



REQUEST FOR CEO ENDORSEMENT/APPROVAL
PROJECT TYPE: Medium-sized Project
THE GEF TRUST FUND

Submission Date: 24 December 2009

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 3919

GEF AGENCY PROJECT ID: 4050

COUNTRY (IES): MOROCCO

PROJECT TITLE: Mainstreaming Biodiversity into Value Chains for Medicinal and Aromatic Plants in Morocco

GEF AGENCY (IES): UNDP

OTHER EXECUTING PARTNER(S): State Ministry of Environment

GEF FOCAL AREA(S): Biodiversity

GEF-4 STRATEGIC PROGRAM(S): BD SP5 Fostering Markets for Biodiversity goods and services

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: N/A

Expected Calendar (mm/dd/yy)	
Milestones	Dates
Work Program (for FSPs only)	
Agency Approval date	30/01/2010
Implementation Start	30/01/2010
Mid-term Evaluation (if planned)	
Project Closing Date	12/31/2012

A. PROJECT FRAMEWORK (Expand table as necessary)

Project Objective: Governmental institutions, non-governmental organizations and rural populations have the capacity and motivation to contribute to biodiversity conservation due to increased value of wildcrafted MAPs, accessed markets and applied sustainable land management practices

Project Components	Indicate whether Investment, TA, or STA ²	Expected Outcomes	Expected Outputs	GEF Financing ¹		Co-Financing ¹		Total (\$) c=a+ b
				(\$ a)	%	(\$ b)	%	
1.Capacity building for conservation and sustainable use of MAPs	TA	1. Capacity to apply certified and sustainable harvesting techniques through biodiversity-friendly management plans. <u>Indicator:</u> 120,000 ha targeted by the project for sustainable use, of which 220 under Fairwild certification	- Collectors trained in MAP identification and sustainable harvesting methods - Collectors trained in standardized system for sustainable harvesting and MAP processing - Sustainable MAP collection quantities and frequencies defined - Resource-use land management plans developed in key MAP collection areas	\$239,550	22.02%	\$848,450	77.98%	\$1,088,000
2. Biodiversity	TA	2. National MAP strategy adopted that includes certification systems, strengthened regulatory and policy enabling environment and biodiversity considerations along value chains <u>Indicator:</u> level of demand for certified products	- National MAP strategy finalized with national and local support along value chains - Regulative framework on collection, processing and trade developed - MAP training modules developed for value chain participants and public agencies - Standards, norms and practices for MAP processing developed and disseminated	\$245,000	32.75%	\$503,200	67.25%	\$748,200

3. Value Chain services	TA	<p>3. Effective channels of communications and improved vertical and horizontal integration among value chain actors allowing quick responses to shifting market demands</p> <p>4. “Informal” processors, collectors and distributors mainstreamed into value chains</p> <p><u>Indicator:</u> Change in revenue retained at the local level from collection and processing of MAPs (expected 35% increase by end of the project)</p>	<p>- Collaboration, alliances and information flow with the MAP value chain strengthened</p> <p>- Community based small enterprises trained in biodiversity-friendly processing, produce marketing and technical skills.</p> <p>- Community-based small enterprises for MAP collection and primary processing established</p> <p>- Information awareness and dissemination plan for biodiversity-friendly materials developed and applied along value chains</p>	\$375,450	21.48%	\$1,372,350	78.52%	\$1,747,800
4. Project management				\$90,000	12.15%	\$651,000	87.85%	\$741,000
Total Project Costs				A 950,000		B 3,375,000		\$4,325,000

¹ List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

² TA = Technical Assistance; STA = Scientific & Technical Analysis.

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT (expand the table line items as necessary)

<i>Name of Co-financier</i>	<i>Classification</i>	<i>Type</i>	<i>Project</i>	<i>%</i>
UNDP	Implementing agency	Grant	200,000	5.93
HCEFLCD	Executing Agency	Grant	580,000	17.19
HCEFLCD	Executing Agency	In-kind	240,000	7.11
MAPM	Nat'l Gov't	Grant	460,000	13.63
MAPM	Nat'l Gov't	In-kind	60,000	1.78
MEMEE	Nat'l Gov't	Grant	210,000	6.22
MEMEE	Nat'l Gov't	In-kind	35,000	1.04
MCINT	Nat'l Gov't	Grant	300,000	8.89
MCINT	Nat'l Gov't	In-kind	40,000	1.19
ADPPO	Nat'l Gov't	Grant	500,000	14.81
ADPPO		In-kind	50,000	1.48
ADPPS	Nat'l Gov't	Grant	100,000	2.96
ADPPS		In-kind	50,000	1.48
DAT	Nat'l Gov't	Grant	100,000	2.96
DAT		In-kind	50,000	1.48
INPMA	National Institution	Grant	300,000	8.89
INPMA		In-kind	50,000	1.48
GTZ	Multilateral agency	Grant	50,000	1.48
Total Co-financing			3,375,000	100%

* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

C. FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	<i>Project Preparation a</i>	<i>Project b</i>	<i>Total c = a + b</i>	<i>Agency Fee</i>	<i>For comparison: GEF and Co- financing at PIF</i>
GEF financing	50,000	A950,000	1,000,000	100,000	1,100,000
Co-financing	25,000	B3,375,000	3,400,000		1,225,000
Total	75,000	4,325,000	5,000,000	100,000	2,325,000

D. GEF RESOURCES REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

N/A

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

² Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person weeks</i>	<i>GEF amount(\$)</i>	<i>Co- financing (\$)</i>	<i>Project total (\$)</i>
Local consultants*	200	99,600	298,800	398,400
International consultants*	60	78,000	102,000	180,000
Total	260	177,600	400,800	578,400

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT BUDGET/COST

<i>Cost Items</i>	<i>Total Estimated person weeks/months</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants*	862.5	90,000	600,000	690,000
International consultants*		0	0	0
Office facilities, equipment, vehicles and communications*		0	0	0
Travel*		0	51,000	51,000
Others**		0	0	0
0		0	0	0
Total		90,000	651,000	741,000

* Details to be provided in Annex C. ** For others, it has to clearly specify what type of expenses here in a footnote.

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

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your agency and to the GEF Trust Fund).

H. DESCRIBE THE BUDGETED M & E PLAN:

Local and international consultants will be employed under short-term technical assistance contracts to train the local project team (the Value Chain Unit – VCU). They will guide them through the selected M&E tools and mechanisms so that the VCU can frequently assess the impact of project activities for measuring success and adjusting targeted technical assistance and the project's strategy accordingly.

Project monitoring and evaluation will be conducted in accordance with established UNDP and GEF procedures and will be provided by the project team and the UNDP Country Office (UNDP-CO) with support from UNDP/GEF. The Logical Framework Matrix provides *performance* and *impact* indicators for project implementation along with their corresponding *means of verification*. These will form the basis on which the project's Monitoring and Evaluation system will be built.

The following sections outline the principle components of the Monitoring and Evaluation Plan and indicative cost estimates related to M&E activities. The project's Monitoring and Evaluation Plan will be presented and finalized at the Project's Inception Report following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

I. Monitoring and Reporting

a. Project Inception Phase

A Project Inception Workshop will be conducted with the full project team, relevant government counterparts, co-financing partners, the UNDP-CO and representation from the UNDP-GEF Regional Coordinating Unit, as well as UNDP-GEF (HQs) as appropriate.

A fundamental objective of this Inception Workshop will be to assist the project team to understand and take ownership of the project's goals and objectives, as well as finalize preparation of the project's first annual work plan on the basis of the project's logframe matrix. This will include reviewing the logframe (indicators, means of verification, assumptions and risks), imparting additional detail as needed, and on the basis of this exercise finalize the Annual Work Plan (AWP) with precise and measurable performance indicators, and in a manner consistent with the expected outcomes for the project.

Additionally, the purpose and objective of the Inception Workshop (IW) will be to: (i) introduce project staff with the UNDP-GEF *expanded team* which will support the project during its implementation, namely the CO and responsible Regional Coordinating Unit staff; (ii) detail the roles, support services and complementary responsibilities of UNDP-CO and RCU staff vis à vis the project team; (iii) provide a detailed overview of UNDP-GEF reporting and monitoring and evaluation (M&E) requirements, with particular emphasis on the Annual Project Implementation Reviews (PIRs) and related documentation, the Annual Project Report (APR), Tripartite Review Meetings, as well as independent final evaluations. Equally, the IW will provide an opportunity to inform the project team on UNDP project related budgetary planning, budget reviews, and mandatory budget rephasings.

The IW will also provide an opportunity for all parties to understand their roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff and decision-making structures will be discussed again, as needed, in order to clarify for all, each party's responsibilities during the project's implementation phase.

b. Monitoring Responsibilities and Events

A detailed schedule of project reviews meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule

will include: (i) tentative time frames for Tripartite Reviews, Board Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

Day to day monitoring of implementation progress will be the responsibility of the Project Coordinator, based on the project's Annual Work Plan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

The Project Coordinator will fine-tune the progress and performance/impact indicators of the project in consultation with the full project team at the Inception Workshop with support from UNDP-CO and assisted by the UNDP-GEF Regional Coordinating Unit. Specific targets for the first year implementation progress indicators together with their means of verification will be developed at this Workshop. These will be used to assess whether implementation is proceeding at the intended pace and in the right direction and will form part of the Annual Work Plan. The local executing agencies will also take part in the Inception Workshop in which a common vision of overall project goals will be established. Targets and indicators for subsequent years would be defined annually as part of the internal evaluation and planning processes undertaken by the project team.

Measurement of impact indicators related to global benefits will occur according to the schedules defined in the Inception Workshop and tentatively outlined in the indicative Impact Measurement Template at the end of this document. The measurement, of these will be undertaken through subcontracts or retainers with relevant institutions (INPMA agreed to lead the inventory of vegetative population of key species through inventories at the beginning and prior to closing of project).

Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

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

Annual Monitoring will occur through the *Tripartite Review (TPR)*. This is the highest policy-level meeting of parties directly involved in the implementation of a project. The project will be subject to Tripartite Review (TPR) at least once every year. The first such meeting will be held within the first twelve months of the start of implementation. The project proponent will prepare an Annual Project Report (APR) and submit it to UNDP-CO and UNDP-GEF regional office at least two weeks prior to the TPR for review and comments.

The APR will be used as one of the basic documents for discussions in the TPR meeting. The project proponent will present the APR to the TPR, highlighting policy issues and recommendations for the decision of the TPR participants. The project proponent also informs the participants of any agreement reached by stakeholders during the APR preparation on how to resolve operational issues. Separate reviews of each project component may also be conducted if necessary. The TPR has the authority to suspend disbursement if project performance benchmarks are not met. Benchmarks will be developed at the Inception Workshop, based on delivery rates, and qualitative assessments of achievements of outputs.

Terminal Tripartite Review (TTR) is held in the last month of project operations. The project proponent is responsible for preparing the Terminal Report and submitting it to UNDP-CO and GEF RCU. It shall be prepared in draft at least two months in advance of the TTR in order to allow review, and will serve as the basis for discussions in the TTR. The terminal tripartite review considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through

which lessons learnt can be captured to feed into other projects under implementation of formulation.

c. **Project Monitoring Reporting**

The Project Coordinator in conjunction with the UNDP-GEF extended team will be responsible for the preparation and submission of the following reports that form part of the monitoring process. Items (a) through (f) are mandatory and strictly related to monitoring, while (g) through (h) have a broader function and the frequency and nature is project specific to be defined throughout implementation.

A Project ***Inception Report (IR)*** will be prepared immediately following the Inception Workshop. It will include a detailed First Year/ Annual Work Plan divided in quarterly time-frames detailing the activities and progress indicators that will guide implementation during the first year of the project. This Work Plan would include the dates of specific field visits, support missions from the UNDP-CO or the Regional Coordinating Unit (RCU) or consultants, as well as time-frames for meetings of the project's decision making structures. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time-frame.

The Inception Report will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may effect project implementation.

When finalized the report will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to this circulation of the IR, the UNDP Country Office and UNDP-GEF's Regional Coordinating Unit will review the document.

The ***Annual Project Report (APR)*** is a UNDP requirement and part of UNDP's Country Office central oversight, monitoring and project management. It is a self -assessment report by project management to the CO and provides input to the country office reporting process and the ROAR, as well as forming a key input to the Tripartite Project Review. An APR will be prepared on an annual basis prior to the Tripartite Project Review, to reflect progress achieved in meeting the project's Annual Work Plan and assess performance of the project in contributing to intended outcomes through outputs and partnership work.

The format of the APR is flexible but should include the following:

- An analysis of project performance as compared to the annual workplan over the reporting period, including outputs produced and, where possible, information on the status of the outcome
- The constraints experienced in the progress towards results and the reasons for these
- The three (at most) major constraints to achievement of results as well as facilitating factors that have positively contributed to the achievement of results
- AWP, CAE and other expenditure reports (ERP generated)
- Lessons learned
- Clear recommendations for future orientation in addressing key problems in lack of progress
- Changes in external conditions that may require an adjustment in project strategy, as well as recommended changes for the TPR's approval

The ***Project Implementation Review (PIR)*** is an annual monitoring report mandated by the GEF. It has become an essential management and monitoring tool for project managers and offers the main vehicle for extracting lessons from ongoing projects. Once the project has been under implementation for a year, a Project Implementation Report must be completed by the CO together with the project. The PIR can be prepared any time during the year (July-June) and ideally prior to the TPR. The PIR should then be discussed in the TPR so that the result would be a PIR that has been agreed upon by the project, the executing agency, UNDP CO and the concerned RCU.

The GEF M&E Unit provides the scope and content of the PIR. In light of the similarities of both APR and PIR, UNDP/GEF has prepared a harmonized format for reference.

Quarterly Progress Reports: Short reports outlining main updates in project progress will be provided quarterly to the local UNDP Country Office and the UNDP-GEF regional office by the project team.

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

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

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

Project Publications: Project Publications will form a key method of crystallizing and disseminating the results and achievements of the Project. These publications may be scientific or informational texts on the activities and achievements of the Project, in the form of journal articles, multimedia publications, etc. These publications can be based on Technical Reports, depending upon the relevance, scientific worth, etc. of these Reports, or may be summaries or compilations of a series of Technical Reports and other research. The project team will determine if any of the Technical Reports merit formal publication, and will also (in consultation with UNDP, the government and other relevant stakeholder groups) plan and produce these Publications in a consistent and recognizable format. Project resources will need to be defined and allocated for these activities as appropriate and in a manner commensurate with the project's budget.

II. Independent Evaluation

Given the limited duration of the project, 3 years, it will only be subject to a final independent evaluation. A thorough internal review will be undertaken at mid-term, jointly by the project team, expanded UNDP team and national partners. In particular members of the steering committee and tripartite review committee will take part in this review to ensure full ownership of its results and recommendations. During this review mission, the GEF tracking tool will be completed by the project team and submitted to GEFSEC following the completion of the review report.

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

As part of reporting to the GEF focal area, the final evaluation will complete the relevant tracking tool to enable the monitoring of progress and changes achieved by the time of the evaluation.

III. Learning and Sharing Knowledge

Results from the project will be disseminated within and beyond the project intervention zone through a number of existing information sharing networks and forums. In addition:

- The project will participate, as relevant and appropriate, in UNDP/GEF sponsored networks, organized for Senior Personnel working on projects that share common characteristics. UNDP/GEF shall establish a number of networks, such as Integrated Ecosystem Management, eco-tourism, co-management, medicinal plants etc, that will largely function on the basis of an electronic platform.
- The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned.

The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Identification and analysis of lessons learned is an on- going process, and the need to communicate such lessons as one of the project's central contributions is a requirement to be delivered not less frequently than once every 12 months. UNDP/GEF shall provide a format and assist the project team in categorizing, documenting and reporting on lessons learned. To this end a percentage of project resources will need to be allocated for these activities.

Indicative Monitoring and Evaluation Work plan and Corresponding Budget

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team Staff time</i>	Time frame
Inception Workshop	<ul style="list-style-type: none"> ▪ Project Coordinator ▪ UNDP CO ▪ UNDP GEF 	\$1000	Within first three months of project start up
Inception Report	<ul style="list-style-type: none"> ▪ Project Team ▪ UNDP CO 	None	Immediately following IW
Measurement of Means of Verification for Project Purpose Indicators	<ul style="list-style-type: none"> ▪ Project Coordinator will oversee the hiring of short-term consultants to do specific studies, establish monitoring instruments and delegate responsibilities to relevant team members 	To be finalized in Inception Phase and Workshop. Indicative cost: \$4000	Start, mid and end of project
Measurement of Means of Verification for Project Progress and Performance (measured on an annual basis)	<ul style="list-style-type: none"> ▪ Oversight by Project GEF Technical Advisor and Project Coordinator ▪ Short-term consultants to do specific studies, establish monitoring instruments and delegate responsibilities to relevant team members ▪ Measurements by regional field officers and local IAs 	To be determined as part of the Annual Work Plan's preparation. Indicative cost: \$4000	Annually prior to APR/PIR and to the definition of annual work plans
APR and PIR	<ul style="list-style-type: none"> ▪ Project Team ▪ UNDP-CO ▪ UNDP-GEF 	None	Annually

TPR and TPR report	<ul style="list-style-type: none"> ▪ Government Counterparts ▪ GEF OFP ▪ UNDP CO ▪ Project team ▪ UNDP-GEF Regional Coordinating Unit 	None	Every year, upon receipt of APR
Steering Committee Meetings	<ul style="list-style-type: none"> ▪ Project Coordinator ▪ UNDP CO 	None	Following Project IW and subsequently at least once a year
Periodic status reports	<ul style="list-style-type: none"> ▪ Project team 	\$300	To be determined by Project team and UNDP CO
Technical reports	<ul style="list-style-type: none"> ▪ Project team ▪ Hired consultants as needed 	\$4000	To be determined by Project Team and UNDP-CO
Mid-term project review	<ul style="list-style-type: none"> ▪ Project team ▪ UNDP- CO ▪ UNDP-GEF Regional Coordinating Unit ▪ Project board/steering committee members ▪ National executing partners 	\$10,000	At the mid-point of project implementation.
Final External Evaluation	<ul style="list-style-type: none"> ▪ Project team, ▪ UNDP-CO ▪ UNDP-GEF Regional Coordinating Unit ▪ External Consultants (i.e. evaluation team) 	\$20,000	3 months prior to the closing of the project
Terminal Report	<ul style="list-style-type: none"> ▪ Project team ▪ UNDP-CO ▪ External Consultant 	None	At least one month before the end of the project
Lessons learned	<ul style="list-style-type: none"> ▪ Project team ▪ UNDP-GEF Regional Coordinating Unit (suggested formats for documenting best practices, etc) 	\$9,000 (average 3,000 per year)	Yearly
Audit	<ul style="list-style-type: none"> ▪ UNDP-CO ▪ Project team 	\$4,000 (average \$1000 per year)	Yearly
Visits to field sites (UNDP staff travel costs to be charged to IA fees)	<ul style="list-style-type: none"> ▪ UNDP Country Office ▪ UNDP-GEF Regional Coordinating Unit (as appropriate) ▪ Government representatives 	\$15,000 (average one visit per year)	Yearly
TOTAL INDICATIVE COST			
<i>Excluding project team staff time and UNDP staff and travel expenses</i>		US\$ 71,300	

Key impact indicators

Key Impact Indicator	Target (Year 3)	Means of Verification	Sampling frequency	Location
Number of hectares where ISSC-MAP/FairWild standards are applied	220 ha	Field inquiry, certification agencies	End	Targeted zones
Number of export permits reflecting BD mainstreaming	15% over base	Register of sustainable production plans	Start, mid, end	EACCE
Number and area of concessions by local cooperatives and associations demonstrating the amount of globally significant biodiversity under effective natural resource management	16	Field collection, data collection sheets, analysis of GIS cell counts	Start, end	Targeted and immediately neighbouring zones
Number of farmers, cooperatives and associations meeting international standards	30% over baseline	Field collection, analysis of GIS cell counts, MinAgriculture, ADS, HCEFLCD	Start, end	All PAs

PART II: PROJECT JUSTIFICATION:

A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

The Sector : Morocco has one of the richest MAP sub sectors in the world, due its diversity (4200 species including 800 endemic), among which nearly 400 species are recognized for medicinal and/or aromatic uses, and for its developmental potential, particularly its export (100% export growth between 2004 and 2009). The global Medicinal and Aromatic Plant (MAP) market is estimated at 15 billion US dollars. In 2008/2009 Morocco participated in this market by exporting more than 28,700 tons of dried MAP plants and nearly 60 tons of essential oils. Representing a growth rate of 2% over the last season, these exports generated an aggregate value of nearly 80 million US\$, i.e. 4% of the global market. 112 MAP products were exported via the Establishment of Autonomous Control and Coordination of Exports (EACCE) against 69 products five seasons earlier. MAPs collected directly from nature (wild crafting) prove to be on an upward trend. There are approximately 30 MAP exporters, a number that is constantly increasing but is still relatively low given the large market potential. As the sector continues to grow, the government entities responsible for the protection of national forests and rangelands are faced with a daunting challenge, how to conserve biodiversity and protect Morocco's natural resources while creating an environment in which rural populations can participate in wild-crafting economic growth activities to improve their livelihoods.

The international market is becoming more structured and demanding as quality standards and quality labeling become a prerequisite for trade. It is increasingly competitive particularly with the emergence of developing countries as key providers in the market. Morocco is one of these countries, focused mainly on the international market with low-cost labor and an abundant spontaneous biomass. Morocco sources most of its products from abundant and spontaneous vegetation and is to date susceptible to suffer the vagaries of international markets. The country is filled with highly skilled and adequately engaged MAP stakeholders who have recently combined efforts to establish a National Strategy for MAPs under the leadership of the High Commissioner for Water and Forests and Fight against Desertification (HCEFLCD) but not yet adopted by all the parties. Nevertheless, the sector is plagued by mistrust and competition, preventing a consistent flow of information among key players, a necessity for

collaboration, coordination, formalization of the sector, and responsible MAP activity growth within the national economy.

The Project: The project being proposed in this document is called ‘**Mainstreaming Biodiversity into Value Chains for Medicinal and Aromatic Plants in Morocco**’. It aims to strengthen the capacity of Moroccan government institutions, non-governmental organizations and concerned citizens to contribute to biodiversity conservation and poverty alleviation by increasing the value of wild crafted MAPs and their access to markets while ensuring production sustainability. By improving cooperation and building partnerships among national and local pioneers, the project can create an environment of transformation, appropriate skills development, and technological advancement for those participating in the MAP value chain. The project will establish the necessary mechanisms, technical, legislative and institutional support, in order to better integrate the MAP biodiversity richness into the value chain of the entire sub-sector, taking into account the need to create an attitude of responsible stewardship on the part of all sector stakeholders to preserve the resources by implementing a range of mechanisms to ensure sustainability of the system.

The Plants: The vast majority of the medicinal and aromatic plant species used in Morocco are wildcrafted. The species are over-harvested at flowering time and frequently uprooted, without regard to their regeneration. Wildcrafters are generally paid according to the harvested quantity, so the incentive is to collect the maximum quantity possible. This unsustainable form of harvesting exposes several species, particularly those in high demand, to a real threat of genetic erosion or, in certain cases, increase risks to their extinction. Field visits by experts have confirmed the depletion of several species where they were once abundant. Surveys by local populations reached the same conclusion.

This drastic environmental situation resulting from unsustainable harvesting is even more worrisome for local communities who depend on wildcrafting of these species. They observe passively this degradation of their natural environment and worsened by other factors such as overgrazing, deforestation and climate change. To remedy this situation and continue to reap the benefit from these resources, all actors of the chain must learn the principles of sustainable use of MAPs and see that these are strictly respected. In some cases, there will be a need to cultivate some species (“domestication” or “cultivation”) replanting or re-sowing them under a rehabilitation action plan.

After a rigorous assessment of possible species to target with the activities of this project, within which ecological, economic and social criteria were used to determine the plants and regions (*see Annex #1 – Species and Site Selection; Ecology Report by Imane Thami Alami; International Status of Selected Moroccan MAPs with market accessibility; Plants of Morocco’s South and Oasis*), those selected are:

- *Romarinus officialis* (Rosemary) in Jerada/Talsint,
- *Thymus satureioides* (Thyme) in Ijoukak, (90 Km outside of Marrakech),
- *Anacyclus pyrethrum* (Pyrethrum) in Timahdit (30 km outside of Azrou),
- *Origanum elogatum* (Oregano) in the region of Chefchaouen,
- *Origanum compactum* (Oregano) in the region of Chefchaouen.

Romarinus officialis is by far the most widely exploited species, given the extent of its geographical area and the current international demand for its products (herb and essential oil). Standards for its sustainable use already exist, which are adequate and only need to be diffused on a large scale. Its regeneration, however, is facing a serious problem due to drought conditions, overgrazing and especially over-harvesting. All three factors have contributed to reducing the Rosemary population. Reforestation, which has been successfully experimented, must be repeated and adopted, accompanied with rules for responsible wild crafting.

Thymus satureioides, which constitutes the bulk of exported Thyme, is wrongly named as common Thyme (*Thymus vulgaris*), and thus mislabeled. Common Thyme, which is widely cultivated in Europe is a Thymol Thyme, while *Thymus satureioides* is essentially a borneol Thyme, a unique chemotype. Capitalizing on this feature allows the project to significantly increase its value in the international market. It is currently heavily exploited, putting its vegetative settlement under a real threat, particularly in some fragile areas.

Anacyclus pyrethrum is a species that is undergoing the greatest pressure given its high price. Wild crafters can expect between 300 to 400 Dh¹/kg. The roots are the only parts of the plant that is marketed and it is thus uprooted before its seeds set. As an Asteraceae, *A. pyrethrum* has, however, a great potential for multiplication and dissemination. Pyrethrum used to grow in a large mountainous area of Morocco but now, it can be found only in the region of Timahdit. Its habitat has also been completely disrupted by overgrazing, and by being so, has totally affected the botanical composition. Sustainable use requires that the plant be undisturbed during its rest period (the duration still needs to be established) and the modes of collection practices must be improved.

Origanum compactum is a species with highly aromatized chemotypes due to its high carvacrol content, while *Origanum elongatum* is the only oregano with a Thymol dominant essential oil component, making it useful to both the medicinal and aromatic industries. This species is subjected to frequent conflicts between beekeepers, who seek this particular strain to produce quality honey, and wild crafters who sell it in the form of dried herb or for the essential oil market. Both oregano species have weak vegetative regeneration and are highly susceptible to over-harvesting. Due to the high local and international demands, they have been severely depleted due to the destruction of the entire plant when only the leaves are sought. These plants have become so rare that they can only be found in inaccessible places. Applying strict wildcrafting standards could preserve these species where wildcrafting is still possible. Domestication has already been initiated, but only on a small scale. At present, the economic potential of oregano is far from being realized. If marketed under a real label of quality, these two species could grow in commercial importance. This illustrates just one example where, if the plants are sustainably exploited and effectively marketed, biodiversity considerations could generate significant revenues.

The People: To demonstrate ecological, economical and social sustainability for management and trade of priority MAP species in Morocco, the UNDP project will partner with the FairWild Foundation to assist local cooperatives and associations in four regions attain FairWild® certification for five selected species with the intention of bringing fair-trade prices and social premium fund investments to the producer communities and contributing towards long-term trade relationships with caring buyers. The project will work through focal organizations, cooperatives, or associations in the communities targeted by the project to ensure the greatest potential impact on the beneficiaries. Some names of cooperatives the project will work with are:

- BeniTaha/Ofoq in Jerada/Tilsint,
- CADEFA in neighboring Marrakech,
- Atlas fil & Couleur in Timahdit,
- Jbel El Alam, Aïn Lhjar, Bni Boufrah and GIE Farida in the region of Chefchaouen.

Each of these organizations have been contacted and introduced to the objectives of the project. They have all expressed enthusiastic interest in participating.

The Institutions: By demonstrating FairWild® certification for two (Rosemary and Thyme) to five selected species in the targeted communities, the project is offering Moroccan MAP stakeholders (from institutional partners to the local cooperatives to the industry leaders) tangible steps to follow in a united effort to conserve Morocco's precious biodiversity while promoting rural economic growth. The certification standards will become a road map for activating the National Strategy of MAPs and transformation of the MAP sector into a more formal and formidable activity for the local population.

It is suggested that a Value Chain Strengthening Unit (VCS Unit) be put in place to act neutrally among all the MAP stakeholders, including the government institutions upon which sector growth depends. Among those institutions benefiting directly from the actions of the project and the VCS Unit are: HCEFLCD, Ministry of Agriculture (MAPM), Ministry of Energy, Mining, Water and the Environment (MEMEE), the Agency for the Economic and Social Promotion and Development Of the Southern Provinces of the Kingdom of Morocco (APDESPS), the Directorate for Territorial Management (DAT), the Agence de l'Oriental (ADO), the National Institute for Medicinal and Aromatic Plants (INPMA), research and training institutions (INRA, IAV, Facultés des Sciences, etc.), Ministry

¹ 1 US\$ = 7.66 DH (as of UN Rate for October 2009)

of Industry, Commerce and New Technologies (MICNT), Ministry of Superior Education, Training and Scientific Research (MESFCRS), Ministry of Interior (MI) and its Initiative National de Development Human (INDH).

Access to market, dependent on timely market knowledge, is imperative to ensure the flow of product and capture of substantial income. While the HCEFLCD continues to focus increasingly on contracting with local populations grouped into cooperatives and associations for the granting of mining areas of MAP, its representatives are constantly seeking ways to engage the local populations in the protection of the natural resources.

The Network: HCEFLCD has announced that it wishes to create more awareness and adoption of the MAP National Strategy through an internal communications unit. The project will assist the HCEFLCD and other significant stakeholders in the establishment of a coordination structure, a network of communications units, focusing on MAPs to improve synergy of efforts, commitment to biodiversity conservation, and access to markets. This unit will spearhead a unified advocacy effort for a professional MAP committee within the EACCE to monitor and control MAP exports, in a similar way that other more formalized Moroccan agricultural value chains are managed (olives, fruits, etc.).

Project Components: The project proposes to address the needs of the MAP sector for support in Biodiversity Conservation and Poverty Alleviation activities through an integrated program comprised of three interrelated components:

I. Institutional Capacity Building for Conservation and Sustainable Use of MAPs

II. Biodiversity Considerations in Market Transformation

III. Value Chain Services

I. Institutional Capacity Building for conservation and sustainable use of MAPs

Attempting to improve information flow and introducing a new certification program within the MAP sector requires a considerable amount of capacity on the part of all participating stakeholders. The project proposes offering trainings on two tracks: *Value Chain Service Training* and *FairWild® Certification Training*.

Value Chain Service Training: The following trainings will target representatives of local associations, INPMA, HCEFLCD, Ministry of Agriculture, Ministry of Environment, Ministry of Interior (INDH), and private sector:

- a. Communications Trainings/Mentoring to help establish effective communications units/representatives in all participant organizations and ensure sector growth through coordination of efforts.
- b. Value Chain Analysis Training to rally stakeholders and investors to prepare Action Plans that will improve competitiveness of wildcrafted PAMs.
- c. Institutional Development Trainings for SMEs, SMIs, business services providers on appropriate technology, packaging, labeling,
- d. Marketing Trainings to better prepare for creating and maintaining profitable market linkages.

FairWild® Certification Training: Progress on FairWild® Certification in the demonstration sites will be shared with institutions at the national level so that all MAP stakeholders can benefit from the lessons learned and participate in the national push for biodiversity conservation and linkages to poverty alleviation. National level stakeholders will be invited to participate in the series of trainings and activities that are occurring in the demonstration sites. The customized technical assistance will include:

- a. Technical advisory and training/capacity building support to the project team and partners (cooperatives, associations, government institutions, private sector enterprises) in implementing the FairWild® Standard requirements, such as:
 - i. resource assessments and management planning

- ii. situation analysis
 - iii. conservation status assessments
 - iv. appropriate resource assessment and monitoring strategies for each species/collection location
- b. Technical advisory and training/capacity building support to identify appropriate implementation scenario of the FairWild® Standard for each species and collection situation, including:
- i. FairWild® Certification using the rating system
 - ii. National and site-based resource management /conservation / production practices that meet the ecological criteria of the FairWild® Standard and contribute to the National MAP strategy of Morocco
 - iii. Adoption of voluntary good practice guidelines by industry partners that meet the criteria of the FairWild® Standard
- c. Technical advisory and capacity building support to design and implement FairWild® Certification for selected MAP species where this approach is appropriate and feasible, including:
- i. Market and market access risk analysis
 - ii. Market development
 - iii. Collection site and chain of supply documentation
- d. Technical advisory and capacity building support through certifier training and accreditation, to create a network of local certifying entities that could expand the certification program in Morocco and also be recruited by FairWild® Foundation to provide certifying services throughout the region and worldwide.

Both technical advisory and training will aim to:

- Improve the capacity of HCEFLCD representatives, local populations, and national stakeholders to analyze value chains and elaborate appropriate resource assessment and monitoring strategies for each species/collection location.
- Improve information flow through communications structures, increased capacity of stakeholders to stay linked.
- Improve the ability of local community leaders to assess resources, conduct management planning, situation analysis, and conservation status assessments.
- Establish the capacity of Moroccan based certification bodies to do FairWild® Certification in Morocco and globally.
- Empower Government Institutions in their effort to promote biodiversity conservation in other parts of Morocco.

The unit will be responsible to conduct an inventory of the existing resource base of the targeted species at project start-up (GIS supported) and a similar inventory just prior to project completion to determine on-the-ground evolution of the species.² The analysis will be conducted during the first major growing season of the project's first year; INPAM will be a collaborative institutions.

II. Biodiversity Considerations in Market Transformation

While communications and market services are being improved at the national and local levels through the Value Chain Services Component, the project will take bold steps with Moroccan institutional partners, private sector

² The activity is not be included in the formal monitoring and evaluation plan since the manner and the accuracy of such a undertaking will depend on availability of funds and institutional capacity of collaborative research institutions and Universities.

stakeholders and local communities to demonstrate FairWild® Certification of at least two species (Rosemary and Thyme) and up to five that have significant ecological importance in Morocco. By demonstrating FairWild® Certification in targeted sites, the project will assist government institutions in providing very specific measures to be taken to ensure the sustainable management of forests with MAPs. The question of how to involve local people in forest management and increase their benefits will be addressed through the FairTrade elements of FairWild.

FairWild® certification might not be popular at first with private sector stakeholders who might view the certification as part of international MAP leaders to block market access. It is important to understand that FairWild® certified products will have improved market access in years to come and the certification provides Moroccans with a clear way to preserve its forests. By launching five demonstrations for FairWild® with plants that have yet to be certified internationally, the project will start the process of branding Morocco's indigenous species internationally. Through close collaboration with HCEFLCD and other partner ministries, the appropriate legal and functional systems will be put in place to replicate the model in other areas around Morocco, if desired.

The FairWild® Foundation will send its experts to walk stakeholders through the process so that everyone will learn firsthand how this certification can be applied in Morocco and how it can aid Moroccans to take action for Biodiversity Conservation and Poverty Alleviation. FairWild® representatives will visit Morocco regularly to conduct assessments, offer consultations and recommendations, provide trainings and guidance, and mentor cooperatives and associations, Government institutions and private sector representatives on FairWild® Standards. They will also train local certifying entities to become certifiers and be able to conduct certifications on their own, in Morocco and around the world. The sites chosen for this demonstration will not be applying for FairWild certification as much as they will be working towards it, mentored by the FairWild® Certification representatives.

The INPMA, Faculty of Sciences, the Ministry of Agriculture and research institutes will participate in FairWild® Certification as well as developing specific standards by analyzing selected harvested materials from the sites in order to monitor and determine their conformance to official (pharmacopoeial monographs) or trade (specifications) quality requirements. By providing producers with independent Certificates of Analysis (C of A) documents showing that the materials conform to the specified standard, the job of marketing the botanicals will become easier. Within this component, these activities will focus on the selected plants in the targeted regions. However, analysis of all Moroccan wildcrafted plant species will be an integral part of the Value Chain Services offered in Component 3 below. As producer groups all over the country are lacking the resources or apparatus available to regularly check themselves the quality of harvested materials and whether or not they are salable, this way of strengthening the links along the value chain will offer all around win-win solutions. In sum, the biodiversity component will:

- Conduct a biomass availability evaluation, applying geographic mapping of chemotypes of the selected species.
- Prepare and diffuse “Best Wildcrafting Practice” guides, manuals and video clips, inspired from ISSC-MAP, FairWild Foundation, local experts,
- Provide cultivation *in-situ* for conservation of threatened species in their natural habitat;
- Transfer appropriate technology to specialized groups about FairWild® certification, sustainable harvesting and product marketing,
- Demonstrate ecological, economical and social sustainability by implementing FairWild® Standard at the targeted project sites for the production, trade and use of at least two of the listed species:
 - *Anacyclus pyrethrum* (Middle Atlas region: Timahdit)
 - *Origanum compactum* (North region: Chefchaouen)
 - *Origanum elongatum* (North region: Chefchaouen)
 - *Rosmarinus officinalis* (Oriental region: Jerada, Tinsilt)
 - *Thymus satureioides* (High Atlas region: Marrakech et Régions)
- For the species not included in FairWild® Standard, targeted zones will have the option of having the demonstration of specific standards based on an agreement between MAP users and HCEFLCD.

- When certified FairWild®, demonstrate the selected species which will bring fair-trade prices and social premium prices to the producer communities, and contribute towards long-term trade relationships with caring buyers,
- Improve capacity of MAP stakeholders to monitor biodiversity and livelihood impacts of wildcrafted MAPs.
- Improve marketing through the launch of a Moroccan branding of indigenous MAP species.

III. Value Chain Services

An important effort is made by varied stakeholders working on the MAP value chain to conserve the environment and help local people participate more in the economic benefits of the sector. Private sector entities are fully engaged and many government institutions are doing their best to provide leadership and guidance for those investing in wild crafted MAPs. In addition, there are multiple donor funded projects attempting to assist the Moroccan government institutions and non-governmental organizations in their efforts to have a positive impact on sector growth and livelihood improvement.

While there is a lot of individual success on many different pilot efforts, unfortunately is not much unity of effort or partnership development, a must for large-scale impact and value chain strengthening. It is common to hear MAP stakeholders speak of the need for increased coordination and collaboration. While there is, to a certain extent, a superficial level of information sharing, real collaboration, which calls for resource sharing and integrated work planning, is lacking. Some organizations have signed many memoranda of understanding (MOUs) but transforming these good intentions into practice still seems lacking. There is much room for building synergy. It is planned that the project will contribute to this through the development of a **Value Chain Services Unit (VCSU)**. This unit will be charged with providing essential spontaneous MAP value chain services for all stakeholders.

The VCSU will provide communications, marketing, and value chain services for the entire MAP sector by providing a “one-stop-shop” for information on wild crafted MAPs where stakeholders, all from public and private entities, can find:

- Value Chain Analysis of Wild Crafted MAPs
- Local and International Market Information, improved information flow about national and international MAP events
- Sector Newsletters, Website Postings, and other Educational Documents
- Improved specialized control for commercialization and exports
- A Clearinghouse for MAP documentation in Morocco
- Assistance for Trade Fair Preparation
- Information about National and International MAP Events
- Database of MAP Stakeholders
- Linkages with National and International Private Sector Leaders to support SMEs
- Promotional and Educational Activities for the General Public

The VCSU will organize events for public awareness and targeted advocacy efforts, building the linkages among stakeholders so that a broad part of the population can focus on the close ties between biodiversity stewardship, functional value chains and best wildcrafting practice. It will assist in the creation of strategic partnerships among government institutions internally and media representatives externally. The goal of this unit will be to generate and disseminated information so as to become the “go-to” service when any information on Moroccan wildcrafted plants is needed.

The VCSU will work nationally and targeted local areas to ensure that growth at both levels is linked, information is flowing better in all directions, and opportunities for sector growth are optimized. It will:

- Oversee value chain analysis of wildcrafted plants in preparation for higher value commercialization,
- Provide exposure and access to new markets,
- Create a communications protocol through a network of stakeholders more willing to share information and collaborate on issues.
- Improve capacity of institutions to coordinate activities more easily through established communications structures,
- assist in activating the National Strategy for MAP through the integration of stakeholders,
- Increase awareness among stakeholders and general public about the significance of wildcrafted MAPs in Moroccan economic growth.
- Sponsor the creation of a MAP stakeholder committee to establish and regulate the norms of labeling and exporting wildcrafted MAPs
- Further integrate wildcrafted MAPs in economic growth, including industrial development of pharmaceutical and biochemical sector (antioxidants and other secondary plant products).

Global Environmental Benefits: By helping Morocco obtain the recently established *FairWild*® certification with several plant species, the ‘Mainstreaming Biodiversity into Value Chains for Medicinal and Aromatic Plants in Morocco’ project will demonstrate for the global community how livelihoods can be improved around MAP value chains while biodiversity considerations are upheld. Through this demonstration, endangered plants of global importance will be conserved and mainstreamed into the Moroccan economy. The HCEFLCD, in coordination with other institutional partners, will establish a model that can be applied to resource management in national forests and rangelands all over the country and used to protect up to 400 endemic species of MAPs, including *Anacyclus pyrethrum*, which currently is in serious threat of extinction. The project will establish improved harvesting and management processes for species such as *Romarinus officinalis*, *Thymus satureioides*, *Origanum elogatum*, and *Origanum compactum* and, in doing so, will support the sustainable management of ecosystems related to these species for generations to come. Although none of these species are on the IUCN red data list, they are retained and identified by the project for their (i) market value and preponderance as wild-harvested species; (ii) role as keystone species within the ecosystem they occur in; (iii) possibility to apply certification schemes such as Fairwild that require an appropriate management of the whole ecosystem as opposed to other certification schemes which strictly address the concerned plants; (iv) their association with cultural practices and traditional knowledge of key indigenous communities in Morocco. Many of those species occur in Mediterranean type forests, which are part of the WWF global 200 ecoregions and their conservation and sustainable use is expected to have a spill over effect on the management and conservation of forest areas. Finally, Morocco is one of the countries in the region with the highest coverage of the CI Mediterranean hotspot and the location selected by the project are either (i) the most pristine areas where pre-emptive conservation will be most effective; (ii) threatened and degraded areas where sustainable use of medicinal plants would allow for the regeneration of the ecosystems they occur in. Finally, through the preparation of biodiversity conservation plans at the target sites, it is expected that multiple uses of these landscapes – such as grazing, harvesting, silviculture, agriculture – will be balanced towards an ecological equilibrium that allows for the long term provision of these services.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL AND/OR REGIONAL PRIORITIES/PLANS:

After the ratification of the Convention on Biodiversity (CBD) on August 21, 1995, Morocco completed a National Study on Biodiversity in 1997. The study presented a fairly exhaustive inventory of the national flora and fauna, which served as the basis for the Strategy and National Action Plan for the Conservation and Sustainable Use of Biological Diversity (NBSAP) in 1999. The NBSAP recognizes conservation and sustainable use of medicinal and aromatic plants and their associated habitats as a national priority objective for sustainable development.

In 2002, the government of Morocco created the National Institute of Medicinal and Aromatic Plants (NIMAP) as a coordinating organ at national level to promote research and development work related to MAPs. The NIMAP's mission also involved organizing workshops and seminars, promoting the use of MAPs within different socio-economic sectors, namely through nursery projects, developing MAP production pilot zones within the framework of small and medium enterprises and industries and, finally, establishing partnerships and cooperation agreements between various stakeholders. Since 2005, the NIMAP has invested a budget of approximately 674,000 US\$³ and created 71 research posts within the MAP sector.

In December 2006, the High Commissioner for Water and Forestry and the Fight against Desertification took responsibility to lead an exercise on developing a national strategy and action plan for MAPs in Morocco. The national strategy contains an action plan addressing 5 strategic components, (1) yield of the MAP resource, (2) commercialization and marketing, (3) research, training, information and awareness-raising, (4) financing and incentives, and (5) legislative and regulatory support.

The National Strategy for MAPs was adopted by the High Commissioner for Water and Forestry and the Fight against Desertification (HCEFLCD) in July 2008. Activities of the project will be based on the national strategy in order to ensure strategic direction and wide-scale cooperation, and will specifically address the following articles:

- IV.2.5.2. Development of the Local Population
- IV.2.5.3. Sustainable Management of Natural Resources and Conservation of the Environment

It is one thing to have a National Strategy that unites the good intentions of many stakeholders in the MAP sector on paper, it is quite another to make a strategy come to life and encourage tangible actions that demonstrate how good intentions can become pioneering deeds. This project offers step by step actions to unite everyone along the MAP value chain to make strides in improving management of Moroccan MAP wild craft resources while promoting sustainable livelihoods around MAP income generating activities.

Furthermore, Morocco has developed various plans, strategies, and programs covering land-use planning, rural development, natural resources management, and, more recently, human development. Some of these plans, strategies, and programs are manifestly sector-based in scope. Others are cross-cutting in their scope and aim at shoring up sustainable development by addressing poverty-reduction and environmental degradation. Below are some of the strategies and programs which are directly linked with the present project:

The National Strategy for the Protection of the Environment and Sustainable Development and its National Action Plan, which aim at integrating environmental protection considerations at the level of different socio-economic sectors;

Agricultural and Rural Development Strategies on the provision of promoting local initiatives, adopting an integrated approach, involvement and accountability of rural communities in development projects, forging of local partnerships, development of rural agricultural or non-agricultural employment opportunities, establishment of local development financing incentives, increasing productivity, competitiveness and skills of local population and professionals and alleviating poverty by promoting diversification of activities and sources of income while protecting the environment;

National Human Development Initiative whose goal is to address inadequacy and barriers in the development of local development plans (PESDs) at the level of 403 rural communes and 250 urban communes declared as being priority areas through a consultation-based process, participatory planning and adopting an approach to increase decentralization.

The project will coordinate with the Plans for Economic and Social Development (PESDs), which are the main tool used for local planning. They are established annually by the Communal Council and transmitted to the Provincial entities for budgetary allocation. The project will support PESDs to implement consultation-based processes with local populations to determine and organize local needs while taking into consideration the environmental component.

³ 674,000 US\$ equivalent to 5,800,000 MDA (taking a rate of 1US\$=8.61MDA)

The project fits within the objectives of the UNDAF and of the CCA between UNDP and the Government of Morocco (2007-2011), namely through the strengthening of the legal, policy and institutional framework for environmental protection, in harmony with international instruments.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH [GEF STRATEGIES](#) AND STRATEGIC PROGRAMS:

The project has been developed in line with the GEF's new Biodiversity Strategy (GEF/C.31/10 approved at the June 2007 Council meeting). The project will contribute to Strategic Program 5 "Fostering Markets for Biodiversity Goods and Services" under the Strategic Objective 2 focused on "Mainstreaming Biodiversity in Production Landscapes/Seascapes and Sectors". Project activities will be consistent with the market mainstreaming typology, creating incentives and actively influencing MAP production sector and market development. Market incentives for improved environmental and social practices will be promoted.

D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES.

By providing financial support to this project, the GEF will effectively rally all of the important MAP stakeholders in Morocco around the newly announced National Strategy for MAPs and create the first large-scale collaborative movement in the sector to conserve biodiversity while improving livelihoods. The new National Strategy is filled with visionary ideas of what needs to be done in the sector and this project will be the first to demonstrate how to bring this strategy to life with tangible steps and actions that everyone can participate in. As a result of the seed funding that GEF will contribute to this effort, nine (9) local institutions and several bilateral agencies will be able to pool their resources and demonstrate how collaborative actions in natural resource management can lead to wide-scale impact. This project is proposing to raise more than three times the amount that GEF is contributing, making the GEF investment a necessary catalyst for transformation of the MAP sub-sector. The GEF resources are requested as grant funding for technical assistance and foundational activities.

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The MAP sector has experienced a significant number of interventions spread across regions, products, players and umbrella organizations. Among them are initiatives that are on-going, and projects that have ended. Both will provide options for collaboration or if ended, a source of information and useful experience.

The project will work closely with other GEF projects in the region working on MAP market transformation, namely the Lebanon project "*Mainstreaming biodiversity management into MAP production processes*" and the Egypt project "*Conservation and sustainable use of medicinal plants in arid and semi-arid ecosystems*". The project will establish links with the UNDP/GEF Project "*Transhumance for Biodiversity Conservation in the Southern flank of the High Atlas*" which aims to conserve globally significant biodiversity through adaptive management schemes integrating pastoral range management with biodiversity, and will benefit from the UNDP-GEF project "*Restoring the environmental functions, ecological integrity and socio-economic services of forest landscapes in the Middle Atlas*" on the provision of participatory management of forest resources by local populations. Under the recently submitted MENARID framework, the IFAD/UNIDO project focusing on the high plateaus of Eastern Morocco includes considerations related to market development for natural products; close coordination will be sought during project implementation so that (i) market development strategies proposed by both projects concord and (ii) target project sites do not overlap or otherwise both projects include specific measures for synergistic implementation at local levels.

In terms of non-GEF initiatives, the project will collaborate with the International Standard for Sustainable Wild Collection of Medicinal and Aromatic Plants (ISSC-MAP) project to support and promote sustainable wild collection. UNDP has already established relations with the ISSC-MAP Secretariat team in Germany to discuss a test application of the standard to MAP collection in Morocco. The project will also build on USAID's work in strengthening capacities of local communities and cooperatives to improve rural livelihoods and supporting interventions that aim at promoting equitable development and rural community empowerment.

AP3 and AAI - USAID Projects (2004-2009)

This project had the merit of creating a dynamics in the sector which led ultimately to the development of a national MAP strategy in consultation with all stakeholders. Also, a substantial amount of work was devoted to fostering professional organizations (two associations created with project support - SOMAPAM & AMAPPAM) and in the information and communications domain (B to B missions with U.S. buyers, bimonthly newsletter, website, workshops, seminars, publications, email networking...) and in organic certification, whereby more than 20 MAP sites were certified. Finally, follow-on support was also provided by the AAI Program/USAID (Integrated Agriculture and Agribusiness) which worked in the Oriental region and specifically in Jerada and Talsint, on developing the Rosemary value chain. AAI/USAID also provided equipment, training, best practice guides, and marketing support.

Synergy with the present project: USAID funded both AP3 and AAI. From preliminary discussions, USAID might be interested to support this project specifically in the Eastern region (Oriental) where initial project work has already been done. Capitalizing on best practices, training modules and the proposed approach will be beneficial to the proposed project.

INRA- USDA-ARS-ICARDA Project (2006-2009)

The objective of the project was to support the conservation, management, and sustainable utilization of medicinal and herbal plants in Morocco while ensuring effective *in situ* protection of threatened habitats and ecosystems. The major achievements were: the collection and conservation of more than 200 species, the identification of several *in situ* conservation sites and establishment of 2 in-situ experimental sites. Also included were: initiatives to domesticate Thyme and Oregano, the chemical characterization of selected species, and seed multiplication of selected species. The project did not focus on wildcrafted species.

Integrated Forest Management Project of the Middle Atlas (GIFMA) (2007-2012)

The High Commissioner for Water & Forestry and the Fight against Desertification (HCEFLCD) is the implementing agency with co-financing from GEF/UNDP and the Agency for Social Development (ADS). The project aims to develop models of participatory management with local stakeholders on forest ecosystems in 2 pilot municipalities: Khenifra province and Boulmane Skoura province. Boulmane Skoura is characterized by an abundance of Rosemary and the existence of 2 cooperative with active contracts (through public tenders) for the collection of Rosemary in rangelands. The project initiated a consultancy to identify the potential of viable income generating activities of the forest. The aim is to provide support to the value chains that has the greatest development potential.

Synergy with the project: if the pilot sites of the project coincide with GIFMA project sites, work will be conducted closely with the project team on the economic, social and ecological level.

Regional Program of Recovery of MAP in the Region of Meknes Tafilalt

Project sponsored by ADS in partnership with the regional council of Meknes Tafilalt, HCEFLCD and the central region of France. The total budget is 9 million DH and its objective is to improve income of small community based organizations. The project is known for its successful program of developing the Argan sub-sector. Today, it capitalizes on this experience for new sub-sectoral projects such as MAPs and Saffron from Taliouine.

Synergy with the project: if selected pilot sites are located in the region of Meknes Tafilalt, it will be useful to coordinate with ADS, which may collaborate to accompany actors involved in MAPs.

South Oasis Program (SOP)

The project, led by the Agency for the Economic and Social Promotion and Development of the Southern Provinces of the Kingdom of Morocco (APDESPS), aims to create a dynamic integrated local development of oases in the South in a participatory manner, respecting the environment and the region's cultural heritage. The South is endowed with a range of spontaneous MAPs and with a sizeable number of professional organizations, cooperatives and associations seeking to expand and develop their activities. Adopting an approach to biodiversity conservation through promoting MAP value chains is an asset for both projects.

Synergy with the project: Organizing joint activities, exchange of experiences and training and knowledge sharing.

PAN LCD/GTZ Project

This project, "Support with the installation of a participative strategy of Natural resource management in the Haouz zone and National park of Toubkal" was implemented in association with the Center of Development of the Tensift Region (CDRT) and the Project "Nature conservancy and Against Desertification (PRONALCD/GTZ).

Agence Oriental (Regional Development Agency for the East)

Officially established in 2006, the mission of the Agence de l'Oriental (*Regional Development Agency for the East*) is to provide support and assistance to national and local stakeholders for the implementation of development programs in the Eastern Region of the Kingdom. A year later the *Agency* signed a Memorandum of Understanding with UNDP to implement an integrated regional development program (Programme Délio), which combined several human development projects:

- Adding value to local production systems and reinforce local expertise;
- Provide coaching to applicants of income-generating projects (AGR and AGE);
- Support for private initiatives of social and economic projects with strong potential in (tourism, agro-industry, handicrafts, trade, etc.);
- Capacity building.

It should be noted that biodiversity conservation and up-grading of the MAP sector are among the *Agency's* priorities. In this context, it has signed in 2006 an agreement with the HCEFLCD. The *Agency* at the time mobilized a budget of 5.5 million DH to support and equip two Rosemary cooperatives, one in Talsint (Ofouk cooperative) and one in Dabdou (Belkacem Cooperative). The *Agency* also initiated partnership with UNIDO to promote and support the creation of GIEs in the olive oil sector.

Synergy with the project: The Agency now accompanies two cooperatives that focus on Rosemary. Close collaboration is very possible to put in place Fair Wild certification and establish a MAP GIE in the Eastern region.

Agence du Nord (Regional Development Agency for the North)

The Agency for the Promotion and the Economic and Social Development of the Municipalities and Provinces of the Kingdom (APDN) is a public institution created by law in June 1996 and placed "under guardianship" of the Prime Minister. It is a government tool in place to ensure the development and upgrading of northern Morocco and play the role of inter-institutional coordinator and facilitator of the agency's intervention.

In relation to biodiversity, in February 2009 APDN signed a framework agreement aimed to strengthen and enhance development of projects in coastal areas of the Mediterranean Intercontinental Biosphere Reserve (RBIM). It covers a three year period and disposes of nearly 157 million DH. It is partnering with Mohamed VI Foundation for Environmental Protection (fm6e), HCEFLCD, local government's Directorate General, Tanger Mediterranean Special Agency, the National Railways Office (ONCF), and the National Highway Company. Under this framework, APDN will focus on adding value to the exploitation of MAPs. For this, they plan a study on the potentials of MAPs and the possibilities of creating and strengthening MAP cooperatives.

Synergy with the project: The northern region has been identified by the project as a demonstration zone. There are potential opportunities to work with APDN including adding value to MAPs of the regions. There are possibilities of co-financing with APDN.

Crédit Agricole and INPMA Project (2006-2010)

Cultivation MAPs of economic interest, putting into place a fund to support MAP actors, reinforcing producer associations, developing technical sheets for domestication of MAPs, promoting the sale of MAPs, facilitating commercial ties between producers and processors, preparing manuals of best practice covering wildcrafting, conditioning, and processing.

GIF RIF 1 and 2

Spanish cooperation project (COPCA) and INPMA in the Taounat region (2006-2007). The objective of the program was capacity reinforcement, putting into place cultivate MAP plots, MAP experimental units in Outzagh (Taounat), reinforce and strengthen producer associations, develop technical sheets on spontaneous MAPs, adding value to oregano, thyme and myrte.

OMS-INPMA Project (2001-2004)

Traditional uses and ancestral knowledge of MAPs and conservation of MAP cultural heritage.

INDH-INPMA Project (2006-2008)

Cultivation of MAP with economic value, as with GIF RIF, setting up MAP experimental units in Outzagh (Taounat) and promoting the sale of MAPs and facilitating commercial ties between producers and processors.

Transhumance & Biodiversity Project (CBTHA)

Project started in 2001 in the Ouarzazate region. It focuses on ecosystems related to transhumance. The project operates in a fully participatory approach. The MAP sub-sector was identified among the most promising sub-sectors in the region. In this context, CBTHA sponsored studies on participatory biodiversity inventories, an inventory of principle biodiversity sites, and a marketing study of MAPs products from the region.

Synergy with the project: The project acquired great experience on the participatory approach to conservation of biodiversity, and thus important to the project to use towards successful implementation. Consider exchange visits for participants of initial demonstration sites. The project has also acquired expertise with the adaptive implementation of UNDP/GEF financing and will be a source of learning and exchange on such an issue.

Linking to the Private Sector

A number of potential partners in the private sector have been approached to work on the FairWild Certification efforts with this project. The Representatives of the FairWild Foundation have agreed to assist the project team in establishing contacts with other international organizations. Assessing the demand for the species that are targeted, and creating market linkages from the start, will be an approach that drives Project decision-making at all times.

Company AZBANE

The Moroccan company imports 100% of its essential oils and flavors from foreign countries, which according to its technical director offer consistent quality, regularity and availability of raw materials. The price of the raw material is not as important as the consistent quality. AZBANE is interested to get in touch directly with producers and processors through supply contracts, but under strict quality control specifications.

Les Arômes du Maroc

The company belongs to the group “*Domaines Agricoles*,” a national leader in agricultural production. This group is particularly interested in local products and has implemented a strategy of product development to launch a range of regional cosmetic products (ex: Argan oil), launch a website on their organic vegetable produced in Dakhla, and opening stores that focus on Moroccan regional products. The company may be interested in this project to create synergy and link directly with upstream cooperatives engaged in a certification as FairWild, respectful of ecosystems.

NATUREX Morocco

It is a subsidiary of the multinational NATUREX,⁴ a global leader in natural products. NATUREX is cognizant of how global issues impact their line of product and concern for the environment in particular. They are perhaps more attentive to conservation dimensions and sourcing wildcrafted products than other private sector businesses.

Linking to Local Stakeholders

The mapping of the MAP sector highlighted the following actors operating in the chain, and present in the order from upstream to downstream:

- **Collectors:** usually men and women from the wild crafting areas;
- **Intermediate:** individuals with knowledge of the MAP collection regions and usually having a large capital base. They generally work on behalf of industrial units;
- **MAP cooperatives and associations:** new mode of organization of cooperatives that was recently initiated with the support of HCEF giving them priority in the awarding of collection sites. The cooperatives carry out primary processing of raw materials with the equipment and means at their disposal. Those who benefited from donor support have come to acquire technology and advanced processing equipment (see Annex 9 for list of MAP cooperatives considered as potential partners);
- **Herbalists:** are usually small companies or individuals operating in the herbal medicine, fine spices and essential oils. They source products from intermediaries or directly from the market (small amount) and sell their products on the local market.
- **Industrial:** private business belonging either to Moroccan investors or Moroccan subsidiaries of foreign companies. Industrial source their material from intermediaries, cooperatives/associations or directly from wildcrafters and MAP crop producers. The technical and technological level of these different businesses depending on the size of investments. The vast majority export their industrial production.
- **Laboratories:** Minister of Advanced learning and Scientific Research has 20 research laboratories available throughout Morocco that can conduct quality conformity of MAP products and chemical configuration. Other laboratories specialize in the formulation and processing of products from manufacturers to produce finished products for consumer good (cosmetics, medicines, perfumery, food additives...). These laboratories are based in developed countries (USA, Europe ...). Only one such laboratory exists in Morocco operated by the company AZBANE, which produces cosmetics, fragrances and hygiene products. To date the company imports all its essential oils and flavors needs from abroad.

F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :

Without this UNDP-GEF intervention, the awareness of the need for conservation of MAPs will remain low, overharvesting and destructive harvesting practices will continue to exist, the requisite information upon which to base conservation measures will remain poor, the technical and institutional capacities for conservation activities and the resources committed to the enforcement of environmental regulations will remain inadequate, and the economic incentives necessary to encourage changes in human behaviour will remain unshaped. As a result, globally significant MAPs will continue to be overexploited and unsuitable harvesting techniques will continue to be applied.

⁴ Naturex specialized in the production and commercialization of natural only vegetative extracts. Their operation is divided into 3 branches:

- industrial nutraceuticals (61%) which are nutritional supplements sold as pills, gells and powder;
- aromatic and agrifoods (33%); aromatic extracts, colorants and anti-oxidants
- Industrial cosmetics (1%)

The group has three production sites: France, Morocco and the US and recently Italy. Sales are 10% France, 68 % North America, Asia/Oceania 3% and other, 2%

The GEF financing comes at an opportune time when the National MAPs strategy has been devised through a hefty consultative process but when the diversity of partners, and the complexity of the sector have not encouraged any institution to start working towards implementation. It is for this predominant reason that the timing of the GEF financing and its availability plays a critical role in initiating implementation of the MAPs strategy and in particular its institutional, policy, regulatory elements. Without GEF funding, there would still be isolated and disconnected interventions, as few bilateral partners have the ability or desire to play the convening role in addressing the complex institutional and structural set-up of the sector.

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES:

A certain number of risks had been identified at PIF stage, which were further analyzed and assessed during project preparation and appraisal.

Risk identified at PIF	Status of risk
<p>Transforming the MAP industry as a means of maintaining the conservation status of globally significant MAP species is a new and bold approach. There is uncertainty whether value-added MAP products can create sufficient economic incentives to induce the desired behavioural change within the industry and establish the self-enforcement mechanisms necessary to “crowd out” non-complying industry participants. However, if successful, the approach promises to be the most cost-effective, self-sustaining and the most likely to achieve the desired long-term behavioral changes.</p>	<p>This risk remains viable and poses a challenge to the project and the MAP sector as a whole. However the project design has taken account of this risk and increased emphasis on the communications, training and behavioral change aspects to minimize the impacts of this risk. While it remains an issue to be monitored, this is not necessarily a high level risk threatening the viability of the project.</p>
<p>Insufficient involvement of the local communities in the project could pose a serious risk. Local communities are responsible for their respective plans for economic and social development that need to integrate the MAP sector as an opportunity to enhance livelihoods at local level. Nevertheless, the local benefits (income diversification and employment opportunities) promoted by the project should ameliorate this risk.</p>	<p>During project preparation the selection of the sites was undertaken in such a way to retain those sites where local communities expressed a strong and convincing drive to be involved in the project, beyond interest from the perceived economic dividends of the project. This risk is no longer classified as such and is retrograded to the level of an issue.</p>
<p>Market risk is an important element of the overall risk facing the project. For example, significant changes in market prices for MAP export products would have a negative impact on MAP conservation values. Furthermore, producers and collectors need to undergo professional training to strengthen capacities in dealing with high-scale competitiveness on the international market and in dealing with price regulation at level of the national market. One factor of the market risk is the price of certified products which will be significantly higher than non-certified products. The project will take this risk into consideration and strengthen capacities in strategic commercialization and marketing.</p>	<p>The element of market risk remains prominent in the project, in particular in view of the volatility in prices identified during the project preparation phase. An element of the project now addresses regular and predictable supply/demand linkages coupled with standardization and certification to guarantee access to markets at a reliable price range.</p> <p>Market risk remains an intrinsic element of the project and will be monitored throughout its lifetime and in particular in terms of the project’s impact in minimizing the kind of</p>

<p>Another major risk is sector organization. As it is today and as mentioned before, there are too many actors and stakeholders in the MAP sector. It is necessary to create interests groups, and even more so, micro and small enterprises (MSE) that would fall under one of the professional MAP associations founded over the past 3 years. Strong training will be implemented in terms of sustainable harvesting techniques for these enterprises</p>	<p>responses triggered by fluctuating markets.</p> <p>This risk is one of the core issues to be addressed by the project's approach. However, recognizing that the market and sector are very dynamic and not yet well organized it is expected that the project will not have a full handle on existing enterprises but will support to government of Morocco to achieve full transparency of the sector by end of the project.</p>
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Risk management

With the project's strategic objectives to mainstream biodiversity into MAP sub-sector value chains as well as improve livelihoods, all risk variables that could negatively affect the project's outcomes are taken into account below. In the event they are linked to the project's environment, such variables could be social, ecological and economic or market related. Those that are distinct to project engineering could be linked to project design, implementation and the effect of actions or decisions related to site and plant selections. The number of risks could significant. What follows are those considered the most likely to materialize during project implementation; they will be monitored and reassessed on a six-monthly basis (as per UNDP procedure) to enable early warning and action.

Social risk

The social risks that could arise within the project's framework are:

- Lack of the population's interest regarding the technological change. This is possible because the targeted population could prefer keeping traditional practices rather than adopting new ones;
- Negative perception by the target population of the financial cost of certification, which could lead to emotionally rejecting the proposed actions.

Social risks can be reduced by adopting a participative approach to implementation that engages the beneficiaries in taking part in planning and implementing actions. Adopting such an approach must stress expected earnings as a result of new technology and provide proof of increased earnings.

Economic Risk

The economic risks that may face the Moroccan MAP sector within a sustainable development vision taking into account the conservation of existing ecosystems are:

- a. Risk of **limited raw material** due to excessive collection through wildcrafting and looting,⁵ and risk of **migration from wildcrafting to cultivation**. This is justified by:
 - Adverse climatic conditions not favorable to the regions (drought/excessive rains, intense Saharan winds/below freezing temperatures) affect product availability and regularity of supply markets;
 - MAP products specific to Morocco are not currently protected from being cultivated by other countries or multinational corporations;
 - Growth in the sub-sector of cultivated MAPs could create a phenomenon of economic cannibalism vis-à-vis wildcrafters if competition is not well managed.

⁵ Wildcrafting without an official concession granted to individual or cooperative.

- b. Risk loss of traditional markets: demand markets may turn to other production areas, the sector has positioned itself as supplier of unprocessed raw materials, and suffers from irregular and weak supply volumes. The basis for this are:
 - Emergence of new international competitors (Eastern Europe, Turkey, South America, China, India, Central Africa, ...);
 - Unstable world prices and marketing constraints make it difficult to reach and succeed in foreign markets;
 - The increasing use of chemicals and pesticides may affect product quality and the potential to obtain truly natural products.
- c. Risk of destabilized value chain favoring industrialists who are the first to profit from the value chain's value added. This can come about by:
 - a slowdown in private investment due to lower margins that are borne by cooperatives, associations and collector groups;
 - upstream restructuring of the value chain through the continuous creation of cooperatives, associations, and economic interest groups that benefit from unconditional support of public authorities (awarding preferential wildcraft parcels, grants and subsidies.)

Economic and commercial risks can be reduced through putting in place a market information system that could be based at the INPMA (*Institut National des Plantes Medicinales et Aromatiques*) and help value chain operators better forecast their business. Also, project components could be strengthened by integrating them with tourist activity leading to additional revenue source.

Systemic risks tied to design, implementation, the effects or actions related to implementation and sustainability.

Design Risks

Design risks are those that may originate from relevance and coherence of the project actions for numerous reasons which include:

- A non-concordance between project's objectives and the real needs of the targeted groups;
- A discrepancy between the mobilized resources and the objectives to be reached;
- A weak integration with other development programs in the project's region.

To minimize these risks, management will have an approach that incorporates good representation of professional organizations (cooperatives, associations, etc) proposed in the project's institutional chart; it will have to concentrate on a small number of sites to avoid over-reaching their resource base, and it will need to coordinate project activities with the National Initiative for Human Development (INDH) programs among other development programs.

Implementation Risks

Implementation of the project may end up with a weak score in efficiency regarding the planned activities because:

- All or some partners will back-out of their commitments;
- Of problems with budgets, expenses, bureaucracy, delays;
- Higher implementation costs than planned; and
- Difficulties in mobilizing human resources and the targeted population.

Alleviating these risks can be possible by adopting the following measures:

- Define an overall Memorandum Of Understanding presenting obligations as well as rights of all the project's partners;
- Design, test and assure the simplest and most transparent payment procedures;
- Plan a training program for the local steering committees that could address procedures, financial management, monitoring and evaluation issues;

- Take time in the design and implementation of the monitoring and evaluation system, but adjust when needed. Market-based project tied to immutable indicators must remain flexible.

Impact Risk

Impact risk is tied to the effectiveness evaluation; proposed project actions may face some unexpected conditions that could limit the extent of the project leading to:

- A weak added value because of the high cost of newly introduced approach;
- Negative effects on the biodiversity and the preservation of natural resources due to over-harvesting of plants.

To reduce such risks, management will continuously seek ways to keep costs low, and the project will define with partners the irreversibility thresholds of resource degradation, make project beneficiaries aware of the thresholds and involve them in planning and making decision on ways to reverse the trend.

Sustainability Risk

To reach project goals, sustainability must be guaranteed. However, there are potential obstacles that work against sustainability such as lack of institutional coaching with an eye to the long term. Continued and severe plants degradation, if they occur, will be fatal to the sustainability of the project.

This is why the research institutions, such as INRA, CNRF, INPMA and universities will be involved in project activities such as the collection of phylogenetic resources and replanting species in the wild, research on impact of climate change on MAPs, and producing technical and economic packages targeting MAP value chain operators. These types of research activities will be discussed and planned in such a way that they directly contribute to the project objective and its sustainability.

It should be noted that, rather than considering an approach that addresses climate as a risk, consultations throughout project preparation recommended that dynamic ecosystem monitoring and management, as well as a dynamic approach to the assessment of MAPs qualities be undertaken to determine the extent to which climate change might indeed affect this sector economically and ecologically. It has therefore been agreed that climate change impacts will be regularly monitored and response measures incorporated into the market and national MAP strategy as better understanding of the scope and manifestation of climate change impacts on the sector is acquired.

H. EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:

Mainstreaming biodiversity conservation considerations into a MAP value chain while actively involving the private sector represents a far more cost effective approach than the conventional conservation approach, which involves the establishment of protected areas in which MAP harvest is prohibited. By mainstreaming conservation, the recurrent costs will be virtually eliminated, with conservation supported by self-financing incentive systems that generate financial benefits for MAP collectors and processors who conserve. Driven by market incentives created by this project, MAP stakeholders will undertake investments into their own business to expand and to become eligible for certification. For the MAP industry as a whole, the voluntary, participatory approach of the project is cost-effective when compared to involuntary regulatory and enforcement measures, reducing the need, and therefore the costs, of interventions.

Although involving a complex partnership which could be complicated to manage, the project will provide a kick off investment for establishing the long-term coordination needed in such a sector, and therefore initiate a process towards sustainability. This institutional set up will enable each institution to play its role within its mandate and has therefore enabled the project to mobilize additional resources than originally envisaged towards achieving its goal. A 1:3 GEF to co-finance ratio has hence been achieved, demonstrating the commitment of national institutions and highlighting the catalytic effect of GEF financing.

From a management perspective, the project set up recognizes that one of the key hurdles facing the MAP sector is the issue of coordination and communication, which when and if overcome, could unleash the economic and ecological potentials of the proposed mainstreaming approach. It is for this reason that an agile and decentralized

implementation approach was retained, with emphasis on communication and facilitation during the 3 years of the project. Indeed, most of the full-time staff of the project, be it in Rabat at the central unit or in the 4 selected locations, will have facilitation profile. Technical and specialized staff, which is also more expensive, will be called upon on needs basis rather than retained within the project at high cost and opportunity cost to conservation.

Finally the selection of the 4 sites was undertaken following an participatory process which enabled the identification of key initiatives underway which the project could use as vehicles or conduits for the mainstreaming approach. This has the benefit of minimizing the time and financial costs of engaging with local communities, along with other operational aspects such as the availability of offices and locations for the posting of staff.

With all of the above taken into account, the cost-effectiveness of the project has dutifully been assessed and considered to be satisfactory.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

After careful visits, contacts and assessment of the institutions, it was agreed that the High Commissioner for Water and Forestry and the Fight against Desertification (HCEFLCD) is best fit to be the implementing partner. The HCEFLCD will be responsible for overall leadership for the assessment, design and stakeholder coordination and implementation phases of the programme. Its role is to serve as the principal point of contact for official interaction through the Project Coordinator with HCEFLCD counterparts (i) to ensure compliance with terms of contract, (ii) to ensure that program goals, deliverables, and results are met on time and on budget in the most cost-effective way possible, (iii) to take a leadership role in planning and convening the coordination activities, (iv) to actively contribute to improving the implementation plan throughout the life of the project according to sector demands and (v) to provide expertise in communications, promotion, social mobilization, award schemes, etc, during project implementation.

The project will work in close cooperation with the Ministry of Agriculture and Maritime Fishing (MAPM), the Agence de l'Oriental (ADO), the Agency for the Economic and Social Promotion and Development of the Southern Provinces (APDESPS), the Ministry of Energy, Mining, Water & Environment (MEMEE), the Directorate for Territorial Management (DAT), the Ministry of Industry and Commerce (MICNT), the National Institute for MAPs (INPMA) and other research institutions, the Ministry of Trade (MCE), as well as several NGOs and the private sector and multilateral organization such as GTZ, AECI and USAID.

A steering committee and/or technical advisory group will be established and represent each one of the stakeholders stated above to ensure appropriate representativity and participation of all stakeholders of the MAP sector. The steering committee or technical advisory group will be responsible for project advising, providing oversight and guidance of project implementation, providing expertise in technical areas and providing assistance with information flow among key stakeholders.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

The project will be implemented over a period of 3 years with the following executing arrangements: the High Commissioner for Water & Forestry and the Fight against Desertification (HCEFLCD), on behalf of the Government of Morocco, will be the overall national designated partner of the project under UNDP support to National Execution (NEX).

UNDP will ensure high-quality technical and financial implementation of the project through its local office in Morocco and will provide project assurance and project support roles. UNDP CO will be responsible for monitoring and supervision, ensuring proper use of UNDP-GEF funds to assigned activities, timely reporting of implementation progress as well as undertaking of mandatory and non-mandatory evaluations. All services for the procurement of goods and services, and the recruitment of personnel shall be provided in accordance with UNDP procedures, rules and regulations.

The Project Implementation Unit will be based in Rabat and will be staffed with technical and finance personnel:

- One **Project Coordinator** with a Natural Resource Management (NRM) background covering high level managerial functions as well as providing technical leadership for the project;

- Two **National Level Program Officers/Value Chain Service Providers** who will have communications, journalism, or public relations backgrounds;
- One **Finance/Administration Officer** fully dedicated to managerial issues pertaining to the project.

The **Value Chain Service Units** will be based in the four targeted communities and will work full-time from there, as satellite offices, in close collaboration with the two **National Level Program Officers/Value Chain Service Providers** in the Rabat office.

- Four **Local Level Integration Facilitators** who have communications, journalism or public relations background. They will focus on coordination efforts, event/training management, information flow and monitoring and evaluation activities.

The Project Management Unit will be supported by **local and international short-term technical assistance** whose services will be called upon in times of need according to the demands of the MAP sector, when volunteers or institutional cooperation cannot provide the service to help the system make the required technology leap. The Project Management Unit will always seek guidance by HCEFLCD and the Steering Committee/Technical Advisory Group counterparts before embarking on a targeted technical intervention which will systematically aim to serve multiple stakeholders in their pursuit of common goals through collaborative actions. Illustrative examples of the sort of technical assistance that is expected to be demanded by Moroccan MAP stakeholders, according to in-depth interviews with representatives of institutions, associations and cooperatives are:

- Processing technology for essential oils production;
- Identifying attributes of plants and their extracts to meet client information needs related to uses of MAPs;
- Recommended use and dosage;
- Commercialization and marketing for opportunities to sell outside of fairs and exhibitions that allow bulk sale;
- Certification and labeling to add value to their products;
- Value chain analysis;
- Strategic communications for systems integration;
- Sustainable harvesting techniques and guidelines;
- Engagement with local communities and in particular women collectors;
- Natural resource specialists for monitoring and evaluation purposes in the field;
- Institutional development;
- SME development.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:

Minor changes have taken place in comparison to the original PIF:

The project objective was detailed to reflect more realistically the expected objective to achieve within the Moroccan context. Project components and some outcomes and outputs were modified as well but the overall goal remains the same.

The risks confronting the project have been re-evaluated and further detailed.

Finally, the major change is reflected in the budget as the co-financing budget almost tripled from the initial amount. All partners cited in this document have expressed their keen interest and will to invest in this project.

PART V: AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
John Hough, UNDP-GEF Deputy Executive Coordinator		24 December 2009	Mirey Atallah	+421905887861	mirey.atallah@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK

PROJECT LOGICAL FRAMEWORK

Project Strategy	Objectively verifiable indicators				
Goal	Governmental institutions, non-governmental organizations and rural populations have the capacity and motivation to contribute to biodiversity conservation due to increased value of wildcrafted MAPs, accessed markets and applied sustainable land management practices.				
	Indicator	Baseline	Target	Sources of verification	Risks and Assumptions
Objective of the project Mainstream biodiversity conservation in MAP sub-sector value chains	Impact on biodiversity 1. Number of buyer/supplier contracts linking premium prices to biodiversity outcome, by gender*	0	Yr 1- two Yr 2- four Yr 3- eight (four will include women)	Field inquiry	Risk: Long-standing mistrust between buyer and supplier and few incentives to encourage collectors to apply sustainable harvesting practices will slow the process of concluding contracts. Assumption: by supporting MAP sub-sector to provide quality and sustainability assurance to the market while shortening the value chain provides greater benefits to local communities.
	Impact on mainstreaming 2 Number of communication items: a) developed ; b) disseminated and c) visitors to web site	0	Yr 1 – a)14 b) 1,250 , c)750 Yr 2 - a) 18 b) 1,625; c) 2,500 Yr 3- a) 24 b) 2,150; c) 3,250	Communications division; distributors of newsletters; web site analytics; recipients; data sheets	Assumption: Yr 1: a) 10 monthly newsletters + 6 Press releases, 2 articles, 2 instructional pamphlets; b) distribution to 800 AMP actors, 200 individuals in AMP related institutions, 250 trainee participants; c) 5 hits/day x 30 days for last 5 months of Yr 1. After that, over 12 month period. Yr 2 & Yr 3: increment of 25 to 30% in each category;
	Impact on mainstreaming 3 Number of entities benefiting from project technical assistance*	0	Yr 1- 150 Yr 2- 500 Yr 3- 1,100	Data collection sheets	Risk: Resistance to adopting practices or measures provided through technical assistance if they are perceived to limit harvesting; the time-horizon of the impact might be too distant for the economic needs of participants. Assumption: Measuring numbers of entities and their broad representation is a proxy for “mainstreamed” awareness of biodiversity conservation.
Component 1 Institutional Capacity Building	Impact on mainstreaming	Base established at time of	Y1 increase 5% over base Y2 increase 10% over	HCEFLCD and Ministry of Interior	Risk: Complications from overlapping regulatory mandates will discourage collectors for applying for collection permits.

	1.1 Number of MAP collections permits granted, by gender*	project start-up	base Y3 increase 15% over base		- Permits are granted without being assured of applicant's plan is sufficient proof and commitment they will implement biodiversity stewardship. Assumption: That intermediaries and processors will support collectors with guidance and incentives to apply best practices for biodiversity conservation.
	Impact on biodiversity 1.2 Number of enterprises using best practices, tools, and approaches made available through knowledge management and learning initiatives*	0	Yr 1: two Yr 2: five Yr 3: nine	Survey and data collection sheets	Risk: Value chain participants are not able to access market information, training or tools through buyer/supplier contract mechanism; Training modules are not sufficiently repeated as training usually requires 3 passes for participants to buy-into new best practices, adopt new tools and approaches). Inability to determine tipping point where enterprise qualifies or remains pre-qualified in "using" best practices, etc. in a survey Assumptions: International firms are open to transfer knowledge & tools to up-stream value chain participant
	Impact on mainstreaming 1.3 Number of farmers and cooperatives meeting international standards*	Initial survey conducted during 1 st 4 months of project	Yr 1- increase 10% Yr 2- Increase 20% Yr 3- Increase 30%	Annual field collection, data collection sheets, analysis of GIS cell counts; MAPM; Agence Développement Social (ADS)	Risk: Farmers and cooperatives might not necessarily translate market opportunities as incentives to manage resources sustainably. -Climate change that increase soil degradation will negatively impact wildcraft farmers and cooperatives as cost of soil protection systems on concessional lands are beyond their reach. Assumptions: Through meeting international standards, farmers and cooperatives, and others in the value chain, will see the gains as each is made responsible for reliability and product quality.
Component 2 Biodiversity Conservation	Impact on mainstreaming 2.1 Number of export permits reflecting BD mainstreaming*	0	Yr 1: two Yr 2: four Yr. 3 seven	Minister of Trade (<i>Commerce Extérieur</i>)	Risk: Agreement on tipping point between a permit that reflects BD and one that does not; Assumptions: Lead organization will provide input into describing the export permit as reflecting BD mainstreaming.

	<p>Impact on biodiversity</p> <p>2.2 Number of hectares where ISSC-MAP/FairWild standards are applied *</p>	0	<p>Yr 1 – 12ha</p> <p>Yr 2 – 80ha</p> <p>Yr 3 – 220 h</p>	Annual field inquiry confirmed	<p>Risk: That the certification process will not be perceived by the value chain as providing guidance on how to access new market export opportunities.</p> <p>Assumption: Application of ISSC-MAP certification stands will address resource-use rights and land management plans.</p>
	<p>Impact on biodiversity</p> <p>2.3 Number and area of concessions by local cooperatives, demonstrating the amount of globally significant biodiversity under effective natural resource management*</p>	Initial survey conducted during 1 st 4 months of project	<p>Yr 1- one</p> <p>Yr 2- four</p> <p>Yr 3- six</p>	Field collection, data collection sheets, analysis of GIS cell counts	<p>Risk: The term “effective” natural resource management might not be understood evenly among cooperatives</p> <p>Assumption: Communications and stepped training of cooperatives and actors up and down the value chain in natural resource management will have a significant impact. Increased awareness will lead to changed practices.</p>
<p>Component 3</p> <p>Value chain Service</p>	<p>Impact on mainstreaming</p> <p>3.1 Number of MAP value chain analyses completed that include competitiveness intervention points*</p>	0	<p>Yr 1: two</p> <p>Yr 2: one + updates</p> <p>Yr 3: two updates</p>	Determination by Team leader in conjunction with Lead structure	<p>Risk: Because of time constraint value chain analysis will not be sufficiently participatory or thorough to prevent stakeholders and participants to elaborate an action plan.</p> <p>Assumptions: a Whole-System-in-a- Room approach will provide the basis for work plan development</p>
	<p>Impact on biodiversity</p> <p>3.2 Number of action plans developed through participative value chain analysis launched and GIE’s that became operational through aggregation process *</p>	0	<p>Yr 1 – three</p> <p>Yr 2 – 8</p> <p>Yr 3 – 16</p>	Agence de Développement sociale, Surveys; data collection sheets	<p>Risk: Time lag between agreement on Action plans and making the plans operational. Putting together GIE’s based on aggregating multiple levels of value chain actors introduces a new process of vertical collaboration and might be compromised if the aggregator is not able to bring all actors together.</p> <p>Assumptions: The Agence de Développement Sociale is capable of providing needed support throughout the process of GIE creation.</p>

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)

All comments raised by the GEF secretariat were addressed prior to PIF clearance; there were no comments received from the CBD secretariat, STAP, GEF agencies or council.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT (GEF FUNDING ONLY)

<i>Position Titles</i>	<i>\$/ person week*</i>	<i>Estimated person weeks**</i>	<i>Tasks to be performed</i>
For Project Management			
Local			
Project Coordinator	1,200	27	Overall project management, interface with local counterparts, responsible for all project deliverables, reporting
Finance.Admin	750	76.8	Administrative services, office operations, procurement, financial reporting
Total		103.8	90,000 US\$
International			
None for management			
Justification for Travel, if any: Travel will be required to coordinate with project representatives in the VCUs (in the regions targetted by the project). There will be trainings in the field and needs for the Rabat based team to attend and coordinate activities in the targetted regions. There will also be times when the Project staff in the field, who are being paid by project partners, will be needed to assist in activities in Rabat. The project will be requested to cover this travel as well. As indicated, this will not be done through GEF financing but through co-financing.			
For Technical Assistance			
Local			
Value Chain Analysis Specialists	1992	15	Leading project team in collecting all required information for value chain analysis, training, presentation, reporting
SME development specialist	1992	10	To lead the identification and development of SMEs related to MAPs in a sustainable manner
Botanist/ecologist	1992	10	To assist in the identification of MAP impacts and products, status of species and development of technical specifications in relation to ecological sustainability
Independent evaluator	1992	3	To undertake the final evaluation of the project
Community engagement and involvement specialist	1992	12	Providing targetted trainings and technical services depending on project needs
Total	1992	50	99,600 US\$
International			
Communications Specialists	3,000	10	Setting up VCU, training the project staff on communications strategy and structures, mentoring sector integration activities of project, launching media awards program and assisting project team with communications strategy development, tools creation and networking activities.
Marketing Specialists	3,000	8	Providing trainings in marketing and market access when required by project.
Independent evaluator	3,000	4	To undertake the final evaluation of the project
Certification specialists	3,000	4	Providing targetted trainings and technical services depending on project needs, in particular in relation to the certification process
Total	3000	26	78,000 US\$
Justification for Travel, if any: International consultants will be required to travel to Morocco and spend at least 50% of their assignment in-country. Traveling within Morocco when on assignment will be paid for by the project. Local consultants hired for technical assistance will need to travel to the field at certain times to implement trainings or collect necessary information. The project will cover all project related travel expenses,			

including accomodations and per diems.

* Provide dollar rate per person week. ** Total person weeks needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

The PPG objective has been achieved and exceeded. The prapatory phase has completed the expected results, in particular in terms of adjustments to the results framework, achievement of a full institutional mapping of MAP actors in Morocco with their roles and responsibilities, as well as the identification of the most strategic ways to address barriers and the most prominent risks that might impede project success. With these elements completed the project design was adjusted and appraised locally by UNDP for its viability and feasibility within budget and time.

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

Two main findings during the PPG have been taken into account in the project design (i) that a full size project would have been more appropriate for this project; (ii) that the implementation of the national medicinal plants strategy in synchrony with the project will enable better results and fuller achievements of global environmental benefits. Therefore the following actions were undertaken: (i) the co-financing mobilized for the project have been increased by 3 fold in order to enable better quality and more relevant impacts; (ii) the project strategy has been revised to adjust to the status of the national medicinal and aromatic plants strategy.

Also and in consultation with the key stakeholders, the results framework of the project has been revised and in particular its terminology, to enable stronger understanding by all local partners as well as commitment and buy in. In essence the approach of the project remains the same but the way outcomes and outputs are articulated was adjusted to local and national understanding.

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF Amount (\$)</i>				<i>Co-financing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
Addressing barriers	Completed	20,000	0	20,000	0	5,000
Addressing risks	Completed	10,000	0	10,000	0	2,000
Coordination	Completed	3,000	0	3,000	0	2,000
Institutional mapping	Completed	7,000	0	7,000	0	7,000
Results framework	Completed	10,000	0	10,000	0	9,000
Total		50,000	0	50,000	0	25,000

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLows

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

ANNEX F: Acronyms

AAI	Integrated Agriculture and Agribusiness (USAID/Morocco project)
ADPPO	Agence de Développement de l’Oriental (Regional Development Agency for the Eastern Provinces)
ADPPS	Agency for the Economic and Social Promotion and Development Of the Southern Provinces
ADS	Agency for Social Development
AECI	Spanish Aid Cooperation
AGE AGR	Employment Generating Activities (AGE); Income Generating Activities (AGR)
AMAPAM	Association Marocain des Plantes Aromatiques et Médicinales
CADEF	Cooperative in Marrakech
CEDDEM	Euro-Mediterranean Center for Sustainable Development
CMPE	Moroccan Center for Exportation
CNRF	National Centre for Forestry Research
DAT	Directorate for Territorial Management
EACCE	Etablissement Autonome de Contrôle et de Coordination des Exportations (<i>Autonomous Establishment for Control and Coordination of Exportations</i>)
FairWild/ IMO	Institute for Marketecology
FWF/FairWild	FairWild Founaction/Standards combining FairTrade and Wildcrafting
GIE	Groupement d’Intérêt Economique (economic cluster)
GIS	Geographic Information System
GTZ	German Aid Agency
HCEFLCD	High Commissioner for Water and Forestry and for the Fight against Desertification
INDH	National Initiative for Human Development
INIA	Institut National de la Recherche et de la Technologie Agronomique et Alimentaire
INPMA	National Institute for Medicinal and Aromatique Plants
INRA	National Institute for Agricultural Research
ISSC-MAP	International Standard of Sustainable Collection – Medicinal & Aromatic Plants
IUCN	International Union for the Conservation of Nature
M & E	Monitoring and Evaluation
MAP	Medicinal and Aromatic Plants
MCINT	Ministry of Industry, Commerce and New Technologies
MEMEE	Ministry of Energy, Mining, Water and Environment
MAPM	Ministry of Agriculture and and Maritime Fishing
MOU	Memorandum of Understanding
SC/TAG	Steering Committee/Technical Advisory Group
SEEE	State Secretary for Water and Environment
SNIMA	Service de Normalisation Industrielle Marocaine
SOMAPAM	Société Marocaine des Plantes Aromatiques et Médicinales
USAID	US Agency for International Development
VCS Unit	Value Chain Strengthening Unit
WSR	Whole System in a Room