



REQUEST FOR PROJECT PREPARATION GRANT (PPG)
PROJECT TYPE: FULL SIZE PROJECT
THE GEF TRUST FUND

Submission date: 28 April 2009

GEFSEC PROJECT ID¹: 3825
GEF AGENCY PROJECT ID: 4048
COUNTRY(IES): Pakistan
PROJECT TITLE: Mountains and Markets: Biodiversity and Business in Northern Pakistan
GEF AGENCY(IES): UNDP
OTHER EXECUTING PARTNER(S): Ministry of Environment, Government of Pakistan
GEF FOCAL AREA(S): Biodiversity
GEF-4 STRATEGIC PROGRAM(S): SP5
NAME OF PARENT/PROGRAM/UMBRELLA PROJECT: N/A

A. PROJECT PREPARATION TIMEFRAME

Start date of PPG	June 2009
Completion date of PPG	June 2011

B. PAST PROJECT PREPARATION ACTIVITIES (\$)

List of Past Project Preparation Activities	Output of the Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
Total Project Preparation Financing				

C. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)

The PPG will cover a range of project preparatory activities at both the national and local levels. These will include different types of consultations, assessments and analyses.

List of Past Project Preparation Activities	Output of the Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
1. Information Gap Analysis, Baseline Data Collection, Risk Analysis, Development of M&E and Project Management Arrangements	-A comprehensive analysis of the available secondary information on NTFP production and trade in Pakistan including the conservation status of priority NTFP at a) the national level; b) in the districts in which the project demonstration sites are located; c) in and around the actual proposed demonstration sites (ie 3 conservancies and one new area). Some primary data will also be collected through stakeholder consultations with different key actors along the value chain	8,000	20,000	28,000

¹ Project ID number will be assigned initially by GEFSEC. If PIF has been submitted earlier, use the same ID number as PIF.

	<p>within Pakistan as described further in PPG Component 2 below. Data collected through consultations and interviews, will be supplemented with ground verification of the occurrence and distribution of selected commercially valuable a NTFP.</p> <ul style="list-style-type: none"> -Detailed biodiversity and socio-economic profiles of each of the target demonstration sites and associated PAs, with a focus on a) species and habitats that are or may become threatened as a result of NTFP-related activities; and b) on the local actors currently engaged in NTFP harvesting, use and trade. The latter will include consultations to obtain a clearer understanding of local aspirations and economic development objectives. -Analysis of governance systems including tenure over land and other natural resources in the target demonstration sites. - Preliminary mapping of land use and property rights over land and natural resources in target project demonstration sites. - Completion of the Management Effectiveness Tracking Tool (METT) for Protected Areas tool for Khunjerab NP and Chitral Gol NP and potentially Deosai NP - Assessment of the implementation of natural-resource related conservancy laws, regulations and other agreements (eg Valley Conservation Plans, etc.) -A comprehensive project risk analysis, including an assessment of the risks associated with each proposed demonstration site, and the development of a risk monitoring and mitigation strategy. -Agreement on national and local-level mechanisms for ensuring close coordination between the Government project and the GEF project, including mechanisms for joint planning and coordinated implementation and monitoring, to maximize synergies, avoid duplication and minimize costs. - Agreement on project management arrangements - Development of a project M&E System that is aligned and complementary to the government project's M&E system. 			
2. Market	-In-depth analysis of key lessons learned about	12,000	30,000	42,000

<p>Assessments, Value Chain Analyses and Assessments for Community Biodiversity Enterprise (CBE) Development</p>	<p>NTFP and non-NTFP based small enterprise development in northern Pakistan and the Himalayan region generally.</p> <p>-The following activities will be carried out in each proposed demonstration site using an approach such as the one detailed in FAO's guidebook on Market Analysis & Development (MA&D) for community-based tree and forest product enterprises (http://www.fao.org/forestry/25499/en/).</p> <p>Identification of, and/or verification and updating information on: a) 'target groups' ie actors already engaged in NTFP production or interested in becoming so ; b) patterns of NTFP production in each demonstration site including an analysis of the current economic contribution of NTFP to individual or household income and methods of production; c) NTFP-related market barriers including all forms of capacity barriers.</p> <p>-Detailed market assessments and value chain analyses of morel mushrooms, Chilghoza pine and other high value NTFP identified as having good production potential in the 4 project demonstration sites.</p> <p>-Analysis of the laws governing NTFP along the national value chain (ie at the national and district levels), including when they apply and who is responsible for implementing them. This would cover such things as leasing of NTFP harvesting, NTFP transportation, sales and exports.</p> <p>-Assessment of suitability of existing community and village institutions to become CBEs</p> <p>-Preliminary discussions with target groups to develop and agree a process for CBE formation, composition, broad objectives and operations including revenue sharing mechanisms and the proposed Conservation Agreements that will be linked to technical and financial assistance to the CBEs</p> <p>-Agreement on products and preliminary demarcation of potential area to be covered the first CBEs to be established.</p> <p>-Preliminary identification of options for NTFP certification systems for the CBEs, including possible national institutions for product verification (and potential accreditation</p>			
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	depending on costs) as well as the potential for a community-based certification system.			
3. Preliminary analysis of the necessary pre-conditions for developing Conservation Agreements in the project demonstration sites	The information and data collected under 1 and 2 above will be further analyzed to confirm the feasibility of establishing effective conservation agreements in the proposed project sites. Additional information needed for completing these feasibility studies will also be collected. These analyses will be based on the key criteria identified by practitioners for establishing and implementing effective conservation incentive agreements.	3,000	10,000	13,000
4. Development of Strategic Partnerships and Alliances with the Private Sector, NGOs and Research Institutions	<p>The success of the project depends partly on the effective engagement of a range of strategic partners and allies at different levels from the local to the international. While this activity will span the life of the full project, some of these will be initiated during the PPG Phase, including:</p> <ul style="list-style-type: none"> -Identifying and securing key partnerships with important actors higher up the national value chain (eg among NTFP traders and pharmaceutical companies); -Identifying entrepreneurs with an interest in socially and environmentally responsible NTFP products; -Forming strategic alliances with potential partners already identified in the PIF and responses to the GEF Secretariat technical reviews. These include national, regional and international institutions and organizations, NGOs, and bilateral and multilateral donor agencies with expertise in NTFP commercialization and/or successful small enterprise development in northern Pakistan and/or the Himalayan region; -Identifying private or public financial institution partners with a potential interest in supporting community-based biodiversity-friendly NTFP enterprises. 	2,000	15,000	17,000
Total Project Preparation Financing		25,000	75,000	100,000

D. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)

	Project Preparation	Agency Fee
GEF financing	25,000	2,500
Co-financing	75,000	
Total	100,000	2,500

E. PPG REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

GEF Agency	Focal Area	Country Name/ Global	(in \$)		
			PPG (a)	Agency Fee (b)	Total c = a + b
(select)	(select)				
(select)	(select)				
(select)	(select)				
(select)	(select)				
(select)	(select)				
(select)	(select)				
Total PPG Requested					

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

F. PPG BUDGET REQUEST

Cost Items	Total Estimated Person Weeks (PW)	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants *	45	10,000	48,750	58,750
International consultants*	8	12,000	12,000	24,000
Travel		3,000	12,250	15,250
Activity Coordination		0	2,000	2,000
Total PPG Budget		25,000	75,000	100,000

* Annex A for Consultant cost details should be prepared first before completing this table. See notes on Annex A for the required detailed information. This table is the sum of all local and international consultants presented in Annex A.

G. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Yannick Glemarec UNDP GEF Executive Coordinator	<i>Y. Glemarec</i>	April 28, 2009	Joseph D'Cruz	+662 288 2726	joseph.dacruz@undp.org

Consultants Financed by the Project Preparation Grant (PPG)

Position Titles	\$/ Person Week (5 days/week)	Estimated PWs	Tasks to be performed
Local			
1. Socioeconomic Expert	1,250	12	<p>Leads</p> <ul style="list-style-type: none"> • Preparation of socio-economic profiles of each project demonstration site • Analysis of prevailing natural resource-related governance arrangements in demonstration sites • Collects & analyzes data on socio-economic dimension of NTFP subsistence use and trade in the demonstration sites • Preliminary assessments of business and technical capacity of target stakeholders and institutions <p>Contributes to:</p> <ul style="list-style-type: none"> • NTFP Value Chain Analyses • Identification of suitable target groups and village/community institutions to be involved in the development of Community Biodiversity Enterprises (CBEs) • Analysis of preconditions for establishing effective Conservation Agreements with CBEs • Demarcation of area of project interventions at each demonstration site • Development of M&E System through identification of suitable socioeconomic & capacity development indicators • Project risk analysis & development of a risk mitigation strategy
2. Community-Based Biodiversity Enterprise Development Expert	1,500	21	<p>Leads:</p> <ul style="list-style-type: none"> • Market assessments and value chain analyses of target NTFP with inputs from the Business & Biodiversity Expert

			<ul style="list-style-type: none"> • Demarcation of area of project interventions at each demonstration site • Analysis of national and district laws & policies governing NTFP production and sales, including export • Analysis of options for developing a certification system for biodiversity-friendly NTFP • Identification/verification key market barriers to successful CBEs in each demonstration site and potential strategies for overcoming these • Identification of national entrepreneurs with an interest in CSR & green commodities as well as potential financial institutions that could support biodiversity-friendly community-based NTFP enterprise development • Development of partnerships with key actors higher up the NTFP value chain, eg the large traders, retailers and end product manufacturers such as the pharmaceutical companies. • Development of strategic partnerships and alliances with national and regional organizations and institutions with relevant expertise and similar objectives <p>Contributes to:</p> <ul style="list-style-type: none"> • Analysis of preconditions for establishing effective Conservation Agreements with CBEs • Development of M&E System including identification of suitable indicators and targets for sustainable biodiversity-friendly NTFP enterprises • Landuse maps by providing relevant data on NTFP marketing routes and centres • Project risk analysis & development of a risk mitigation strategy
3. NTFP/NRM Expert, with particular knowledge	1,250	8	<p>Leads:</p> <ul style="list-style-type: none"> • Preparation of biodiversity profiles of

of mountain ecosystems of Pakistan			<p>each project demonstration site with a focus on threatened and heavily exploited NTFP species and habitats</p> <ul style="list-style-type: none"> • Detailed profile of each target NTFP, including geographic distribution, abundance/extent, local ecological status, patterns and ecological impacts of harvesting • Completion of METT with relevant authorities for all Protected Areas contiguous with project demonstration sites • Assessment of implementation of conservancy laws, regulations, plans in relation to sustainable resource use in and around project demonstration sites • Development of strategic partnerships and alliances with national and regional organizations and institutions with relevant NTFP-related expertise <p>Contributes:</p> <ul style="list-style-type: none"> • Development of landuse maps by providing pertinent biodiversity-related data with special reference to NTFP • Demarcation of area of project interventions at each demonstration site • Analysis of preconditions for establishing effective Conservation Agreements with CBEs • Development of M&E System including identification of suitable biodiversity impact indicators and targets • Project risk analysis & development of a risk mitigation strategy
4. GIS Specialist	750	3	Preparation of landuse maps for each target project site and overall map showing all the project sites and key data
International			
5. Business & Biodiversity Expert with relevant expertise in community-based green NTFP enterprise development in remote areas	3,000	8	<p>Leads:</p> <ul style="list-style-type: none"> • Guidance on how to incorporate/apply lessons learned globally and international best

			<p>practices on NTFP commercialization, small scale green enterprise development and certification, including options for community-based certification to the proposed GEF project</p> <ul style="list-style-type: none"> • Analysis of business implications (eg consumer demand) for biodiversity-friendly NTFP production given global economic situation • Identification of international entrepreneurs with an interest in CSR & green commodities • Identification of existing or potential new niche markets & options of increasing direct access to international end consumers • Identification of strategic partnerships and alliances with national and regional organizations and institutions with relevant expertise and similar objectives • Overall design of GEF and UNDP-compliant M&E system <p>Contributes to:</p> <ul style="list-style-type: none"> • Design & analysis of market assessments & value chain analyses • Analysis of preconditions for establishing effective Conservation Agreements with CBEs • Project risk analysis & development of a risk mitigation strategy, particularly in relation to financial risks given global economic situation
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