PROJECT IDENTIFICATION FORM (PIF)
PROJECT TYPE: FULL-SIZED PROJECT
TYPE OF TRUST FUND: GEF TRUST FUND
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PART I: PROJECT IDENTIFICATION

Project Title:	"RicePlus" – Dynamic conservation and sustainable use of agro-biodiversity in rice-based farming systems of the Philippines		
Country(ies):	Republic of the Philippines	**GEF Project ID:**	
GEF Agency(ies):	FAO	**GEF Agency Project ID:**	624529
Other Executing Partner(s):	Department of Environment and Natural Resources (DENR), Protected Areas and Wildlife Bureau (PAWB), Department of Agriculture - Bureau of Agricultural Research, Department of Agriculture - Bureau of Soils and Water Management, Southeast Asia Regional Initiatives for Community Empowerment (SEARICE)	**Submission Date:**	August 29, 2013
GEF Focal Area (s):	Biodiversity	**Project Duration (months):**	36
Name of parent program (if applicable): • For SFM/REDD+ ☐ • For SGP ☐ • For PPP ☐		**Agency Fee ($):**	207,350

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK:

Focal Area Objectives	Trust Fund	Indicative Grant Amount ($)	Indicative Co-Financing ($)
BD-2	GEFTF	2,182,631	9,200,000
Total project costs		2,182,631	9,200,000

B. PROJECT FRAMEWORK

Project Objective: Enhance, expand and sustain the dynamic conservation practices that sustain globally significant agro-biodiversity in rice-based farming systems of the Philippines.

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant Amount ($)	Indicative Co-financing ($)
1. Mainstreaming agro-biodiversity conservation into policy and legal frameworks, development strategies and institutional structures	TA	1.1 Strengthened policy and legal framework defining a national approach to agro-biodiversity and guiding the design and implementation of corresponding activities at national and local level *Indicator:* *GEF tracking tool score improvement indicating*	1.1.1 Social, cultural and economic valuation of traditional food crop varieties (e.g. nutrition and food security, public health, environmental benefits among others) conducted to serve as the basis for policy and legislation development 1.1.2 Agro-biodiversity objectives, based on on-going NBSAP revision, incorporated into relevant policies and strategies at	GEFTF	311,805	1,752,380

		polices and regulations governing agricultural activities to integrate biodiversity conservation.	national and local level including: a) Two Department Administrative Orders (DAOs) adressing agro-biodiversity conservation in rice-based farming systems (ministries: DENR, DA) b) Support for mainstreaming agro-biodiversity conservation in related sectors c) Corresponding local policy issuances/ordinances for the three pilot project areas 1.1.3 Specific guidelines for the implementation of policies (developed under 1.1.2) formulated for the three pilot project areas			
		1.2 Enhanced institutional coordination and capacity to effectively address cross-sectoral issues of agro-biodiversity. - *Capacity scorecard score increases by at least 25% over baseline tbd during PPG.*	1.2.1 Inter-institutional coordination mechanisms established to streamline cross-sectroal approaches to agro-biodiversity conservation 1.2.2 Strengthened capacity for incorporating agro-biodiversity conservation in key institutions			
2. Pilot activities to enhance and expand dynamic conservation practices for agro-biodiversity in three pilot communities	INV	2.1 Enhanced and expanded knowledge base on the application of dynamic agro-biodiversity conservation practices <u>*Indicator:*</u> - *Number of farmers trained on agro-biodiversity conservation practices (at least 5,000)* - *Target species indicators and corresponding practices to be determined (see GEB section for preliminarylist, pg 12)*	2.1.1 Participatory mapping of agro-biodiversity and related conservation practices in the project areas conducted 2.1.2 Relevant existing traditional agricultural practices and their contribution to agro-biodiversity conservation documented and analyzed 2.1.3 Training (including peer-to-peer) and knowledge exchange mechanisms for at least 5,000 farmers in pilot communities established and used	GEFTF	1,351,153	4,380,953
		2.2 Improved opportunities for local communities to derive economic benefits from agro-biodiversity conservation resulting in increased sustainability of agro-biodiversity	2.2.1 Nationally Important Agricultural Heritage Systems (NIAHS) recognition status obtained for three or possibly four project sites (pilot sites in 2 provinces, 1-2 municipalities each, approximately 20 barangay)			

		conservation practices *Indicators:* *- Hectares recognized /certified under NIAHS (target: 30,000 ha)* *- Number and yield of varieties certified to be grown in accordance to dynamic conservation principles.* *- % increase of farmers income from certified products.*	as basis for product certification 2.2.2 Detailed market-valuation analysis conducted to assess the specific marketability of indigenous varieties as a premium market product (building on general valuation analysis under 1.1.1) 2.2.3 National level product certification mechanism for products contributing to the conservation of agro-biodiversity established, building on and supplementing existing recognition procedures for NIAHS and related provincial level certification schemes 2.2.4 Business and marketing plans developed in pilot communities to maximize opportunities for product development and revenue creation 2.2.5 Corresponding training for farmers in pilot communities to increase their ability to seize commercial opportunities (building on training mechanisms established under 2.1.3)			
3. Dissemination of information, awareness raising and preparations for scaling up, monitoring and evaluation	TA	3.1 Increased awareness among policy-makers about the full socio-economic value of agro-biodiversity. *- Level of knowledge and awareness of agro-biodiversity within key institutions inccreased by at least 30% over baseline levels by project close.* 3.2 Increased awareness of consumers on the benefits from traditional varietes and increased demand underpinning the commecial opportunities created under component 2. *- Survey results show increased awareness of benefits from use of traditional varieties by*	3.1.1 Information on the full value of agro-biodiversity compiled and disseminated among policy-makers 3.2.1 Consumer awareness campaign implemented showcasing the nutritional, cultural, ecological value of traditional varieties	GEFTF	415,739	2,628,572

		project close.				
		3.3 Identification of opportunities for further replication and scaling up of project results beyond the project's scope. *- At least 10 additional communities or "barangay" replicating or scaling up project activities by project close.* 3.4 Project implementation based on results based management and application of project findings and lessons learned. *- Mid-term and terminal evaluation findings confirm RBM.*	3.3.1 Partnerships with private sector established to facilitate the introduction of agro-biodiversity products into larger markets 3.3.2 Cross-regional workshops conducted with additional communities to facilitate replication and scaling up of project activities 3.4.1 Project monitoring system operating providing systematic information on progress in meeting project outcome and output targets 3.4.2 Midterm review and final evaluation conducted			
				Sub-Total		2,078,697	8,761,905
				Project management Cost (PMC)		103,934	438,095
				Total project costs		**2,182,631**	**9,200,000**

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, ($)

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount ($)
Local Government	Local Government Units	In kind	500,000
National Government	Department of Agriculture - Bureau of Agricultural Reseach	In kind	2,500,000
National Government	Department of Agriculture - Bureau of Soils and Water Management	In kind	1,500,000
National Government	Department of Environment and Natural Resources	In kind	1,500,000
Civil Society Organization	Southeast Asia Regional Initiatives for Community Empowerment (SEARICE)	In kind	700,000
Universities and Research Institutes	University of the Philippines, Plant Genetic Resources Division	In kind	1,300,000
Universities and Research Institutes	Asia Pacific University (APU)	Cash	150,000
Universities and Research Institutes	Asia Pacific University (APU)	In kind	350,000
Universities and Research Institutes	Research Institute for Humanity and Nature (RIHN)	Cash	150,000
Universities and Research Institutes	Research Institute for Humanity and Nature (RIHN)	In kind	350,000

GEF Agency	FAO	Cash	200,000
Total Co-financing			9,200,000

D. INDICATIVE TRUST FUND RESOURCES ($) REQUESTED BY AGENCY, FOCAL AREA(S) AND COUNTRY[1]

GEF Agency	Type of Trust Funds	Focal Area	Country Name/ Global	Grant Amount ($) (a)	Agency Fee ($) (b)[2]	Total ($) c=a+b
FAO	GEFTF	Biodiversity	Philippines	2,182,631	207, 350	2,389,981
Total Grant Resources						

[1] In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table

[2] Indicate fees related to this project.

E. PROJECT PREPARATION GRANT (PPG)

Please check on the appropriate box for PPG as needed for the project according to the GEF Project Grant:

	Amount Requested ($)	Agency Fee for PPG ($)
• No PPG required		
• (Up to) $50k for projects up to & including $ 1 million		
• (Up to) $100k for projects up to & including $ 3 million	100,000	9,500
• (Up to) $150k for projects up to & including $ 6 million		
• (Up to) $200k for projects up to & including $ 10 million		
• (Up to) $300k for projects above $ 10 million		

PPG AMOUNT REQUESTED BY AGENCY (IES), FOCAL AREA(S) AND COUNTRY(IES) FOR MFA AND/OR MTF PROJECT ONLY

Type of Trust Funds	GEF Agency	Focal Area	Country Name/ Global	PPG ($) (a)	Agency Fee ($) (b)	Total ($) c=a+b
GEF TF	FAO	Biodiversity	Philippines	100,000	9,500	109,500
Total Grant Resources				**100,000**	**9,500**	**109,500**

PART II: PROJECT JUSTIFICATION

A. PROJECT OVERVIEW

A.1. Project description. Briefly describe the project, including: 1) the global environmental problems, root causes and barriers that need to be addressed; 2) baseline scenario and any associates baseline projects; 3) the proposed alternative scenario, with a brief description of expected outcomes and components of the project; 4) incremental cost reasoning and expected contributions from the baseline, the GEFTF, LDCF/SCCF and co-financing; 5) global benefits (GEFTF, NPTF) and adaptation benefits (LDCF/SCCF); 6) innovativeness, sustainability and potential for scaling up.

1) The global environmental problems, root causes and barriers that need to be addressed

Biodiversity context: Maintaining 5% of the world's flora, including more than 9,000 endemic plant species, the Philippines is recognized as one of the world's megadiverse countries and as a designated global biodiversity hotspot. The country is home to more than 52,177 described species of plants, animals and microorganisms, of which more than half are found nowhere else in the world. As part of the Philippine's biological richness, the country features an extraordinary diversity of globally significant agricultural biodiversity. Most notably, the Philippines is home to more than 5,500 traditional rice varieties and their wild relatives. In addition, the country boasts a broad spectrum of indigenous and endemic species of vegetable and fruit crops including indigenous varieties of eggplants and cucurbits, mungbeans, winged bean and soybeans,

taro and yam, as well as indigenous varieties of banana among many others.[1] The indigenous fiber crop abaca is another prominent example of Philippine wealth of agro-biodiversity. In the past, the country's diversity of agricultural species and varieties formed the basis for resilient agro-ecosystems providing crucial ecosystem services including the provision of food and nutrition, water and soil regulation, as well as performing a cultural role as agriculture heritage. Historically, agro-biodiversity has been created, managed and sustained by local communities, primarily smallholders and family farmers, through traditional agricultural practices that conserve and enhance biodiversity at genetic, species and landscape level.

Problem and root causes: During the 1960s and 1970s, the Philippines was at the epicenter of the agricultural Green Revolution. Reacting to food insecurity driven by rapid population growth, agricultural modernization and intensification primarily in rice farming was extensively employed across the Philippines. Varietal replacement, hybridization, mono-cropping and use of standardized crops effectively supplanted traditional rice-based farming systems and diminished indigenous agro-biodiversity in many areas across the country. New rice cultivars like IR8 developed by the Philippines based International Rice Research Institute (IRRI) produced high yields, but at the same time required industrialized agricultural approaches and intense use of fertilizers and pesticides. Government policies and subsidies geared towards maximum short-term productivity further exacerbated the dominance of unsustainable agricultural practices in the Philippines.

The agro-ecosystems of the Philippines thus represent a vivid illustration of the indirect and direct drivers of biodiversity loss as identified by the Millennium Ecosystem Assessment. Indirect drivers of rapid population growth, scientific and technology development, and changes in cultural and religious values caused the intensification of direct drivers of agro-biodiversity loss, namely land use change and resulting habitat loss, overexploitation and pollution. In consequence, large parts of the globally significant agricultural biodiversity in the Philippines have already been lost or are under intense pressure. Many indigenous and endemic varieties are threatened by extinction. Today, the farming of traditional varieties is limited to certain areas in the Philippine highlands, while lowland agricultural systems are dominated by standardized monocultures and agricultural practices incompatible with the conservation of agricultural biodiversity.

Barriers: The fundamental barrier to effective agro-biodiversity conservation in the Philippines, as unequivocally identified by stakeholders, is the inadequate appreciation of the full socio-economic and cultural value of traditional varieties. Benefits derived from agro-biodiversity include superior nutritional value, cultural significance, and higher resilience against shocks like pests, invasive alien species, and extreme weather events. However, lack of information and awareness of these benefits among policy-makers as well as consumers leads to an incorrect valuation of traditional varieties and agro-biodiversity. Consequently, the value of agro-biodiversity is neither sufficiently reflected in market prices and consumer appreciation, nor appropriately taken into account at the political level. In consequence, inadequate valuation of agro-biodiversity creates secondary barriers that effectively prevent stakeholders from addressing the challenge of agro-biodiversity loss.

<u>At the policy level:</u>

a) **Inadequate policy, legal and institutional frameworks:** Agro-biodiversity continues to be inadequately reflected in government policies at national and local levels, reflecting a lack of awareness and knowledge among policy-makers. Some policy and legal stipulations relevant to agro-biodiversity conservation exist, but they do not amount to a coherent and strategic approach. Guidelines and provisions for concrete implementation are lacking, impeding action at the community level. Implementation capacity of local government units (LGUs) is insufficient to create an enabling environment for agro-biodiversity conservation at the local level.

b) **Insufficient intra-ministerial coordination**: Agro-biodiversity loss and its effective prevention is an inherently cross-sectoral challenge, touching on many different policy areas. Current inter-ministerial coordination mechanisms at national and local level do not reflect this fact and are largely insufficient to tackle the cross-cutting dimensions of agro-biodiversity conservation.

<u>At the farming community level:</u>

c) **Lack of practical knowledge in farming communities on agro-biodiversity conservation**: Knowledge on effective farming practices to maintain and enhance agro-biodiversity has already been lost in many farming communities. Dynamic agro-biodiversity conservation does not mean a static approach to conservation as mere preservation, but a dynamic process that includes the continuous creation and

[1] The **Country Report on the state of Plant Genetic Resources for Food and Agriculture** (Department of Agriculture, Bureau of Plant Industry, 2007) provides a detailed breakdown agricultural species and varieties.

enhancement of agro-biodiversity. Knowledge on effective farming practices to maintain and enhance agro-biodiversity has already been lost in many farming communities and the still existing knowledge is fragmented and not readily accessible. The lack of an adequate process to systematically document existing and newly emerging knowledge, validate its scientific basis, and disseminate it in local farming communities represents a major barrier to agro-biodiversity conservation in the Philippines.

d) **Insufficient opportunities and capacity of local communities to derive economic benefits from agro-biodiversity conservation:** An existing body of related assessments clearly suggests a significant consumers' willingness-to-pay for premium agricultural products in the Philippines *(see section 2)*. Premium markets for indigenous varieties that are produced following the principles of dynamic agro-biodiversity conservation are however not developed. Some initial attempts have been made to certify products using standard that correlate with biodiversity conservation *(for existing schemes see section 2)*. But no systematic and widely recognized product certification system exists for agro-biodiversity products, recognizing and signaling their full value. Furthermore, the capacity of local farming communities to develop corresponding products and successfully establish them in the market is very limited, representing one of the main barriers for creating economic benefits from agro-biodiversity conservation.

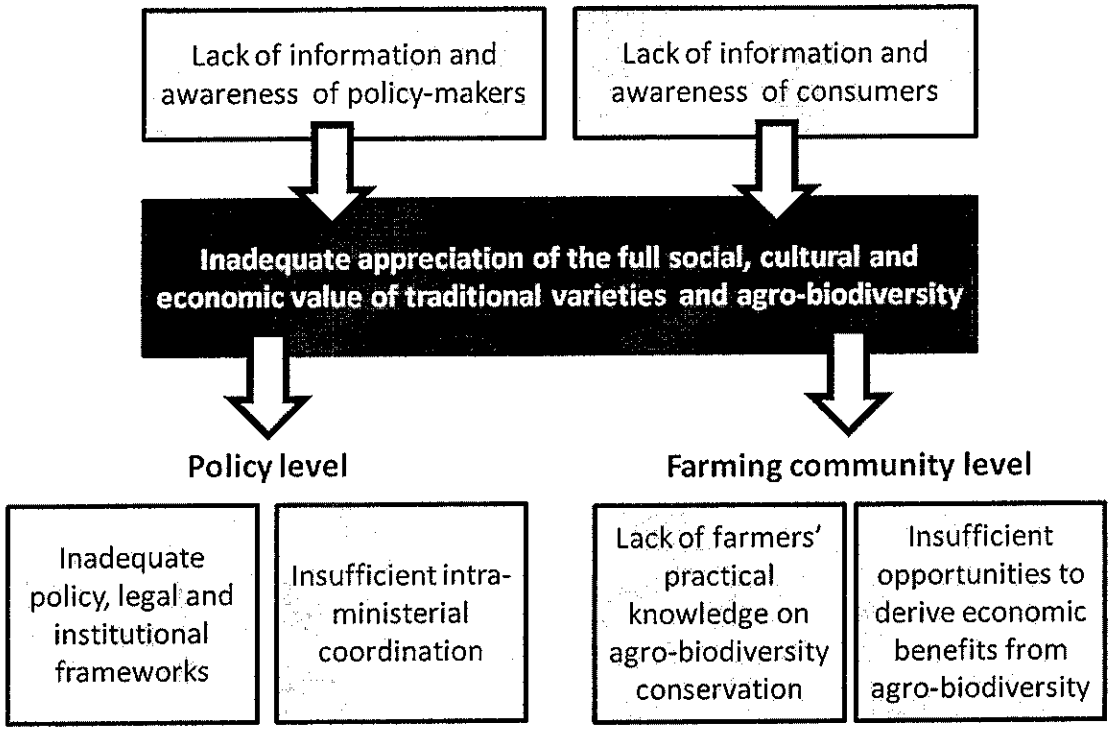


Figure 1: Barriers to effective agro-biodiversity conservation

2) Baseline scenario and any associates baseline projects

The agro-biodiversity baseline scenario presents a particularly suitable situation for a GEF intervention: On the one hand, agro-biodiversity in the Philippines faces intense threats and the described barriers effectively prevent national stakeholders' from adequately conserving the county's richness of agro-biodiversity. On the other hand, an initial dynamic towards an increased priority of agro-biodiversity can clearly be observed. The proposed project aims to strengthen this fledgling trend, building on initial steps already taken and leveraging existing activities that are not specifically addressing agro-biodiversity, but follow goals closely aligned with the project's objective. Main baseline characteristics to be leveraged by the GEF project include:

Political momentum: Decades of singular focus on agricultural productivity as the sole purpose of agricultural activities have produced a policy and legal framework for agricultural development in the Philippines that attaches limited value to agro-biodiversity and places little emphasis on its conservation. More recently, with the negative effects of unregulated agricultural intensification becoming increasingly apparent, the approach to agro-biodiversity is fundamentally changing. The GEF funded global project on *Globally Important Agricultural Heritage Systems* (GIAHS) has contributed to this increasing awareness of the importance of agro-biodiversity (see section A.4). A clear signal for an emerging trend is the current revision of the Philippine's National Biodiversity Strategies and Action Plan (NBSAP), which aims to incorporate more comprehensive agro-biodiversity considerations into the current NBSAP. This change to the NBSAP as the

blueprint for biodiversity conservation in the Philippines signifies a gradually emerging political awareness of the importance of agro-biodiversity conservation. The GEF project will build on and leverage this trend.

Sustainable rural development: The project will be fully embedded in the Philippine's broader efforts to promote sustainability in rural development. The goals and principles of sustainable resource management in agriculture have been included in hallmark legislation like the *Agricultural Fisheries Modernization Act (AFMA)* and the overarching *Philippine Development Plan for 2011-2016* which explicitly defines "Competitive and Sustainable Agriculture" as one of its goals. The development plan is implemented through a spectrum of government funded programs, most importantly the *Agri-Pinoy Rice Program* (with an annual budget of not less than 60 M USD) under the Department of Agriculture. The *Agri-Pinoy Rice Program* is one of the central building blocks of agricultural development in the Philippines and includes several aspects that can be directly leveraged by the GEF intervention. Especially the program's activities on rice production support for increased resilience as well as the market development services that are supported by the program can be directly linked to the GEF project's envisioned activities. In its current form, the *Agri-Pinoy Rice Program* does not emphasize agro-biodiversity and traditional varieties, opening opportunities for the GEF project to supplement existing initiatives and to gear them specifically towards agro-biodiversity conservation. The indicated in-kind co-financing from the Department of Agriculture will in part be associated with initiatives under the *Agri-Pinoy Rice Program.*

In the Philippines, CSOs play a key role as implementing partners for sustainable rural development activities at the community level. Among CSOs, the Southeast Asia Regional Initiatives for Community Empowerment (SEARICE) has been particularly successful in the Philippines. SEARICE, executing partner of the GEF project, is implementing several community level projects promoting and implementing community-based conservation, development and sustainable use of Plant Genetic Resources. The GEF project will significantly benefit from SEARICE's expertise, experiences and established implementation structures at the local level. Indicated in-kind cofinancing from SEARICE will be linked to the described ongoing SEARICE activities.

Organic food production: Another relevant development is the intensifying attention to organic food products and corresponding agricultural practices. In 2010, the Government of the Philippines enacted the Philippines Act on Organic Agriculture (Rep Act 10068) and later launched the related *National Organic Agriculture Program (NOAP 2012-2016)* with the objective that at least 5% of the country's agricultural farm areas practice organic farming by 2016. A minimum of 2% of the Department of Agriculture's annual budget are earmarked for the implementation of NOAP. While not specifically targeting the conservation of agro-biodiversity, the goals and mechanisms of the NOAP are complementary to the objectives of the proposed GEF project. The NOAP foundational support to premium market for organic food products yields crucial input for the market-based activities envisioned under component 2 of the GEF project (*see section 3*). In addition, initial experiences with the certification of organic products under the NOAP will be of great value to inform the GEF project's certification activities. For this purpose, the project will closely work with the responsible government agencies including the Bureau on Plant Industries (BPI), the Bureau of Agriculture and Fisheries Product Standards (BAFPS), and the Organic Certification Center of the Philippines (OCCP).

Product certification: The envisioned agro-biodiversity product certification mechanism will complement and enhance ongoing initiatives that include certification components highly relevant for and complementary to the proposed GEF project. In this context, the mechanism to recognize *National Important Agricultural Heritage Systems* (NIAHS) will be of central importance, as it provides an existing baseline certification system that the GEF project will directly supplement. NIAHS is based on the GEF funded global project on *Globally Important Agricultural Heritage Systems* (GIAHS). NIAHS/GIAHS has already started to successfully experiment with product certification activities at the provincial level. The experiences from these activities will inform the proposed project.

The coordination between the proposed project and the GEF funded part of GIAHS will be addressed in section A.4.Another relevant initiative that includes certification activities is the GEF-funded *Partnerships for Biodiversity Conservation: Mainstreaming in Local Agricultural Landscapes* implemented by UNDP. Coordination with this project will also be elaborated in section A.4.

Research and analysis: Providing a necessary prerequisite for meaningful agro-biodiversity activities, the existing scientific knowledge and related research capacity at the national level is extensive. The Bureau of Agricultural Research (BAR), one of the project's executing partners, holds a key function in coordinating research activities that relate to and can be leveraged by the GEF project. Some of the most relevant examples include the *Evaluation of genetic identity, grain quality profile and nutritional value of selected traditional rice varieties* and several other projects focusing on traditional rice varieties conducted by the Philippine Rice Research Institute; studies on the *Commercialization and product development of Black Rice and other*

traditional Rice Varieties which entails crucial information for the envisioned market-based mechanisms under the GEF project; the *Collection, Characterization and Seed Multiplication of Traditional Rice Varieties* conducted by the Ilocos Integrated Agricultural Research Center (ILIARC); as well as a large series of research projects on *Community-Based Participatory Action Research in the Rice-Based Farming Systems* coordinated by BAR and implemented by several research organizations. The indicated in-kind co-financing from the Bureau of Agricultural Research will be associated with these described initiatives. On-going BAR initiatives directly related to traditional rice varieties amount to an investment of approximately 1.3 million US Dollars.

Equally relevant to the envisioned project activities are the extensive research efforts of the Plant Genetic Resources Division at the University of the Philippines, which includes an ongoing research program analyzing the *Approaches of farmers to maintain agro-biodiversity on-farm and factors influencing their decision-making regarding the conservation of agro-biodiversity* using extensive surveys of farming communities. These efforts yield crucial data to inform the detailed design of project approaches during the project preparation phase. In sum, research on the scientific characteristics of agro-biodiversity in rice-based farming systems is extensive, putting the proposed agro-biodiversity conservation activities on a solid scientific basis. The indicated in-kind co-financing from the University of the Philippines and other Research Institutions will be associated with these research initiatives. The volume of the directly relevant initiatives amounts to 1.3 million US Dollars for 2012-2017.

Valuation and mapping: Having identified the inadequate valuation of agro-biodiversity as the fundamental barrier to agro-biodiversity conservation in the Philippines, the GEF project will base its activities on an in-depth valuation of the full value of agro-biodiversity. The Bureau of Soil and Water Management (BSWM) under the Department of Agriculture, one of the project's executing partners, possesses the necessary capacity to conduct valuations of agricultural practices and products, including the necessary analytical tools, technologies and expertise. An initial multi-functionality valuation is already underway, determining the monetary value of the economic, environmental, and cultural functions (including tourism value) of the rice terrace agro-ecosystem of Ifugao. The experiences from this valuation exercise can serve as the basis for the further valuation work under the proposed GEF project. For a further discussion of market demand and potential see description of component 2, page 11/12.

In addition, a comprehensive mapping of agro-biodiversity and traditional agricultural practices specifically focusing on the project pilot locations will be necessary as input for the envisioned training and knowledge sharing mechanisms (component 2 of the GEF project) and as a basis for the project's M&E system. Again, the BSWM has the necessary experience and technology to conduct a corresponding mapping, building on and complementing similar government funded activities that are currently ongoing. The indicated in-kind co-financing from the Bureau of Soil and Water Management will be associated with these described initiatives. The combines BSWM investment volume of on-going initiatives related to sustainable agricultural development including agro-biodiversity conservation amounts to PhP 708 million (US$16.8 million).

3) The proposed alternative scenario, with a brief description of expected outcomes and components of the project

GEFTF resources will support targeted activities addressing the barriers that impede effective agro-biodiversity conservation (*see section 1*). Through a set of closely coordinated interventions, the GEF project will leverage the opportunities of the baseline scenario to create an enhanced system of agro-biodiversity conservation. The interlinked levers for achieving this objective directly relate to the identified barriers.

<u>At the policy level:</u>

a) **Strengthened policy and legal framework** defining a national approach to agro-biodiversity and guiding the design and implementation of corresponding activities at national and local level (Outcome 1.1)
b) **Enhanced institutional coordination** and capacity to effectively address cross-sectoral issues of agro-biodiversity (Outcome 1.2)

<u>At the farming community level:</u>

c) **Enhanced and expanded knowledge base** on dynamic agro-biodiversity conservation (Outcome 2.1)
d) **Improved opportunities for local communities to derive economic benefits from agro-biodiversity conservation** resulting in increased sustainability of agro-biodiversity conservation (Outcome 2.2)

All outcomes are closely interlinked and mutually reinforcing. Activities on the policy level and farming community level create a virtuous cycle: an enhanced governance framework provides the basis for effective

conservation measures in the pilot sites, while the demonstration effect of pilot activities will facilitate the further enhancement of policies. The two components are supplemented by efforts to **increase awareness among policy-makers (Outcome 3.1) as well as consumers (Outcome 3.2)**, enhancing the positive impacts of the first two components. The resulting barrier removal strategy can be graphically summarized as follows:

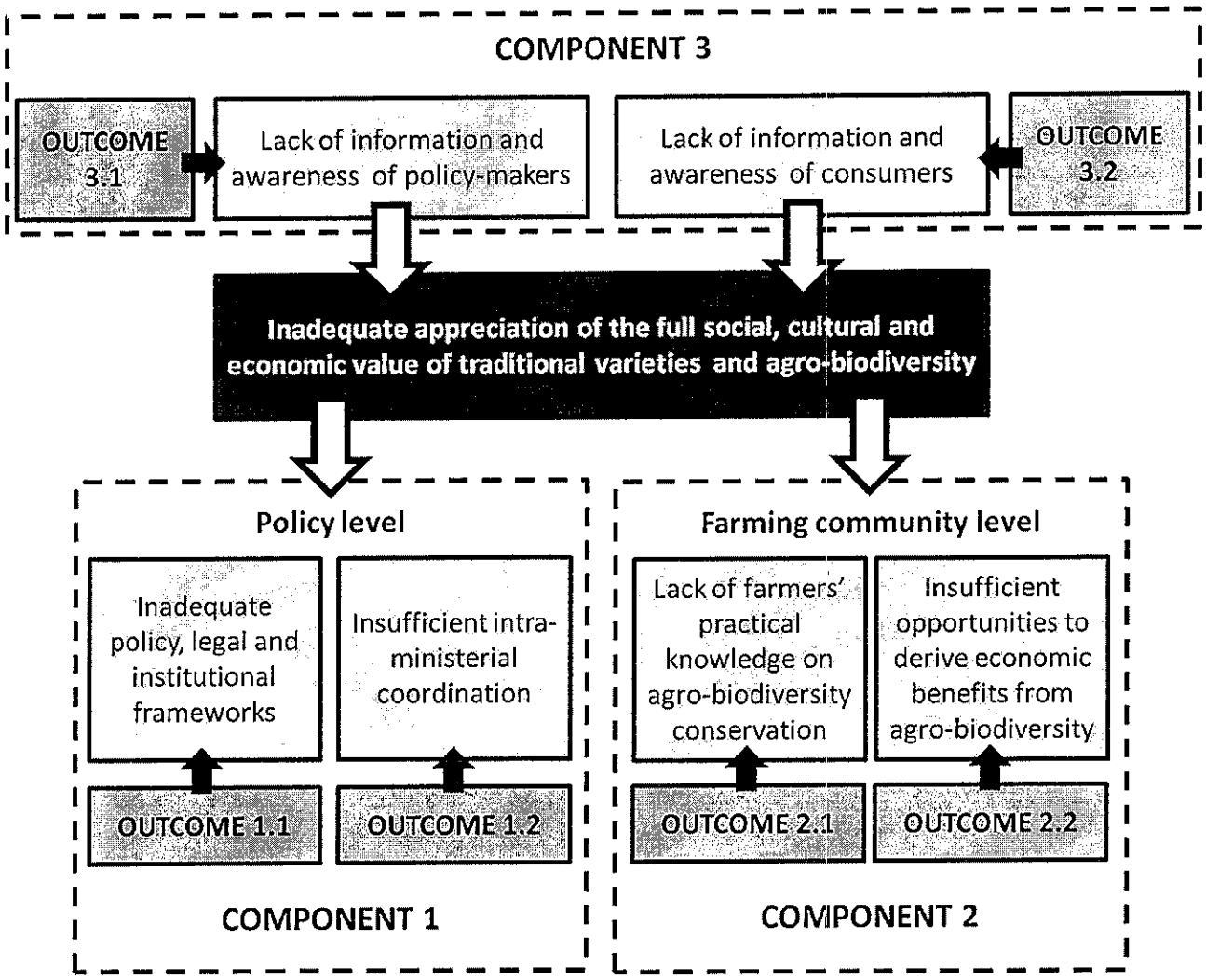


Figure 2: Barrier removal strategy (see project framework)

Given the limited scope of this project, prioritization will be a prerequisite for success. The project therefore puts a focus on rice as the most important component of agro-biodiversity in the Philippines. While this puts the main emphasis on the conservation of indigenous rice varieties, the project will take the broader agro-ecosystem of rice-based farming systems fully into consideration. In particular, endemic vegetable and fruit varieties that serve as a complement to rice farming in traditional systems (especially varieties of eggplants, beans, taro and yams, and bananas – *see section 5*) will be equally included in the project's conservation activities.

Component 1: Mainstreaming agro-biodiversity considerations into policy and legal frameworks, development strategies and institutional structures

Outcome 1.1: The project will support a social, cultural and economic valuation of the indigenous and endemic varieties targeted by the project to allow for informed and balanced policy and legislation development. Building on this information and leveraging the current political dynamic (*see section 2*), component 1 will lend support to the incorporation of agro-biodiversity conservation into several key policies. Specifically, the project will facilitate the development of two Department Administrative Orders that will firmly establish agro-biodiversity conservation as a guiding principle for policy-making and implementation in the Department of Agriculture and the Department of Environment and Natural Resources. The project will support similar processes in other relevant ministries, specifically the Departments of Tourism, Trade and Industry, and Education. The efforts under this component will directly benefit the demonstration activities under component 2: policy development activities include the formulation of concrete guidance documents to

support the implementation of relevant policies in the project areas. Beyond establishing agro-biodiversity as a political priority, this component is also envisioned to create the necessary policy and legal conditions for premium market development activities under component 2.

Outcome 1.2: Complementing the policy development efforts and highlighting the cross-sectoral nature of agro-biodiversity, the project will facilitate the establishment of procedures and coordination mechanisms to enhance inter-ministerial collaboration on agro-biodiversity issues.

Component 2: Pilot activities to enhance and expand dynamic conservation practices for agro-biodiversity in three pilot communities

During project preparation, three (or possibly four) pilot sites will be identified. Criteria for site selection are outlined below. The project envisions to implement activities in 1-2 municipalities for each of the two pilot provinces, adding up to approximately 20-30 barangay with an overall population of 40-60,000. Pilot activities on dynamic agro-biodiversity conservation target two interlinked areas. In combination they will create improved opportunities for local communities to profit from agro-biodiversity friendly practices.

Outcome 2.1: First, the project will enhance farmers' knowledge on indigenous varieties and dynamic conservation practices. Dynamic conservation denotes not only the protection of existing varieties, but the continuous development and enhancement of agricultural biodiversity that has historically been at the core of traditional agricultural approaches. A participatory mapping of agro-biodiversity and related conservation practices in the project areas will yield systematic and scientifically grounded information, which will then be combined with existing traditional knowledge of local knowledge holders. Using the existing system of Farmer Field Schools (FFS) complemented by Peer-to-Peer training and knowledge exchange, the project will increase the capacity of project communities to effectively implement location-specific conservation practices. The project will establish training and knowledge exchange mechanisms for at least 5,000 farmers in the pilot communities. These knowledge exchange mechanisms will also serve as a channel to ensure full and continuous engagement and ownership of local communities with regards to the specific design and implementation of project activities throughout project implementation. This local engagement will represent a continuation of the close consultations and participatory approaches that will be a cornerstone of the project preparation work.

Outcome 2.2: Second, the project will demonstrate the effectiveness of a market-based incentive system to make agro-biodiversity conservation economically profitable for local communities. In close coordination with existing efforts (*see section 2*), the project will facilitate the establishment of a nationally recognized certification mechanisms to label agro-biodiversity friendly products. Certification will represent the starting point for establishing a premium market for agro-biodiversity goods. In doing so, the project will leverage the existing recognition mechanism for "National Important Agricultural Heritage Systems" (NIAHS). The NIAHS system is based on the standards of the globally recognized "Globally Important Agricultural Heritage Systems" (GIAHS) where agricultural biodiversity and associated biodiversity of significance to food and agriculture is one of the five criteria of selection. NIAHS certification is designed following GIAHS criteria, targeting dynamic conservation of agricultural biodiversity harbored in evolving traditional agricultural practices. NIAHS criteria thus overlap with the principles of agro-biodiversity conservation.

The existing NIAHS initiative is a system to recognize traditional agricultural practices and highlight primarily their cultural value as an historic heritage. NIAHS designates areas that apply these practices and contribute to their safeguarding, comparable to the designation of historical buildings. As such, NIAHS does not provide a product certification scheme for agricultural products that make a targeted contribution to the enhancement of agricultural biodiversity. However, since traditional practices recognized under NIAHS include an emphasis on traditional varieties, which at the same time are central to agricultural biodiversity, NIAHS provides a well suited basis for the development of a specific agro-biodiversity product certification. The related activities under the GEF project will therefore leverage the achievements of NIAHS by shifting the focus to the primary purpose of agro-biodiversity conservation, develop additional criteria that can be incorporated in the NIAHS set of criteria, and apply the criteria to selected indigenous varieties and species with the specific objective of product development (also see component 3 on partnerships with the private sector). The GEF project will thus use the NIAHS system as a starting point for developing a full-fledged, recognized product standard and certification system for agro-biodiversity friendly goods.

The market demand and future potential for products like indigenous varieties and species that contribute to the conservation of agro-biodiversity is an important aspect of the proposed GEF project. Analyses of market demand and potential for specific products that will guide the ultimate selection of the projects sites and targeted species (see below), will be conducted before CEO endorsement. Subsequently, a full marketability study to inform the project's product and market development activities represents an essential part under

component 2 (output 2.2.2). As a starting point, existing information and prior analysis already strongly suggests a clear market potential and corresponding willingness-to-pay for agro-biodiversity products. The comprehensive market valuation research conducted for the indigenous food products of the Ifugao rice terraces currently being finalized by the Provincial Local Government of Ifugao, PAWB and BSWM provides a clear indication of market demand. This was further backed by stakeholder discussions across stakeholder groups conducted during PIF preparation and particularly substantiated by the long-term, extensive farmer survey series conducted by the Plant Genetic Resources Division at the University of the Philippines. Finally, the market demand and expansion for organic food products (see section 2) serves as a proxy indicator for the market potential of indigenous food products.

Furthermore, the project will ensure that pilot communities have the necessary knowledge and means to derive maximum benefits from product certification. The project will support farmers in creating marketing and business plans, secure market access, identify and seize market opportunities, and develop products in accordance with location-specific comparative advantages and market situation. These activities will maximize farmers' economic benefits from agro-biodiversity conservation, providing not only incentives to expand corresponding practices, but also sustainable financing to maintain, replicate and scale up dynamic conservation beyond the project itself.

The ultimate selection of the most suitable sites for project activities will be made during the project preparation phase. The selection process can build on extensive information on the prevalence and distribution of biodiversity in the Philippines that has been gathered during the first and second revision of the NBSAP. Available similar information specifically on agro-biodiversity is not as comprehensive. However, the project site selection can rely on information closely related to agro-biodiversity that has been collected as part of the assessment of different regions regarding their potential for future NIAHS recognition. The project site selection for this project will be oriented at the lists of identified areas with high potential for NIAHS recognition. Furthermore, additional criteria for site selection have been developed to maximize the project impact, the potential for replication and scaling up, and the synergies with baseline and other ongoing activities, while preventing any duplication of efforts. The corresponding criteria include:

a) Quantity and type of local agro-biodiversity;
b) Local communities level of familiarity with dynamic conservation practices;
c) Level of acceptance by farmers and willingness to introduce alternative varieties and practices;
d) Potential for marketable product development;
e) Local implementation capacity of farmers as well as local government units;
f) Geographic relation to project sites of other internationally supported activities.

Component 3: Dissemination of information, awareness raising and preparations for scaling up

The activities under component 1 and 2 crucially depend on the continuous provision and dissemination of information on agro-biodiversity and corresponding awareness raising.

Outcome 3.1: Policy development relies on policy-makers' capacity to make informed and balanced policy decisions. Knowledge and information activities under component 3 will ensure that policy-makers have easy access to up-to-date, scientifically validated information. The compilation and dissemination of information gathered from project sites, specifically targeted at policy-makers, will maximize the positive feedback effect from successful pilot activities to enhanced policy development.

Outcome 3.2: The success of market-based mechanisms under component 2 crucially relies on an increased awareness of the broader public, i.e. the consumers of agricultural products, about the multiple benefits from indigenous and endemic varieties, especially regarding the nutrition and health related value of corresponding products. Accordingly, consumer awareness efforts will support the activities under component 2.

Outcome 3.3: Finally, the context of information dissemination and awareness raising also provides a starting point for identifying opportunities for further replication and scaling up of project activities. For this purpose, the project will support the exploration of partnerships between the pilot communities and private sector actors that can facilitate the introduction of agro-biodiversity products into larger markets.

Supported by the vauation work illustrating and specifying concrete opportunities for market and product development, the project aims to create favorable conditions and entry points for comprehensive partnerships between the project pilot communities and private sector players. The precise from of these partnerships will depend on the specific local conditions, targeted species and varieties and related market opportunities and will be refined after the pilot community selection. Collaboration along the lines of outgrower schemes are one possible direction to develop these partnerships. The demonstration of potential economic profits from the expansion of markets for indiginous varietes will create incentives for the private sector to enter these

partnerships. In turn, private companies will provide valuable assitance to the communities in providing much broader market access and supply chain facilities, as well as specific expertise for example on packaging, marketing and target group identification for the emerging indigenous variety products.

In addition, project activities will include an extensive exchange of experiences and good practices with other communities that might be suitable candidates for future replication and scaling up of project activities.

4) Incremental cost reasoning and expected contributions from the baseline, the GEFTF, LDCF/SCCF and co-financing

The financial resources provided by the GEFTF will serve to remove crucial barriers to the conservation of globally significant agro-biodiversity in the Philippines identified in section 1. If these barriers are not addressed swiftly, the described baseline efforts are highly likely to achieve too little, too late in order to prevent continued agro-biodiversity loss ultimately leading to the extinction of numerous indigenous species and a significant degradation of global agro-biodiversity. With agro-biodiversity in the Philippines under intense pressure, the incremental step financed by the GEFTF can prevent biodiversity loss by helping the Philippines to free the potential and seize the opportunities already inherent in the baseline scenario.

A solid basis in terms of knowledge and research combined with an initial momentum at the political level already exists that can be leveraged for the enhancement of agro-biodiversity conservation. In addition, the baseline includes a spectrum of ongoing activities that are not explicitly targeting agro-biodiversity, but feature overlapping objectives and create relevant capacity and experiences (*see section 2*). As described in detail in section 2, these on-going initiatives are associated with the indicated co-financing provided by different project partners. The GEF project will help to leverage these baseline features and connected co-financing resources and make them usable for improved agro-biodiversity conservation. GEFTF resources will simultaneously help to remove the identified roadblocks with respect to existing policies, legislation and institutional capacity and demonstrate ways in which baseline activities can be turned into effective and efficient conservation action on the ground. By channeling and adjusting mechanisms that are already in place, the GEFTF investment in the pilot sites will illustrate approaches to turn the underappreciated value of agro-biodiversity into economic profits for local farmers.

The explicit engagement of the private sector in this project through market-based partnerships with local communities included and described under component 3 is envisioned to open additional sources of private sector co-financing before CEO endorsement. This will also aid efforts to increase the proportion of cash co-financing in comparison to in-kind co-financing by the end of the project preparation phase.

Existing investments in sustainable rural development as well as efforts to promote the conservation and sustainable use of biodiversity provide not only crucial co-financing to be leveraged by the proposed project, but also create promising entry points and opportunities for the implementation of project activities. The envisioned activities will critically complement, adjust and improve ongoing government programs and consolidate fragmented efforts related to agro-biodiversity into a coherent and strategic approach to agro-biodiversity conservation. Given the highly suitable baseline situation and favorable conditions for replication and scaling up, the incremental GEF investment is likely to achieve significant Global Environmental Benefits well beyond the scope of the actual project.

5) Global benefits (GEFTF, NPTF) and adaptation benefits (LDCF/SCCF);

Agro-biodiversity conservation and the adoption of sustainable practices has a crucial role to play in protecting biodiversity in wider production landscapes, reducing the pressure from agricultural production on biodiversity in general. This makes agro-biodiversity conservation an important building-block for the conservation of overall global biodiversity and the creation of GEBs. The wealth and uniqueness of agro-biodiversity in the Philippines translates into a particularly significant potential for GEBs to be attained through agro-biodiversity conservation.

The project will contribute to the conservation of globally significant agricultural biodiversity. It will directly support the in-situ conservation and sustainable use of several indigenous rice varieties and complementary vegetable and fruit crops in rice-based farming systems. The clear focus on rice-based farming systems reflects the central importance of rice for agro-biodiversity in the Philippines, which is also part of the center of diversity of rice. The prioritization of rice will also narrow the project objective and thereby allow for targeted and efficient activities maximizing GEB creation in the context of this comparably small project. The set of key target species for conservation will be complemented by a group of indigenous vegetable and fruit varieties that are of clear global significance, as for example signified by the Philippines being recognized as center of diversity or center of origin for these species. Keeping with the project's focus, selected species will

already or potentially be part of rice-based farming systems, either as a suitable rotation crop or as a promising diversification crop. The sustainable supply of planting materials will rely on an already comparably advanced system of seed banks existing in the Philippines. Another criteria for key target species selection will be particularly high potential for creating market demand by conforming to prevailing consumer dietary preferences, increasing opportunities for product and market development. An initial set of potential key species have been identified based on these criteria (*see box below*). The ultimate selection of key target species will be further refined during project preparation and will be closely related to the project site selection process (*see description of component 2*).

Furthermore, the combination of pilot activities with corresponding policy development and mainstreaming and a strong potential for replication and scaling up will facilitate the broader adoption of agro-biodiversity conserving practices across the Philippines, contributing to the conservation of globally significant indigenous and endemic species well beyond the limits of the actual project sites.

Potential key target species for conservation in the project sites

Rice: Main focus of the project with all traditional varieties being considered as potential target species; possibly prioritizing cultivars directly derived from the four indigenous wild rice relatives found in the Philippines: *Oryza minuta, Oryza officinalis, Oryza rufipogon*. The Philippines is part of the center of diversity of rice.

Mungbean (*Vigna radiata*): Many indigenous varieties are already replaced with standardized varieties, but shrinking pockets of diversity can still be found in traditional areas of cultivation; complementary vegetable used in traditional rice-based farming systems. The Philippines is part of the center of diversity of mungbeans.

Eggplant: A high diversity of eggplant varieties exists in the country in terms of shape, size and color of fruit. Indigenous varieties can still be found including *Solanum torvum, Solanum indicum, Solanum nigrum, Solanum linnaeanum, Solanum macrocarpon*; complementary fruit used in traditional rice-based farming systems.

Taro and Yam (*Dioscorea and Colocasia*): The Philippines is part of the center of diversity for Colocasia and Dioscorea with several indigenous varieties including *Dioscorea alata, Dioscorea bulbifera, Dioscorea esculenta, Dioscorea hispida* and *Dioscorea pentaphylla.* Except for *D. alata*, these species are generally no longer widely cultivated and utilized and are threatened with genetic erosion.

Banana: Potential focus on varieties derived from indigenous progenitors: *Musa acuminata (4 subspecies), Musa balbisiana*. The Philippines is part of the center of origin of bananas.

Abaca (Manila Hemp, *Musa textilis*): Endemic fiber crop; majority of cultivars planted in the Philippines are traditional varieties, but genetic variety is decreasing rapidly due to standardization.

6) Innovativeness, sustainability and potential for scaling up

Innovativeness: The project will apply innovative market-based mechanisms based on product certification that underpins community level product development and marketing. Market structure and potential as well as existing conditions and experiences from related initiatives (*see previous sections*) make a conservation incentive system based on the marketable value of agro-biodiversity friendly products especially suitable for the Philippines.

Sustainability: Establishing ways for farmers and farming communities to derive economic profits from agro-biodiversity conservation also creates a self-sufficient incentive structure financed through the market which is sustainable over time. Once in place, conservation incentives are self-sufficient and not dependent on continued project support. In addition, the related policy development work under project component 1 will embed the demonstrated approaches into the broader policy framework and political agenda of the Philippines, firmly establishing agro-biodiversity conservation as a central aspect of policy-making and implementation. The mutually reinforcing effect of closely interlinked policy development and pilot activities will further strengthen the sustainability of project results.

Scaling up: The exploration of opportunities for replication and scaling up will already constitute an integral part of the project during the implementation phase. The demonstrated market-based incentive structures will not only easily lend themselves for replication in other suitable communities and expansion to include a larger number of species and varieties, but the mechanism will in fact be strengthened by broader adoption as larger markets are being developed and a greater variety of certified products becomes available to consumers. Scaling up will increase consumer awareness and recognition, expanding opportunities for economic profits

from conservation practices. In this sense, scaling up will increase the positive effects of project activities in the pilot communities as well as the follow-up communities. In order to maximize these scaling up benefits and seize related new opportunities, partnerships with relevant private sector actors will already be explored and established during the project duration. Embedding the project activities into the broader policy framework (*see Sustainability*) will create an enabling policy environment as well as the necessary legal conditions to further facilitate the scaling up process.

A.2 Stakeholders. Identify key stakeholders (including civil society organizations, indigenous people, gender groups, and other as relevant) and describe how they will be engaged in project preparation.

Key Stakeholders	Roles
Local farmer communities including indigenous people	They are the primary stakeholders, key partners and at the same time beneficiaries of this project. They will implement the activities designed to achieve the project outcomes and outputs particularly regarding the development of strategies and tools for the conservation of agricultural biodiversity with support from national and local government units and the GEF project's executing and implementing partners.
Department of Environment and Natural Resources (DENR) – Protected Areas and Wildlife Bureau (PAWB) and Regional Offices	DENR-PAWB is the national government agency responsible for biodiversity conservation. It coordinates the implementation of GEF projects on biodiversity and other programs related to the national obligations under the CBD. DENR-PAWB will be responsible for the oversight and overall supervision of the project.
Department of Agriculture – Bureau of Agricultural Research (DA-BAR)	DA-BAR will be the responsible executing agency along with BSWM and SEARICE. In addition to implementing key project activities, it will also be responsible for establishing MOAs with relevant entities including CSOs, LGUs and SUCs to support project implementation.
Department of Agriculture – Bureau of Soils and Water Management (DA-BSWM),	DA-BSWM will act as an executing agency. According to its expertise and comparative advantage, it will take particular responsibility for the agro-biodiversity mapping and valuation aspects of the project.
SEARICE	SEARICE is a regional non-government organization that implements community-based conservation and sustainable use of PGR. Along with BAR and BSWM, SEARICE will be an executing agency. Building on its experiences in on-the-ground implementation of sustainable agriculture activities, SEARICE will be especially involved in the community level implementation of project activities (primarily component 2).
Bureau of Plant Industry and Organic Certification Center of the Philippines (OCCP)	BPI and OCCP will provide technical support for the establishment of the agro-biodiversity product certification mechanisms based on its experience with the certification of organic food products.
ICCA (Indigenous Community Conservation Areas) Consortium Partners	Depending on ultimate project site selection, the project will coordinate activities with the ICCA's Consortium Partners as main project activities might be undertaken in areas where indigenous communities play a key role in to strengthen sustainable natural resource use and conservation.
Department of Interior and Local Government (DILG)	The DILG provides administrative supervision for all Local Government Units (LGUs) and monitors their performance. DILG will play a key role in the project by ensuring adequate implementation of agro-biodiversity conservation policies supported under project component 1.
Provincial, City and Municipal LGUs	They are key partners in the development of the tools and strategies for agrobiodiversity conservation through the provision of co-financing as well as by issuing and overseeing the local ordinances and resolutions developed under component 1. They are also important facilitators for the replicating and scaling up project activities.
National and Local Academic Institutions and other research institutions (SUCs,	These are sources of technical and analytical knowledge that will inform the detailed design of tools and strategies for conserving agricultural biodiversity. They are also important partners for the dissemination of

consortiums, etc)	information and related awareness raising.
National Cultural Agencies	The National Commission for Culture and Arts and the National Museum are in charge of the declaration of NIAHS sites and will therefore be closely involved in the related project activities.
Private Sector	Private corporations will play a crucial role in efforts to scale up project activities, especially supporting the development of markets for certified products, facilitating market access and aiding product development. The project will actively seek opportunities for suitable partnerships.

A.3 Risks. Indicate risks, including climate change risks, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (Table format acceptable).

Risk	Rating	Mitigation Strategy
Government budgetary constraints at national and local level	M	Initial assessments of the feasibility of budgetary and implementation provisions have been conducted jointly with the Department of Environment and Natural Resources (DENR), and the proponent agencies (DA-BAR, DA-BSWM and SEARICE). During the project preparation phase, commitments on budgetary support and co-financing will be formalized with the national government and LGUs to ensure full support during project implementation. Furthermore, the project will continue to seek financing from other stakeholders such as the private sector throughout the project duration.
Low level of participation and support from stakeholders	L	The project will mitigate this risk by employing a highly participatory and consultative, increasing the understanding and national/local ownership of the project objectives and activities and addressing stakeholder concerns early and comprehensively. Participation and ownership is especially important at the community level and a prerequisite for successful implementation. In addition to participatory practices, the clear emphasis on the economic opportunities for local farmers provided by the project activities will serve to mitigate the risk of inadequate stakeholder support.
Insufficient consumers' "willingness to pay"	L	Insufficient willingness of consumers to pay a premium on certified agro-biodiversity friendly products would undermine several of the project activities. However, a multitude of prior assessments as well as first experiences with product certification in the context of the *National Organic Agriculture Program* (NOAP) and product certification under GIAHS have already demonstrated the high potential for premium agricultural products in the Philippines. Furthermore, the project will concentrate on food crops that have a particularly high potential for creating market demand by conforming to prevailing consumer dietary preferences. In addition, the project will include extensive consumer awareness activities to increase knowledge about the multiple benefits of indigenous varieties, further supporting the marketability of corresponding products.
Limited capacity of local/national institutions for implementing project activities	L	The project will include activities for targeted capacity strengthening specifically preparing local and national institutions for their respective responsibilities during project implementation. Key implementation partners have been selected in accordance to their proven expertise and capacity. Implementation of project activities will be additionally assisted by a broad spectrum of supporting entities including other government agencies, universities and research institutions, civil society organizations as well as FAO HQ and country office.
Impact of climate change on farmers' decision-making	L	The impacts of climate change on agricultural systems lead to additional economic pressure on vulnerable local farmers, possibly diminishing their willingness to maintain or adopt agro-biodiversity conservation practices

and motivation		which might be perceived as an additional risk. The project will mitigate this situation by comprehensively informing local communities about the shock resilient properties of diverse agro-ecosystems, not only to climate change, but also to other threats like pests or IAS. The project will raise farmers' knowledge about short-term productivity gains from monoculture approaches versus long-term income and food security based on resilient and diverse agro-ecosystems. In addition, the project's focus on developing additional sources of income through product certification and development will help to mitigate farmers' concerns.

A.4 Coordination. Outline the coordination with other relevant GEF financed and other initiatives.

The project will coordinate all its activities closely with three related, GEF-financed projects:

a) *Conservation and Adaptive Management of Globally Important Agricultural Heritage Systems (GIAHS)* implemented by FAO;
b) *Partnerships for Biodiversity Conservation: Mainstreaming in Local Agricultural Landscapes (BPP)* implemented by UNDP; and the
c) *New Conservation in the Philippines Project (NEWCAPP)* also implemented by UNDP.

None of these projects has its primary focus on agro-biodiversity conservation. However, all of them relate to agricultural systems as well as biodiversity issues and therefore can serve as valuable sources of information and knowledge to inform and improve the proposed GEF project.

The significance of the GIAHS initiative as the basis for the national level NIAHS recognition, which in turn will serve as the basis for the certification mechanisms envisioned by the proposed GEF intervention, has already been extensively discussed in the previous sections. Collaboration with GIAHS, learning from its experiences and building on its achievements while avoiding any sort of project activity duplication, will be a central aspect of the proposed project.

Similarly, the BPP complements the planned project activities in a mutually beneficial way. The BPP does not primarily address agro-biodiversity itself, but focuses largely on the pressures from agriculture on biodiversity, especially in protected areas where BPP sites are located. The main objective of BPP is to "demonstrate how Local Government Units (LGUs), with enhanced capacities, and working together with local and national partners, can plan and manage economic activities and growth in ways that meet landscape-level biodiversity conservation and sustainable use objectives in critical bio-geographic regions." The proposed project will closely coordinate its activities with the BPP in order to maximize opportunities for synergies and to learn from the BPP's experience. Even though the BPP follows objectives distinct from the proposed project, some of its approaches at the community level are similar to the envisioned activities of this project. Most importantly, BPP is experimenting with certification mechanisms for biodiversity friendly practices, which will be complementary to the certification of traditional varieties conducive to agro-biodiversity conservation planned under component 2 of the proposed project.

Finally, the proposed project will coordinate its efforts with NEWCAPP, which focuses on the promotion and protection of indigenous peoples' rights, empowering local indigenous communities to actively contribute to the conservation of biodiversity within Indigenous Community Conservation Areas (ICCAs). As indigenous communities play an important role in the few remaining traditional agricultural systems in the Philippines, the proposed project will benefit from a close exchange of information and experiences with NEWCAPP.

B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

B.1 National strategies and plans or reports and assessments under the relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NCSAs, NIPs, PRSPs, Biennial Update Reports, etc.

The proposed project is fully consistent with the Philippines' biodiversity conservation priorities and strategies. The Philippines ratified the Convention on Biological Diversity (CBD) in 1993 and has demonstrated its commitment to fulfilling its obligations under the convention through a broad spectrum of national policies and laws (*see box below*) as well as the implementation of extensive biodiversity conservation programs. Agro-biodiversity conservation is explicitly addressed through the CBD *programme of work on agricultural biodiversity* (CBD decision V/5, Annex) and its three cross-

cutting initiatives on Pollinators, Soil Biodiversity, and, particularly relevant to this project, the Cross-cutting initiative on biodiversity for food and nutrition (CBD decision VIII/23). The project's main areas of focus also contribute to several Aichi Targets, in particular to Targets 7, 13, and 14. The Philippines' National Biodiversity Strategy and Action (NBSAP) was developed and adopted in 1997 and underwent a number of revisions and amendments since then.

While the NBSAP in its current form does not comprehensively and specifically address the area of agro-biodiversity, it defines principles and objectives closely aligned with the goal of agro-biodiversity conservation as a crucial component for overall biodiversity conservation and sustainable use. Importantly, the NBSAP is currently undergoing a process of revision with one of the specific goals to highlight agro-biodiversity conservation as a priority area and more explicitly define corresponding objectives.

Agro-biodiversity conservation is included in the overall efforts to achieve sustainable agricultural development as for example reflected in the overarching Philippine Development Plan for 2011-2016 under Chapter 4: Competitive and Sustainable Agriculture and Fisheries Sector, which explicitly includes biodiversity conservation under its Strategic Goal 2.1. As early as 1997, the Agriculture and Fisheries Modernization Act (RA 8435), included objectives for the sustainable conservation of agricultural crops and their utilization in crop improvement programs, as well as the diversification of farming systems to alleviate poverty and improve nutritional quality.

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

The proposed project, in objective and approach, is closely aligned with Objective 2 of the GEF-5 Focal Area Strategy on Biodiversity (BD-2): *Mainstreaming Biodiversity Conservation and Sustainable Use into Production Landscapes/Seascapes and Sector*. Envisioned project activities closely follow the logic and assumptions laid out under Objective 2. The project will put a strong emphasis on enabling, establishing and implementing incentive structures for private actors to align their practices and behavior with the principles of sustainable use and management of biodiversity, in this case agro-biodiversity. To this effect, it will help to adjust and improve policy, legal and regulatory frameworks enabling corresponding incentives to be created and sustained. Principles of biodiversity conservation and sustainable use will be mainstreamed into key policies and strategies and stakeholder capacity to implement these provisions will be systematically strengthened at the national and local level.

Furthermore, the project will concretely demonstrate the establishment and implementation of these incentives structures in pilot communities, following the instruments identified in the GEF-5 Focal Area Strategy: product certification using recognized standards, development of corresponding products, and capacity development for farmers to attain certification for their products and subsequently maximize the economic benefits derived from certification through effective marketing and branding. In sum, the project will rather narrowly follow the steps towards contributing to Objective BD-2 as envisioned in the GEF-5 Focal Area Strategy on Biodiversity. The national context and baseline scenario in the Philippines makes this approach particularly suitable for agro-biodiversity conservation in productive agricultural landscapes.

The Philippines is eligible for accessing financial resources from the GEFTF, the proposed project has been identified as a priority project in the GEF National Portfolio Formulation Exercise (NPFE), and corresponding resources have been earmarked for this project and are available under the country's STAR allocation.

B.3 The GEF Agency's comparative advantage for implementing the project

Based on its fundamental mission and emphasis on the agricultural sectors, its corresponding technical expertise and decade long experience in the implementation of agricultural initiatives, FAO is uniquely suited to implement projects promoting agro-biodiversity conservation. The new FAO Strategic Framework (2010-2019) reinforces FAO's commitment to sustainable agriculture, specifically highlighting the twin objectives of sustainable increase of agricultural production to reduce hunger and poverty in combination with the sustainable management and use of natural resources in the agricultural sectors. Following these strategic objectives, FAO has taken a leading role in the promotion of agricultural practices guided by the principles of environmental sustainability and biodiversity conservation, preserving agricultural genetic resources for the benefit of present and future generations.

Accordingly, FAO has supported a multitude of initiatives that enhance awareness, knowledge and understanding of crop-associated biological diversity providing ecosystem services to sustainable agricultural production; demonstrate methods for conservation, and sustainable management of agro-biodiversity; and promote mainstreaming of agro-biodiversity conservation in sectoral plans and policies. FAO's long-standing work with the farmer field schools in the Philippines and across Asia is ideally suited for this project's emphasis on enhancing and improving the knowledge base on agrobiodiversity. Prominent examples for FAO's strong role in this field of work are the International Treaty on Plant Genetic resources for Food and Agriculture as well as the FAO Commission on Genetic Resources, both with their Secretariat and Governing Bodies based in FAO. In these roles, FAO also actively contributes to CBD processes. For example, the CBD *Cross-cutting initiative on biodiversity for food and nutrition* (CBD decision VIII/23, para. 2) explicitly "extends its appreciation to the FAO [...]" for its contribution to the formulation of the work program.

Furthermore, FAO has a particularly strong track-record on sustainable agriculture promotion and natural resource management in the Philippines. Most importantly, FAO recently implemented the global initiative on *Conservation and Adaptive Management of Globally Important Agricultural Heritage Systems (GIAHS)*, with the Philippines being one of the project's pilot countries. The experiences gained and local management structures established with national and local partners in the context of the GIAHS initiative provide and additional comparative advantage for FAO to implement the proposed GEF project.

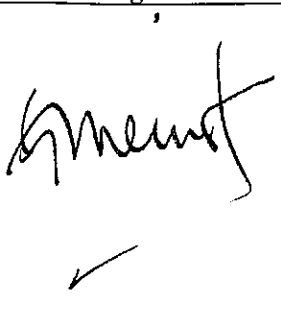
PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the Operational Focal Points endorsement letter(s) with this template. For SGP, use this OFP endorsement letter).

NAME	POSITION	MINISTRY	DATE
Ms. Analiza REBUELTA - TEH	GEF Operational Focal Point/ Undersecretary	Department of Environment and Natural Resources	08/13/2013

B. GEF AGENCY(IES) CERTIFICATION

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

Agency Coordinator	Signature	Date	Project Contact Person
Gustavo Merino Director Investment Centre Division Technical Cooperation Department FAO Viale delle Terme di Caracalla (00153) Rome, Italy TCI-Director@fao.org Barbara Cooney FAO GEF Coordinator Email: Barbara.Cooney@fao.org Tel: +3906 5705 5478		29 August, 2013	Bjorn Conrad/ Jeffrey Griffin Investment Center Division/TCIB +39 06 57054657 bjorn.conrad@fao.org; or Jeffrey.griffin@fao.org