national and international), technical assistance from donors.</p> | <p>Baseline element 3: Afforestation and reforestation activities of Moldsilva and associated support by state forestry enterprises</p> <p>The aim of the Strategy is to reach 15% of forest cover by 2020 (13.7% is the current cover), so the reforestation activities of the project will add to this.</p> <p>Extension of the forest cover will mostly take place on community or private lands, and the project focuses on community lands (mainly degraded lands).</p> |
| <p>National Plan for Forest Vegetation Extension 2014-2018 (Approved by GD 101/2014).</p> <p>MoE is responsible for implementation, and LPAs will contribute through land allocation for afforestation and reforestation. Planting/afforestation will be done by Moldsilva in cooperation with MAFI. Academy of Sciences will provide necessary assistance to stakeholders and partners.</p> <p>The initiative envisages afforestation and reforestation of 13,000 ha in total of degraded lands and water protection forest belts, including maintaining forest plantations and ensuring their protection against illegal logging, illegal grazing and prevention of other transgressions.</p> | <p>Baseline element 4: There are selective areas planned for afforestation and reforestation activities in the two pilot districts, and can be classified as the contribution of the partners to the project</p> <p>Reforestation activities as part of the project will be done on community lands (including ‘reserve fund’ of community land), under appropriate binding agreements (supporting letters from communities/districts have been obtained).</p> <p>The respective component of the project will also rely on Moldsilva’s prior experience in similar projects (including with BioCarbon Fund of the World Bank and Japanese Project)</p> |

² In Moldova, the terms afforestation and reforestation are used interchangeably. None of the relevant laws make a clear distinction between afforestation and reforestation.

| Title, description, implementing agency, total value (US\$) of the baseline program | Elements of the program which form part of the baseline project for GEF, and problems they address |
|---|--|
| The resources to support implementation come primarily from the National Environmental Fund administered by MoE. MoE will also seek other funding, including through international programs. Total budget is US\$21,406,600. | covering even larger areas, especially when there is the political will. |
| Urban Planning Program for the Moldovan Localities for 2013-2016 (approved by GD nr. 493 from 04.07.2013) Only 33% of Moldova's urban areas and only 1% of its rural communities have urban planning documents adjusted to the new socio-economic conditions. LPAs are responsible for carrying out general urban planning documents. However, LPAs are issuing urban planning certificates and construction authorizations in the absence of general urban plans, which is a violation of existing legislation. Total budget of the Program is almost US\$17,334,300, and will be allocated from the state budget and/or from other sources. | Baseline element 5: This fits well with the activities of the project in the two pilot districts Under the GEF project, two types of plans will be developed: 1) District Spatial Plans (DSP) (under responsibility of MRDC) for 2 districts (Soroca, Stefan Voda) 2) Land Use Plans (LUP) (under responsibility of LPAs, CPAs, District Councils) for 4 communities (Zastanca, Badiceni, Talmazza and Copceac) |

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:

The work undertaken during PPG implementation led to the following updates as compared to the PIF: table summarizing long term global environmental benefits to be realized under the GEF Alternative; and project outcomes, outputs and activities have been further detailed as compared to the outline in the PIF based on the results of field visits, studies, and consultations with stakeholders.

Table 1. Summary of long term global environmental benefits

| State of ecosystems under baseline | Summary of GEF incremental intervention | Biodiversity Benefits |
|---|---|---|
| Land Use Planning and Regulation outside protected areas | | |
| Land use planning does not account for ecosystem values, leading to ecosystem degradation and biodiversity losses | Integration of biodiversity conservation principles into territorial planning, compliance monitoring and enforcement Biodiversity harbored in forests and pastures (former steppes) incorporated as active components in DSPs, LUPs, GMPs, FMPs Sustainable management methods for pastures and forests (including forests and pastures of high biodiversity value and high economic value in terms of ecosystem goods and services) identified and appropriate land use applied to pilot areas | Biodiversity harbored in pastures and forests, as well as other ecosystem services (e.g., water supply from forests and forage productivity of steppe pastures), are maintained over a target area of 204,000 ha as a result of the following: Competitive pressures between land uses in pasture and forest landscapes reduced as a result of silvo-pastoral practices piloted in the project area and which enable trees and pastures to co-exist successfully in a forest and livestock production system. Decrease in grazing pressure and illegal logging in forestry territories Decrease in overgrazing pressure in pastures leading to improved condition of pasture ecosystems. Ecological corridors established between forest blocks, including between PAs, to improve survival probabilities of threatened species (in terms of providing for shelter, food, migratory paths etc. for animals and restoration of adequate habitats for both animals and plants). Certain areas managed/ maintained as habitats for indicator species. |
| Pastures (as steppe remnants) | | |
| Overgrazing of pastures results in: Carrying capacity being exceeded that leads to increased erosion, loss of vegetation cover, soil compaction; Formation of deep gullies in pasturelands (former steppes converted into vineyards, then restored as pastures) as a result of rainfall | Improved pasture management: Rotational grazing to maintain pasture quality Enhance pasture productivity with selected plants Creation/ establishment of hay-making areas; increased fodder production allows reduced use of pastures in certain seasons Proactive anti-erosion measures to stop formation of gullies | By reducing overgrazing, improved conditions created for the restoration of grassland species' diversity, while maintaining such steppe and forest populations under threat as: <i>Saga Pedo</i> , <i>Otis Tarda</i> , <i>Felis Silvestris</i> and others (full list of red list species is in Annex 4 of the UNDP Project Document). LD co-benefits: Avoided soil erosion and compaction; restored and well-maintained vegetation cover; avoided drop in the ground water table; improved water quality over an area of 100 ha CC co-benefits: Avoided emissions, restored carbon sequestration capacity and storage potential of grassland ecosystems as a result of introduction of sustainable pasture management practices over 100 ha. |

| State of ecosystems under baseline | Summary of GEF incremental intervention | Biodiversity Benefits |
|---|---|--|
| Abandonment of pastures by communities results in: Invasion of pastures by woody plants Pasturelands lose their capacity to support livestock and maintain steppe biodiversity Authorities lack the capacity to reduce woody invasions and manage pastures sustainably | Improved pasture management: Promotion of rotational grazing to maintain pasture quality Increased investment in repair and maintenance of key pasture use infrastructure (wells) allows greater flock mobility and use of abandoned pastures Rehabilitation of pasturelands by removing encroaching shrub vegetation Ensure water availability and suitable species composition for sustainable pasture management | Bringing abandoned pastures back into use will reduce degradation pressures on forests, steppes and other natural landscapes which are currently extensively used for grazing due to shortage of proper pastures. This will in turn result in improved conditions for the restoration of grassland species' diversity, while maintaining steppe and forest populations under threat LD co-benefit: Prevention of negative vegetation succession and restoration of original vegetation compositions. CC co-benefit: Reduction in frequency and severity of fires, in turn, reducing release of GHG from pasture/steppe fires. |
| Forests (including community plantations) | | |
| Illegal logging in forests, grazing in forests Highly fragmented forest regions Low productive forests Plantations of non-native but fast-growing species (mainly black locust) Rehabilitation of degraded areas | Sustainable forest management practices: Application of silvo-pastoral practices (promoting pastoral forests) Ensure habitat connectivity for biodiversity through establishing corridors Restoration/ rehabilitation of destroyed forests | The project incremental interventions under are conducive to improved habitat for red list species and support ecosystem services, enabling sheltering, migration, provisioning of food and other needs for these species to survive, as well as to supporting the forest ecosystem to withstand the invasion of exotic species. LD/ SFM co-benefits: increase in forest cover by 100 ha in degraded areas, reduction in drying out of forests, prevention of the decline of ground water-table in forest and adjacent lands, restoration of sequestration and other ecosystem functions of forests. CC/ SFM co-benefits: forest carbon pool of the target area maintained, assisted natural regeneration (at 100 ha) leads to restored carbon sequestration capacity of forests. |

Component 1: Land use planning and enforcement system addresses biodiversity loss

Output 1.1: Modifications to land and forest legislation and related regulations and standards for mainstreaming biodiversity at national and local levels

Regulation on identification of vulnerable species, habitats and ecosystem goods and services during land use planning. A comparative analysis of national and international legal/ normative frameworks for each sector – agriculture, forestry and land use planning – with regard to inclusion of biodiversity conservation will be undertaken. Relevant proposals for amending existing legislation will be developed (e.g., Law on Vegetal Kingdom, Law on Animal Kingdom, Law on land use planning etc.) so as to ensure that it becomes a requirement of land use planning exercises to identify vulnerable species, habitats, and ecosystem goods and services.

Amendment to the 1991 Land Code introducing requirements for identification and incorporation of biodiversity outside PAs in District Spatial Plans and Land Use Plans of localities. The main legal document regulating land relations and natural resource use is the Land Code, which is considered outdated and requiring new approach based on real developments. The Land Code needs to be improved with the participation of all interested stakeholders and sectors. The project will, therefore, establish a **joint working group** that will include both governmental and non-governmental institutions as well as the private sector (which is the main land holder in the country). Proposals for improving the Land Code will be developed based on a comparative analysis of existing land-use legislation and sectoral legislation, along with other environment-related legislation. As a result, biodiversity conservation will have a clear place and role in the provisions made to the Land Code in order to further halt losses in species and habitats.

Minimal standards for biodiversity conservation in pasture/livestock and hay-field management, arable farming, forest use, fishing and water-based recreation introduced in relevant sectoral legislation. The environmental agenda is not a priority for the country's development till 2020, so inclusion of minimum requirements for biodiversity conservation into the legislative framework for land use would protect an important part of existing natural diversity from being fragmented or lost. While biodiversity conservation is already included in many regulatory/ technical frameworks (e.g. forestry norms), there remain some sectors where it is still inadequately reflected (e.g., pasture management, farming/grazing) or enforcement is poor. Therefore, the legal framework in a number of sectors will be improved based on species/ habitat requirements (e.g. certain old/dying trees should be left on a felling site, grazing should be limited for a certain period, certain steppe/ pasture areas

should not be grazed in early spring, etc.). Furthermore, in defining minimal standards, an integrated approach to the use of natural resources will be taken (e.g., water, forest, pasture/steppe to be regarded as interconnected and interdependent in terms of biodiversity). Special attention will be paid to the private sector, which traditionally has not been included from the environmental/biodiversity point of view, and appropriate proposals to modify the legal framework to improve participation of the private sector will be made.

Improving cooperation/ coordination among stakeholders regarding legislative improvements. Incorporating biodiversity conservation into the legislative framework will first be discussed with stakeholders, using technical meetings and interactive consultations with sectors and experts. All proposals that are developed will be discussed with key central governmental agencies related to biodiversity/ land policy and use/ management (i.e., MoE, MAFI, MRDC, Moldsilva) and local governments in pilot areas (i.e., Soroca and Stefan Voda districts). This improved coordination will help stakeholders share information, synchronize activities, reduce duplication and avoid losses in biodiversity. A dialogue among main stakeholders (governmental, non-governmental, academic institutions / universities, community, private) that would involve all production sectors, including land planning and use, will be undertaken. Inclusion of the representatives of these main stakeholder groups in training activities (Outputs 1.5 and 2.4) is envisaged.

Output 1.2: Monitoring system in place to track change in biodiversity-important areas, and take adaptive measures to reduce impacts

This output will strengthen the enabling environment for proper monitoring of biodiversity (rare and endangered species) in landscapes outside protected areas before and during the process of territorial planning. The monitoring approach relies on introducing species/ habitat (S/ H) Passports to landowners outside PAs in the 2 target districts of the project.

A recent GEF/ UNDP Protected Areas System Project in Moldova has developed Passports for the PA system. The Passport provides a detailed description of a species/ habitat (figures, area/ individuals, maps/ GIS, actions/ recommendations etc.) that could span state land, community land, and/ or private land. The project will replicate this experience for species/habitats outside PAs, bearing in mind that species migrate and agricultural fields, be they community or private land, can serve as habitats and/ or food niches for a number of rare species.

This will entail the following steps: (1) introduce the necessary legal amendments to make it mandatory to develop Passports for red list species identified during inventories as part of the territorial and urban planning process (outside PAs); (2) pilot the Passport approach in the two target districts – by undertaking an inventory of red list species and development of Passports for these species and their habitats (location and other species-related data); (3) develop mandatory conservation actions that the landowner/ user must undertake in order to conserve the species and/ or habitat; (4) ensure broad consultation with landowners/ users on Passports and mandatory conservation actions; (5) provide the approved Passports and mandatory conservation actions to district-level environmental inspection and Cadastre office for further monitoring; and finally (6) ensure that agreed Passports and mandatory conservation actions are included in forest management plans (FMPs) if the species is found in the forest fund, grazing management plans (GMPs), district spatial plans (DSPs), and land use plans for localities (LUPs) that will be developed by the project in the 2 target districts under Output 2.1, as well as in other planning tools (such as hunting, tourism, fishing, water use documentation).

Implementing this Passport-based approach to monitoring rare and endangered species/ habitats outside PAs and ensuring integration of appropriate actions for their conservation in DSPs, LUPs, FMPs and GMPs will require a closer dialogue between the MoE, which is responsible for managing information on biodiversity, and the ALRC, which is responsible for land and soil databases that it uses to support the territorial planning process. MRDC, Academy of Sciences, Moldsilva, and SEI will also have to be engaged in the process.

Methodological recommendations will be developed for monitoring and supervision of the DSPs, LUPs, FMPs and GMPs, especially taking into account the conservation of biological and landscape diversity. These will define the requirements for monitoring and supervision of the implementation of territorial plans, sequential steps for their implementation, required modifications to the legislative and regulatory framework, and also, where necessary, the definition of “compulsory” actions that need to be implemented by landowners/ users.

The roles and responsibilities of the involved organizations will be clearly defined such that they draw on the expertise of all these actors and are based on comparative advantage. It is anticipated that the district-level representatives of MoE will, at regular intervals, monitor the condition of rare and endangered species’ habitats and biotopes that are to be protected by landowners/ users, as well as the effectiveness of the obligations placed on the landowners/ users by the species maintenance standards. Monitoring results will be provided to the district executive committees, MoE and ALRC. Academic institutions will also be invited to be part of the process through appropriate research and analysis.

Output 1.3: National multi-sectoral stakeholder committee established to oversee land-use plan development, implementation and enforcement

Under this output a Multi-Stakeholder Biodiversity Mainstreaming Committee (MSBMC) will be created under the Ministry of Environment. This committee will bring together authorities³ tasked with natural resource and land use planning and permitting responsibilities, at a national scale. The MSBMC will ensure a unified approach in the development, implementation and enforcement of land-use plans by the different ministries and departments resulting in the optimum use of land in terms of biodiversity conservation, ecosystem services and socio-economic development. It will facilitate dialogue on biodiversity conservation and coordination of production and development sectors' programs and policies, and provide guidance and oversight for practices that are biodiversity-friendly. The MSBMC will be established through a special order of MoE. Chairperson of the MSBMC will be Minister of Environment (or mandated person from MoE), the Deputy Chairperson will be from the MRDC, and the secretary from the MoE. The terms of reference and membership of this committee, statutory responsibilities, plus periodicity of meetings and other requirements are in the Annex 2.

Output 1.4: System of penalties for malfeasance to the approved DSPs and LUPs developed

Moldova has a poor enforcement system in the area of environmental protection in general, and in the area of biodiversity conservation related legislation in particular. State Ecological Inspectorate (SEI) and Moldsilva are just few of the state institutions mandated with enforcement of biodiversity-related legislation. Relevant inspection agencies of MAFI also have enforcement responsibilities in relation to agricultural ecosystems. Although fines and penalties can be effective enforcement mechanisms, in Moldova these are either insignificant and do not cover the produced damage, or are missing and/or ignored. Some examples of poor enforcement are regulation of the number of livestock at the local level and the grazing regime, and burning of vegetative residues by farmers leading to degradation and loss of agricultural ecosystems.

Therefore, the project will analyze the legislative framework and develop a proposal for a system of penalties commensurate with the loss in biodiversity. This system will reflect the new biodiversity-friendly land use practices and the clarification in the mandates of the different agencies responsible for enforcement and prosecution. Existing fines, penalties and grazing taxes will be revised (including necessary proposals to amend the Administrative Code) to maximize the efficacy of the system in preventing biodiversity-harmful activities. The fines and penalties will be increased according to the real value of biodiversity (or ecosystem) loss and be applicable evenly to all transgressors. An assessment of economic/ monetary values of biodiversity and ecosystem services (building on GEF/ UNDP's NBSAP project results) will provide the necessary rationale for this. It is extremely important to take into account that any spatial plan, prior to approval or during elaboration, needs to be in compliance with (i) national legislation, (ii) ratified conventions, and (iii) rational use of natural resources.

Output 1.5: Government officers from key institutions trained in participatory spatial planning that integrates biodiversity conservation principles

Under this output training sessions will be conducted to promote integrated land and biodiversity/ ecosystem planning. Capacities of staff from MoE, MAFI, MRDC, Agency for Land Relations and Cadaster, LPAs, and local environmental inspectors will be strengthened through targeted training on (i) integrated spatial planning, (ii) ecosystem values; (iii) sustainable livestock management, hay-making and forest use; and (iv) enforcement of spatial plans (including conflict resolution). The training will focus on improving coordination between biodiversity/ environmental-related institutions and land use/ spatial planning-related institutions and the audience will be sought to be gender balanced.

In addition, government staff from other communities within the 2 target districts, as well as from other districts, will be invited to promote replication. The impact of the project's capacity building activities will be tracked with a capacity development scorecard (see Annex 3). The following table provides topics, main target groups and experts/ institutions to be involved in the training.

Table 2. Summary of training on participatory spatial planning that integrates biodiversity

| Thematic Focus | Target Group | Experts/Institutions involved |
|---|--|---|
| Integrating environment/biodiversity into land/spatial planning – coordination between sectors (policymakers) at national level | Environmental/forestry/agriculture: Ministry of Environment Ministry of Agriculture and Food Industry State Ecological Inspectorate Agency Moldsilva | Experts in biodiversity Experts in urbanism and/ or construction Sectoral representatives |

³ Such as Ministry of Environment, Ministry of Regional Development and Construction, Agency Moldsilva, Agency for Land Relations and Cadastre, Academy of Sciences, LPAs (District Council Soroca, District Council Stefan Voda)

| Thematic Focus | Target Group | Experts/Institutions involved |
|---|---|--|
| | Land/urban/infrastructure planning: Ministry of Transport and Road Infrastructure Ministry of Regional Development and Construction Agency for Land Relations and Cadastre | |
| Improving the legislative framework by involving key governmental institutions, coordinating activities, and developing synchronized policy | Environmental/forestry/agriculture: Ministry of Environment Ministry of Agriculture and Food Industry State Ecological Inspectorate Agency Moldsilva Land/urban/infrastructure planning: Ministry of Transport and Road Infrastructure Ministry of Regional Development and Construction Agency for Land Relations and Cadastre Juridical/law: Ministry of Justice | Legal experts (with background in environment or related fields) Representatives of governmental institutions |
| Non-fragmented habitat approach to land use / biodiversity policy making | Environmental/forestry/agriculture: Ministry of Environment Ministry of Agriculture and Food Industry State Ecological Inspectorate Agency Moldsilva Land/urban/infrastructure planning: Ministry of Transport and Road Infrastructure Ministry of Regional Development and Construction Agency for Land Relations and Cadastre Transport/Infrastructure: Ministry of Transport and Road Infrastructure Rail Road Agency | Experts in agriculture, forestry, environment or related to other natural resources Experts in cadaster, GIS or similar fields Experts in transport (ground, air, water) |
| Introducing Passport for species/habitat | Ministry of Environment Ministry of Agriculture and Food Industry State Ecological Inspectorate Agency Moldsilva Agency for Land Relations and Cadastre | Experts in biodiversity (from sectors) Experts in cadaster/GIS |

Component 2: Conservation and Sustainable Use of Biodiversity on Communal Land

Output 2.1: Integrated district spatial plans⁴ (DSPs) and land use plans⁵ (LUPs) accommodating biodiversity concerns are developed for two districts

Developing biodiversity-compatible DSPs for 2 districts (Soroca and Stefan Voda). According to the Urban Planning Program for the Moldovan Localities for 2013-2016 (approved by GD nr. 493 from 04.07.2013), all localities (towns, rural communities) should develop land use plans. However, the project's target districts do not have DSPs in place. This output will develop DSPs by relying on cross-sectoral working groups, GIS technologies for biodiversity mapping, identifying sites of conflict between biodiversity and human activities, developing recommendations for managing the conflicts in a win-win manner and adapting the currently destructive economic activities, finalizing plans and submitting them to district administrations for implementation, with a clear enforcement and monitoring apparatus. S/ H Passports and mandatory conservation actions developed under Output 1.2 will be integrated into the development and implementation of the DSPs. The focus of the DSPs will be on ensuring optimal allocation of land to generate development benefits and critical biodiversity benefits in tandem. The plans will be based on an assessment of the economic valuation of biodiversity and ecosystem services in areas of high biodiversity or in critical areas e.g. ecological corridors. A recent REC project is helping selected district in developing District Environmental Plans (DEP), including in Stefan Voda. Soroca district does not have

⁴ District Spatial Plan (DSP) represents an expression of physical organisation of space within a district, and directed towards balanced territorial development reflecting economic, social, cultural and ecological policies of society.

⁵ Land Use Plan (LUP), or urbanistic plan, is a documentation which states conditions for positioning of various activities in a given area, and is developed for a part or entire locality, or for an area/ land meant to become a locality.

a DEP. The project will ensure that the DSP for Stefan Voda builds on priority areas of the DEP and will cooperate with REC on that.

The target districts are Soroca and Stefan Voda. Both pilot districts represent areas rich in biodiversity, with areas included in two Ramsar sites⁶. The districts are located on the border with Ukraine and along the Nistru river ecosystem. The two regions also vary in terms of economic conditions. A brief description of the two districts, including land use documentation related to the project, is provided below, and more detailed information can be found in Annex 4.

Soroca district (104,300 ha): Located in north-east Moldova, Soroca district's administrative center is the town of Soroca, surrounded by 33 villages. Approximately 60% of the total land area is used for agriculture (arable land is 53%), and only 7% is under forest cover. Approximately 63% of the population lives in rural areas and 37% in urban areas. The District Council has its own Socio-Economic Development Plan, wherein the stated priority is infrastructure and environmental protection. There is, however, no DSP that would built on the existing Socio-Economic Development Plan. There is a Land Use Plan (LUP) for Soroca town that was developed in 2012, covering a period of 25 years. There are general (cadastral) plans for localities developed from 1960 to 1990 that cover a period of 25 years. These have all expired. District authorities intend to develop Cadastral Plans for each of the 34 localities in the district, and they are seeking funds for this.

Stefan Voda district (99,838 ha). Located in south-east Moldova, Stefan Voda district's administrative center is the town of Stefan Voda, surrounded by 25 villages. Approximately 65% of the total area is used for agriculture (arable land is 56%), and approximately 9.6% is under forest cover. Stefan Voda town has a Strategic Socio-economic Development Plan. There is no DSP; however, a new LUP is envisaged to be developed in 2016. There is a general (cadastral) plan for the town, accompanied by a map, developed in 1986. The rest of the localities have general plans, which were last developed in 1990, and, similar to Soroca district, have expired.

In order to increase chances for successful implementation of the 2 DSPs developed under this output, as well as to trigger replication of project results, it will be important to demonstrate biodiversity compatible land-uses through field pilots in selected communities of the two districts. These pilots are to be implemented under Outputs 2.2 and 2.3. Further, the project will produce a model of land-use planning that will be adjusted for ecological, social and economic variations across the 2 districts, with high potential for replicability in neighboring districts after the project termination.

Developing LUPs for 4 selected localities that consider biodiversity and ecosystem continuity. LUPs will be developed for 4 rural localities: Zastinca and Badiceni (in Soroca district), and Copceac and Talmază (in Stefan Voda district). S/ H Passports and mandatory conservation actions developed under Output 1.2 will be integrated into the development and implementation of the LUPs. All these localities have general plans that have expired (e.g. general plan for Talmază village was developed in 1977, and for Copceac village in 1982). LUPs will be developed in close cooperation with various landowners. Developing LUPs is necessary to demonstrate a practical way to shift from unsustainable to biodiversity-friendly production activities, focusing on the most threatening land-use practices, namely livestock management and forest use (as regards examples of biodiversity-friendly practices on arable land, these are expected to be demonstrated by baseline programs).

The development of DSPs and LUPs will be important for reducing threats to biodiversity from expansion of various types of infrastructure. The plans will attempt to reduce the level of intervention into natural habitats and to further a sustainable approach to human-biodiversity relations for example by giving consideration to agro-tourism.

Developing a spatially-based digital decision-making system for biodiversity conservation that is available for use in policy development, cross-sectoral spatial planning and management. This system will be developed in cooperation with the Agency for Land Relations and Cadastre (ALRC), MoE and its subordinated institutions mandated with biodiversity monitoring functions, and will be built on an existing portals/platforms by using data from existing land and/or soil registers (databases) at ALRC. Consultations during the PPG have shown that the ALRC holds a huge database and information, but what they lack is **biodiversity-related input**. This gap will be filled by a detailed biodiversity inventory and classification of all lands in the four target localities, information on the location of critical habitats and species, and thresholds for the use of biodiversity resources. All necessary scientific information will be obtained from the Academy of Sciences (mainly biodiversity-related institutes and experts), some NGOs, Moldsilva, and/or provided by other reliable sources. Eventually, such a system will (a) help local administrations (district, rural localities level) receive necessary biodiversity-related information, (b) integrate biodiversity/ ecosystems in local/ regional planning, and (c) address the disconnect between

⁶ Ramsar Site nr. 1500 "Unguri – Holosnita" (2008) (15,553 hectares; 48°17'N 028°03'E) in Soroca and Ocnita districts; and Ramsar site nr. 1316 "Lower Dniester" (2003); 60,000 ha; 46 34'N 29 49'E; mostly located in the Stefan Voda district

continuous land repartition and the needs for biodiversity to ensure its functions. The system will be developed as a unified system for the entire country, with an initial focus on the two selected districts and the four selected localities.

Developing Grazing Management Plans (GMP) for selected areas. Implementation of this output will support operationalization of the Zoo-technical Law which requires that LPAs develop Grazing Management Plans and provide for rational use of public pasture lands. So far, there is no such experience with implementation of this provision in Moldova, therefore the project will be instrumental in piloting efficient grazing management practices that consider the real effect that the grazing animals exert on existing pasturelands (former steppes converted into pastures) and their remaining biodiversity (namely rare plants and animals). S/ H Passports and mandatory conservation actions developed under Output 1.2 will be integrated into the development and implementation of the GMPs. The total area covered by GMPs is 2483.57 ha and will be distributed as follows:

- In Sorooca district – totally 1118, 49 ha of pastureland (Zastanca – 354,69 ha, Badiceni – 763,8 ha)
- In Stefan Voda district – totally 1365,08 ha of pastureland (Talmază – 860,27 ha, Copceac – 504,08 ha)

Developing Forest Management Plans (FMPs) for selected districts. According to Forest Code (1996) all forests should have FMPs. Normally, FMPs are elaborated for a period of 10 years and their implementation is mandatory. Forests managed by Moldosilva traditionally have FMPs, while other forest owners usually lack FMPs (except some community forestland that developed FMPs within internationally funded projects). Forest management planning is based on five major principles: i) continuity of forest functions, ii) optimal and sustainable exercise of multiple production and protection functions of the forest, iii) optimal and sustainable utilization of forest, iv) principle of aesthetics, and v) biodiversity conservation. Although FMPs contain detailed description of the site and main tree species, and the normative frame for conducting FMP reflects biodiversity conservation in general, data on rare and endangered species need to be explicitly included in the FMPs (e.g. species name, location, other data if relevant). To ensure that information on rare and endangered species in forestlands is reflected, the S/ H Passports and mandatory conservation actions developed under Output 1.2 will be integrated into the development and implementation of the FMPs. The project intends to undertake FMPs only in community forestlands. The total area to be covered by FMP in selected districts and localities is 768 ha of forest vegetation (which represents forest plantations and/or forest shelter belts), as follows:

- In Sorooca district – 333 ha (Zastanca – 45 ha of forests and 11 ha of shelterbelts; Badiceni – 238 ha of forests and 39 ha of shelterbelts)
- In Stefan Voda district – 435 ha (Talmază – 208 ha of forests and 45 ha of shelterbelts, Copceac – 106 ha of forests and 76 ha of shelterbelts)

Output 2.2: Technologies developed, tested and appropriate infrastructure established to showcase biodiversity-compatible land uses in pasturelands⁷

In line with the LUPs developed in Output 2.1, technologies will be developed and tested and the necessary infrastructure will be put in place to demonstrate biodiversity-compatible practices at specific sites covering at least 100 hectares of pastures and dry meadows. The approach will be tested on selected communal (municipal) land by conducting the following:

Rehabilitation of pasturelands through removal of encroaching shrub/woody vegetation, and improving vegetation cover (without adversely affecting species composition and soil structure). This will be done in selected pastureland areas based on agreements received from districts and communities (see maps for each site in Annex 4), as follows:

- **Sorooca district** – total area of 51 ha, of which:
 - 11 ha in Zastanca
 - 40 ha in Badiceni
- **Stefan Voda district** – total area of 49,8 ha, of which:
 - 9,4 ha of “Langa antigrindina” [Near Hail Cannon] area, Talmază
 - 5 ha of “Statia de pompare a apei nr. 1” [Water pumping station nr. 1] area, Talmază
 - 2,8 ha of “In coada iazului” [To lake’s tail] area, Talmază
 - 7,6 ha of “Ezercan” area in the Lower Nistru wetlands, Talmază
 - 20 ha in Copceac

⁷ Note on pasturelands in Moldova: Moldova’s pastures are former steppes that have been converted, and they still preserve some steppe species. However, these species are much reduced in population/ numbers and have a narrower distribution due to livestock and other pressures.

- 5 ha in Slobozia).

In Moldova many pasturelands are not properly managed and as a result these lands get invaded/ encroached by woody species (shrubs in the majority of cases). The most common species of shrubs are dog-rose (*Rosa canina* sp.), common hawthorn (*Crataegus monogyna* sp.) and silver berry (*Elaeagnus angustifolia*). Encroachment by shrubs has an adverse impact on the grass vegetation for haymaking as well as on grazing opportunities. If the shrubs are removed and the pasturelands are managed accordingly (mowed regularly if used as a haymaking area or grazed rotationally respecting the grazing period and grazing capacity) there is little chance that shrubs will emerge again.

Analyses undertaken during the PPG have shown that pasture areas in some of the selected communities are invaded by several shrub species, mainly native Dog Rose (*Rosa canina*) and/or by non-native Oleaster (*Elaeagnus angustifolia*), which have reduced the surface for grazing and altered typical steppe biodiversity/ecosystem composition. Most of these shrubs need to be removed and a control strategy needs to be undertaken on a long-term basis. However, some of the Dog Rose shrubs can be left in the field as the local population (and fauna) use the fruit for self-consumption and income-generation (e.g. sale of fruit in markets for food and/ or medicinal values). Out of the eight proposed pilot pasturelands, there are only 2 sites that need removal of shrubs and the respective costs will be the contribution of local communities.

Pasture improvement activities will maintain/ respect species composition in accordance with local conditions (e.g., alternation of dry and rainy seasons) and will utilize best adapted plant species to meet xerophytic requirements (the latter is especially important in Stefan Voda district). Both leguminous and grain species will be present and/or applied to selected areas where appropriate.

Amelioration of actively eroded pasture/ steppes to stop their degradation. There is a pilot area in Copceac community that is experiencing an intensive soil erosion process, in turn affecting the remaining natural steppe habitat of the country for *Stipa pennata* and *S. ucrainica*. In these areas, measures will be taken to stop and prevent erosion, such as:

- building retaining walls, using sprouts or other woody constructions from sprouts or other plant material
- using mulch to enhance erosion control (usually applying a healthy layer of mulch after finding out which mulch is best for the particular site)

Establishing high biodiversity hay production areas. Pastures that are restored through natural pasture maintenance methodology, without destruction of existing vegetal cover, will be used in the first two to three years as hayfield, and then as pasturelands. Using the plots as a hayfield in the initial stage will create conditions for the lead species (*Stipa* sp.) to be restored, in turn creating favorable habitat for other steppe species, and increase hay productivity and quality. The project will cooperate closely with local administrations in order to guard the set-aside parcels. If needed, such areas will be fenced using various materials (wires etc.). The last two actions will be covered by local communities.

Optimization of livestock and application of rotational grazing. This will be done together with agreed regulated haymaking and rotational system on small-acreage areas. The restoration methodology will aim to improve and maintain natural pastures without destruction of existing vegetal cover (through pasture regulation, over-seeding and other agro-technical interventions needed for natural habitat restoration support). In order to encourage property rights in these historically open-access properties, livestock owners will be assisted in institutional strengthening through the establishment of associations. The municipalities will enter into legally-binding agreements based on the jointly-developed management plans (Grazing Management Plans, see below) with livestock owners and approved by Local Community Council, which is a community level decision-making body. The optimization of livestock numbers of the individual farmers will be based on a fair and equitable mechanism. Through this mechanism, no individual farmer will lose the right to graze, but only a reduction in number of animals allowed to graze on the specific steppe area will be enforced. The farmers will be compensated for this loss through increased property rights on the land through longer term agreements and through moving away from an open access regime therefore allowing the individual livestock owners to plan longer term, increased productivity of the remaining livestock as the fodder will be of better quality and diversity and reduced rent payments to the municipalities for the use of the pastures..

Output 2.3: Ecological connectivity established between and within different forest blocks

Given the threats to biodiversity in the forestry sector and the increasing fragmentation of remaining forests, building eco-forest corridors would create conditions for increased connectivity. This will ensure genetic movement among scattered groups of animals, provide access to food and water sources, which would enhance population viability in the long term. Eventually, such green habitat corridors between forest fragments will help decrease the number of conflicts with humans

Designing and implementing community forest management schemes to improve ecological connectivity in selected pilots. The Forest Research and Management Institute (FRMI), an authorized institution, will develop a scheme of forest regeneration and sustainable forest management. The species composition will be designed in line with biodiversity requirements and taking into account soil qualities (this will be linked to Output 2.2 as the testing of silvo-pastoral practices will be carried out in areas where communities graze cattle). FRMI will also evaluate costs according to technological maps/plans and design the plan for subsequent forest management by communities. It is extremely important that all norms and prescriptions in this SFM activity are consulted, understood and respected by the land owner and/or executors of planting activities. Reforestation (seedlings and planting financed from Government's National Plan of Forest Vegetation Extension) and subsequent sustainable forest management schemes will be complimented by extensive trainings, technical support in forest management, quality control, monitoring of threat reductions and biodiversity population status. The four pilot-areas have been selected for this activity, as follows (see map in Annex 4 of project Document):

(a) **Ecologic corridor to PA "Bekyr Valley" Zastinca (Soroca District):** This corridor will ensure connectivity from the Varancau forest area (mainly oak formations with an average age of 65 years) with the natural complexes joining the Bekyr Valley (a PA with an area of 40 ha, consisting mainly of calcareous rocks covered with forests and slopes of pasture/steppe remnants).

(b) **Ecologic corridor Badiceni-Iarova (Soroca District):** This is the longest and linear-shaped corridor, ensuring connectivity from Decebal forest area (an oak formation with an average age of 70 years) through a long community forestland (belonging to Iarova and Cremenciug communities, consisting mainly of young plantations of black locust mixed with native species, such as oak, willow etc.) to Badiceni forest (a mixed plantation of various species).

(c) **Copceac forest-steppe corridor (Stefan Voda district):** This corridor will span 3 areas located close to each other, and will ensure connectivity and ecosystem stability on 32 ha of land. It will connect Copceacul de Sus forest with Copceac Rivulet forests and Copceac Forest near the village.

(d) **Talmazha shelterbelt corridors (Stefan Voda District):** Approximately 22.4 ha were selected based on land availability for reforestation and importance as an environmental protection area.

Output 2.4: Land users trained in mainstreaming biodiversity concerns in land use practices

In order to ensure adoption of pilot approaches to mainstreaming biodiversity, the project will train land-users in biodiversity-friendly approaches in each type of land management (livestock grazing, hay-making, arable agriculture, use of forests). This will also include field training for land owners (including affected land users), private sector, farmers, cattle holders and businesses. Opportunities for silvo-pastoral practices along with rotational grazing (including possible economic, social and environmental gains) will be discussed and benefits shown, taking into account agro-forestry conditions of the country. In addition, stakeholders from other communities within the 2 target districts, as well as from other districts, will be invited to promote replication. The impact of the project's capacity building activities will be tracked with a capacity development scorecard (see Annex 3). The following table provides topics, main target groups and experts/institutions to be involved in trainings.

Table 3. Summary of training workshops on integrating biodiversity in land use

| Thematic Focus | Target Group | Experts/Institutions involved |
|---|--|--|
| Implementing integrated spatial planning policy that considers biodiversity/ecosystem approach and connectivity – coordination among sectors and land owners at local level | District Councils Community Councils State Forestry Enterprises Local Cadastre specialists Agro-farmers (private or collective) Local ecological agencies Private sector | Cadastre experts Urban planning experts Biodiversity experts Academy of Sciences (botany, zoology, ecology/geography) |
| Applying silvo-pastoral practices: opportunities for improving pasturelands covered with woody/shrubby vegetation | Communities/villages of: Soroca district Stefan Voda district Holders of cattle (private / family) Farm groups (pasture, vineyards, orchards) Community forest owners Private forest owners (if any) State forest enterprises (local) | Agro-forestry experts Pasture management experts Forestry experts Biodiversity institutions Legal experts |
| Considering profit from pastures: a rotational grazing approach to gain benefits (economic, social and environmental) | Communities/villages (holders of pasturelands) Holders of cattle (private / family) Private sector | Pasture/livestock experts Biodiversity/conservation experts |

| Thematic Focus | Target Group | Experts/Institutions involved |
|---|--|---|
| | Business | |
| Improving biodiversity conservation in pilot areas: a habitat management approach to protect and restore species populations, including Passport for species/habitats | District Councils Community/village personnel Farmers Cattle holders Private agents (agriculture, forestry) | Biodiversity experts Academy of Sciences (Institute of Botany, Institute of Zoology, Institute of Ecology and Geography) |
| Monitoring of protected species and ecosystems at the local levels – in protected areas and outside protected areas | Districts Communities/villages Farmers Private sector Business (agro/forestry) State forestry enterprises | Experts from Ministry of Environment Appropriate Institutes of Academy of Sciences NGO (well-known) experts |

Output 2.5: Secure public funds for mainstreaming initiatives

The focus will be on brokering public finance resources for biodiversity mainstreaming initiatives and aligning existing financial contributions in the forestry, agricultural and rangeland sectors to support biodiversity-friendly practices in the two districts. Further, to build the business case for increasing resources flows, valuation will be undertaken of costs/benefits of different production systems and the new biodiversity-friendly practices within the selected landscapes and their benefits to biodiversity, ecosystem functioning and livelihoods. This information will be used by selected local governments to broker public and private resources for increased funding towards mainstreaming biodiversity concerns. Increasing funding allocation to this end will also involve review and re-alignment of existing funding to the identified production sectors. Public expenditure reviews of the agricultural, forestry and rangeland sectors in the two districts will be undertaken, negative spending will be identified and reduced, and budgets realigned to finance for example the destocking of rangeland, and rehabilitation of forests. For both new and existing (realigned) funding sources, the project will develop resource distribution criteria to ensure the most effective and efficient application of scarce resources and that adequate incentives are provided for landowners/ managers to make the move towards biodiversity-friendly practices.

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:

As part of the PPG implementation the risk analysis was developed in more detail as compared to the PIF (see below).

| Description of Risk | Type | Impact & Probability | Countermeasures / Management response |
|--|-----------|---|---|
| MoE, Moldsilva and MRDC do not support the project strategy and are not interested in transferring lessons to additional districts | Political | This would adversely affect transfer of lessons and replication of project approach in districts other than the pilot districts P = 2 I = 3 | MoE, Moldsilva and MRDC have been actively involved in the project development phase. Further, to reduce conflicts, where possible, formal agreements/ MOUs will be used to define roles and responsibilities. Training will be provided to stakeholders on governance and conflict resolution. Activities will be designed and implemented in a win-win manner, beneficial to all, as far as possible. The sustainable development of the landscapes will be emphasized with arguments that are supported with long-term economic forecasts. |
| Authorities from districts and localities other than the pilot districts are not receptive to applying the project approach in their districts | Political | This would adversely affect transfer of lessons and replication of project approach in districts other than the pilot districts P = 3 I = 2 | The project will mitigate this threat by involving relevant stakeholders from the 33 additional districts in the project's capacity-building workshops and in-field demonstrations. |
| Amendments and methodological recommendation for economic land use activities do not receive political support | Political | This would adversely affect the project's objective of modifying the legislative framework to make it more conducive to mainstreaming biodiversity in land use planning P = 2 I = 4 | A participatory process will be used in developing amendments with frequent consultations with government and non-government actors. In addition the MSBMC, comprised of representatives from the key Ministries, will help in garnering political support for the amendments. |
| Ministry of Justice do not accept project | Political | This would adversely affect the project's objective of putting | In order to address this risk, representatives of the MJ will be part of the project implementation |

| Description of Risk | Type | Impact & Probability | Countermeasures / Management response |
|---|----------------|--|--|
| recommendations on a more effective system of penalties for malfeasance to approved DSPs, LUPs, GMPs and FMPs | | in place a penalty system commensurate with impacts on biodiversity P = 4 I = 4 | process at all stages and will be invited to sit in the MSBMC. |
| District-level and community-level approval process of DSPs, LUPs, GMPs and FMPs proceeds with difficulties | Organizational | This would adversely affect implementation of the project's demonstration activities in pilot districts and communities P = 1 I = 4 | The project will ensure that key representatives from the district and community levels are involved in early stages of the development of the biodiversity-enhanced DSPs, LUPs, GMPs, and FMPs. |
| Low understanding and resistance at the community level for approval of developed DSPs, LUPs, GMPs. | Organizational | This would adversely affect implementation of the project's demonstration activities in pilot districts and communities P = 1 I = 4 | The project will ensure that land users are informed about the project activities and are also involved as much as possible in early stages of the development of the biodiversity-enhanced DSPs, LUPs, GMPs as well as in pilot activities. |
| MoE and ALRC do not cooperate to make species/habitat data available for the spatially-based digital decision-making system for biodiversity conservation | Organizational | This would adversely affect the project's establishment of a decision support system for mainstreaming biodiversity conservation into land use planning P = 2 I = 4 | Active participation of staff from MoE and ALRC in the project's capacity building activities, as well as involvement in field-level demonstrations will be ensured. This will provide a foundation for establishing links between biodiversity information and land resource use information which, in turn, will support collaboration on the decision support system. |
| Climate change lead to catastrophic impacts | Environmental | This would adversely affect the biodiversity conservation benefits that the project seeks to generate directly in pilot sites and indirectly through replication in other districts. P = 2 I = 4 | The Project will work to address the anticipated negative impacts of climate change by increasing the resilience of the aquatic and terrestrial ecosystems in the targeted districts. By removing the precursors of degradation and careful monitoring of the self-restoration capacities of steppe, forest, meadows and swamps, the project contributes to higher resilience of the ecosystems and the species they host, to climate change impacts. Maintenance of large-scale resilience is critical in securing flow of ecosystem services and avoiding irreversible ecosystem regime shifts, which may be caused by climate change. |

A.7. Coordination with other relevant GEF financed initiatives

Compared to the PIF, coordination with related initiatives has been further elaborated. The project will cooperate with a number of ongoing projects/ initiatives in the country, which are close to the project goals and locations. To leverage synergies, ensure efficiency in implementing the projects, and information exchange, the project will use existing coordination mechanisms that have been operating successfully in-country, such as the regular meetings convened by the biodiversity focal point in the Ministry of Environment, regular cluster meetings convened by UNDP, joint representatives from relevant institutions in the projects' steering committees, active participation in technical teams and public events organized by other GEF projects. The studies conducted and information gathered under the other projects will be integrated into project implementation. The proposed project adds value to a number of related initiatives as set out below:

The EU/ UNDP project "Clima East: Sustainable management of pastures and community forests in Moldova's first National Park Orhei to demonstrate climate change mitigation and adaptation benefits and dividends for local communities" is a part of a broader EU financing package called 'Clima East: Supporting Climate Change Mitigation and Adaptation in Eastern Neighborhood Partnership Countries and Russia' (2013-2016) in cooperation with the partner countries Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russian Federation and Ukraine. The Clima East Moldova project aims to demonstrate a natural resource management model in the pastures and forests of Moldova which increases ecosystems' capacity to sequester carbon under pending climate risks, while at the same time retaining biodiversity and economic values. The project targets the pastures and forest degraded lands located in the Orhei National Park area (33,792.09 ha) and its buffer zone (which was established in the framework of the UNDP/GEF project "Improving coverage and management effectiveness of the Protected Area System in Moldova"). The project is supporting development of innovative pasture and community forest management systems on the whole territory of the park, including rehabilitation of 500 ha of pastures and reforestation of 150 ha of eroded and non-productive lands. The project will help avert further deterioration of natural resources (biodiversity, land, forest), sequester carbon and reduce the emission of greenhouse gases, improve local pasture and forestry resources, promote better understanding of problems related to climate change impacts and contribute to local/regional sustainable development. This UNDP managed project is very closely linked to Component 2 of the proposed project focusing on improving pasture management. Best practices in biodiversity-compatible land uses tested in the Clima East project will be replicated in the pilot area of the proposed project. Also, the Policy component of the Clima East project will develop financial and other incentive measures for supporting sustainable pasture management and maintaining eco-system based values, which will provide useful lessons for the pilot activities of the proposed project.

The WB/GEF Project "*Agriculture Competiveness*" is contributing to the enhancement of agro-food sector competitiveness by supporting the modernization of food safety and quality management systems, facilitating market access and enhancing agro-ecosystem resilience. Under its component "Food Quality and Safety Management System" it focuses on the modernization of the public system of quality management and food safety in compliance with food safety. Under Component "Access to Markets" support is provided to activities aimed at enhancing the degree of commercialization of selected horticultural value chains with an emphasis on sustainable farming and post-harvesting technologies and practices. The Component "Soil Conservation and Climate Resilience" support incentives to farmers for the introduction of agro-environmental practices aimed at reducing land degradation and mainstreaming coping and adaptation techniques for increased farm-level climate resilience. This project is closely linked to Component 2 of the proposed project focusing on improving land degradation issues on farm land where proposed project focus will be targeted towards biodiversity outputs.

The UNDP/GEF Project "*National Biodiversity Planning to Support the Implementation of the CBD 2011 – 2020 Strategic Plan in Moldova*" – the overall goal of the project was to integrate Moldova's obligations under the Convention on Biological Diversity (CBD) into its national development and sectoral planning frameworks through a renewed and participative 'biodiversity planning' and strategizing process, in a manner that is in line with the global guidance contained in the CBD's Strategic Plan for 2011 – 2020 (addressing so called Aichi targets). While the project focused on updating all aspects of the National Biodiversity Strategy and Action Plan from 2001, special emphasis was placed on (i) assessing and integrating ecosystem services through economic valuation and (ii) mainstreaming biodiversity into development policies, plans and practices and into sectoral plans and strategies. Among the sectors that the project will address are agriculture, forestry, livestock and fishing. The areas of cooperation lie in the sectoral approach to biodiversity conservation that the NBSAP project tackled, and also data/ information from the economic value of ecosystem services in the Republic of Moldova.

The EU-funded regional project “*European neighborhood and partnership instrument east countries forest law enforcement and governance II program*” (2013-2016) aims at putting in place improved forest governance arrangements through the effective implementation of the main priorities set out in the St. Petersburg Ministerial Declaration and Indicative Plan of Actions for the Europe and North Asia Forest Law Enforcement and Governance (ENA-FLEG) process. The Program supports selected pilot activities to be implemented with the active involvement of governments, civil society and the private sector. Most activities will be at a country level, complemented by strategically targeted sub-regional and regional actions. The Program is supported by the European Commission and other donors contributing to a special multi-donor trust fund administered by the World Bank (WB), working in partnership with the International Union for Conservation of Nature and Natural Resources (IUCN) and the World Wide Fund for Nature (WWF). There are a number of activities that the project can cooperate with, mainly in terms of promoting good governance in local forests, forest management planning, improving the legislative framework (and also harmonizing it with EU/ international frameworks), communication activities, etc.

A GEF/UNDP SGP project called “*Formation of the National Ecological Network (NEN) – contribution to the local and national level*” (2014-2015) intends to support local communities of Talmază, Popeasca and Ciobruciu (all in the Stefan Voda District) in building forest nurseries in order to ensure the establishment of forest plantations as ecological corridors, anti-erosion and diversification of the use of biological resources. All these activities will build capacities for the existing Ramsar Site “Lower Dniester”. It is envisaged that the project will deliver to the Ministry of Environment a guide on the assessment of NEN core areas, reconstruction and plantation within the NEN corridors, creation of forestry nurseries for NEN enhancement in the future, building capacities for local communities and raising awareness among local population. The two projects will cooperate on establishment of ecological corridors through reforestation activities. The Talmază locality is a focus of both projects and close coordination will be maintained to avoid overlap.

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

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

| Stakeholders | Project Implementation Role |
|--|--|
| Ministry of Environment, including the State Ecological Inspectorate | The Ministry is responsible for the development of environmental legislation, action plans and norms and standards. It provides state control on the quality of the environment. Under the Ministry, the State Ecological Inspectorate operates on the district level to enforce environmental legislation. The Ministry will review and draft policy and legislation relevant to mainstreaming biodiversity in territorial planning and preparing minimal standards for biodiversity conservation. Further, the Ministry will identify appropriate procedures for compliance monitoring and enforcement of the territorial plans and enforcement of legislation with regard to biodiversity. The Ministry will also facilitate functioning of the project management team (PMT), especially in regard to liaison with government authorities from different sectors. Ministry will ensure coordination with other relevant projects and initiatives and will be active in monitoring of the PMT activities. |
| Ministry of Agriculture and Food Industry including the Agency for Interventions and Payments in Agriculture | The Ministry of Agriculture is responsible for development and implementation of national agricultural policy and legislation. The Ministry is directly responsible for promoting among landowners environmentally friendly–practices, including pasture management. The Ministry will play an active role in project implementation particularly in policy formulation and mainstreaming biodiversity requirements. At rayon level the Ministry has its subdivisions including agricultural extension officers that will support project activities. The Ministry will also support the project by politically influencing agricultural practice e.g. promoting among landowners environmentally friendly practices. |
| Ministry of Regional Development and Construction | The Ministry will review any spatial and land-use plan produced by the project, so that biodiversity aspects are and will further be integrated into their policy. It will promote consideration of biodiversity in the state policy and legislative and regulatory framework in planning and land use planning, architecture, urbanism, construction, production of construction materials, housing and regional development. |
| Agency for Land Relations and Cadaster | The Agency is the main responsible institution for implementing state programs on land improvements. It will help in improving legal frame (namely Land Code), including creating a joint working group for development of LUPs. With inputs from the project, they will provide assistance in ensuring congruence between land and soil regimes, and incorporating data/information related to biodiversity into their information systems (focusing on the 2 selected districts). |
| Agency Moldsilva | Moldsilva will be an important partner for the implementation of reforestation activities on degraded lands, as well as for their related duties in forest resources management. The agency will provide, through its state forestry units, technical assistance, co-financing and support in implementing project components. Also, Moldsilva will help build cooperation with local communities where it operates on forest extension. It will also help review legal or regulatory products related to land use, so that forest biodiversity is covered. |
| Local Public Authorities (LPAs) at the district and village/community levels | District and village/community public administrations have a significant role to play in component 2 of the project. Their responsibilities are to promote cooperation among all land users and owners, to implement biodiversity-friendly practices, participate in conflict resolution, and promote training and educational activities. The district authorities will be responsible for land use planning. |

| Stakeholders | Project Implementation Role |
|---|---|
| NGOs: Ecological Movement of Moldova (EMM); BIOTICA Ecological Society; REC-Moldova; NGO-BIOS, NGO Congress of Local Authorities (CALM) and National Agency for Rural Development (ACSA) NGO and ProRuralInvest NGO | All NGOs will participate in stakeholder consultation and training as relevant. EMM is committed to restoring the natural balance of the environment in Moldova and will assist in the promotion and awareness raising of project activities. BIOTICA ES promotes the establishment of the National Ecological Network of Moldova, among other environmental objectives, and will be involved in the development of policies and regulations for mainstreaming biodiversity into Land Use Planning. It will also assist in the development of an annotated list of threatened species and habitats. It will provide advice on identification of areas for reforestation of degraded communal land. REC-Moldova has as an objective the promotion of cooperation between NGOs, private sector and other organizations, with government institutions in the domain of environmental protection and will be important during the project implementation in facilitating and participating in public debates on policies and regulations. NGO-BIOS is a leader in the field of environmental protection, sustainable agriculture and community development in Moldova and will be involved in the development of minimal standards for biodiversity conservation in most pressing land-use practices, among other activities. CALM represents the biggest local public association of local communities in Moldova and one of its main objectives is to contribute to promoting successful models and practices in local and regional development, inter-municipal cooperation, provision of public services and good local governance. ACSA's mission is sustainable development of rural communities through setting-up and developing a professional network of information, consultancy and training service providers for agricultural producers and rural entrepreneurs. Both CALM and ACSA will assist the Government of Moldova and the project in amending the Land Code and introducing requirements for identification and incorporation of biodiversity in land-use plans. ACSA will also assist in establishing working relations with livestock farmers in order to implement jointly-developed management plans for grazing and hay-making. ProRuralInvest NGO contributes to multidimensional and ongoing development of the rural sector through promotion of rural business development and providing assistance to rural entrepreneurs. It will assist in developing and testing technologies to demonstrate biodiversity-compatible practices for pilot areas in steppes and meadows. |
| Private sector: Farmer Associations, in particular National Farmers Federation Moldova (NFFM) and Republican Union of Agricultural Producers' Associations (APA) | The private sector is regarded as one of the key partners of the project by participating in making a business case for biodiversity conservation through piloting of biodiversity-compatible land use models on private lands in line with the developed spatial plans. Rural population, farmers and farming associations are the most important stakeholders for Component 2. These stakeholders will be closely involved in the consultation meetings. Farmer associations will be involved in the implementation of demonstration activities. In particular, NFFM and APA will be involved. NFFM consists of 11 regional organizations and more than 700 local farmer associations which cover more than 27,000 farmer enterprises. The federation contributes to enhancing the legal framework related to rural economic development. It develops and implements specific programs related to ecological agriculture, rural tourism, and social and cultural development and facilitates farmer associations in different domains. APA represents the interests of the 14 regional agricultural 'producers' associations. APA includes approximately 1,200 economic agents farming 600,000 hectares. APA and NFFM will have a strong voice during the amendment of the Land Code (given that most of the land in Moldova is private), as well as in revisions to sectoral legislation that would require them to subsequently follow the minimum standards for biodiversity conservation in pasture/ livestock and hay-field management, arable farming, forest use, fishing and water-based recreation. More specifically, representatives of professional associations from each field will be participating in the working groups for development of the relevant legislation (e.g. National Federation of Agricultural Producers from Moldova, Republican Union of Associations of Agricultural Producers – UniAgroProtect, etc.). APA, specifically, will assist the project in the establishment of cooperatives of livestock owners in order to implement the jointly-developed management plans for grazing and haymaking. |

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 (LDCE/SCCF):

The main livelihood options of rural communities in Moldova are related to livestock husbandry, forestry, and crop cultivation. Approximately 52% of the population is rural, and almost half of these are subsistence farmers. Among the rural population, people aged 60 and over are 4.1-times higher than in urban areas. Subsistence farmer families belong to the poorest group of the Moldovan population. Most of them are single-person families (64.2%), and in 55% of the families the head of the household is a woman. By enhancing the resilience of the resource base on which these families depend, the project will deliver significant long-term economic benefits at the local level.

In the case of the business-as-usual scenario, the resilience of the ecosystems to withstand threats would keep declining, in turn affecting the rural population that depends on the ecosystem services. Specifically, spatial planning does not consider the long-term resilience of the resource base on which communities rely, and this will continue in the business-as-usual scenario.

Under the GEF alternative scenario, rural communities in 2 districts covering approximately 204,000 hectares of land and including 171,395 inhabitants, out of which 50% are women, will – through the territorial plans – receive assurance that the resource base on which they depend in agriculture (e.g. forage productivity) will be more productive in the longer term. The 18 agricultural enterprises in Sorooca and 28 in Stefan Voda, which are stagnating at the moment due to low level of inputs, will have a better chance to sustain their businesses and to survive, this continuing to provide for jobs and improved livelihoods. Forest degradation and biodiversity loss is having a significant adverse impact on the population living in the pilot areas, especially for some 6,456 vulnerable families who depend on agro-biodiversity, firewood, berries, medicinal plants and other goods provided by natural ecosystems.

Further, the interest for eco- and agro-tourism is increasing in Moldova and the country is becoming more attractive for external visitors who come more often for leisure and vacation, rather than for business. Both Stefan Voda and Sorooca districts have good tourism potential due to the natural heritage in these localities. There are around 10 tourism companies in the two districts and Sorooca town is considered the oldest tourist route in Moldova. Therefore, the rehabilitation of pastures and forests will not only have a positive impact in terms of biodiversity conservation, but will also provide for an increase in income for families making their living from tourism-related activities.

Additional socio-economic benefits resulting from improved management of pastures are the following: 20% average increase of livestock productivity in terms of meat and milk, approximately 10,000 MDL (= \$600) annual net income from agricultural biomass per ha, increased potential for bee-keeping, and improved habitat for game and associated incomes.

Further, many local level activities will be implemented by local stakeholders themselves thus increasing their capacities for mainstreaming biodiversity. Following the UNDP and GEF gender policies and strategies, special attention will be placed on gender equity. In particular, full participation of women in consultations on sustainable biodiversity use and territorial planning processes will be ensured since 11% of all the businesses in the Stefan Voda district are women-led and the equivalent number for Sorooca is 25%.

The project also has the potential for generating significant benefits at the national level. The project's work in the pilot districts will demonstrate how to secure ecosystem services that are vital to Moldova's economy. While the project's work in pilot districts is a modest start, it has the potential to be replicated in other parts of the country, thereby reducing the costs associated with loss of ecosystem services.

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

Moldova lacks natural renewable resources and there is acute shortage of water and biomass resources in some regions (quality of water is poor and polluted, and there is high demand for biomass as primary energy and animal forage). Soil degradation caused by a complex of factors (among them erosion and unsustainable management) may have a detrimental impact on general development and environment in the country and regionally. The project will add value by demonstrating a more nature-friendly approach to sustainable development.

The cost-effectiveness of the project can be justified by the impact it will have on maintaining ecosystem/ biodiversity services through the shift to more sustainable land use practices. Ecosystems/ biodiversity provide not only direct goods, but also services such as water provision and regulation, soil fertility, growth and reproduction of food species, climate regulation etc. Key sectors are benefiting from these services - agriculture, fisheries, forestry, nature-based tourism, human settlements, etc.

The general value of the food provisioning service provided by biodiversity to agriculture is highly estimated. Pasturelands in Moldova are extremely poorly managed, but they are still important as biodiversity habitats for a number of species which have persisted from former steppes (after conversion) and/ or provide food niches for other species (e.g. birds of prey that nest in forests but feed in open areas). However, if pasturelands continue to be managed as they currently are in the business as usual (BAU) scenario, this may result in irreversible damage to ecosystems in the future.

Even though shifting overgrazed and underused pastures to sustainable use (sustainable ecosystem management scenario or SEM) may imply a decrease in the value of food/ forage provided by pastures in the short and medium term, the values after 10-15 years are significantly higher than the BAU values. A continuation of BAU could lead to monetary losses for the local economy (as well as biodiversity loss) over the next 25 years. SEM requires that local people are motivated to maintain balanced/ rational breeding and grazing practices (in the short run grazing may reach its carrying capacity and

is maintained at this level into the long term), and use of pastures at carrying capacity so as not to damage the ecological equilibrium.

Planting forest vegetation on degraded lands will have a positive impact in the long run as it will mitigate soil erosion and provide habitat corridors from an ecological point of view. Additionally, ecosystem/ biodiversity services will be maintained through sustainable community forestry (e.g. carbon sequestration, water and soil erosion regulation). Reforestation of 100 ha will provide additional forest provisioning services.

Innovativeness, sustainability and potential for scaling up

The project demonstrates several approaches for the first time in Moldova, including integration of biodiversity data into land use planning, economic valuation of biodiversity values when assigning land use under the newly developed LUPs, as well as regulating grazing for biodiversity values. Although reforestation approaches have been implemented in Moldova, these were mostly based on increasing forest cover and in many cases have used exotic species. The project will be targeting native species reforestation with the aim to prevent/control soil erosion and to increase the functional connectivity between isolated forest blocks.

In terms of sustainability, the project is building on a strong baseline insofar as a policy and institutional framework for mainstreaming biodiversity into territorial planning already exists. The project is about biodiversity conservation, and the planned interventions will ensure that damaging production sector practices are avoided in the most biodiversity sensitive areas, and that impacts are reduced, mitigated and offset as necessary elsewhere, thus reducing pressures on biodiversity, and enhancing conservation. The project will also be making the case for all stakeholders to view biodiversity protection as making economic as well as ecological sense. Recognition of the economic value of biodiversity together with the ownership that will be achieved in the project's products will lead to a protective stance from the relevant production sectors, and this will augur well for the sustainability of the project's products, services and benefits. Financial sustainability will be ensured through the review and realignment of public expenditure and the brokering of additional public and private funding towards biodiversity mainstreaming. The key gaps in the current process are capacity and coordination among all the spheres of Government to recognize the values of biodiversity and the ecosystem services it provides, and the application of this recognition in the land use allocation and permitting process. These are gaps which this project is designed to address.

Replication will be achieved through the direct replication and scaling up of sustainable practices and methods demonstrated by the project. The selection of districts in two different major ecological regions⁸ has been made so as to cover as much diversity as possible, and generate a diverse set of practical experiences on mainstreaming biodiversity conservation into economic activities outside protected areas. A series of workshops will be held as part of the project to trigger replication in additional districts including replicating the experience in those districts that will be developing LUPs during the project period. The project will also develop a package of modifications in land, forest and environmental legislation that will not only apply to the districts the project will be covering, but will have national coverage establishing the enabling environment for the project initiatives to be replicated in all other districts of Moldova.

C. DESCRIBE THE BUDGETED M & E PLAN:

The project team and the UNDP Country Office supported by the UNDP Regional Technical Advisor for Biodiversity Conservation for Europe and CIS will be responsible for project monitoring and evaluation conducted in accordance with established UNDP and GEF procedures. The Project Results Framework provides performance and impact indicators for project implementation, along with their corresponding means of verification. In addition, the GEF SO-2 Tracking Tool will also be used to track project impact (SO-2 tracking tool is submitted as a separate file). UNDP's Environmental and Social Screening tool will also be used (see Annex 8). The following sections outline the principle components of the M&E plan and indicative cost estimates related to M&E activities.

Project start

A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the

⁸ Soroca, which in the north, is part of Euro-Asian region (forest-steppe areas); and Stefan Voda, which is in the south, is part of Mediterranean region (areas with xerophytic habitats and species).

project results and to plan the first year annual work plan. The Inception Workshop should address a number of key issues including:

- Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis-à-vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms.
- Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- Discuss financial reporting procedures and obligations.
- Plan and schedule Project Board meetings. Roles and responsibilities of all project organization structures should be clarified and meetings planned. The first Project Board meeting should be held within the first 12 months following the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly

- Progress made will be reported on a quarterly basis to the Project Board and will be recorded in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log will be regularly updated in ATLAS. An Issue Log will be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.

Annually

- Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports
- Risk and adaptive management
- ATLAS QPR
- Portfolio level indicators (i.e. GEF focal area tracking tools) are used by most focal areas on an annual basis as well.

Periodic Monitoring through site visits

UNDP CO and the UNDP RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

Mid-term of project cycle

The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation (by the end of 2016). The Mid-Term Evaluation will determine progress being made toward 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. 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 evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#). The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle.

End of Project

An independent Final Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response which should be uploaded to PIMS and to the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#). The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation.

During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. 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 results.

Audit Arrangements

The Audit will be conducted in accordance with the established UNDP procedures set out in the Programming and Finance manuals by the legally recognized auditor.

Learning and knowledge sharing

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums. 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 through lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Communications and visibility requirements

Full compliance will be maintained with UNDP's Branding Guidelines. These can be accessed at <http://intra.undp.org/coa/branding.shtml>, and specific guidelines on UNDP logo use can be accessed at: <http://intra.undp.org/branding/useOfLogo.html>. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: http://www.thegef.org/gef/GEF_logo. The UNDP logo can be accessed at <http://intra.undp.org/coa/branding.shtml>.

Full compliance will also be maintained 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.

Table 4. M& E work plan and budget

| Type of M&E activity | Responsible Parties | Budget (US\$) Excluding project team staff time | Time frame |
|--|--|---|--|
| Inception Workshop (IW) | Project Manager Ministry of Environment, UNDP, UNDP-GEF | 5,000 | Within first two months of project start up |
| Inception Report | Project Team UNDP CO, UNDP-GEF | None | 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 | To be finalized in Inception Phase and Workshop. | Start, mid and end of project |
| Annual Measurement of Means of Verification for Project Progress and Performance | Oversight by Project GEF Technical Advisor and Project Manager Measurements by regional field officers and local IAs | To be determined as part of the Annual Work Plan's preparation. | Annually prior to APR/PIR and to the definition of annual work plans |
| PIR | Project Team UNDP CO UNDP-GEF | None | Annually |
| Project board meetings | Project Manager and team | None | Following IW and thereafter. |
| Technical and periodic status reports | Project team Hired consultants as needed | 3,000 | TBD by Project team and UNDP-CO |
| Mid-term External Evaluation | Project team UNDP CO UNDP-GEF RCU External Consultants (evaluation team) | 25,000 | At the mid-point of project implementation. |
| Final External Evaluation | Project team UNDP CO UNDP-GEF RCU External Consultants (evaluation team) | 25,000 | At least three months before the end of project implementation |
| Terminal Report | Project team UNDP CO UNDP-GEF RCU External Consultants (evaluation team) | None | At least two months before the end of the project implementation |
| Audit | UNDP-CO Project team | 5,000 | At least once during project lifetime |
| Visits to field sites (UNDP staff travel costs to be charged to IA fees) | UNDP-CO, UNDP-GEF RCU Government representatives | None | Yearly average one visit per year |
| TOTAL (indicative) COST (Excluding project and UNDP staff time costs) | | 63,000 | |

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) |
|----------------|-------------------------------------|------------------------------------|-------------------|
| Gheorge Salaru | Minister of Environment, GEF OFP | MINISTRY OF ENVIRONMENT MOLDOVA | 02/19/2013 |

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 (Month, day, year) | Project Contact Person | Telephone | Email Address |
|--|---|-------------------------------|---|--------------------|---------------------------|
| Adriana Dinu, Executive Coordinator, UNDP-GEF |  | January 16, 2015 | Maxim Vergeichik, Regional Technical Advisor | +421 2/59377152 | maxim.vergeichik@undp.org |

ANNEX A: TOTAL BUDGET AND WORK PLAN AND PROJECT RESULTS FRAMEWORK

(i) Total Budget and Work Plan

| Award ID: | 00081126 | Project ID(s): | 00090554 | | | | | | | | | | |
|---|---|----------------|------------|------------------------------|----------------------------------|---------------|-------------------------------|---------------|---------------|---------------|--------------|---------------|----|
| Award Title: | Country Name Project Title: Mainstreaming Biodiversity Conservation into Moldova's Territorial Planning Policies and Land-Use Practices | | | | | | | | | | | | |
| Business Unit: | MDA10 | | | | | | | | | | | | |
| Project Title: | Country Name Project Title: Mainstreaming Biodiversity Conservation into Moldova's Territorial Planning Policies and Land-Use Practices | | | | | | | | | | | | |
| PIMS no. | 5259 | | | | | | | | | | | | |
| Implementing Partner (Executing Agency) | Ministry of Environment | | | | | | | | | | | | |
| GEF Outcome/Atlas Activity | Responsible Party/Implementing Agent | Fund ID | Donor Name | Atlas Budgetary Account Code | ATLAS Budget Description | Year 1 (US\$) | Year 2 (US\$) | Year 3 (US\$) | Year 4 (US\$) | Total (US\$) | Budget Note: | | |
| OUTCOME 1: Land use planning and enforcement system addresses biodiversity loss | NEX | 62000 | GEF | 71300 | Local Consultants | 26000 | 32000 | 8000 | 8000 | 74000 | 1 | | |
| | | | | 71600 | Travel | 2000 | 2000 | 1000 | 1000 | 6000 | 2 | | |
| | | | | 72100 | Contractual services-companies | 0 | 0 | 5000 | 5000 | 10000 | 3 | | |
| | | | | 74200 | Audio Visual&Print Prod Costs | 0 | 3000 | 3000 | 4000 | 10000 | 5 | | |
| | | | | 75700 | Trainings and Workshops | 2000 | 3000 | 3000 | 2000 | 10000 | 6 | | |
| | | | | | Total Outcome 1 | 30000 | 40000 | 20000 | 20000 | 110000 | | | |
| OUTCOME 2: Conservation and Sustainable Use of Biodiversity on Communal Land | NEX | 62000 | GEF | 71200 | International Consultants | 0 | 20000 | 0 | 20000 | 40000 | 7 | | |
| | | | | 71300 | Local Consultants | 13000 | 17000 | 16000 | 12500 | 58500 | 8 | | |
| | | | | 71600 | Travel | 40000 | 3000 | 2000 | 2000 | 47000 | 9 | | |
| | | | | 72100 | Contractual services-companies | 80000 | 150000 | 60000 | 0 | 290000 | 10 | | |
| | | | | 72500 | Supplies | 1000 | 500 | 0 | 500 | 2000 | 11 | | |
| | | | | 72600 | Grants | 84000 | 140000 | 28000 | 28000 | 280000 | 12 | | |
| | | | | 74100 | Professional Services | 0 | 0 | 0 | 5000 | 5000 | 13 | | |
| | | | | 74200 | Audio Visual&Print Prod Costs | 4000 | 4000 | 6000 | 6000 | 20000 | 14 | | |
| | | | | 75700 | Trainings and Workshops | 5000 | 2231 | 6000 | 6000 | 19231 | 15 | | |
| | | | | | Total Outcome 2 | 227000 | 336731 | 118000 | 80000 | 761731 | | | |
| Project management | NEX | 62000 | GEF | 71400 | Contractual Services - Individ | 12600 | 12600 | 12600 | 12600 | 50400 | 16 | | |
| | | | | 74599 | UNDP Cost recovery Charges-Bills | 9185 | 9195 | 9195 | 9198 | 36773 | 19 | | |
| | | 04000 | UNDP | 71400 | Contractual Services - Individ | 8400 | 8400 | 8400 | 8400 | 33600 | 16 | | |
| | | | | 72400 | Communic & Audio Visual Equip | 700 | 873 | 800 | 800 | 3173 | 17 | | |
| | | | | | | 74200 | Audio Visual&Print Prod Costs | 807 | 807 | 807 | 806 | 3227 | 18 |
| | | | | | | | Sub-total management cost GEF | 21785 | 21795 | 21795 | 21798 | 87173 | |
| | | | | | | | Sub-total management UNDP | 9907 | 10080 | 10007 | 10006 | 40000 | |
| | | | | | | | Total Management | 31692 | 31875 | 31802 | 31804 | 127173 | |
| PROJECT TOTAL | | | | | | 288692 | 408606 | 169802 | 131804 | 998904 | | | |

Summary of Funds: ⁹ (See Annex 6 for cofinancing agreements and/ or support letters that have been obtained from project partners.)

| | Amount Year 1 | Amount Year 2 | Amount Year 3 | Amount Year 4 | Total |
|-----------------------------|------------------|------------------|------------------|------------------|-----------|
| GEF | 278,785 | 398,526 | 159,795 | 121,798 | 958,904 |
| UNDP | | | | | 40,000 |
| MoE | | | | | 460,000 |
| MoE (in kind) | | | | | 100,000 |
| Moldsilva | | | | | 4,200,000 |
| Stefan Voda District | | | | | 30,000 |
| Soroca District | | | | | 20,000 |
| TOTAL | | | | | 5,808,904 |

Budget notes (see Annex 7 for Terms of Reference for project consultants):

| |
|--|
| 1. Legal expert responsible for activities under Output 1.1 and Output 1.4 - 350\$ *50 weeks=17,500\$. Biodiversity and Ecosystem Management Expert - for activities under Output 1.2, Output 1.3 and Output 1.4 - 350\$ *80 weeks=28,000\$. Forestry Expert responsible for Species/habitat data input into forest management plans (Output) - 350\$ *20 weeks=7,000\$; Economy and Finance expert for completion the activities under Output 1.4 - 350\$*16 weeks = 5600\$. Communication and PR consultant - 350\$ * 35 weeks = 11900\$. Translation costs - 4000\$ |
| 2. Travel for local consultants and project team (20000 km * 0.30) - 6000\$ |
| 3. Costs related to: designing and implementation of the training programme for promoting integrated land and biodiversity/ecosystem planning (design the programme - 2500\$; implementation of the programme 6 trainings * 1250\$ = 7500\$) |
| 5. Costs related to publication of information materials, brochures, analytical and monitoring reports etc. |
| 6. Costs of consultations, round tables and discussions with central/ local authorities and other stakeholders related to the implementation of Output 1.1, Output 1.2 and Output 1.3. Estimated nr. of meetings - 40 * 250\$=10000\$ |
| 7. International evaluation expert for mid-term and the final evaluations - 40000\$ (Consultancy fee 3,750\$ * 10 weeks=37,500\$; DSA and travel - 2500\$) |
| 8. Local consultant: Mid-term and final evaluation: 8000\$ (\$500\$ * 12 weeks = 6000\$. Travel and other costs - 2000\$); Economy and Finance expert for assessment of the economic values of biodiversity and ecosystem services, compensatory schemes and incentives development (350\$ * 30 weeks = 10500\$); GIS expert for development of the spatially-based digital decision-making system for biodiversity conservation (400\$ * 65 weeks = 26000\$); Communication and PR consultant - 350\$ * 40 weeks = 14000\$ |
| 9. Cost associated with one week field visit to a neighboring country (e.g. Romania, Hungary) for approx. 20 representatives of key stakeholders to show the best practices and benefits of biodiversity-compatible district spatial (land-use) planning. (20 pers. * 1750 \$ = 35000\$). Costs associated with local experts and team travel (40000 km * 0.30 = 12000\$) |
| 10. Costs associated with developing: biodiversity-compatible district spatial plans for 2 districts (2*70000\$ = 140,000\$) and community land-use plans for 4 selected communities (villages) to consider biodiversity and ecosystem continuity (4*27500\$ = 110,000\$); grazing management plans for 4 selected communities (7000\$*4 = 28000\$); pedagogical maps and reforestation schemes in selected pilots (4 corridors * 500\$ = 2000\$); Forest management plans (768ha * 13\$/ha = 10000\$) |
| 11 Office supplies |
| 12. Costs of conducting training, technical support, quality control and feasibility studies for the ecological corridors (1600 \$/ha * 100ha = 160000\$). Restoration/rehabilitation costs for improving pastures/steppes/meadows (1200 \$/ha * 100 ha = 120000\$) implemented through small grants scheme. |
| 13. Audit costs |
| 14. Costs related to publication of information materials, brochures, analytical and monitoring reports etc. |
| 15. Costs associated with: Land users training in mainstreaming biodiversity in land use practices (10 trainings * 1250\$ = 12500\$); Inception workshop (5000\$), other meetings (1731\$) |
| 16. 60% of the salary associated costs for project manager and project assistant and shared between UNDP and GEF. |
| 17. Internet, Phone, Mobile costs |
| 18. Promotional materials to ensure project visibility including for the inception workshop |
| 19. Direct Project Costs |

⁹ Summary table should include all financing of all kinds: GEF financing, cofinancing, cash, in-kind, etc.

(ii) Strategic Results Framework

| |
|--|
| This project will contribute to achieving the following Country Programme Outcome: Outcome 3.1 Improved environmental management in significantly increased compliance with international and regional standards |
| Country Programme Outcome Indicators: Environmental considerations integrated into sectoral policies or sector specific environment actions plans/policy documents in place |
| Primary applicable Key Environment and Sustainable Development Key Result Area: 1. Mainstreaming environment and energy |
| Applicable GEF Strategic Objective and Program: Strategic Objective 2 – To mainstream biodiversity in production landscapes/ seascapes and sectors |
| Applicable GEF Expected Outcomes: Conservation and sustainable use of biodiversity incorporated in the productive landscape and seascape |
| Applicable GEF Outcome Indicators: By project end, 2 districts (approx. 204,000 ha) have biodiversity-enhanced land use plans in place, and an additional 33 districts (approx. 3,180 million hectares) are indirectly influenced through transfer of lessons and experience of the project |

| Project Strategy | Objectively Verifiable Indicators | Baseline | Target ¹⁰ | Sources of verification | Risks and Assumptions (see Annex 5 for Risk Log) |
|---|---|---|--|--|---|
| Objective: To mainstream biodiversity conservation priorities into Moldova's territorial planning policies and land-use practices | Land area for which DSPs and LUPs, that deliver biodiversity benefits outside PAs are developed and under implementation | 0 ha | Approximately 204,000 ha (2 districts) Additional 3,180 million hectares (33 districts) are indirectly influenced by project approach | Approved DSPs and LUPs for 2 districts; project reports, final external evaluation | MoE, Moldsilva and MRDC maintain support for project strategy and remain interested in transferring lessons to additional districts Authorities from districts and localities other than the pilot districts are receptive to applying the project approach in their districts |
| Component 1. Land use planning and enforcement system addresses biodiversity loss | Number of sectoral regulations and methodological guidelines that facilitate the incorporation of biodiversity conservation requirements into planning and management of land use outside protected areas (to be tracked in more detail through the SO 2 Tracking Tool) | 0 | 3 ¹¹ | Approved documents printed for circulation to relevant departments | Amendments and methodological recommendation for economic land use activities receive political support Ministry of Justice accepts project recommendations on a more effective system of penalties for malfeasance to approved DSPs, LUPs, GMPs and FMPs |
| | Recorded cases of illegal logging | Soroca: 17 cases in 2013 Stefan Voda: 14 cases in 2013 | Reduced by half Reduced by half | Internal documents of MoE, Moldsilva, and MRDC | |
| | Observance of grazing norms (especially those related to stocking rates and non-use of pastures in Spring) by local land users in all pilot sites | 0% of land users observing norms in 2013 | 50% of land users observing norms | Internal documents of MoE, Moldsilva, and MRDC | |
| | Number of government staff trained in collection of biodiversity information and integration of this into the | 0 | At least 20 officers | Trainer reports; analysis of training evaluation forms | |

¹⁰ The target timeframe for all indicators is by project end i.e., 2018, unless otherwise stated.

¹¹ 1. Regulation on identification of vulnerable species, habitats and ecosystem goods and services during land use planning; 2. Amendment to the 1991 Land Code introducing requirements for identification and incorporation of biodiversity outside PAs in DSPs and LUPs; 3. Minimal standards for biodiversity conservation in pasture/livestock and hay-field management, arable farming, forest use, fishing and water-based recreation introduced in relevant sectoral legislation.

| Project Strategy | Objectively Verifiable Indicators | Baseline | Target ¹⁰ | Sources of verification | Risks and Assumptions (see Annex 5 for Risk Log) |
|--|---|------------------------------|--|--|---|
| | development and implementation of land use plans (Note: A more detailed tracking of capacity development impacts at the systemic, institutional and individual levels will be based on the UNDP Capacity Development Scorecard) | | | | |
| Component 2. Conservation and Sustainable Use of Biodiversity on Communal Land | Increase in land area outside protected areas where threats to biodiversity from economic activities are controlled | 0 ha | Sustainable land uses demonstrated as follows: Hay making: 100 ha Grazing: 2,484 ha Forestry: 14,099 ha | Field Survey, photo documentation, Final External Evaluation | District-level and community-level approval process of DSPs, LUPs, GMPs and FMPs proceeds smoothly |
| | Population of indicator species outside PAs improves at pilot sites (see table below for details on indicator species)* | See table below for baseline | See table below for targets | Field Survey, data collected by MoE and ALRC | MoE and ALRC cooperate to make species/ habitat data available for the spatially-based digital decision-making system for biodiversity conservation |
| | % of local land-users in 2 districts who are conducting economic activities in ecologically sensitive areas and receive in-field training and technical assistance with implementing modified practices | 0 | 100% | Report from PMT based on feedback from land users; Final External Evaluation | Climate change does not lead to catastrophic impacts |
| | Increase in public finance for biodiversity mainstreaming in land use planning in pilot areas | None | Budget allocations for biodiversity mainstreaming in pilot areas increased by 10% ¹² | Annual budgets of LPAs in pilot areas | |

* Status of indicator species in the pilot areas

| Species name (English/Latin) | Distribution / habitat | Protection in Moldova | Abundance in Moldova | Indicators for target regions: | |
|---|---|---------------------------------------|---|--|---|
| | | | | Baseline | Target |
| Feather grass (<i>Stipa pennata</i>) | Widely distributed in steppes or forest-steppe areas of southeastern Europe, Russia, Kazakhstan and Western Siberia. | Not included in the National Red Book | Typically for steppes and forest-steppe areas in northern Moldova (such as Balti steppe, steppe-forest oak type, including suitable habitats of Dniester riverbanks) (Shabanova G., 2012). A rare species occurring in several districts (Rezina, Rascani, Balti, Soroca, Ungheni). | 3% of the total plant composition per 100 m ³ | 10% of the total plant composition per 100 m ³ |
| Feather grass (<i>Stipa ucrainica</i>) | Endemic to the Pontic region (East Romania, Moldova, South Ukraine, southern part of European Russia (including the foothills of North Caucasus), Northern Bulgaria). | Not included in the National Red Book | Rarely occurring and locally abundant in protected xerophyte communities of steppe forest vegetation with presence of downy oak (mainly in Bugeac steppe plains of south-west Moldova) (Shabanova G., 2012). | 7% of the total plant composition per 100 m ³ | 20% of the total plant composition per 100 m ³ |
| Corn Crane (<i>Crex crex</i>) | From Britain and Ireland east through Europe to central Siberia (its historic | Endangered, National Red Book | Population is in decline (Munteanu A., Cuzari T., Zubcov N., 2006). According to Institute of Zoology there can be 110-250 pairs in Moldova to nest at the | <10 breeding males. | >40 breeding males. |

¹² The target to be re-confirmed at the inception phase

| Species name (English/Latin) | Distribution / habitat | Protection in Moldova | Abundance in Moldova | Indicators for target regions: | |
|--|---|--|---|--------------------------------|-----------------|
| | | | | Baseline | Target |
| | range is much larger and covered large areas in Eurasia) | | moment (2013/2014); on an average, there can be 1-2 pairs per 10 ha per suitable habitat (pastureland, meadows). | | |
| Greater Spotted Eagle (<i>Aquila clanga</i>) | Migratory species: breeds from northern Europe across Asia; winters in south-eastern Europe, north-eastern Africa, Middle East and southern Asia. | Endangered, National Red Book | It does not breed/nest in Moldova for the moment (Munteanu A., pers. comm., 2014). It can rarely be observed during migration period, and only for a short time. | <2 pairs | >5 pairs |
| European Ground Squirrel (<i>Spermophilus citellus</i>) | Endemic to central and southeastern Europe (range is divided by the Carpathian Mountains). | Vulnerable, National Red Book | According to Institute of Zoology there can be around 20 colonies in the country for the moment (Munteanu A., pers. Comm., 2014). | 0 colonies | >3 colonies |
| Speckled Ground Squirrel (<i>Spermophilus suslicus</i>) | Eastern Europe (Poland, Romania, Russia, Belarus, Moldova and Ukraine). | Listed to be included in the 3 rd edition of the National Red Book (2015) | More abundant than the European squirrel and according to Institute of Zoology there can be around 100 colonies for the moment (Munteanu A., pers. comm., 2014). | 0 colonies | >5 colonies |
| European Otter (<i>Lutra lutra</i>) | Widely distributed: across Europe and parts of Asia and Africa | Endangered, National Red Book | According to Institute of Zoology, there can be 1 animal per 10 km of suitable habitat (river bank, lake/pond, streams or river tributary, even in forests where it finds shelter and food) | <5 individuals | >10 individuals |

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).

| Comments | UNDP's Response | Document Reference |
|--|--|--|
| GEFSEC comments on PIF (April 12, 2013) | (18 April 2013) | |
| <p>6. 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>While number of related activities by the government ministries and agencies are noted in the relevant section, it is hard to understand how the proposed project and the baseline activities would coordinate and work together. Please further clarify how they are interlinked and coordinated.</p> | <p>The project has been designed to build on the baseline activities through increasing improving the country's capacity to coordinate production sector with conservation interventions. The current (baseline) situation is that the activities are being implemented by different ministries and agencies across the three spheres of government with little coordination with the result that the agriculture and forestry sector investments as well infrastructure/urban development and recreation activities occur without taking due consideration of biodiversity management needs. Biodiversity conservation is currently erroneously viewed as analogous with protected area management—with little understanding of the need for conservation outside PAs. Land use planning and management is not being implemented in an integrated and coordinated manner with a view to balancing production sector and conservation objectives and needs. The project is designed to address the deficit in coordination—precisely to address this problem. Interventions have been planned with this in mind:</p> <p>Firstly at the <u>national</u> regulatory level the project will assist the Government to establish an enabling environment for mainstreaming biodiversity into land use planning, compliance monitoring and enforcement. This will be accomplished in the main by changing the legislation governing land use allocation and management, emplacing a monitoring system for the spatial plans and developing a system of penalties for malfeasance, but also through capacity building. The main actors in ensuring the establishment of an enabling environment are Ministry of Environment (MoE), Ministry of Agriculture and Food Industry (MAFI), Moldsilva and Ministry of Construction and Regional Development. There is very little coordination between these Ministries and agencies, although they are interlinked in the sense that they all are involved in land-use planning, just not in an integrated manner. The following text has been added to the barrier section: "The financial and human resources earmarked for baseline programmes related to regulation of natural resource management and land use planning are deployed and managed by sectoral ministries/departments/agencies (MoE, MAFI, Ministry of Construction and Regional Development and Moldsilva) working in silos. There is a need to harmonize and coordinate efforts across sectors, and spearhead innovative ways and means of mainstreaming biodiversity into land-use planning in an integrated and coordinated way that balances socio-economic and environmental objectives". In order to address this barrier the following output was added to the project framework: "A national multi-sectoral stakeholder committee¹³ oversees land-use plan development, implementation and enforcement." This was further expanded in the description of the activities: "A coordination mechanism (multi-stakeholder committee) that brings together authorities tasked with natural resource and land use planning and permitting at a national scale will put in place. The multi-stakeholder committee will ensure a unified approach in the development, implementation and enforcement of land-use plans from the different ministries and departments resulting in the optimum use of land in terms of biodiversity conservation, ecosystem services and socio-economic development.</p> <p>At the district level coordination will be ensured also through the establishment of multi-sectoral stakeholder committees but these will include local stakeholders. The PIF has been revised to better describe the approach: "Integrated Spatial Plans accommodating biodiversity concerns developed for two districts¹⁴ <u>by multi-sectoral stakeholder committees</u> ensuring optimal allocation of land to generate optimal allocation of land to generate development benefits and critical biodiversity benefits in tandem."</p> | <p>PIF: Table B, PIF and Part II, A: Project Overview, A1: Project Description</p> |
| 7. Are the components, outcomes and outputs in the | 1. The following outcome was adjusted to include the mainstreaming coverage target: "Enhanced conservation security in the two target districts covering 204,000 ha as a | PIF: Table B, PIF and Part |

¹³ The terms of reference and membership of this committee, statutory responsibilities, plus periodicity of meetings and other requirements have been elaborated during the PPG stage (see Annex 2 of the UNDP Project Document).

¹⁴ The districts are: Soroca and Stefan Voda and Telenesti. The district selection will be confirmed during the PPG stage. The pilot districts will represent two (northern and southern) of the three major ecological regions – northern, central and southern. These regions also vary in terms of economic conditions. Thus this Component will produce a model of land-use planning that will be adjusted for the ecological, social and economic varieties, with high potential for replicability at the neighbouring districts beyond the project.

| Comments | UNDP's Response | Document Reference |
|---|--|---|
| <p>project framework (Table B) clear, sound and appropriately detailed?</p> <p>April 12, 2013</p> <p>The project design is largely in line with the PIF that was submitted by the country during GEF-4. The project framework is sufficiently robust but could be improved by considering the following:</p> <ol style="list-style-type: none"> 1. Include all the key GEBs, including mainstreaming coverage target in the framework. 2. Develop activities to ensure financial sustainability of the initiatives. 3. Further clarify the incentive mechanism for the farmers and other stakeholders to promote BD friendly land use. | <p>result of mainstreaming biodiversity into land use planning for the following species: European Ground Squirrel and Corncrake for Steppe, Greater Spotted Eagle for forests and adjacent wet meadows, European Otter for river and lake ecosystems.”</p> <p>The Global Environmental Benefits as detailed on page 9 of the PIF are presented in the framework as follows (outcome in framework in italics): Ensuring stability of a number of threatened and indicator species: indicator grass species (<i>Stipa pennata</i> and <i>S. ucrainica</i>) at natural steppes [“20% reduction in extent of degradation of steppes in target sites in two districts caused by extensive incompatible land uses e.g. overstocking resulting in an increase in status of indicator grass species (<i>Stipa pennata</i> and <i>S. ucrainica</i>)”]; populations of European Ground Squirrel (<i>Spermophilus citellus</i>) and Corncrake (<i>Crex crex</i>) for steppes; Greater Spotted Eagle (<i>Aquila clanga</i>) for forest and adjacent wet meadows; European Otter (<i>Lutra lutra</i>) for river and lake ecosystems [“Enhanced conservation security in the two target districts covering 204,000 ha as a result of mainstreaming biodiversity into land use planning for the following species: European Ground Squirrel and Corncrake for Steppe Greater Spotted Eagle for forests and adjacent wet meadows European Otter for river and lake ecosystems.”]</p> <p>In the long-term, taking into account the replication effect, the project will ensure the long-term integrity of fragile ecosystems, including steppes and wet meadows [approx. 30,000 ha], wetlands [approx. 10,000 ha], river floodplains and lakes [approx. 10,000 ha] and forest ecosystems [approx. 30,000 ha] [Enabling policy and institutional environment for mainstreaming BD principles within the State programs and rayon level land use and forest management framework resulting in: Reduction in unsustainable grazing, logging and recreation loads on steppes and wet meadows [approx. 30,000 ha], wetlands [approx. 10,000 ha], river floodplains and lakes [approx. 10,000 ha] and forest ecosystems [approx. 30,000ha]. The SO-2 Tracking Tool will be used to track the progress.]</p> <p>2. In order to ensure the financial sustainability of the initiatives the following output has been added to Component 2: “Secure additional budgetary finances (from public funds) for BD Mainstreaming initiatives and align existing financial contributions in the forestry, agricultural and rangeland sectors to support BD-friendly practices in the two districts: <i>Brokerage of public finance resources for BD mainstreaming initiatives</i> <i>Re-alignment of existing financial streams”.</i> In the description of the activities the following was added: “Further, to build the business case for increasing resources flows, valuation will be undertaken of costs/ benefits of different production systems and the new BD-friendly practices within the selected landscapes and their benefits to biodiversity, ecosystem functioning and livelihoods. This information will be used by selected local governments to broker public and private resources for increased funding towards BD Mainstreaming. The process of increased funding allocation towards BD Mainstreaming by the project will also involve a process of review and alignment of existing funding to the identified production sectors: Public Expenditure Reviews of the agricultural, forestry and rangeland sectors in the two districts will be undertaken, negative spend will be identified and reduced, and budgets realigned to finance for example the destocking of rangeland, rehabilitation of forests. For both new and existing (realigned) funding sources, the project will develop resource distribution criteria to ensure the most effective and efficient application of scare resources and that adequate incentives are provided for landowners/managers to make the move towards BD-friendly practices.” It is believed that if the incentives are right, the private sector will engage in the initiatives. With increased funding towards biodiversity mainstreaming and targeted to the establishment of incentives for the farmers and landowners to engage in important initiatives that will be demonstrated by the project, the sustainable financing will be improved.</p> <p>3. The incentives to promote BD-friendly land-use have been to some extent covered by the response to the previous comment. The project also is following a two-pronged approach in the process of moving towards a more biodiversity-friendly landscape: through the ‘stick’ approach by the development of legislation and improved monitoring and enforcement capacity and through providing the right incentives (‘carrot’ approach) for landowners and stakeholders to make the move from a BD-damaging to a BD-friendly land-use practice. The project does have limited funding and cannot set up an elaborate incentive scheme but the project will during the PPG phase look at possibility</p> | <p>II, A: Project Overview, A1: Project Description</p> |

| Comments | UNDP's Response | Document Reference |
|---|---|---|
| | <p>of assisting Government in the setting up of such schemes. On a more project-level, the description of incentives for farmers engaged in overgrazing of steppes and meadows has been improved. The project will address overgrazing through the reduction of livestock numbers of the individual farmers. This will be based on a fair and equitable mechanism. The following was added to further clarify the incentive mechanism for the farmers: <u>“Through this mechanism no individual farmer will lose the right to graze the lands but only a reduction in number of animals allowed to graze on the specific steppe area will be enforced.</u> The farmers will be compensated for this loss through increased property rights on the land <u>through longer term agreements and through moving away from an open access regime therefore allowing the individual livestock owners to plan longer term,</u> increased productivity of the remaining livestock as the fodder will be of better quality <u>(low milk yield, less reproductive efficiency, delayed maturity and poor animal growth rate are major constraints for animal productivity due to imbalance nutrition – provision of balance nutrition can perk up the animal productivity, in some cases up to 50%),</u> and reduced rent payments to the municipalities for the use of the steppes. The possibility of further compensating livestock owners for reduced stocking rates on critically important steppes through the provision and establishment of artificial pastures to remove loads on steppe <u>or alternative livelihoods schemes</u> will be investigated during PPG stage”. The reforestation activities will mainly take place on degraded land and its implementation has benefit for all, seeing that the land is currently lying idle.</p> | |
| <p>10. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?</p> <p>April 12, 2013</p> <p>The public participation section is rather general. Please further elaborate existing CSOs and farmers association that the project may collaborate.</p> | <p>A more elaborate description of CSOs and farmer associations has been added to the revised PIF.</p> | <p>PIF: Part II, A: Project Overview, A2: Stakeholders</p> |
| <p>12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p> <p>April 12, 2013</p> <p>As noted above, please further clarify how the project will build on the "baseline projects" and coordinated.</p> | <p>Please see response to Question # 6.</p> | |
| <p>13. Comment on the project's innovative aspects, sustainability, and potential for scaling up.</p> <ul style="list-style-type: none"> - Assess whether the project is innovative and if so, how, and if not, why not. - Assess the project's sustainability strategy and the likelihood project outcomes will be sustained or not based on the evidence in the literature. | <p>The following has been added to the description of the sustainability of the project: “The project has financial sustainability written into it, through the review and realignment of public expenditure and the brokering of additional public and private funding towards BD Mainstreaming. The key gaps in the current process are capacity and coordination among all the spheres of Government to recognize the values of biodiversity and the ecosystem values it provides and the application of this recognition in the land use allocation and permitting process – which this project is designed to address”.</p> <p>The following was added to the scaling up/replication part of the revised PIF: “The project will also develop a package of modifications in land and forest legislation that will not only apply to the districts the project will be covering, but will have national coverage establishing the enabling environment for the project initiatives to replicated in all other districts of Moldova”.</p> | <p>PIF: Part II, A: Project Overview, A1: Project Description</p> |

| Comments | UNDP's Response | Document Reference |
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| <p>- Are there measures to secure the institutional and financial stability of the project?</p> <p>- Assess the potential for scaling up the project's intervention strategy and critique the plan for scaling up.</p> <p>April 12, 2013</p> <p>The innovative element is well taken.</p> <p>The financial sustainability of the project initiative is expected to be further elaborated.</p> <p>On the scaling up/replication, the project could highlight the role of development of the legislation/policies at the national level.</p> | | |
| <p>GEFSEC comments on PIF (August 26, 2013)</p> | | |
| <p>On the linkage with the Aichi targets, please also clarify the number of the target (e.g. target 1 on....) that the project will contribute to.</p> | <p>The project advances the strategic targets of the UNCBD Strategic Plan for Biodiversity 2011 – 2020, in particular: Target 4: By 2020, at the latest, governments, business and stakeholders at all levels have taken steps to achieve or have implemented plans for sustainable production and consumption and have kept the impacts of natural resources well within safe ecological limits; and Target 5: By 2020, the rate of loss of all natural habitats, including forests, is at least halved and where feasible brought close to zero, and degradation and fragmentation is significantly reduced.</p> | <p>The respective Project Document on page 19, Sub-Chapter "Project consistency with GEF focal area strategies"</p> |
| <p>STAP Comments</p> | | |
| <p>None</p> | | |
| <p>GEF Council Comments</p> | | |
| <p>None</p> | | |

Response to Comments from GEFSEC dated 15 November 2014 and 9 January 2015

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives? For BD projects: Has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track progress toward achieving the Aichi target(s).</p> <p>The project is generally in line with BD2, however, please note comments provided below and revise the approaches as appropriate. Please also provide the planned target figure (i.e. number of policies and plans) in table A.</p> | <p>The planned target figure for number of policies and plans has now been provided as follows:</p> <p>Output 1. Policies and regulatory frameworks (three) for production sectors</p> <p>Output 2: National and sub-national land-use plans (2 DSPs and 4 LUPs) that incorporate biodiversity and ecosystem service valuation.)</p> | <p>Table A of CEO ER</p> |
| <p>5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?</p> <p>The project is found to be in line with the NBSAP and other key</p> | <p>The project is in line with the updated NBSAP. The updated NBSAP places special emphasis on (i) assessing and integrating ecosystem services through economic valuation and (ii) mainstreaming biodiversity into development policies, plans and practices and into sectoral plans and strategies.</p> <p>The project specifically furthers this objective of mainstreaming biodiversity conservation into the following sectors – agriculture, forestry, livestock, and fishing – by making modifications to relevant</p> | <p>See addition to section A.1 (page 4) of the CEO ER.</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>strategies and plans. The development of the updated NBSAP is noted in the relevant section, however it is unclear whether the proposed project is in line with this updated NBSAP. Please confirm.</p> | <p>sectoral policies and demonstrating this approach in 2 target districts. It will draw on data/ information on the economic value of ecosystem services in the Republic of Moldova generated by the updated NBSAP process. Specifically, Output 1.4 that develops a system of penalties for malfeasance to approved spatial plans will be based on an assessment of economic/ monetary values of biodiversity and ecosystem services that, in turn, builds on GEF/ UNDP's NBSAP project results.</p> | |
| <p>6. 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>While additional information has been provided on related activities, it is hard to understand how the proposed project would coordinate and work together with these initiatives. Please clarify further details on the coordination mechanism.</p> | <p>In order to facilitate dialogue and ensure coordination with baseline projects/ programs of the targeted sectors, the project will establish a Multi Stakeholder Biodiversity Mainstreaming Committee under Output 1.3. This committee will bring together authorities tasked with natural resource and land use planning and permitting responsibilities – namely, Ministry of Environment, Ministry of Regional Development and Construction, Agency Moldsilva, Agency for Land Relations and Cadastre, Academy of Sciences, District Council of Sorooca, District Council of Stefan Voda) – at a national scale.</p> <p>In terms of ensuring coordination with other relevant GEF-financed initiatives, the project will use existing coordination mechanisms that have been operating successfully in-country, such as the regular meetings convened by the biodiversity focal point in the Ministry of Environment, regular cluster meetings convened by UNDP, joint representatives from relevant institutions in the projects' steering committees, active participation in technical teams and public events organized by other GEF projects.</p> | <p>Text added to section A.4 (page 6) of the CEO ER.</p> <p>Text added to section A.7 (page 18) of the CEO ER.</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p> <p>The project framework and description are rather confusing and requires further clarity and revision. Some of the terminologies that are used are not commonly used and sometimes confusing, and require further explanation or revision. In general, the project design provides strong approaches for land management (LD benefits) rather than biodiversity (BD), which needs to be reviewed and revised:</p> <p>Component 1:</p> <p>- It is unclear what it means to monitor "acceptable limits of change in biodiversity important areas." How is "acceptable" defined and what would be the criteria?</p> | <p>The correct term is Limits of Acceptable Change (LAC) and this is a useful tool to determine when the ecological character of an ecosystem might have changed.</p> <ul style="list-style-type: none"> • In the case of this project, unsustainable agricultural practices, overgrazing and illegal logging are identified as the most important factors impacting the ecological character/ biodiversity of agricultural, pasture and forestry ecosystems of the country. And Outcome 1 of the project will strengthen the enabling environment for a land use planning and enforcement system that addresses these causes of biodiversity loss through appropriate policy/ legal/ regulatory changes and other type of enforcement tools, such as Passports, DSPs, LUPs, GMPs, FMPs, and a | <p>See change to wording in Output 1.2 on page 9 of the CEO ER.</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>- It is also unclear what the "Passport" approach is. Please clarify.</p> | <p>system of penalties. It was in this sense that the term was used. But, we agree the use of the term is confusing and the intent of the project -- to ensure that the DSPs, LUPs, GMPs, and FMPs take into account occurrence and needs of rare and endangered biodiversity and are designed to minimize harm to biodiversity – remains clear even without the use of this term. Therefore, the term, which only appears in the title for Output 1.2 has been removed. The wording of Output 1.2 is now as follows:</p> <p><i>Output 1.2: Monitoring system in place to track change in biodiversity-important areas, and take adaptive measures to reduce impacts</i></p> <p>The term “Passport” is widely used in the country to refer to the protected area data sheet, which provides all information about the protected area (administrative data, species, habitats, risks and recommendations for management). The project will apply this approach of PA Passports to areas outside PAs, and using it to identify and monitor key biodiversity characteristics in biodiversity-important areas that lie outside PAs. The output description has been improved to better describe its purpose as follows:</p> <p><i>Output 1.2: Monitoring system in place to track change in biodiversity-important areas, and take adaptive measures to reduce impacts</i></p> <p>This output will strengthen the enabling environment for proper monitoring of biodiversity (rare and endangered species) in landscapes outside protected areas before and during the process of territorial planning. The monitoring approach relies on introducing species/ habitat (S/ H) Passports to landowners outside PAs in the 2 target districts of the project.</p> <p>A recent GEF/ UNDP Protected Areas System Project in Moldova has developed Passports for the PA system. The Passport provides a detailed</p> | <p>See revisions to Output 1.2 on page 9 of the CEO ER</p> <p>Revisions to Output 2.1 are on pages 11-13 of the CEO ER</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| | <p>description of a species/ habitat (figures, area/ individuals, maps/ GIS, actions/ recommendations etc.) that could span state land, community land, and/ or private land. The project will replicate this experience for species/habitats outside PAs, bearing in mind that species migrate and agricultural fields, be they community or private land, can serve as habitats and/ or food niches for a number of rare species.</p> <p>This will entail the following steps: (1) introduce the necessary legal amendments to make it mandatory to develop Passports for red list species identified during inventories as part of the territorial and urban planning process (outside PAs); (2) pilot the Passport approach in the two target districts – by undertaking an inventory of red list species and development of Passports for these species and their habitats (location and other species-related data); (3) develop mandatory conservation actions that the landowner/ user must undertake in order to conserve the species and/ or habitat; (4) ensure broad consultation with landowners/ users on Passports and mandatory conservation actions; (5) provide the approved Passports and mandatory conservation actions to district-level environmental inspection and Cadastre office for further monitoring; and finally (6) ensure that agreed Passports and mandatory conservation actions are included in forest management plans (FMPs) if the species is found in the forest fund, grazing management plans (GMPs), district spatial plans (DSPs), and land use plans for localities (LUPs) that will be developed by the project in the 2 target districts under Output 2.1, as well as in other planning tools (such as hunting, tourism, fishing, water use documentation).</p> <p>Implementing this Passport-based approach to monitoring rare and endangered species/ habitats outside PAs and ensuring integration of appropriate actions for their conservation in DSPs, LUPs, FMPs and GMPs will require a closer dialogue between the MoE, which is</p> | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| | <p>responsible for managing information on biodiversity, and the ALRC, which is responsible for land and soil databases that it uses to support the territorial planning process. MRDC, Academy of Sciences, Moldsilva, and SEI will also have to be engaged in the process.</p> <p>Methodological recommendations will be developed for monitoring and supervision of the DSPs, LUPs, FMPs and GMPs, especially taking into account the conservation of biological and landscape diversity. These will define the requirements for monitoring and supervision of the implementation of territorial plans, sequential steps for their implementation, required modifications to the legislative and regulatory framework, and also, where necessary, the definition of “compulsory” actions that need to be implemented by landowners/ users.</p> <p>The roles and responsibilities of the involved organizations will be clearly defined such that they draw on the expertise of all these actors and are based on comparative advantage. It is anticipated that the district-level representatives of MoE will, at regular intervals, monitor the condition of rare and endangered species’ habitats and biotopes that are to be protected by landowners/ users, as well as the effectiveness of the obligations placed on the landowners/ users by the species maintenance standards. Monitoring results will be provided to the district executive committees, MoE and ALRC. Academic institutions will also be invited to be part of the process through appropriate research and analysis.</p> <p>In addition, changes have been made to Output 2.1 to clarify that the Passports and mandatory conservation actions are to be reflected in the development of the DSPs, LUPs, FMPs, and GMPs. The following has been inserted in appropriate places in Output 2.1:</p> | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER | | | | | | | | | | | | | | | | | | | | | | | | |
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| <p>- Baseline information for indicators are required at the time of CEO approval. Please provide the necessary information.</p> <p>- On the third outcome (i.e, increased knowledge and skills..), the PM assume that this is to</p> | <p>S/ H Passports and mandatory conservation actions developed under Output 1.2 will be integrated into the development and implementation of the DSPs/ LUPs/ GMPs/ FMPs.</p> <p>Baseline and target values have now been included (based on the result of the baseline analysis conducted by the team on the cases of infringement) as follows:</p> <p>Reduction in unsustainable practices (grazing, logging and haymaking) on steppes and wet meadows, wetlands, river floodplains and lakes and forest ecosystems (approx. 204,000 ha). Indicators:</p> <ul style="list-style-type: none"> - Recorded cases of illegal logging in Sorooca down from 17 (2013) to xx and in Stefan Voda down from 14 (2013) to xx - Observance of grazing norms (especially those related to stocking rates and non-use of pastures in Spring) by local land users in all pilot sites increases from a baseline of 0 to 50% <p>Population of indicator species outside PAs improves at pilot sites as follows:</p> <table border="1" data-bbox="695 1029 1352 1333"> <thead> <tr> <th></th> <th>Baseline</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td><i>Stipa pennata</i></td> <td>3% of the total plant composition/ 100 m3</td> <td>10% of the total plant composition/ 100 m3</td> </tr> <tr> <td><i>Stipa ucrainica</i></td> <td>7% of the total plant composition/ 100 m3</td> <td>20% of the total plant composition/ 100 m3</td> </tr> <tr> <td><i>Crex crex</i></td> <td><10 breeding males.</td> <td>>40 breeding males.</td> </tr> <tr> <td><i>Aquila clanga</i></td> <td><2 pairs</td> <td>>5 pairs</td> </tr> <tr> <td><i>Spermophilus citellus</i></td> <td>0 colonies</td> <td>>3 colonies</td> </tr> <tr> <td><i>Spermophilus suslicus</i></td> <td>0 colonies</td> <td>>5 colonies</td> </tr> <tr> <td><i>Lutra lutra</i></td> <td><5 individuals</td> <td>>10 individuals</td> </tr> </tbody> </table> <p>The wording has been clarified as follows:</p> <p>Increased knowledge and skills of central and district-level institutions to</p> | | Baseline | Target | <i>Stipa pennata</i> | 3% of the total plant composition/ 100 m3 | 10% of the total plant composition/ 100 m3 | <i>Stipa ucrainica</i> | 7% of the total plant composition/ 100 m3 | 20% of the total plant composition/ 100 m3 | <i>Crex crex</i> | <10 breeding males. | >40 breeding males. | <i>Aquila clanga</i> | <2 pairs | >5 pairs | <i>Spermophilus citellus</i> | 0 colonies | >3 colonies | <i>Spermophilus suslicus</i> | 0 colonies | >5 colonies | <i>Lutra lutra</i> | <5 individuals | >10 individuals | <p>See Project Framework (pages 1 and 2) and the Strategic Framework (Annex A – Part ii) in the CEO ER.</p> <p>Table B: Project Framework (page 2) of</p> |
| | Baseline | Target | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Stipa pennata</i> | 3% of the total plant composition/ 100 m3 | 10% of the total plant composition/ 100 m3 | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Stipa ucrainica</i> | 7% of the total plant composition/ 100 m3 | 20% of the total plant composition/ 100 m3 | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Crex crex</i> | <10 breeding males. | >40 breeding males. | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Aquila clanga</i> | <2 pairs | >5 pairs | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Spermophilus citellus</i> | 0 colonies | >3 colonies | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Spermophilus suslicus</i> | 0 colonies | >5 colonies | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Lutra lutra</i> | <5 individuals | >10 individuals | | | | | | | | | | | | | | | | | | | | | | | | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>increase capacity on "concrete tools and approaches" to mitigate/prevent/offset impacts, not to "apply criteria" as it is stated at this point. Please clarify.</p> <p>- Role of private sector is briefly noted, but unclear with their roles and involvement. Please further specify what roles are expected and how they are going to be involved in this project.</p> <p>Component 2:</p> <p>- Please clarify what "decision support system" means in this context.</p> | <p>apply innovative tools and approaches to prevent/mitigate and offset impacts on biodiversity.</p> <p>The private sector is regarded as one of the key partners of the project by participating in making a business case for biodiversity conservation through piloting of biodiversity-compatible land use models on private lands in line with the developed spatial plans. In addition, the private sector will have a strong voice during the amendment of the Land Code (given that most of the land in Moldova is private), as well as in revisions to sectoral legislation that would require them to subsequently follow the minimum standards for biodiversity conservation in pasture/livestock and hay-field management, arable farming, forest use, fishing and water-based recreation. More specifically, representatives of professional associations from each field will be participating in the working groups for development of the relevant legislation (e.g. National Federation of Agricultural Producers from Moldova, Republican Union of Associations of Agricultural Producers – UniAgroProtect, etc.)</p> <p>A decision support system is a computer-based information system storing in one place all the biodiversity-relevant data such as location of important species, habitat, administrative boundaries etc., and interacting with the national geospatial data. This system will support appropriate decision-making while developing the Districts' Spatial Plans, Land Use Plans, Grazing Management Plans and Forestry Management Plans. Further details on the DSS were provided in the description of Output 2.1 (page 12) and this description is now highlighted.</p> | <p>CEO ER</p> <p>Text added to section B.1. (page 20)</p> <p>Highlighted text under Output 2.1 (page 12) in CEO ER</p> |

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| <p>- Indicator: Population of grass species: would it be coverage or density? Again, baseline information is required at this stage.</p> <p>- Removal of invasive species is a very costly and in most cases, inefficient methods for land rehabilitation. The areas that are covered through this project is also very limited. It also unclear why 25% of invasive species can be left. Learning from experiences from other projects, the PM has major concern on this activity and requests to review/revise the approach.</p> <p>- Other activities, including erosion control, hay production, rotational grazing, should also be viewed and approached from the effectiveness of biodiversity conservation and</p> | <p>This has been clarified as follows:</p> <table border="1" data-bbox="695 217 1352 367"> <thead> <tr> <th></th> <th>Baseline</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td><i>Stipa pennata</i></td> <td>3% of the total plant composition/ 100 m3</td> <td>10% of the total plant composition/ 100 m3</td> </tr> <tr> <td><i>Stipa ucrainica</i></td> <td>7% of the total plant composition/ 100 m3</td> <td>20% of the total plant composition/ 100 m3</td> </tr> </tbody> </table> <p>The term “invasive species” has been misused by the team. In Moldova, many pasturelands are not properly managed and as a result, these lands get invaded/ encroached by woody species (shrubs in the majority of cases). The most common species of shrubs are dog-rose (<i>Rosa canina</i> sp.), common hawthorn (<i>Crataegus monogyna</i> sp.) and silver berry (<i>Elaeagnus angustifolia</i>).</p> <p>Encroachment by shrubs has an adverse impact on the grass vegetation for haymaking as well as on grazing opportunities.</p> <p>If the shrubs are removed and the pasturelands are managed accordingly (mowed regularly if used as a haymaking area or grazed rotationally respecting the grazing period and grazing capacity) there is little chance that shrubs will emerge again.</p> <p>Out of the eight proposed pilot pasturelands, there are only 2 sites that need removal of shrubs and the respective costs will be the contribution of local communities.</p> <p>The use of the term “invasive” has now been corrected in the document. As regards the statement that “25% of invasive species can be left”, this has been removed from the description of Output 2.2.</p> <p>The description of Activities under Output 2.2 have been revised as follows to better highlight the biodiversity conservation perspective.</p> <p><u>Amelioration of actively eroded pasture/ steppes to stop their degradation.</u> There is a pilot area in Copceac community that is experiencing an intensive soil erosion process,</p> | | Baseline | Target | <i>Stipa pennata</i> | 3% of the total plant composition/ 100 m3 | 10% of the total plant composition/ 100 m3 | <i>Stipa ucrainica</i> | 7% of the total plant composition/ 100 m3 | 20% of the total plant composition/ 100 m3 | <p>See the Strategic Framework (Annex A – Part ii) in the CEO ER.</p> <p>Text added to Output 2.2 (page 13-14) of CEO ER</p> <p>Text revised under Output 2.2 (page 14) of CEO ER</p> |
| | Baseline | Target | | | | | | | | | |
| <i>Stipa pennata</i> | 3% of the total plant composition/ 100 m3 | 10% of the total plant composition/ 100 m3 | | | | | | | | | |
| <i>Stipa ucrainica</i> | 7% of the total plant composition/ 100 m3 | 20% of the total plant composition/ 100 m3 | | | | | | | | | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>sustainable use, rather than productivity and land management. Please review and revise.</p> | <p>in turn affecting the remaining natural steppe habitat of the country for <i>Stipa pennata</i> and <i>S. ucrainica</i>. In these areas, measures will be taken to stop and prevent erosion, such as:</p> <ul style="list-style-type: none"> • building retaining walls, using sprouts or other woody constructions from sprouts or other plant material • using mulch to enhance erosion control (usually applying a healthy layer of mulch after finding out which mulch is best for the particular site) <p><u>Establishing high biodiversity hay production areas.</u> Pastures that are restored through natural pasture maintenance methodology, without destruction of existing vegetal cover, will be used in the first two to three years as hayfield, and then as pasturelands. Using the plots as a hayfield in the initial stage will create conditions for the lead species (<i>Stipa</i> species) to be restored, in turn creating favorable habitat for other steppe species, and increased hay productivity and quality. The project will cooperate closely with local administrations in order to guard the set-aside parcels. If needed, such areas will be fenced using various materials (wires etc.). The last two actions will be covered by local communities.</p> <p><u>Optimization of livestock and application of rotational grazing.</u> This will be done together with agreed regulated haymaking and rotational system on small-acreage areas. The restoration methodology will aim to improve and maintain natural pastures without destruction of existing vegetal cover (through pasture regulation, overseeding and other agro-technical interventions needed for natural habitat restoration support). In order to encourage property rights in these historically open-access properties, livestock owners will be assisted in institutional strengthening through the establishment of associations. The municipalities will enter into legally-binding agreements based on the jointly-developed management plans (Grazing Management Plans, see below) with livestock owners and approved by Local Community Council, which is a community level decision-making body. The optimization of livestock numbers of the individual farmers will be based on a fair and equitable mechanism. Through this mechanism, no individual farmer will lose the right to graze, but only a reduction in number of animals allowed to graze on the specific steppe area will be enforced. The farmers will be compensated for this loss through increased property rights on the land through longer term agreements and through moving away from an open access regime therefore allowing the individual</p> | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>- GEF does not finance afforestation activities. The entire initiative to develop corridors through afforestation can not be supported by GEF finance.</p> | <p>livestock owners to plan longer term, increased productivity of the remaining livestock as the fodder will be of better quality and diversity and reduced rent payments to the municipalities for the use of the pastures.</p> <p>The PIF makes reference to “reforestation of at least 100 ha” (Table B, Output 2.3), and the project development team was guided by this in designing the project activities on reforestation. The proposed activities are in line with what was originally envisaged in the PIF; they do not propose anything new, only providing further details than what was stated in the PIF. The government was grateful to see support for these activities in the PIF, especially since they are seen as critical entry points for engaging with local communities. The term “afforestation” has not been used properly in the document. The project is aimed at restoring natural ecosystems, in order to conserve the value of biodiversity. The lands on which ecological corridors will be established were covered with forest in the past (in both Soroca and Stefan Voda districts). Most of them were partially or totally deforested during the Soviet time for agricultural purposes and after that abandoned. In addition, there are plots that were deforested by local communities in 1990 due to fire wood needs. At present, these areas are partially covered with remaining forests, disconnected patches of forest and chaotic distribution of bushes. Connecting the proposed patches of forests in the 2 pilot districts will have a significant impact in terms of conservation of the specific globally threatened species (see below), which will have better chances of survival and possibility of migration and expansion. The proposed ecological corridors will be reforested exclusively with native species, with the focus being on those species already growing in the patches of forests that will be connected, taking into consideration suitability to soil and climate conditions, adaptability to the sites and biodiversity importance. Species such as Oak (<i>Quercus sp.</i>) and poplar (<i>Populus spp.</i>) will be used as lead species for reforestation. Other broadleaf species such as linden (<i>Tilia spp.</i>), field maple (<i>Acer platanoides L.</i>), ash</p> | <p>The term “afforestation” has been replaced with “reforestation under Output 2.3 of the CEO ER and other relevant places in the document.</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| | <p>(<i>Fraxinus exelsior</i> L.), cherry (<i>Cerasus avium</i> L), willow (<i>Salix spp.</i>) and shrubs (e.g. <i>Cotinus coggygia</i>, <i>Crataegus monogyna</i>, <i>Rosa canina</i>, <i>Corylus avellana</i>, <i>Cornus mas</i>, <i>Prunus cerasifera</i>, <i>Ligustum vulgare</i>) will be planted as secondary species and will also play a role in improvement of floral diversity. The proposed corridors will contribute by supporting migration of rare and endangered species present in the connected forest plots, notably the following:</p> <p><u>Forest plots in Soroca:</u></p> <ul style="list-style-type: none"> - 12 species of rare plants are included in Red Book of Moldova: <i>Dryopteris carthusiana</i>, <i>Gymnocarpium dryopteris</i>, <i>Melitis sarmatica</i>, <i>Phyllitis scolopendrium</i>, <i>Polystichum aculeatum</i>, <i>Trifolium panonicum</i>, <i>Cephalanthera damasonium</i>, <i>Doronicum hungaricum</i>, <i>Fritillaria meleagroides</i>, <i>Galanthus nivalis</i>, <i>Pulsatila grandis</i>, <i>Scopolia carniolica</i> - 19 rare and endangered mammals, from which 6 included in Red book (<i>Crocidura leucodon</i>, <i>Nyctereutes procyonoides</i>, <i>Mustela ermine</i>, <i>Martes martes</i>, <i>Lutra lutra</i>, <i>Felis silvestris</i>); - 60 rare and endangered bird species which are nesting in the area, from which included in the Red Book (<i>Aquila clanga</i>, <i>Aquila pomarina</i>, <i>Ardeola ralloides</i>, <i>Asio flammeus</i>, <i>Branta ruficollis</i>, <i>Bubo bubo</i>, <i>Ciconia nigra</i>, <i>Circaetus gallicus</i>, <i>Circus cyaneus</i>, <i>Circus macrourus</i>, <i>Circus pygargus</i>, <i>Columba oenas</i>, <i>Cygnus cygnus</i>, <i>Cygnus olor</i>, <i>Tetrax tetrax</i>, <i>Plegadis falcinellus</i>, <i>Platalea leucorodia</i>, <i>Picus viridis</i>, <i>Phalacrocorax pygmaeus</i>, <i>Pelecanus onocrotalus</i>, <i>Pernis apivorus</i>, <i>Pelecanus crispus</i>, <i>Pandion haliaetus</i>, <i>Oxyura leucocephala</i>, <i>Otis tarda</i>, <i>Neophron percnopterus</i>, <i>Monticola saxatilis</i>, <i>Milvus milvus</i>, <i>Haliaeetus albicilla</i>, <i>Hieraaetus pennatus</i>, <i>Falco cherrug</i>, <i>Egretta alba</i>); - 2 Red book reptile species (<i>Coronella austriaca</i>, <i>Vipera berus</i>) and 8 rare insect species (<i>Lucanus cervus</i>, <i>Cerambyx cerdo</i>, <i>Morimus funereus</i>, | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| | <p><i>Scolia maculata</i>, <i>Xylocopa valga</i>, <i>Callimorpha quadripunctaria</i>, <i>Iphiclides podalirius</i>, <i>Zerynthia polyxena</i>)</p> <p>In addition, the proposed corridors will re-connect existing forest plots between 2 protected areas with high biodiversity value, one being of International Importance (Unguri-Holosnita Ramsar site).</p> <p><u>Forest plots in Stefan Voda:</u></p> <p>In Stefan Voda district, the project intends to contribute to the ecological restoration of lowland forests through re-forestation and forest completion activities in Talmaza community. The proposed corridors reconnect forest plots that are part of the Ramsar site nr. 1316 Lower Dniester that represent a rare ash community Fraxineto-Populeta (albae), with unique old-stand, flood land poplar forests. The area is populated with Rare Red book plants and animals <i>Lunaria rediviva</i>, <i>Salvinia natans</i>, <i>Trapa natans</i>, <i>Maianthemum bifolium</i>, <i>Euonymus nana</i>, <i>Felis silvestris</i>, <i>Hieraaetus pennatus</i>, <i>Pernis apivorus</i>, <i>Asio flammeus</i>, <i>Aythya nyroca</i>, <i>Zamenis longissimus</i>, <i>Coronella austriaca</i>, <i>Pelobates fuscus</i>, <i>Crocidura leucodon</i>, <i>Mustela ermine</i>, <i>Martes martes</i>, <i>Mustela lutreola</i>, <i>Lutra lutra</i>, <i>Myotis dasycneme</i>, <i>M. bechsteini</i>, <i>Nyctalus lasiopterus</i>, amphibians (<i>Bombina bombina</i>, <i>Hyla arborea</i>, <i>Emys orbicularis</i>), as well as Globally endangered and vulnerable bird species (<i>Crex crex</i>, <i>Phalacrocorax pygmaeus</i>, <i>Branta ruficollis</i>, <i>Aythya nyroca</i>, <i>Circus macrourus</i>, <i>Haliaeetus albicilla</i>, <i>Pelicanus crispus</i>), <i>Aquila pomarina</i>, <i>Ardeola ralloides</i>, <i>Ciconia nigra</i>, <i>Circaetus gallicus</i>, <i>Circus cyaneus</i>, <i>Circus pygargus</i>, <i>Cygnus cygnus</i>, <i>Cygnus olor</i>, <i>Egretta alba</i>, <i>Falco cherrug</i>, <i>Pandion haliaetus</i>, <i>Pernis apivorus</i>, <i>Hucho hucho</i>, <i>Umbra krameri</i>) and IUCN red-listed insects (<i>Osmoderma eremita</i>, <i>Sago pedo</i>),</p> | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| | <p>Reconstituted forests will serve as nesting habitat for many predator birds (e.g. <i>Aquila clanga</i>) and also constitute feeding niches for many animal species. Ecological rehabilitation of native forests, especially oak forests represents a priority for the Government of Moldova as stipulated in the Strategy for forestry sector (2001). Also, it should be mentioned that the existing forests in Moldova have exclusively protection functions, and the majority of the selected plots are included in the S.U.P. "M" category – forests that are included in the special conservation regime.</p> <p>In the context of the above explanation, afforestation terminology has been removed from the text.</p> | |
| <p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p> <p>Biodiversity benefits of this project is rather unclear. Table 1 includes more LD and CC benefits than BD. Please clearly articulate BD benefits, and LD and CC benefits should be considered/viewed as co-benefits rather than central focus of this project. Please make a major revision to clarify this point. As for site selection and description, it is also important to further clarify and provide summary on the BD</p> | <p>Changes have been made to Table 1 in the CEO ER to better highlight the biodiversity benefits of the project.</p> <p>More details on Red Book status of species at pilot sites has been included in Annex 4 of the UNDP Project Document.</p> | <p>Table 1 in CEO ER and Annex 4 in UNDP Project Document</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| importance of these areas. | | |
| <p>9. 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>Although this project should and could have a major benefit to the communities and land users that are involved in the project, the description provided both on socio-economic benefits and gender elements are very general and lack specificity. Please kindly provide further details.</p> | <p>Further details have been added on socio-economic benefits to be generated by the project at pilot sites. Under the GEF alternative scenario, rural communities in 2 districts covering approximately 204,000 hectares of land and including 171,395 inhabitants, out of which 50% are women, will – through the territorial plans – receive assurance that the resource base on which they depend in agriculture (e.g. forage productivity) will be more productive in the longer term. The 18 agricultural enterprises in Soroca and 28 in Stefan Voda, which are stagnating at the moment due to low level of inputs, will have a better chance to sustain their businesses and to survive, this continuing to provide for jobs and improved livelihoods. Forest degradation and biodiversity loss is having a significant adverse impact on the population living in the pilot areas, especially for some 6,456 vulnerable families who depend on agro-biodiversity, firewood, berries, medicinal plants and other goods provided by natural ecosystems.</p> <p>Further, the interest for eco- and agro-tourism is increasing in Moldova and the country is becoming more attractive for external visitors who come more often for leisure and vacation, rather than for business. Both Stefan Voda and Soroca districts have good tourism potential due to the natural heritage in these localities. There are around 10 tourism companies in the two districts and Soroca town is considered the oldest tourist route in Moldova. Therefore, the rehabilitation of pastures and forests will not only have a positive impact in terms of biodiversity conservation, but will also provide for an increase in income for families making their living from tourism-related activities.</p> <p>Additional socio-economic benefits resulting from improved management of pastures are the following: 20% average increase of livestock productivity in terms of meat and milk, approximately 10,000 MDL (= \$600) annual net income from agricultural biomass per ha, increased potential for bee-keeping, and improved habitat for game and associated incomes.</p> | Section B.2 of CEO ER |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| | <p>Further, many local level activities will be implemented by local stakeholders themselves thus increasing their capacities for mainstreaming biodiversity. Following the UNDP and GEF gender policies and strategies, special attention will be placed on gender equity. In particular, full participation of women in consultations on sustainable biodiversity use and territorial planning processes will be ensured since 11% of all the businesses in the Stefan Voda district are women-led and the equivalent number for Sorooca is 25%.</p> | |
| <p>10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?</p> <p>As noted also at the time of PIF approval, please provide further information on this element.</p> | <p>Further information is provided in section B.1 on the role of CSOs.</p> | <p>Section B.1 (row on NGOs in particular) in CEO ER</p> |
| <p>11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)</p> <p>The risk of involvement and participation of land users is not sufficiently covered. What are the incentives and activities that the project would implement to ensure active participation of the local communities/land users and</p> | <p>The risk of lack of involvement and participation of land users has been explicitly included as follows:</p> <p>Risk: Low understanding and resistance at the community level for approval of developed DSPs, LUPs, GMPs.</p> <p>Type: Organizational</p> <p>Impact & Probability: This would adversely affect implementation of the project's demonstration activities in pilot districts and communities P = 1 I = 4</p> <p>Management response: The project will ensure that land users are informed about the project activities and also involved as much as possible in early stages of the development of the biodiversity-enhanced DSPs, LUPs, GMPs as well as in pilot activities.</p> | |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| mitigate potential risk? | | |
| <p>12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p> <p>As also noted above, please clarify the coordination mechanism.</p> | <p>As mentioned in the response to comment 6 above, the following changes have been made.</p> <p>In order to facilitate dialogue and ensure coordination with baseline projects/ programs of the targeted sectors, the project will establish a Multi Stakeholder Biodiversity Mainstreaming Committee under Output 1.3. This committee will bring together authorities tasked with natural resource and land use planning and permitting responsibilities – namely, Ministry of Environment, Ministry of Regional Development and Construction, Agency Moldsilva, Agency for Land Relations and Cadastre, Academy of Sciences, District Council of Soroca, District Council of Stefan Voda) – at a national scale.</p> <p>In terms of ensuring coordination with other relevant GEF-financed initiatives, the project will use existing coordination mechanisms that have been operating successfully in-country, such as the regular meetings convened by the biodiversity focal point in the Ministry of Environment, regular cluster meetings convened by UNDP, joint representatives from relevant institutions in the projects’ steering committees, active participation in technical teams and public events organized by other GEF projects.</p> | <p>Text added to section A.4 (page 6) of the CEO ER.</p> <p>Text added to section A.7 (page 18) of the CEO ER.</p> |
| <p>13. Comment on the project’s innovative aspects, sustainability, and potential for scaling up.</p> <p>As noted above, afforestation/ reforestation elements cannot be considered as innovation. Please further articulate and revise the section on innovation.</p> | <p>As noted in the response to the comment on afforestation above, the focus of the project is on reforestation with native species to better connect patches of existing forests that are habitat for a large number of red list species. Reference to afforestation has been removed.</p> | <p>Change made to section on “Innovativeness, sustainability and potential for scaling up” in CEO ER (page 22)</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?</p> <p>Details provided on the project approaches are rather questionable for GEF financing (including afforestation, reforestation, and eradication of invasive species on the ground). Please kindly revise the approach, and the PM would be pleased to provide further information and discuss as necessary.</p> | <p>Clarification on the misuse of the terms “afforestation” and “invasive species” have been provided above.</p> | |
| <p>15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?</p> <p>While the description under the concerned section is relevant and sufficient, as noted above, the cost effectiveness of some of the project approaches is questionable. Please kindly review.</p> | <p>Clarification on the misuse of the terms “afforestation” and “invasive species” have been provided above. The project will not be undertaking afforestation and eradication of invasive species.</p> | |
| <p>19. At CEO endorsement/ approval, if PPG is completed, did Agency</p> | <p>Information on the status of implementation of project preparation activities and the use of funds has been updated. 74% of the budgeted</p> | <p>See Annex C (page 36),</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>report on the activities using the PPG fund?</p> <p>Yes, adequate report has been provided. However, it is noted that spent amount to date is less than 10% and raises some concern. Please confirm all committed amounts will be paid soon.</p> | <p>PPG amount has been spent; 26% has been committed and will be disbursed by end-December 2014 once the responses to GEFSEC comments is finalized.</p> | <p>section B of the CEO ER.</p> |
| <p>GEF Sec Comment received on 10 Dec:</p> <p>On afforestation, it is now clarified that is it is in fact reforestation activity. While this was noted at the time of PIF approval, reforestation activities could include variety of approaches (not only planting), and includes regeneration and effective management practices. Planting trees are often costly and unsustainable and the GEF supports the activity only when strong justifications are provided and sustainability is ensured. From the perspective of biodiversity significance, most or all of the species that are currently recognized are not globally threatened, and it is hard to</p> | <p>This activity indeed is focusing on community-based forest ecosystem regeneration and subsequent sustainable management of larger forest blocks within Protected Areas. This activity is important to support populations of globally important species such as Red Breasted Goose (IUCN EN), Greater Spotted Eagle (IUCN VU), Pallid Harrier (NT), European Otter (NT) and a series of national red list species, and is critical to address the habitat fragmentation threat and functionality of ecosystem services within larger landscape. The Government will finance procurement and planting of seedlings (where needed) from the National Plan for Forest Vegetation Extension 2014-2018 and no GEF funding is requested for this. The GEF incremental funding will be used to design the regeneration activities in line with biodiversity conservation principles, taking into consideration suitability to soil and climate conditions, adaptability to the sites engage communities in the activities, provide quality control, monitoring of threat reductions and biodiversity population status, training of foresters and communities in management of the regenerated forests in line with biodiversity requirements and technical support in the forest management. Without the incremental funding from GEF to support these activities, the baseline course of action will focus just on production plantations and will not be able to address the forest biodiversity fragmentation threat.</p> | <p>Description of Activities on SFM, primarily Outcome 2.3</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>understand the need to do plantation for biodiversity benefits. Based on internal discussion, we are in the opinion to encourage revisiting the activity and see feasibility to introduce effective management practices with the communities for regeneration. While we recognize the importance of the overall project approach and management of the corridor to connect the two PAs are well recognized, we would encourage to review and revise this particular activity.</p> | | |
| <p>Comment from GEFSEC review sheet dated 9 January 2015</p> | | |
| <p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p> <p>This activity indeed is focusing on community-based forest ecosystem regeneration and subsequent sustainable management of larger forest blocks within Protected Areas. This activity is important to support populations of globally important species such as Red Breasted Goose (IUCN EN), Greater Spotted Eagle (IUCN VU), Pallid Harrier (NT), European Otter (NT) and a series of national red list species</p> | <p>This activity indeed is focusing on community-based forest ecosystem regeneration and subsequent sustainable management of larger forest blocks within Protected Areas. This activity is important to support populations of globally important species such as Red Breasted Goose (IUCN EN), Greater Spotted Eagle (IUCN VU), Pallid Harrier (NT), European Otter (NT) and a series of national red list species, and is critical to address the habitat fragmentation threat and functionality of ecosystem services within larger landscape. The Government will finance procurement and planting of seedlings (where needed) from the National Plan for Forest Vegetation Extension 2014-2018 and no GEF funding is requested for this. The GEF incremental funding will be used to design the regeneration activities in line with biodiversity conservation principles, taking into consideration suitability to soil and climate conditions, adaptability to the sites engage communities in the activities, provide quality control, monitoring of threat reductions and biodiversity population status, training of foresters and communities in management of the regenerated forests in line with</p> | <p>Request for CEO endorsement; Project document – see highlights</p> |

| Comment from GEFSEC | Response from Project Team | Changes to CEO ER |
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| <p>Otter (NT) and a series of national red list species, and is critical to address the habitat fragmentation threat and functionality of ecosystem services within larger landscape. The Government will finance procurement and planting of seedlings (where needed) from the National Plan for Forest Vegetation Extension 2014-2018 and no GEF funding is requested for this. The GEF incremental funding will be used to design the regeneration activities in line with biodiversity conservation principles, taking into consideration suitability to soil and climate conditions, adaptability to the sites engage communities in the activities, provide quality control, monitoring of threat reductions and biodiversity population status, training of foresters and communities in management of the regenerated forests in line with biodiversity requirements and technical support in the forest management. Without the incremental funding from GEF to support these activities, the baseline course of action will focus just on production plantations and will not be able to address the forest biodiversity fragmentation threat.</p> | <p>biodiversity requirements and technical support in the forest management. Without the incremental funding from GEF to support these activities, the baseline course of action will focus just on production plantations and will not be able to address the forest biodiversity fragmentation threat.</p> | |

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS¹⁵

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

The project design, objectives, outcomes and outputs submitted to the GEF are fully in line with the PIF approved by the GEF in 2013.

To develop a fully-fledged project document a team of national consultants had been hired, covering such areas as biodiversity planning, land-use and pastures management, as well as forestry. The national team is led by an international expert who has previously developed biodiversity mainstreaming projects.

While the international expert was steering the overall project development process ensuring consistency with the design at the PIF stage, the national team identified the 2 pilot areas, conducted consultations with the Local Public Authorities and local communities and negotiated allocation of land for projects' interventions. Further the allocated land plots were assessed and appropriate technologies were proposed for establishment of ecological connectivity within different forest blocks and biodiversity-compatible land uses practices as part of **Component 2, Outputs 2&3**. More specifically this will focus on establishing forestry corridors in 5 communities of Moldova and biodiversity-compatible pastures on 100.8 ha.

Identification of project sites at this stage and their approval by the local community councils was an important milestone in project development and a clarified buy-in concern which ultimately will lead to the quick start-up of the project and on-the-ground interventions once this is approved.

The preparation team also benefited from the hands-on experience of the Belarus colleagues previously involved in preparation and implementation of a similar project, who traveled to Moldova and advised on the project design, outputs, collaboration with national and local stakeholders and others necessary for the finalization of the project.

The design of the project had been validated during a workshop with participation of the representatives from all relevant stakeholders.

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> |
| International consultants | 21,500 | 12,600 | 8,900 |
| Local consultants | 19,162 | 16,910 | 2,252 |
| Travel | 4,500 | 3,853 | 647 |
| Training, Workshops and Conferences | 500 | 241 | 259 |
| Total | 45,662 | 33,604 | 12,058 |

¹⁵ 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.