



GEF

REQUEST FOR CEO ENDORSEMENT/APPROVAL

PROJECT TYPE: Full-sized Project

THE GEF TRUST FUND

Submission Date: October 14, 2010

Resubmission Date: December 23, 2010

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 3819

GEF AGENCY PROJECT ID: 609766

COUNTRY(IES): Fiji, Samoa, Vanuatu and Niue

PROJECT TITLE: Forestry and Protected Area Management in Fiji, Samoa, Vanuatu and Niue

GEF AGENCY(IES): FAO

OTHER EXECUTING PARTNER(S): Ministry of Local Government, Urban Development, Housing and Environment (Fiji), Ministry of Natural Resources and Environment (Samoa), Ministry of Lands and Natural Resources (Vanuatu), Department of Environment (Niue) and other appropriate government departments and NGOs in these four countries.

GEF FOCAL AREA(S): Biodiversity

GEF-4 STRATEGIC PROGRAM(S): BD-SP3-PA Networks; BD-SP4-Policy; BD-SP5-Markets

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: Pacific Alliance for Sustainability

Expected Calendar (mm/dd/yy)	
Milestones	Dates
Work Program (for FSPs only)	01-2009
Agency Approval date	02-2011
Implementation Start	04-2011
Mid-term Evaluation (if planned)	14-2013
Project Closing Date	03-2015

A. PROJECT FRAMEWORK

Project Objective: To conserve biodiversity in Fiji, Samoa, Vanuatu and Niue by expanding and consolidating their networks of PAs, building capacity for conservation management and sustainable use of biodiversity and reducing forest and land degradation.

Project Components	Inv, TA, STA	Expected Outcomes	Expected Outputs	GEF Financing		Co-Financing		Total (\$)
				(\$)	%	(\$)	%	
1. Legal, institutional and policy reform	100% TA	Policy, legal and institutional arrangements effectively support biodiversity conservation and SLM (<i>increase in BD mainstreaming as measured by GEF BD SO2 Tracking Tool</i>).	1.1 Strengthened policy, legal and institutional arrangements for biodiversity conservation (<i>14 new policies and laws implemented to mainstream conservation and SLM</i>). 1.2 Biodiversity conservation and sustainable land management mainstreamed in other sectors (<i>MNRE staff in Samoa influence policy and planning in other sectors and new SLM policy issued in Vanuatu</i>). 1.3 Framework established for future expansion of Protected Area Network (<i>Protected Area Strategy for Samoa</i>).	755,742	54%	643,799	46%	1,399,541
2. Extending and consolidating the Protected Area Network	100% TA	Effective and sustainable <i>in situ</i> biodiversity conservation areas established and/or strengthened (<i>increase in GEF BD SO1 Tracking Tool score at all target sites</i>).	2.1 Protected Area Network increased to include additional areas of high biodiversity conservation value (<i>increase in protected areas in target sites from 30,100 ha to 108,900 ha</i>). 2.2 Protected Area management formalised and strengthened at the field level (<i>all target sites under formal legal protection</i>).	1,067,811	26%	3,083,730	74%	4,151,542

3. Capacity building in biodiversity conservation and sustainable land management	100% TA	Stakeholders have the capacity to plan, implement and monitor biodiversity conservation and sustainable land and forest management (<i>project training and information systems rated as high-quality and relevant by stakeholders</i>).	3.1 Biodiversity monitoring and evaluation system operational and used to report on biodiversity conservation (<i>data and information provided regularly to relevant conventions, international organisations and others</i>). 3.2 Information about biodiversity conservation provided and used at the national level and at the local level at project sites (<i>awareness raising materials and facilities produced and installed</i>). 3.3 Strengthened local capacity for community-based conservation and sustainable land and forest management (<i>280 farmers and extension workers trained and implementing SLM/SFM techniques</i>).	1,750,688	41%	2,469,836	59%	4,220,524
4. Mechanisms for sustainable PA financing	25% Inv. 75% TA	Sustainable financing of PAs in place through a mixture of local income-generation, government finance and innovative measures (<i>protected area managers have a clear idea of future funding needs and are actively pursuing opportunities</i>).	4.1 Protected Area financing strategy produced and implemented (<i>financing strategy produced and funding obtained from at least one new source in each country</i>). 4.2 Strengthened local capacity and policy framework for PES (<i>in Fiji, management activities in Sovi Basin fully-funded from Trust Fund, national policy for PES produced and local experts trained in PES</i>).	1,061,237	30%	2,473,805	70%	3,535,042
5. Sustainable use of biodiversity	25% Inv. 75% TA	Marketing of biodiversity goods and services and SLM practices result in improved livelihoods of local communities (<i>increased local income of USD 91,000/year to support conservation and SLM</i>).	5.1 Strengthened local capacity to scale-up and sustain organically certified food production (<i>All goals of the "Pacific Region Organic Strategic Plan" met in Samoa</i>). 5.2 Income generated from eco-cultural tourism services (<i>in Fiji and Niue, eco-cultural tourism enterprises established and revenue-sharing mechanism established and operating successfully</i>). 5.3 Income generated from non-wood forest products (<i>in Fiji, Vanuatu and Niue, non-wood forest product income generating activities operating successfully and institutional framework for non-wood forest product activities established</i>).	715,521	33%	1,427,793	67%	2,143,314

6. Sustainable land management in forest margins	25% Inv. 75% TA	Poor land-use practices and forest and land degradation reduced or reversed in target areas (forest cover, soil fertility and water quality equal to or better than the baseline measured at start of project).	6.1 Strengthened local capacity for sustainable land management in and around the targeted Protected Areas (in Fiji, Samoa and Niue, SLM techniques tested, monitored and evaluated, farmers and agricultural extension workers trained and best practice guidelines published and disseminated). 6.2. Income generated from sustainable land management (in Samoa, village development plans produced, production/productivity of at least three products increased and annual income of villagers increased by USD 15,000).	349,061	28%	908,257	72%	1,257,318
8. Project management				583,690	43%	780,000	57%	1,363,690
Total Project Costs				6,283,750	35%	11,787,220	65%	18,070,970

Note: Outcomes and outputs apply to all four countries unless otherwise noted.

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT

Name of Co-financier (source)	Classification	Type	Project	%*
Government of Fiji	Nat'l Gov't	In-kind	142,640	1.2
		Grant	1,415,000	12.0
Government of Samoa	Nat'l Gov't	In-kind	273,460	2.3
Government of Vanuatu	Nat'l Gov't	In-kind	205,400	1.7
Government of Niue	Nat'l Gov't	In-kind	153,460	1.3
FAO	Exec. Agency	In-kind	466,000	4.0
		Grant	1,039,260	8.8
NFP Facility in Vanuatu	Exec. Agency	Grant	250,000	2.1
SPC	Multilat. Agency	Grant	500,000	4.2
Conservation International (Fiji)	NGO	Grant	3,130,000	26.6
Conservation International (Samoa)	NGO	Grant	405,200	3.4
University of the Sth. Pacific (Fiji)	NGO	In-kind	100,000	0.8
		Grant	770,000	6.5
Nature Fiji Mareqeti Viti (NFMV)	NGO	In-kind	520,000	4.4
		Grant	520,000	4.4
National Trust of Fiji	NGO	In-kind	520,000	4.4
		Grant*	320,000	2.7
Birdlife International (Fiji)	NGO	In-kind	190,000	1.6
		Grant*	150,000	1.3
Wildlife Conservation Society (Fiji)	NGO	In-kind	94,000	0.8
SCC Fiji (Suva City Council)	Local Gov't	In-kind	50,000	0.4
		Grant	50,000	0.4
LCC Fiji (Lautoka City Council)	Local Gov't	In-kind	50,000	0.4
		Grant	50,000	0.4
Beneficiaries	Beneficiaries	In-kind	422,800	3.6
Total Co-financing			11,787,220	100.0

Note(*): Cofinancing commitments (in the letters) referring to other GEF-funded projects are excluded here and in the project document.

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

	<i>Project Preparation</i>	<i>Project</i>	<i>Total</i>	<i>Agency Fee</i>	<i>GEF and CF at PIF</i>
GEF financing	216,228	6,283,750	6,499,978	649,998	6,286,000
Co-financing	288,650	11,787,220	12,075,870		9,880,000
Total	504,878	18,070,970	18,575,848	653,239	16,166,000

D. GEF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRIES

<i>GEF Agency</i>	<i>Focal Area</i>	<i>Country Name</i>	<i>(in \$)</i>		
			<i>Project</i>	<i>Agency Fee</i>	<i>Total</i>
FAO	Biodiversity	Fiji	3,705,200	370,520	4,075,720
FAO	Biodiversity	Samoa	1,259,350	125,935	1,385,285
FAO	Biodiversity	Vanuatu	669,800	66,980	736,780
FAO	Biodiversity	Niue	649,400	64,940	714,340
Total GEF Resources			6,283,750	628,375	6,912,125

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person weeks</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants	3,193	1,315,933	1,406,800	2,722,733
International consultants	434	946,667	248,400	1,195,067
Total	3,626	2,262,600	1,655,200	3,917,800

F. PROJECT MANAGEMENT BUDGET/COST

<i>Cost Items</i>	<i>Estimated person weeks</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
Local consultants	1,213	340,357	208,000	548,357
International consultants	137	103,333	356,000	459,333
Office facilities, equipment, vehicles and communications		140,000	120,000	260,000
Travel		0	0	0
Others (clerical and support staff)		0	96,000	96,000
Total	1,351	583,690	780,000	1,363,690

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

H. DESCRIBE THE BUDGETED M & E PLAN:

Project progress will be monitored at three levels:

1. Implementation of project activities will be monitored on an ongoing basis, with summaries of progress reported in quarterly, semi-annual and annual progress reports. Every three months, this monitoring will record progress with financial disbursements (from FAO's financial system). Every six months, the semi-annual and annual progress reports will record the completion of major activities indicated in the project results framework. These six monthly reports will also include a record of cofinancing contributions to the project (using forms designed for this purpose by FAO). The comparison of progress with activities against annual work-plans will be an important management tool to identify, discuss and overcome any difficulties with project implementation.
2. Production of project outputs will be recorded as and when they occur and will be reported in the semi-annual and annual progress reports. The timing of outputs is indicated in the project results framework, along with a list of specific measurable outputs for each component in each country. Project outputs such as documents, electronic media and the results of training exercises will simply be displayed on the project website. The production of other outputs will be verified by project staff and reported in the progress reports. For the purpose of quality control, outputs reports will be reviewed by FAO before they are finally made public. In addition, the Regional Scientific Advisory Panel (RSAP) will be invited to review and comment on the quality of project outputs.
3. Achievement of project outcomes will be monitored and recorded in the semi-annual and annual progress reports and PIR (although it is expected that many outcomes will not appear until towards the end of the project). Outcomes will be measured in two main ways. Some outcomes will be measured as part of ongoing activities (e.g. assessments by participants of the quality and utility of training, website statistics, enactments of policies, laws and regulations, etc.). Other outcomes will be measured using specific surveys (e.g. site-surveys, personal interviews and online questionnaires). The cost of such monitoring activities has been included the total cost of different activities and further details of where specific surveys may be required are given in the project results framework.

The Chief Technical Advisor (CTA) will be responsible for the monitoring of project activities and outputs. This person will design, develop and coordinate the detailed monitoring activities in countries, which will be performed by the National Project Coordinators (NPCs). The CTA will also monitor progress towards some of the project outcomes (e.g. those that can be measured as part of ongoing activities). For the outcomes that are more difficult to measure (e.g. those requiring specific surveys), it may be more appropriate to measure these independently (e.g. by the RSAP and/or as part of project evaluations). The FAO Lead Technical Unit (LTU) will provide guidance to the CTA about how to monitor and record project activities, outputs and outcomes. The FAO Sub-regional Office for the Pacific, Forestry Department and GEF Coordination Unit will monitor project progress and impacts and will troubleshoot and propose corrective actions to ensure the timely deliver of outputs.

The CTA will also manage the collection and recording of all monitoring information on the project website and electronic databases. As all of the countries plan to develop monitoring systems and websites for their Protected Areas, any assistance required in the area of information technology will be provided by the consultants and local staff working on these activities for the project.

The project impact will be assessed by an independent evaluation team at the mid-point and three months before the end of the project. The mid-term review will determine progress being made towards achievement of outcomes and will identify corrective actions if necessary. Specifically, it will:

- review the effectiveness, efficiency and timeliness of project implementation;
- analyse effectiveness of implementation and partnership arrangements;
- identify issues requiring decisions and remedial actions;
- identify lessons learned about project design, implementation and management;
- highlight technical achievements and lessons learned; and
- propose any mid-course corrections and/or adjustments to the work plan as necessary.

The final evaluation will review the project's impact, analyse the sustainability of results and assess whether the project has achieved its development and global environmental objectives. It will also provide recommendations for follow-up actions by project partners. The terms of reference for these evaluations will be prepared in close

consultation with FAO's Office of Evaluation and the FAO GEF Co-ordination Unit, following FAO's evaluation procedures and taking into consideration evolving guidance from the GEF Evaluation Office.

More information about the monitoring and evaluation plan can be found in Section 6 and Annex 7 of the project document. An itemised budget for monitoring and evaluation activities is given in the table below.

Table 1 Monitoring and evaluation plan and budget

Type of monitoring and evaluation activity	Responsible parties	Budget (in USD)	Time frame
Project reporting			
Project Inception Report.	Chief Technical Advisor (CTA), in consultation with all project staff, NSCs, Project Steering Committee (PSC) and FAO.	Project staff time	Within first two months after start of project implementation.
Quarterly Project Implementation Report (QPIR)	FAO (Budget Holder).	Covered by Agency Fee	Every three months.
Semi-annual Project Progress Report (SPPR)	CTA, with the assistance of NPCs and review by FAO LTU, Forestry Department and GEF Coordination Unit.	Project staff time	Every six months.
GEF Project Implementation Review (GPIR) and preparation of the Annual Work Plan (AWP)	CTA, with the assistance of NPCs, FAO LTU, Forestry Department and GEF Coordination Unit	Covered by Agency fee	Annually with the reporting period July to June. The first report due will be for FY 2012 (1 July 2011 to 30 June 2012)
GEF Tracking Tools	All project staff, with CTA consolidating final draft and review by FAO.	Included in cost of review missions	At mid-point and end of project
Project Terminal Report (PTR)	CTA, with the assistance of NPCs and review by all project partners.	Project staff time – FAO cost covered by fee	Three months before end of project.
Cost of CTA and NPCs inputs to reporting (one month per year)	See above.	88,000	See above.
Project steering committee meetings			
Inception Meeting of National Steering Committees (NSCs).	National Project Coordinators (NPCs).	Included in operating expenses and cofinancing.	Within first month after start of project implementation.
Other NSC Meetings	NPCs with support as necessary from the CTA	Included in operating expenses and cofinancing.	At least two times per year.
PSC Meetings	CTA, FAO	140,000 FAO participation covered by Agency fee	At least once per year.
Independent evaluation activities			
Independent mid-term review	FAO Office of Evaluation in consultation with project team, GEF Coordination Unit and other partners.	55,000 (Agency fee and consultants)	At the mid-point of project implementation.
Independent final evaluation	FAO Office of Evaluation in consultation with project team, GEF Coordination Unit and other partners.	55,000 (Agency fee and consultants)	Three months before end of project implementation.
Other monitoring and evaluation activities			
Technical and field reports, reviews and workshop proceedings	Project staff and consultants, with peer review as appropriate (CTA, FAO, Regional Scientific Advisory Panel, etc.)	Included in cost of consultants and budget for information supplies, cofinancing, etc.	As appropriate.

Regional Scientific Advisory Panel (independent advice and comments on the technical and scientific content of any major proposed activities, evaluations, assessments and technical reports).	CTA, in consultation with NSCs, PSC and FAO.	44,000	As requested by NSCs and/or PSC.
Visits to field sites	Project staff, consultants, FAO and other project partners (as appropriate).	Included in travel budget and cofinancing; costs of FAO's technical support and field visits is covered by the Agency fee.	As appropriate.
Measurement of means of verification (data sources) for results framework	CTA, with the assistance of NPCs and review by FAO.	Included in cost of consultants (see above).	At the end of each year.
Database and GIS to record means of verification	CTA, with the assistance of project staff, short-term consultants and FAO.	Included in the budget and cofinancing for activities under Component 3.	Ongoing throughout the project.
Lessons learned	Project staff, short-term consultants and FAO (indicated, as appropriate, in the Terms of Reference for staff and consultants).	Included in cost of consultants and budget for information supplies, cofinancing, etc.	As appropriate.
Total indicative cost		382,000	

PART II: PROJECT JUSTIFICATION:

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

The land area of the four countries participating in this project comprises several large volcanic islands and numerous smaller islands of various types. A wide range of habitats are present, including: coastal vegetation; mangrove forests; freshwater swamp forests; lowland rainforests; seasonally dry forests and grasslands; montane rainforests and cloud forests; open woodlands and shrublands. The remoteness of these islands and their geography has led to high levels of species endemism and most of these endemic species are classified as threatened (particularly in the case of animals). With the exception of Niue, the conservation of the terrestrial biodiversity in protected areas is relatively low and a number of important ecosystems (e.g. montane rainforests and cloud forests) are either absent or only minimally covered by the current protected area network.

This project will address two major issues of importance to the global environment as well as to the livelihood and well-being of the people living in the islands participating in this project (for further details, see Section 2 of project document).

Issue 1: The level of biodiversity conservation on these islands is currently very low. Very few terrestrial protected areas have been identified and formally recognised on these islands and the quality of protected area management is very variable, generally quite low overall and the sustainability of current efforts is uncertain. In addition to this, little attention is given to biodiversity conservation in other crucial sectors such as forestry, agriculture and other natural resource extraction activities. This further limits the effectiveness of biodiversity conservation efforts both within protected areas and on the islands as a whole.

Issue 2: Poor forestry and agricultural practices result in low productivity and degradation. Although large numbers of rural people in these islands depend on agriculture and forestry for their livelihoods, current practices are not very productive and, in some cases, are quite harmful to the ecosystems and biodiversity. This is largely due to a lack of training and education about more appropriate technologies and practices that could increase productivity and be more sustainable in the long-run by integrating biodiversity conservation in production activities. It is also due to the generally low levels of income in rural areas, which limits the ability of local people to invest in better techniques and technology. The degradation of natural resources that results from these deficiencies reinforces these problems, trapping people in an ever-worsening local environment and reduction in biodiversity with fewer and fewer opportunities to make a decent living and rise out of poverty.

A number of causes limit the ability of governments to address these fundamental issues and try to overcome them. Some of the most important of these causes will be addressed by the project, such as the following:

1. Resistance to change in communities. The establishment of protected areas and other measures to promote biodiversity conservation and sustainable forest and land management are complicated by the very strong customary land ownership arrangements in these countries. This means that local communities must be consulted and agree to any proposed changes to forest and land management.

To overcome resistance, the project will help communities to benefit from biodiversity conservation in a number of ways. For example, where resources are already available (e.g. Fiji), conservation payment mechanisms will be tested and implemented and the other three countries will explore the feasibility of doing this. A similar (but slightly different) incentive mechanism will be tested in Samoa, where government support for local development (e.g. agricultural extension, infrastructure development, etc.) will be offered in exchange for agreements to support local conservation. Reflecting the fact that these protected areas may still be used for some activities (consistent with conservation objectives) the project will also develop marketing of biodiversity goods and services (e.g. ecotourism and some non-wood forest products) to show communities how they can still benefit from these areas. Demonstration of these more tangible benefits will be complemented by awareness raising in communities about some of the more intangible benefits of biodiversity conservation and, especially, sustainable land management (e.g. off-site benefits such as reduced soil erosion and improved water quality) and this will be supported more generally by broader programmes of awareness raising and education to generate support for such activities amongst the general public.

2. Poor coordination. Poor coordination between agencies is another problem that must be addressed. In Fiji, for example, responsibilities for conservation are spread across several government agencies and are supported in the field by numerous small projects of NGOs, donors and regional organisations. There is often little coordination between these initiatives, little or no overall strategy for conservation and, sometimes, a lack of local ownership and capacity (in government and communities) to sustain successes beyond the duration of each project. This project will act as a catalyst to support and strengthen inter-sectoral coordination between government agencies and others and will, in some cases, formalise some of these arrangements in policies and

legislation.

3. Lack of capacity. Most of the agencies responsible for conservation in these countries suffer from a lack of technical capacity, resources and information necessary to provide effective support for biodiversity conservation and sustainable forest and land management. These deficiencies are present at many different levels within government and within some other important stakeholder groups (e.g. local NGOs). This lack of capacity can occur in many different forms, including: inadequate financial resources; poor management skills; low levels of knowledge (especially about the status, threats on and value of biodiversity and more modern techniques); or simply a lack of people working on biodiversity conservation and sustainable forest and land management.
4. Lack of experience with community-based approaches to conservation. One particular area where local capacity is quite limited is knowledge and experience of community-based approaches to conservation. Given the land ownership arrangements in these countries, this project will follow the generally accepted approach that strengthened biodiversity conservation will require the development and implementation of community-based management approaches and the use of traditional mechanisms (such as tabu) and modern ones that are locally accepted and appropriate.
5. Legal and policy reform. One final problem is that existing policies and/or legal frameworks in these countries often do not adequately support many of the objectives for biodiversity conservation and sustainable forest and land management that these countries are now trying to achieve. Some parts of legislation are extremely old (e.g. they were written before these countries gained independence) and many laws and policies do not reflect current aims and objectives for conservation, new and emerging threats to conservation or new approaches to conservation. The project will address this problem by revising and developing a number of laws and policies that each country has determined to be most important given their current circumstances.

Project strategy. A major part of the strategy for this project is to expand the number of people involved in protected area management and biodiversity conservation, by mainstreaming biodiversity conservation issues into other sectors and by empowering local communities to lead and participate in conservation activities. The project will attempt to do this by developing the required skills in community-based approaches to conservation and forest management that are currently absent in these countries. External assistance is necessary because this gap can not be easily filled locally and assistance from international agencies such as FAO will provide a high quality of technical advice, based on current best practices and other experiences from around the World.

The second major part of the project strategy will be to assist with the mobilisation of resources and improved management of resources in support of biodiversity conservation and sustainable forest and land management. The limitations of existing resources are noted above, but there are likely to be a number of ways that additional resources may be obtained to support these activities. As part of contributing to financial sustainability of protected areas systems and conservation activities, the project will also aim to increase the effectiveness of resource utilisation, by capacity building and some modest investments in infrastructure, so that conservation activities can be more carefully targeted towards where they will have the biggest impact.

The third focus of the project will be to develop incentives for biodiversity conservation and sustainable forest and land management in productive landscapes. In some case this may simply require overcoming some technical or institutional barriers that will result in acceptance of new techniques at little or no cost. In other cases, more proactive interventions may be required to demonstrate or develop the benefits of conservation and SLM/SFM.

Global environmental benefits: The global environmental benefits of the proposed project consist of:

1. The preservation of particularly significant island biodiversity in the Indo-Pacific realm, through the creation of appropriate PAs and enhanced management of both existing and new PAs, as well as changes in forest and land management practices in production landscapes.

Main quantifiable indicator: increase in protected areas in target sites from 30,100 ha to 108,900 ha.

2. The maintenance of carbon-sequestration capacity and important habitats by reducing deforestation, forest fragmentation and forest degradation, as well as implementation of SLM/SFM practices in target areas.

Main quantifiable indicator: 280 farmers and extension workers trained and implementing SLM/SFM techniques.

3. The development and implementation of innovative methods and models for community-based conservation and PA financing.

Main quantifiable indicator: Increased local income of USD 91,000/year to support conservation and SLM.

4. The long-term sustainability of global biodiversity and SLM benefits through the careful balancing of conservation objectives with the needs of local people to generate income from forest and land-based activities.

Main quantifiable indicator: 14 new policies and laws implemented to mainstream conservation and SLM.

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

Fiji: The expansion and strengthened management of PAs proposed here is consistent with the vision outlined in Fiji's Strategic Development Plan for 2003-2005 (A Peaceful and Prosperous Fiji) and, in particular, the guiding principles of environmental sustainability set-out in Fiji's National Assessment Report (2006). It will also meet several high-priority objectives set-out in Fiji's National Biodiversity Strategy and Action Plan (NBSAP) prepared for the CBD, such as the objectives to implement community-based approaches and improve knowledge, as well as its objective to expand protection of threatened species in terrestrial protected areas. The proposal is also consistent with Fiji's MDG aim (Fiji National MDG Report, 2004) to increase the proportion of land in terrestrial PAs in order to maintain adequate biodiversity in ecologically sensitive areas.

Samoa: This project is consistent with Samoa's priorities for forest management outlined in its Strategy for the Development of Samoa (2005-2007 & 2008-2012). It is consistent with a number of national plans developed with support from GEF including the National Biodiversity and Action Plan (NBSAP), the National Action Plan (NAP) and the National Adaptation Programme of Action (NAPA). In particular, the focus on the upland areas of Savaii is consistent with the geographic priorities expressed in those plans. The project will also support the approved national policies on Forestry for Sustainable Development, Conservation of Biodiversity, Water Resources, Sustainable Land-use, and Combating Climate Change; as well as the new draft legislation for the Sustainable Management of Forests.

Vanuatu: This Project is consistent with Vanuatu's priorities for biodiversity conservation given in its 1999 National Biodiversity and Action Plan (NBSAP). This identified as a priority the forest areas of Homo Bay and Ranwas in South Pentecost and Lake Letes and its surrounding forest ecosystems on the island of Gaua. This project aims to add both the South Pentecost forest areas to Vanuatu's growing PA system. Preliminary conservation activities in Lake Letes are already being implemented and the present project will consolidate these and advance the legal and policy framework to ensure that all new PAs will have adequate legal status. Consultations for this proposal also strongly endorsed the need to gather biodiversity data to support the planning and management of PAs.

Niue: This Project is consistent with Niue's Integrated Strategic Plan as well as priorities identified in: the National Report to WSSD; Niue's country report to CBD; and, to a large extent, its report to the UNCCD. It is also consistent with the priorities and approaches to biodiversity conservation recommended in Niue's National Biodiversity Strategy and Action Plan (NBSAP), such as the development and implementation of new laws and policies that are in line with international commitments and the mainstreaming of biodiversity conservation into land-use activities on the island. Representatives of civil-society and Government were intensively consulted as part of the design of this project and their suggestions for specific activities and conservation areas have been included in the project design.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:

The project strategy and proposed activities will mostly focus on three of the GEF Strategic Programmes for biodiversity (BD-SP3-5) but it will also make a modest contribution to the other two (BD-SP1-2) and to the GEF Strategic Programme for land degradation (LD-SP1-2).

BD-SP3-PA Networks. Components 1 - 3 of the project will strengthen the protected area networks in these countries in a number of ways. Component 1 will improve the effectiveness of protected area management by developing the legal, policy and institutional framework in each country with, in particular, an emphasis on supporting community-based approaches to protected area management. Component 2 includes the expansion of the protected area network to increase sustainable coverage of different ecosystems as well as activities in the field to strengthen the management of these areas plus a number of existing protected areas. Component 3 will be implemented at the national level and will include a broad range of capacity building activities to provide the necessary skills, information and other resources required by all stakeholders to effectively plan, implement, monitor and evaluate biodiversity conservation both within protected areas and more generally within the countries monitored applying the GEF biodiversity tracking tools. There are some small variations in the proposed activities between the four countries (reflecting different local circumstances), but Components 1 - 3 of the project will be implemented in all four countries and will account for a majority of activities proposed under the project.

BD-SP4-Policy. Component 1 includes a number of activities specifically related to mainstreaming biodiversity conservation and sustainable forest and land management in other sectors. These activities will occur mainly in Samoa and Vanuatu, where they will focus on inter-sectoral consultation and coordination between the agencies responsible for the environment in those countries and other government agencies responsible for rural development and management of natural resources. The component will also include adjustments in policy and regulatory

frameworks to improve biodiversity conservation in particular in the agriculture and forestry sector. Project activities in Fiji and Niue will not specifically focus on mainstreaming, but it is expected that the project will have some benefits in this respect through the participation of other government agencies in the project and closer collaboration and coordination as part of general project oversight in the countries.

BD-SP5-Markets. Component 5 will include the creation of new markets for ecosystem goods and services as well as the diversification of local livelihoods into new activities that are consistent with conservation objectives. It will also include the strengthening of some existing certification efforts in the countries. The activities proposed in the countries are quite different, but conform to BD SP-5 as follows:

1. Supply chain initiatives: In Samoa, the project will strengthen the markets for organic products, provide training in organic production techniques and assist with the strengthening and scaling-up of the existing organic certification efforts there.
2. Markets for biodiversity services: In Fiji and Niue, the project will assess the potential for development of eco-cultural tourism and support the establishment of enterprises working in this area (including mechanisms for the collection of user fees to support conservation activities). It will also support the development of PES (see below).
3. Markets for biodiversity goods: In Fiji, Vanuatu and Niue, the project will assess and promote the sustainable production of non-wood forest products, to strengthen the market incentives for biodiversity conservation and provide income generating opportunities as an alternative to current (sometimes unsustainable) activities.

Although the main focus of this project is biodiversity conservation, a relatively small part of the project will support sustainable forest and land management activities. This has been included in the project because the proposed protected areas will include “Managed Resource Protected Areas” (IUCN Category VI) and the project will also aim to increase the sustainability of land management in forest margins around the protected areas, in order to strengthen the conservation efforts within those areas.

Contribution to other GEF Strategic Programmes: Component 6 of the project will support efforts to increase the sustainability of productive activities in forestry and agriculture. This will be done through the development and implementation of best practices and support for productive activities that generate local income as well as environmental benefits. This component includes activities to support the protection of water sources, prevent soil erosion, integrate land and watershed management and reduce the degradation of woodlands, forest margins and habitats and forest fragmentation. This component (accounting for about five percent of the project budget) will be implemented in Fiji, Samoa and Niue, with a significant amount of cofinancing from FAO (where this objective is closely aligned with FAO’s development priorities). Component 1 will also include some activities to strengthen the national enabling policy and institutional environment for sustainable forest and land management in all four countries. The activities proposed under these components will focus on conservation of habitats and corridors in production landscapes and on reducing pressure on PAs by supporting sustainable natural resource management in buffer zones that have agriculture and forestry activities. These activities will also conform to LD-SP1-Agriculture and, to a lesser extent, LD-SP2- Forest.

Component 4 of the project will help the countries to progress towards financial sustainability for protected area management by diversifying and increasing revenue streams to pay for protected area management. All four countries will prepare financing strategies and receive training on financial aspects of protected area management and a specific output of the project is that each country should identify and secure at least one new source of protected area funding by the end of the project. Fiji and Vanuatu have decided to develop trust funds to support protected area financing and the project will assist with the establishment of these trust funds, including the launching of a major trust fund (USD 2.5 million) to secure the long-term protection of the Sovi Basin Protected Area. The development of payments for environmental services (PES) will also be pilot-tested and evaluated in Fiji, with a view to establishing such schemes as another source of revenue to support biodiversity conservation at the national level. These activities will make a modest contribution to the GEF Strategic Programmes on financing (BD-SP1) and on markets for environmental services (BD-SP5).

The protected areas covered by the project will be mostly terrestrial protected areas, but will include a few small marine ecosystems (e.g. Homo Bay in Vanuatu). In addition, improvements in the management of the terrestrial protected areas are expected to have some benefits for the marine protected areas adjacent to or downstream from these areas (“ridge-to-reef” conservation). Thus, Components 1 - 3 will also contribute a little to BD-SP-2.

Consistency with the GEF-PAS Programme Approach: The objective of the GEF-PAS is to increase the efficiency and effectiveness of GEF support to Pacific Island Countries and the GEF-PAS Programme Document describes the value-added from such an approach in several ways. Consistency with the expected benefits of this approach is as follows:

- Resources allocated through a defined investment framework: the original GEF-PAS Programme Document included an outline of this project and the proposal here matches that outline.
- Reduction in transaction costs: the transactions costs of implementing and executing this project as proposed here are expected to be lower than if the four countries were supported separately.
- Innovation: The GEF-PAS Programme Document refers to the benefit that such an approach should lead to higher cofinancing, but there is no evidence of that being the case here. However, this project includes some innovative financing activities in Fiji that could benefit all four countries in terms of lessons learned that could be developed elsewhere later on.
- Equity: The countries with more limited resources (GEF and cofinancing) will most likely benefit from being combined with the countries with more resources in this project.
- Effectiveness of support: the project will be implemented by the GEF Agency (FAO) with the comparative advantage in the main topic area (forestry), as set-out and agreed in the Programme Document.
- Better co-ordination: the project will be co-ordinated with other GEF Projects in countries by the GEF Operational Focal Points and will be co-ordinated at the regional level through FAO's participation in GEF-PAS regional meetings and, specifically, through collaboration and information exchange with the GEF-UNDP forestry project in Papua New Guinea.
- Cross-cutting approaches: this project emphasises mainstreaming biodiversity in these countries and on strengthening and enhancing co-ordination and inter-sectoral approaches to conservation and sustainable land and forest management. This is reflected in the scope of some activities (e.g. training is often not restricted to conservation staff) and the resources devoted to co-ordination and activities to strengthen sustainability in productive landscapes.
- Phased participation: the project design follows this principle, with activities taking into account the current level of developments in different countries (e.g. with respect to financing, activities in Fiji are more ambitious than in the other countries, taking into account the advances already made there and their greater potential in this area).

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

GEF resources will be provided to the countries as grants, because the majority of activities will be technical assistance or scientific and technical advice. Most of this will be focused on improving environmental outcomes (i.e. it is not expected to generate revenue or income) and in the few activities that will support local income generation, the aim will be to use such revenues to strengthen conservation (either directly through user fees, or indirectly by reducing poverty) rather than to reimburse the GEF and other donors for their expenditures. It should be noted that participants in income generating activities will, anyway, be expected to invest their own time and effort in project activities, such as testing and implementing new, more sustainable forest and land management techniques.

A relatively small amount of project expenditure will be used to fund investments (approximately USD 510 million or eight percent of the total project budget) provided as grants. Half of this will be a contribution to the Sovi Basin Trust Fund, which will use the interest income from this endowment to pay for conservation of the site (total trust fund size is USD 2.5 million, with the GEF contribution amounting to 10 percent of this and the remainder coming from Conservation International and the Fiji Water Company). The other half of this expenditure will be invested in one-off improvements in infrastructure to support protected areas, conservation and sustainable land management. Again, these investments will be directed towards the production of environmental outputs and outcomes and are not expected to generate significant revenues (cofinancing – e.g. from FAO - will be used to fund complementary investments in tools and equipment with more of a focus on increased productivity and income generation).

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

Until recently, most GEF projects in these countries were relatively small and focused largely on capacity building activities. The GEF Focal Points in the countries were actively involved in most of these projects and their results were taken into account during project preparation. In terms of current projects, the project will complement and collaborate with the following national and regional projects:

Fiji: Sustainable Land Management (SLM MSP) - Fiji is proposing a medium-size project to develop capacity to combat land degradation. In particular the SLM project will focus on improved land management practices in agricultural and forest areas adjacent to PAs, to reinforce the effectiveness of PA management and reduce any threats to their long-term sustainability. The National Capacity Self-Assessment for global environmental management (NCSA EA) will assess Fiji's capacities to plan and oversee actions to address the provisions of the three global environmental conventions (CBD, UNFCCC, UNCCD) and will directly relate to and inform capacity building activities on this project. Small Grants Program (GEF SGP) - GEF SGP activities will be linked to this project, where appropriate, through various small, site-based projects, as well as local capacity building and

monitoring activities. In addition, in recognition of the significant capacity already developed by NGOs in Fiji, partnership with various existing NGO projects and programmes in Fiji is expected to be a major means of project implementation. This will bring together the best minds, local experiences and lessons already learned through past and present projects to enhance the creation of the new PA system for Fiji.

Samoa: Other related initiatives include the current JICA project on the sustainable management of national parks; the approved GEF/UNDP Programme of Work on Protected Areas (PoWPA) project; the AusAID climate change project (forest fire component); and the proposed AusAID project on agroforestry. There are also on-going national programs to expand national parks and reserves on public lands and promote community forests among individual farmers. This project and all of the above initiatives will be coordinated by the Ministry of Natural Resources and Environment (MNRE) and managed as together under the guidance of a multi-stakeholder Project Steering Committee.

Vanuatu: The project will incorporate lessons learned and best practices from the GEF-funded Vanuatu Local Conservation Initiatives Project (LCIP), which is currently working with local communities and traditional authorities to establish and manage tabu areas wherein biodiversity is fully protected and/or managed for sustainable use. Using this approach, the project intends to build on the lessons learned from the LCIP and to extend this approach to new areas of high biodiversity value. The project will also build on the results of the GEF-funded Vanuatu Building Resilience Communities Project and the South Pacific Biodiversity Conservation Program (SPBCP), as well as interventions supported by the GEF SGP. All of these projects have had major local community participation and development components and their results will be used to help with developing similar aspects of this project.

Niue: The project will build upon the results of the South Pacific Biodiversity Conservation Program (SPBCP).

The project will link with these other projects in two main ways: through FAO's participation in the coordinating mechanisms for the GEF Pacific Alliance for Sustainability; and through the GEF Focal Points in the countries (who are involved in all of these other projects). Specific mechanisms for coordination and collaboration will be established as this and the other GEF projects are implemented, but are likely to include joint workshops and training events, collaboration on awareness raising activities and sharing of project data, lessons learned and other information. In particular, this project will develop strong linkages to the GEF-UNDP project on forest and coastal conservation and resource management in Papua New Guinea through FAO's contacts with UNDP and with the Forestry Department in Papua New Guinea.

Further details of the anticipated coordination with FAO and other non-GEF projects, as well as the ongoing activities of regional institutions, are provided in Section 4 of the project document. In addition, collaboration with country and regional projects currently in the pipeline (e.g. climate change projects at JICA/AusAID/others) will be encouraged during project implementation.

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

Without project scenario

Without the project, it is likely that current conservation efforts (often led by NGOs) will continue, but with little long-term sustainability and little or no formal backing of policy and legislation. Successful examples of community-based approaches to conservation and natural resource management will remain localised without efforts to scale-up these successes and any conservation that does occur is likely to occur in areas of little or no economic value rather than areas of high conservation value (Fiji's First National Report to the CBD).

Local capacity to plan and implement biodiversity conservation and sustainable forest and land management activities will also remain weak and most of the protected areas that do already exist will provide little protection for threatened and endangered species without more effective management. In particular, local communities will continue to see little or no benefit from conservation and may continue to gradually degrade natural resources (including, in some cases, encroachment into protected areas). In situations where they are inclined to conserve biodiversity and use more sustainable forest and land management practices (which is sometimes the case), they will be held-back by their lack of technical knowledge and lack of resources for such investments.

The final and, perhaps, most disadvantageous aspect of the without project scenario is that the availability of resources for biodiversity conservation (especially within government) is likely to remain limited. Protected area management will continue to rely too heavily on the limited resources of government, supplemented by the resources of international NGOs (where these are available). Other potential sources of finance will remain untapped and, more importantly, the efficiency and effectiveness of resource utilisation may remain quite low without proper planning, management and direction of resources towards activities that are of most value.

With project scenario

With this project, governments, NGOs and communities will discuss and agree to set-aside, protect and manage a number of significant areas for biodiversity conservation. Cost-effective approaches to protected area management (including community participation) will be developed and agreed and best-practices will be produced for future use. Technical assistance will be provided by the project to build local capacity and strengthen the policy, institutional and regulatory frameworks required to sustain conservation activities in these countries (both inside and outside the target protected areas) through the meaningful involvement and engagement of local communities.

Financing strategies will be developed and implemented to ensure that predictable revenue streams will be available for long-term protected area management from a range of different sources. The integrity and long-term security of these protected areas will also be enhanced by more general development activities that aim to increase productivity and incomes and reduce local poverty in buffer zones. This part of the project (mostly supported by cofinancing) will address a more fundamental problem in some of these communities, which is the lack of local capacity and resources for investment in more sustainable techniques in forestry and agriculture. The aim of these two developments in combination will be both to increase the benefits of conservation to local communities and to provide them with more attractive alternatives to currently unsustainable practices.

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

The risks and proposed mitigation measures are summarized in the table below. Further details of these are presented in Section 3.7 of the project document.

Risk	Impact	Probability	Mitigation
Environmental risks:			
Climate change.	<ol style="list-style-type: none"> 1. Reduction in areas suitable for biodiversity conservation. 2. Increased competition from invasive species. 3. Reduced productivity in forestry and agriculture. 	Unknown	<ol style="list-style-type: none"> 1. Monitor impacts on biodiversity as part of protected area monitoring. 2. Pilot-test alternative crops that may be more resilient to climate change. 3. Collaborate with and utilise the results of any climate change adaptation projects in the countries.
Tropical cyclones.	<ol style="list-style-type: none"> 1. Destruction of agricultural crops and forest degradation. 2. Increased soil erosion. 3. Reduced water quality. 4. Increased competition from invasive species. 5. Reductions in biodiversity. 	Medium to high	<ol style="list-style-type: none"> 1. Strategies to respond to cyclone damage in protected area management plans. 2. SLM activities to control soil erosion and maintain water quality.
Forest fires, pests and diseases.	<ol style="list-style-type: none"> 1. Forest degradation. 2. Increased competition from invasive species. 3. Reductions in biodiversity. 	Low to medium	<ol style="list-style-type: none"> 1. Measures to prevent forest fires, pests and diseases in protected area management plans. 2. Recording occurrence of such events in protected area monitoring. 3. Promotion of suitable management practices in income generating activities.
Economic risks:			
Potential sources of funding are inadequate.	<ol style="list-style-type: none"> 1. Available funding does not cover protected area management costs. 2. Incentives are too low to persuade landowners to change their behaviour. 	Medium to high	<ol style="list-style-type: none"> 1. Financing strategies assess all possible sources of funding and focus on those most easily secured. 2. Protected area management activities prioritised to account for limitations in funding. 3. Reduce funding needs by minimising threats (i.e. promote income generation from sustainable alternatives and demonstrate local benefits of forest protection). 4. Minimise and try to avoid monetary incentives wherever possible.

Inadequate markets for biodiversity goods and services.	<ol style="list-style-type: none"> 1. Market mechanisms provide very little funding for protected area management. 2. Market incentives are too low to persuade landowners to change their behaviour. 	Medium to high	<ol style="list-style-type: none"> 1. Detailed and realistic analysis of potential markets. 2. SWOT analysis. 3. Learning from experiences elsewhere.
Social and institutional risks:			
Limited support and implementation capacity in government.	<ol style="list-style-type: none"> 1. Policy, legal and institutional changes will not occur. 2. Lower chance of long-term sustainability. 3. Progress on the project will be delayed. 	Low to medium	<ol style="list-style-type: none"> 1. Awareness raising within government and amongst the general public. 2. Working in partnerships with other agencies and stakeholders. 3. Regular monitoring of project progress and taking corrective actions if necessary.
Inadequate enforcement.	<ol style="list-style-type: none"> 1. Current threats to biodiversity conservation will not be reduced 2. Forest degradation will continue. 	Medium	<ol style="list-style-type: none"> 1. Consult widely on any proposed measures. 2. Provide training in new policies, laws, regulations, etc. 2. Use traditional mechanisms for enforcement or modern methods that are locally accepted and appropriate. 4. Awareness raising amongst the general public.
Landowners refuse to set-aside areas for conservation purposes.	<ol style="list-style-type: none"> 1. Current threats to biodiversity conservation will not be reduced 2. Forest degradation will continue. 	High	<ol style="list-style-type: none"> 1. Encourage a high level of local participation in project activities. 2. Manage expectations. 3. Provide complementary support to income generation and rural development. 4. Demonstrate benefits of biodiversity conservation and SLM to local community members

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

For most of the project components, various options were considered and the agreed activities were chosen on the basis that they are likely to result in the greatest benefits, are likely to have the greatest chance of success and sustainability and represent the most cost-effective options. A brief description of the options considered and the decisions reached is presented below.

Legal, institutional and policy reform. Stakeholders reviewed existing policy, legal and institutional arrangements for biodiversity in the countries and prioritised those areas where they felt reforms were most urgently needed. It was decided that community-based approaches to biodiversity conservation (as opposed to "command and control") would be required and that national policies, laws and regulations would have to be revised to accommodate this. Although this requires a lot of capacity building, it will be essential in the context of local land tenure arrangements and it would also be a more cost-effective approach in the long-run. The countries also decided that local customary and traditional processes should be used wherever possible, as these are likely to have the greatest chance of success and sustainability.

The other major consideration was institutional reform. All countries recognised current weaknesses in capacity in government agencies and decided that institutional strengthening should not just focus on the main agencies responsible for environment in the countries, but should also promote inter-sectoral coordination as well as the development of strong local partnerships with other institutions outside government. In the two large countries, Fiji decided to develop further and reinforce the tentative steps that government has already taken to promote inter-sectoral coordination and working in partnership (e.g. the Protected Areas Committee established under the Ministry of Environment). In Samoa, the Ministry of Natural Resources and Environment is relatively well funded and local

NGOs are somewhat weaker, so the proposed approach includes inter-sectoral coordination and partnerships, but relies more heavily on government.

Extending and consolidating the Protected Area Network. The appraisal of options under this component focused largely on the choice of appropriate sites for inclusion in the project. Background documents such as National Biodiversity Strategies and Action Plans were reviewed, as well as other studies and field surveys, such as those used to identify Important Bird Areas (IBAs) and Key Biodiversity Areas (KBAs). Existing levels of management inputs at potential sites were also reviewed as well as consultations with local stakeholders about their interest and willingness to consider the establishment of protected areas. The final selection of sites for inclusion in this project was based on their importance (in terms of filling ecosystem gaps in existing protected area networks) and a qualitative assessment of the likelihood of success, within the limitations of funding available under this project and in the long-term.

Capacity building in biodiversity conservation and sustainable land management. With respect to capacity building, the needs for capacity building amongst different stakeholder groups were carefully assessed so that the project will focus on those that are most likely to be effective at achieving the changes necessary for the success of the project. The capacity building component will include training, technical assistance and the provision of other resources to a variety of stakeholders (including government staff, staff of NGOs and local people), chosen according to this criteria.

Another aspect of this was consideration of how much the project should rely on international consultants and how much it should use local consultants and institutions. With the exception of Niue, the countries all started from the position that most activities could be implemented using local consultants and institutions. However, after a more detailed review of existing capacities in the countries, it was agreed that a certain amount of international consultant inputs would be required (especially with respect to some of the economic aspects of the project). The end result was a focused and balanced selection of required consultancy inputs that is expected to be most cost-effective overall.

Mechanisms for sustainable protected area financing. A wide range of potential options for this component of the project were considered. All of the countries felt that this is a crucial part of the project and that they need capacity building in this area. Only in Fiji was it believed that this subject has already been developed enough that major activities could be implemented on the project. Therefore, in the other three countries, activities will be limited to capacity building and development of financing strategies under this project. In Fiji, one already well-advanced mechanism will be implemented under the project (the Sovi Basin Trust Fund) and some small-scale piloting of other options will be tested in the country.

Sustainable use of biodiversity and sustainable land management in forest margins. The emphasis given to these two components of the project was based on the threats to biodiversity in the different countries and the opportunities for marketing biodiversity goods and services in each of them. Thus, in Samoa and Niue (where the protected areas include much more of a mixture of land uses) a relatively greater share of project resources will be devoted to these two components. With respect to specific activities that will be supported, some preliminary choices were agreed, but these will have to be considered in more detail during project implementation.

As a measure of cost-effectiveness, some indicators of average unit costs for the project are as follows:

- Component 1: Legal consultations/drafting for new policies/laws/strategies – USD 31,000 per policy/law/strategy.
Training costs – USD 1,000 per person.
- Component 2: Extension of areas under formal/legal protection - USD 13.50 per hectare.
- Component 3: Formal training in BD monitoring, assessment and PA management – USD 2,400 per person/week.
Awareness raising activities in communities within PAs – USD 18.00 per person.
- Component 4/5: Annual income from Sovi Basin Trust Fund and BD market activities – USD 200,000 per year (equal to 11% return on GEF expenditure of USD 1.8 million).
- Component 6: Training in SLM/SFM techniques (farmers and extension workers) – USD 1,250 per person.

The above indicators include the direct costs linked to clearly measurable outputs. In addition, the project will generate broader benefits that are more difficult to quantify, such as improvements in knowledge and broader awareness raising about biodiversity conservation and SLM/SFM in the countries.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

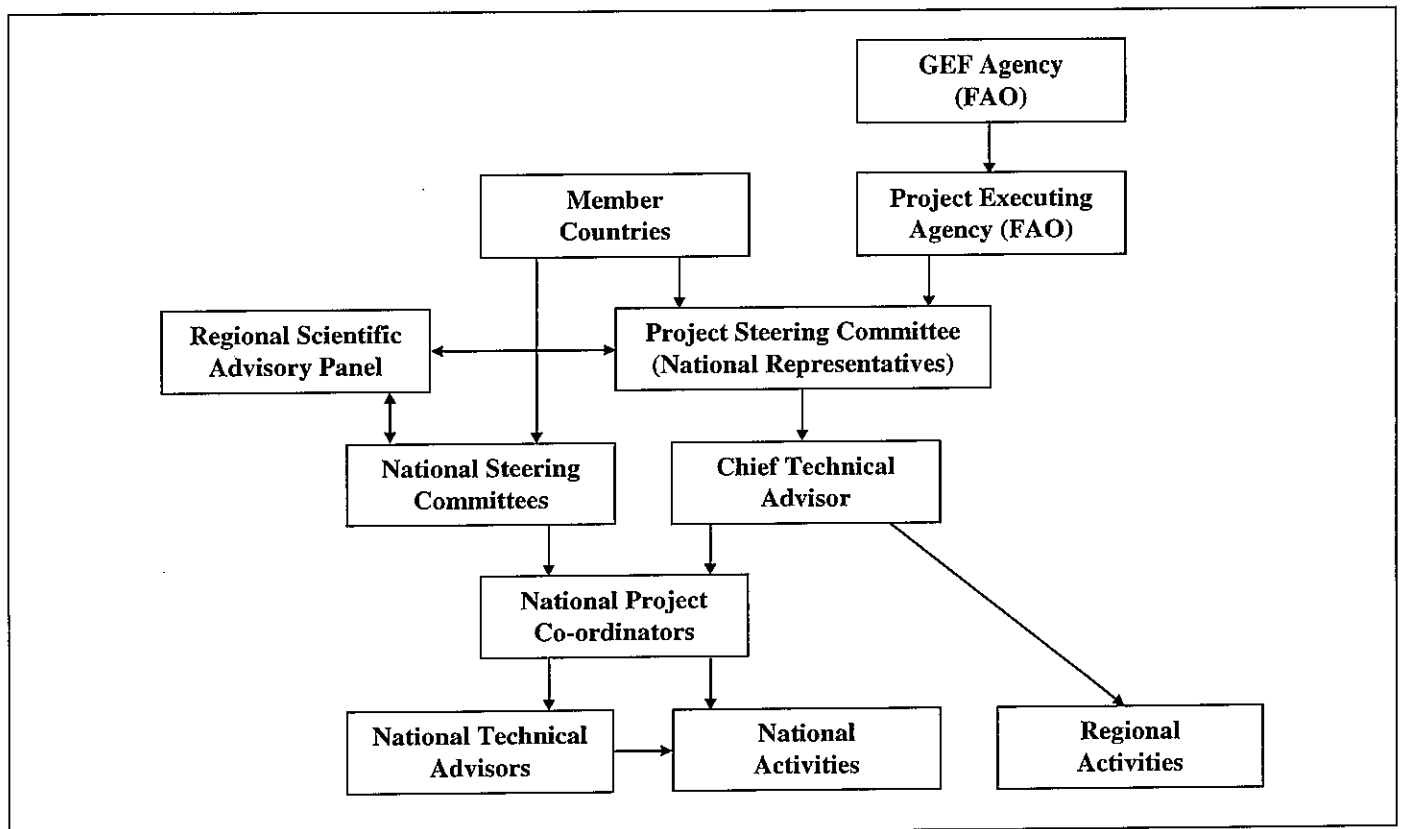
This project will be implemented by FAO as the GEF Agency. Coordination with relevant projects implemented and executed by other GEF Agencies will occur in the countries mostly through the participation of the GEF Operational Focal Points in project steering committees and at a broader level through FAO's participation in programmatic meetings and activities of the Pacific Alliance for Sustainability.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

Overview

The management structure presented in Figure 1 is proposed to streamline and reduce administrative and coordination costs (e.g. monitoring and reporting), to facilitate the organisation and implementation of joint or regional activities and to promote information exchange across the countries.

Figure 1 Proposed management structure for the project



The roles, responsibilities and main tasks of each of the panels, committees and long-term consultancies proposed for project implementation are summarised in the table below and more details of each of these are given in Section 4.3 and Annex 5 of the project document.

Title	Main roles and responsibilities
Project Executing Agency (FAO)	<u>Budget Holder (SAP)</u> : administration, financial disbursement and financial monitoring (including QPIR). <u>Lead Technical Unit (FO)</u> : technical backstopping on all aspects of the project (including clearing all technical reports).
Project Steering Committee (PSC)	<u>Project oversight</u> : review activities, outputs and outcomes to ensure that project activities are in accordance with the project document. <u>Knowledge management</u> : ensure that all project findings are internalised in countries and shared between them.
National Steering Committee (NSC)	<u>Project oversight</u> : review detailed annual work-plans to ensure that they respond to the situation in each country. <u>Knowledge management</u> : provide technical inputs to the project and facilitate co-ordination and information exchange amongst stakeholders.
Chief Technical Advisor (CTA)	<u>Project management</u> : prepare project monitoring reports (assisted by NPCs) and contribute to the management of consultants in countries. <u>Technical assistance</u> : provide technical advice on community-based natural resource management and lead monitoring and evaluation activities.
National Project Coordinator (NPC)	<u>Project management</u> : coordination, management, implementation and reporting on project activities within their country. <u>Technical assistance</u> : provide technical advice and capacity building on biodiversity conservation and protected area management.
National Technical Advisor (CTA) [Fiji and Samoa]	<u>Technical assistance</u> : provide technical advice and capacity building on sustainable use of biodiversity and sustainable land and forest management techniques.
Regional Scientific Advisory Panel (RSAP)	<u>Technical assistance</u> : provide independent “peer review” of the technical and scientific content of any major proposed activities, evaluations, assessments and technical reports produced by the project.

GEF Agency

The project will be executed in the four countries by FAO. FAO's Forestry Department, through the Subregional Office for the Pacific (SAP), will serve as the Lead Technical Unit (LTU) and the Subregional Representative in SAP will be designated as the Budget Holder (BH) for the project. The LTU will be accountable for the timeliness and quality of technical inputs provided to the project. The BH will be responsible for administrative functions (through the SAP Operations Unit) and, in this capacity, will authorise the disbursement of funds and prepare financial statements and budget revisions as required. In consultation with the participating countries and the Project Steering Committee (PSC), the LTU and BH will be responsible for:

1. facilitating the implementation of project activities, including the identification and recruitment of international and national project staff and consultants;
2. facilitating the establishment of the PSC;
3. developing and monitoring short-term consultancies and contracts with participating countries and other partners (including clearance of final technical reports);
4. preparation of budget revisions for review by the GEF Unit and Finance Division.

Due to the issues of ecosystem connectivity (the need for “ridge to reef” conservation) and the strong links between conservation, land use and tenure, rural development and natural resource management in the countries, the project will cover a number of technical fields that will require technically competent oversight. The LTU will ensure that adequate and appropriate technical inputs from relevant disciplines are provided to the project, drawing on the wide range of expertise and experience available within FAO.

Other executing partners

Most project activities will be executed through letters of agreement or other similar contracting mechanisms between FAO and local partners in the countries. In most cases, these local partners will be government departments or non-governmental organisations operating in the countries. These partners have already indicated significant

interest in working with this project through their commitments of cofinancing:

Apart from the financial contributions noted above, the long-term success of the project will ultimately depend on the commitment of the national governments to translate project outputs into outcomes, by mobilising local support for the project's objectives and working in partnership across departments and with others outside government. The project includes a significant amount of consultation and capacity building within local communities in all four countries and participatory approaches will be used for the majority of technical activities. In addition, staff of government and local NGOs will be trained in participatory approaches to natural resource management, based on FAO's long history and experience with developing and implementing community forestry programmes in developing countries.

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

The original PIF for this project was a combination of four different project proposals/ideas developed separately in each of the four countries. The full project proposal presented here is substantially the same as the original proposal (PIF), but with a slightly different emphasis on some of the components in each of the countries. In particular, although there are still some differences in approach between the four countries (due to different local circumstances), there are now many more similarities in the proposed activities in each of the countries. This development of a more coherent approach arose as a result of discussion and consultation between the countries during project preparation and the main differences between the final project design and the PIF are as follows:

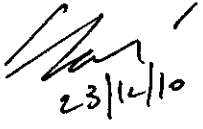
1. Reorientation towards activities in production landscapes. In the original PIF, activities on sustainable land/forest management and marketing of biodiversity (Components 5 and 6) were proposed mainly in Samoa and Vanuatu and Fiji and Niue were to focus almost entirely on expanding protected areas and protected area management. The final project design now includes activities under Components 5 and 6 in all four countries. This was due to Fiji and Niue agreeing that activities supporting income generation, sustainable livelihoods and SLM in the margins of protected areas would help to ensure their long-term sustainability and meet the overall aims and objectives of the project more effectively.
2. Expansion of activities in support of financing protected areas (Component 4). Activities to develop protected area financing in the original PIF were largely focused on Fiji, plus a small amount of activities proposed in Vanuatu. The final project design now includes activities to support this in all four countries (mostly under Component 4). Given how advanced Fiji is in this respect, all of the other three countries agreed that it may be possible to benefit from the lessons learned in Fiji and that they should attempt to develop similar mechanisms in their own countries. It is accepted that, outside Fiji, the risks and uncertainties of these activities may be medium to high, but it is believed that the potential benefits (in terms of long-term financial sustainability) outweigh these risks and should result in more sustainability of project outputs and outcomes.
3. Safeguarding endangered endemic species (Niue). The PIF included a specific component for Niue on safeguarding endangered endemic species. Following discussions with the other countries, Niue agreed that the aims and objectives of this component should be merged into other components, for both a simpler project design and a more holistic approach to conservation.
4. Reduction of core SPs. Because of the origins of this project (four different draft PIFs) the original PIF listed all five BD-SPs on the first page. It was decided to reduce this to the three SPs (BD-SP3-5) that will be a major focus of the project in all four countries. As noted earlier, the project will make a contribution to BD-SP1 (but mostly in Fiji) and a very small contribution to BD-SP2, but will not be significant enough to justify including them as a focus of the project as a whole.
5. Budgetary changes. The total budget for the project is the same as in the PIF, but the proposed expenditure on some of the components has changed slightly.
 - Expenditure on Component 2 is now lower than originally proposed, because the detailed costing of activities resulted in a budget that was less than originally thought and some activities under this component (in the PIF) were moved to Component 3 (i.e. some capacity building activities originally under Component 2 will occur more broadly in the countries and are more logically placed under Component 3).
 - The proposed expenditure under Components 3 and 4 have both increased. This was due to the moving of activities (from Component 2 to Component 3) to give a more coherent approach and the higher level of activities proposed on financing (Component 4) as explained above.
 - The proposed expenditure on Components 5 and 6 (together) is the same as in the PIF, but has been reoriented more towards Component 5. This was largely due to discussions about the project design in Samoa, where some of the proposed activities (which will have benefits for both biodiversity and SLM)

“fit” better under Component 5 than under Component 6.

In addition, the level of cofinancing for the project has been increased, as requested by the GEF Secretariat in their review of the PIF.

PART V: AGENCY(IES) CERTIFICATION

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

Agency Coordinator, Agency name	Signature	Date	Project Contact Person	Telephone	Email Address
Charles Riemenschneider Director, Investment Centre Division Technical Cooperation Department FAO Viale delle Terme di Caracalla, 00153 Rome, Italy	 23/12/10	December 23, 2010	Aru Mathias, Forestry Officer FAO Subregional Office for the Pacific Islands Laufofo Meti's Building 4 Corners Matautu-Uta	Apia Tel: +685 20710 Fax: +685- 22126	aru.mathias@fao.org
Barbara Cooney FAO GEF Coordinator Email: Barbara.Cooney@fao.org tel: +3906 5705 5478			Adrian Whiteman, Senior Forestry Officer, Forestry Department, FAO, Viale delle Terme di Caracalla, 00153 Roma, ITALY	Tel: +3906 5705 5055 Fax: +3906 5705 3945	adrian.whiteman@fao.org

ANNEX A: PROJECT RESULTS FRAMEWORK

Design summary	Indicators/targets ¹	Data sources	Assumptions
<p><u>Impacts:</u> Global environment objective: To strengthen biodiversity conservation and reduce forest and land degradation.</p>	<ol style="list-style-type: none"> Project stakeholders have the legal, technical and financial capacity to protect biodiversity in the Protected Areas established under the project. Barriers to sustainable land and forest management are removed in the Protected Areas established under the project. 	<ol style="list-style-type: none"> Report of the final independent evaluation of the project (synthesis of the evaluation of outcomes and interviews with representatives of the major stakeholders). 	<ol style="list-style-type: none"> Global market forces do not radically alter the opportunity costs of conservation and/or sustainable land and forest management. The policy and institutional frameworks for control and access to natural resources remain stable and do not change radically.
<p><u>Project development objective:</u> To enhance the sustainable livelihoods of local communities living in and around protected areas.</p>	<ol style="list-style-type: none"> Project activities are focused on local needs and priorities, resulting in permanent changes in behaviour that lead to more sustainable use of natural resources and higher incomes. 	<ol style="list-style-type: none"> Report of the final independent evaluation of the project (synthesis of the evaluation of outcomes and interviews with representatives of the major stakeholders). 	<ol style="list-style-type: none"> Social, political and economic conditions in the countries do not deteriorate significantly and unexpectedly.

¹ Impacts and outcomes will be achieved by the end of the project and the timing of activities and outputs is shown as number of months (M) until completion. Quantifiable targets for outcomes and outputs are listed in a separate table following this one.

Design summary	Indicators/targets	Data sources	Assumptions
Outcomes:			
1. Policy, legal and institutional arrangements effectively support biodiversity conservation and SLM.	<p>1.1 Policies, regulations and laws related to conservation and SLM address the main threats, follow current best legal practices and are adequately enforced.</p> <p>1.2 Institutions with a major impact on conservation and SLM are aware of the most important issues and take these into account in their policies, projects and programmes.</p>	<p>1.1 Independent <i>ex-post</i> assessment of the policy and legal framework in each country (as part of mid-term evaluation).</p> <p>1.2 Statistics on non-compliance with the new laws and regulations.</p> <p>1.3 Survey of the effectiveness of institutional arrangements (as part of final evaluation).</p>	<p>1.1 Political commitment to conservation remains high throughout the duration of the project.</p> <p>1.2 Laws and policies are understood and respected by all stakeholders.</p> <p>1.3 Institutions and their staff agree to collaborate to try to address conservation issues.</p>
2. Effective and sustainable <i>in situ</i> biodiversity conservation areas established and/or strengthened.	<p>2.1 Status and condition of habitat and biodiversity in the project's Protected Areas equal to or better than the baseline measured at start of project.²</p> <p>2.2 Local people are aware of Protected Area management plans, participate in activities and follow the rules and guidelines contained within them.</p>	<p>2.1 Baseline survey reports and site surveys/assessments in final year.</p> <p>2.2 GEF Biodiversity Tracking Tools.</p> <p>2.3 Assessment of compliance with Protected Area management plans and attitudes towards compliance in the future (as part of final evaluation).</p> <p>2.4 Comparison of the effectiveness of the different approaches across the countries (as part of final evaluation).</p>	<p>2.1 Local community leaders enforce (and/or community members respect) the agreements made in Protected Area management plans.</p> <p>2.2 If natural disasters (e.g. cyclones) occur during the project, indicator 2.1 should be adjusted to account for this.³</p>
3. Stakeholders have the capacity to plan, implement and monitor biodiversity conservation and sustainable land and forest management.	<p>3.1 Stakeholders rate the training provided by the project as high-quality, comprehensive and relevant.</p> <p>3.2 Website visitors rate the data and information provided as useful.</p> <p>3.3 Knowledge of biodiversity conservation is high amongst groups targeted for awareness raising activities.</p>	<p>3.1 Participants evaluations of training activities supported by the project.</p> <p>3.2 Follow-up interviews with a sample of trainees (as part of final evaluation).</p> <p>3.3 Website statistics and assessment.</p> <p>3.4 Survey of effectiveness of awareness raising (as part of final evaluation).</p>	<p>3.1 Stakeholders remain in a position where they can put their training to good use.</p>

² Biodiversity assessments in year 1 of the project will collect data at the species level and set more detailed targets where appropriate.

³ The possibility of natural disasters and climate change will be considered during the implementation of all project activities with the intention of minimising the potential impacts of such events. If such events occur, then this indicator should be revised to assess the resilience of project outputs against such events.

Design summary	Indicators/targets	Data sources	Assumptions
Outcomes: 4. Sustainable financing of PAs in place through a mixture of local income-generation, government finance and innovative measures.	4.1 Protected Area managers have a clear idea of future funding needs and are actively pursuing funding opportunities. 4.2 Funding for protected areas is coming from diverse sources.	4.1 Evaluation of the financing strategies and local fundraising capacities (as part of final evaluation).	4.1 Potential sources of funding are available and adequate in the countries.
5. Marketing of biodiversity goods and services and SLM practices result in improved livelihoods of local communities.	5.1 Project beneficiaries achieve or exceed specified income targets (see following table).	5.1 Site surveys and assessments of local income generation and assets (as part of final evaluation).	5.1 Project beneficiaries are interested and willing to participate in income generating activities. 5.2 Adequate markets exist for biodiversity goods and services that can be produced.
6. Poor land-use practices and forest and land degradation reduced or reversed in target areas.	6.1 Forest cover equal to or better than the baseline measured at start of project. 6.2 Soil fertility maintained through SLM techniques. 6.3 Water quality improved over the duration of the project.	6.1 Baseline survey reports and site surveys/assessments in final year. 6.2 Evaluations of SLM pilot projects.	6.1 Project beneficiaries are interested and willing to participate in SLM activities. 6.2 If natural disasters (e.g. cyclones) occur during the project, the indicators should be adjusted to account for this (see note above).

Design summary	Indicators/targets	Data sources	Assumptions
Outputs:			
1.1 Strengthened policy, legal and institutional arrangements for biodiversity conservation (all four countries).	1.1.1 New policies and legislation enacted by M24.	1.1.1 Government Gazette. 1.1.2 PPRs and PIR	1.1.1 There is adequate time in the legislative calendar in each country to debate and enact these policies and laws.
1.2 Biodiversity conservation and sustainable land management mainstreamed in other sectors (Samoa and Vanuatu).	1.2.1 MNRE staff participate in extra-sectoral policy and planning discussions from M18 onwards (Samoa). 1.2.2 Sustainable Land Development Policy produced by M24 (Vanuatu).	1.2.1 Records of policy and planning meetings. 1.2.2 Government of Vanuatu.	1.2.1 Other departments continue to collaborate on this topic. 1.2.2 Stakeholders reach agreement on the proposed Land Development Policy.
1.3 Framework established for future expansion of Protected Area Network (Samoa).	1.3.1 Protected Area Strategy produced by M48 (Samoa).	1.3.1 Project Terminal Report.	1.3.1 Commitment to the expansion of PAs is maintained during the project.
2.1 Protected Area Network increased to include additional areas of high biodiversity conservation value (all four countries).	2.1.1 Area under formal/legal protection at project sites increased from 30,000 ha to 110,000 ha.	2.1.1 Government Gazette and/or Land-register.	2.1.1 Local community members reach agreement to set-aside areas for conservation in return for project benefits.
2.2 Protected Area management formalised and strengthened at the field level (all four countries).	2.2.1 Protected Area management plans produced for all project sites by M36. 2.2.2 High-priority management activities implemented by M48.	2.2.1 Protected Area management plans 2.2.2 PPRs and PIR. 2.2.3 Project Terminal Report.	2.2.1 Local community members agree to scope and prioritisation of management activities.
3.1 Monitoring and evaluation system operational and used to report on biodiversity conservation (all four countries).	3.1.1 Data and information provided regularly to relevant conventions, international organisations and other international databases by M36. 3.1.2 National maps, databases and websites on biodiversity and Protected Areas updated and operational by M36.	3.1.1 Reports to conventions international organisations and other international databases. 3.1.2 PPRs and PIR.	3.1.1 Monitoring and evaluation activities is given adequate priority by government counterparts (after capacity building activities on the project) to ensure timely reporting.
3.2 Information about biodiversity conservation provided and used at the national level and at the local level at project sites (all four countries).	3.2.1 Awareness raising materials and facilities produced/installed by M48. 3.2.2 Project Terminal Report.	3.2.1 Materials produced 3.2.2 PPRs and PIR. 3.2.2 Project Terminal Report.	3.2.1 Not applicable (largely under the control of the project).

Design summary	Indicators/targets	Data sources	Assumptions
Outputs: 3.3 Strengthened local capacity for community-based conservation and sustainable land and forest management (Fiji, Samoa and Vanuatu).	3.3.1 Landowners, government staff and other relevant stakeholders trained by M48.	3.3.1 Workshop/training reports 3.3.2 PPRs and PIR. 3.3.3 Project Terminal Report.	3.3.1 Communities interest in conservation is maintained throughout the project.
4.1 Protected Area financing strategy produced and implemented (all four countries).	4.1.1 Financing strategy produced for each country by M42. 4.1.2 Protected Area funding obtained from at least one new source in each country by M48.	4.1.1 Project Terminal Report.	4.1.1 Not applicable (largely under the control of the project).
4.2 Strengthened local capacity and policy framework for PES (Fiji).	4.2.1 Protected Area management activities in Sovi Basin fully-funded from Trust Fund by M12. 4.2.2 National policy for PES produced by M36. 4.2.3 Local experts trained in PES by M36. 4.2.4 Evaluation/assessment of Sovi Basin Trust Fund and PES pilot schemes produced by M48.	4.2.1 Reports of Board of Trustees for Sovi Basin Trust Fund. 4.2.2 PPRs and PIR. 4.2.3 Project Terminal Report.	4.2.1 Not applicable (largely under the control of the project).
5.1 Strengthened local capacity to scale-up and sustain organically certified food production (Samoa).	5.1.1 Farmers trained and adopting organic production techniques in the Protected Areas by M24. 5.1.2 Markets for organic produce identified and market information distributed to local farmers by M24. 5.1.3 All goals of the "Pacific Region Organic Strategic Plan" met in Samoa by M48.	5.1.1 PPRs and PIR. 5.1.2 Reports of the Regional Organic Task-force.	5.1.1 Project beneficiaries are interested and willing to participate in organic production activities.

Design summary	Indicators/targets	Data sources	Assumptions
Outputs: 5.2 Income generated from eco-cultural tourism services (<u>Fiji</u> and <u>Niue</u>).	5.2.1 Assessment of eco-cultural tourism development produced by M24. 5.2.2 Eco-cultural tourism enterprises established and operating successfully by M48. 5.2.3 Revenue-sharing mechanism established and operating successfully by M48.	5.2.1 PPRs and PIR. 5.2.2 Project Terminal Report.	5.2.1 Project beneficiaries are interested and willing to participate in tourism activities (including revenue-sharing).
5.3 Income generated from non-wood forest products (<u>Fiji</u> , <u>Vanuatu</u> and <u>Niue</u>).	5.2.1 Assessment of non-wood forest product development produced by M24. 5.2.2 Non-wood forest product income generating activities operating successfully by M48. 5.2.3 Institutional framework for non-wood forest product activities established by M48.	5.2.1 PPRs and PIR. 5.2.2 Project Terminal Report.	5.3.1 Project beneficiaries are interested and willing to participate in income generating activities.
6.1 Strengthened local capacity for sustainable land management in and around the targeted Protected Areas (<u>Fiji</u> , <u>Samoa</u> and <u>Niue</u>).	6.1.1 SLM techniques tested, monitored and evaluated by M42. 6.1.2 Farmers and agricultural extension workers trained in SLM techniques by M48. 6.1.3 Best practice guidelines published and disseminated by M48.	6.1.1 PPRs and PIR. 6.1.2 Project Terminal Report.	6.1.1 Project beneficiaries are interested and willing to participate in SLM activities.
6.2. Income generated from sustainable land management (<u>Samoa</u>).	6.2.1 Village development plans produced by M36. 6.2.2 Production/productivity of at least three products increased in each of the CCAs by M48. 6.2.3 Annual income of villagers increased by M48.	6.2.1 PPRs and PIR. 6.2.2 Village development plans 6.2.3 Project Terminal Report.	6.2.1 Project beneficiaries are interested and willing to participate in income generating activities.

Design summary	Indicators/targets	Data sources	Assumptions
Indicative Activities:			
1.1 Review and revise policies and legislation for conservation and sustainable resource management (<u>all four countries</u>).	1.1.1 Policies and legislation reviewed in consultation with stakeholders by M6. 1.1.2 Draft legislation and policies produced by M18. 1.1.3 Training workshops held by M24.	1.1.1 PPRs and PIR 1.1.2 Draft legislation and policies.	
1.2 Mainstream biodiversity conservation and sustainable land management in other sectors (<u>Samoa and Vanuatu</u>).	1.2.1 Extra-sectoral legislation, policies and plans reviewed by M15 and discussed with other agencies by M18 (<u>Samoa</u>). 1.2.2 Existing land-use policies and plans reviewed in consultation with stakeholders by M6 and new policy drafted by M18 (<u>Vanuatu</u>).	1.2.1 PPRs and PIR.	
1.3 Develop a Protected Area Strategy (<u>Samoa</u>).	1.3.1 Evaluation of CCA agreements produced by M44.	1.3.1 Project Terminal Report.	
2.1 Formalisation and strengthening of existing Protected Areas (<u>Fiji, Vanuatu and Niue</u>).	2.1.1 Protected Area boundaries surveyed, agreed and registered by M12. 2.1.2 Baseline studies completed, analysed and recommendations for management plans produced by M24.	2.1.1 PPRs and PIR. 2.1.2 Agreed PA boundary documents 2.1.3 Baseline reports	
2.2 Expansion of Protected Area Network (<u>all four countries</u>).	2.2.1 Protected Area boundaries surveyed, agreed and registered by M28. 2.2.2 Baseline studies completed, analysed and recommendations for management plans produced by M32.	2.2.1 PPRs and PIR 2.2.2 Agreed PA boundary documents 2.2.3 Baseline studies.	

Design summary Indicative Activities:	Indicators/targets	Data sources	Assumptions
2.3 Production of Protected Area management plans (all four countries).	2.3.1 Analysis of existing land/forest management practices completed by M28. 2.3.2 Management plans drafted and agreed with local communities by M36. 2.3.3 Priority management activities identified and implemented by M48.	2.3.1 PPRs and PIR. 2.3.2 Management plans 2.3.3 Project Terminal Report.	
3.1 Capacity building in monitoring and evaluation (all four countries).	3.1.1 Review needs and assess current capacities for monitoring and evaluation by M18. 3.1.2 Provide equipment and training for monitoring and evaluation by M27.	3.1.1 M&E Report 3.1.2 PPRs and PIR.	
3.2 Awareness raising (all four countries).	3.2.1 Develop awareness raising programme by M30. 3.2.2 Produce/install awareness raising materials/facilities by M48.	3.2.1 Awareness raising/communication programme document 3.2.2 PPRs and PIR 3.2.3 Project Terminal Report.	
3.3 Technical training in community-based conservation and sustainable land and forest management (Fiji, Samoa and Vanuatu).	3.3.1 Training needs assessed by M18. 3.3.2 Training materials developed by M30. 3.3.3 All necessary training provided by M48.	3.3.1 Training needs assessment report 3.3.2 PPRs and PIRs. 3.3.2 Project Terminal Report.	
4.1 Strategic planning for long-term funding of Protected Area systems (all four countries).	4.1.1 Assess long-term financing needs and funding options by M30. 4.1.2 Prepare and implement funding strategy by M42.	4.1.1 Report on sustainable financing options 4.1.2. PPRs and PIR 4.1.2 Project Terminal Report.	
4.2 Capacity building and piloting of Payments for Environmental Services (Fiji).	4.2.1 Provide grant to Sovi Basin Trust Fund by M12. 4.2.2 Develop policy framework and train local experts in PES by M36. 4.2.3 Provide technical assistance and other necessary resources to implement pilot-testing of PES by M48.	4.2.1 Grant agreement 4.2.2 PPRs and PIRAPPR. 4.2.2 Project Terminal Report.	

Design summary	Indicators/targets	Data sources	Assumptions
Indicative Activities:			
5.1 Development of organic agriculture (<u>Samoa</u>).	5.1.1 Provide training in organic crop production practices by M12. 5.1.2 Assess local and international organic markets and strengthen marketing skills of local organic farmers by M24. 5.1.3 Assist with the development of the "Co-ordinated Pacific Certification Option" by M36.	5.1.1 Report on the "Co-ordinated Pacific Certification Option" 5.1.2 PPRs and PIR.	
5.2 Development of eco-cultural tourism (<u>Fiji</u> and <u>Niue</u>).	5.2.1 Identify suitable sites and participants for eco-cultural tourism development by M24. 5.2.2 Provide technical assistance and other necessary resources to implement pilot-testing of eco-cultural tourism development by M36. 5.2.3 Assess and evaluate the pilot-tests by M48	5.2.1 Technical report 5.2.2 PPRs and PIR. 5.2.2 Project Terminal Report.	
5.3 Strengthening alternative livelihoods (<u>Fiji</u> , <u>Vanuatu</u> and <u>Niue</u>).	5.3.1 Identify suitable sites and participants for non-wood forest product development by M24. 5.3.2 Provide technical assistance and other necessary resources to implement pilot-testing of eco-cultural tourism development by M36. 5.3.3 Assess and evaluate the pilot-tests by M48	5.3.1 PPRs and PIR. 5.3.2 Project Terminal Report.	

Design summary	Indicators/targets	Data sources	Assumptions
<p>Indicative Activities:</p> <p>6.1 Sustainable land management in forest margins (<u>Fiji</u>, <u>Samoa</u> and <u>Niue</u>).</p>	<p>6.1.1 Assess existing land management practices, identify more sustainable alternatives and consult with stakeholders by M12.</p> <p>6.1.2 Provide technical assistance and other necessary resources to implement pilot-testing of SLM techniques by M18.</p> <p>6.1.3 Collect data for monitoring and evaluation of SLM techniques from M18 to M42.</p> <p>6.1.4 Produce SLM best practice guidelines by M48.</p>	<p>6.1.1 SLM best practice guidelines</p> <p>6.1.2 PPRs and PIR.</p> <p>6.1.2 Project Terminal Report.</p>	
<p>6.2 Strengthening livelihoods from sustainable land management (<u>Samoa</u>).</p>	<p>6.2.1 Assess local sustainable development needs/issues/options and agree on village development plans by M36.</p> <p>6.2.2 Establish local farmer/forest-user groups by M36.</p> <p>6.2.3 Provide technical assistance and other necessary resources to implement village development plans by M40.</p> <p>6.2.4 Review implementation each year and evaluate impacts by M48.</p>	<p>6.2.1 Agreed village development plans</p> <p>6.1.2 PPRs and PIR.</p> <p>6.2.2 Project Terminal Report.</p>	

INDICATIVE LIST OF MEASURABLE OUTPUTS THAT WILL BE PRODUCED BY THE PROJECT

Type of output	Fiji	Samoa	Vanuatu	Niue
Component 1				
Documents	1. Protected Area Law.	1. Biodiversity Conservation Act. 2. Sustainable Forest Management Act. 3. National Park and Reserve Act (revised). 4. National Biodiversity Strategy and Action Plan (revised). 5. Evaluation of CCA agreements. 6. Protected Area Strategy.	1. National Forest Policy. 2. Sustainable Land Development Policy.	1. Forest Policy. 2. Forest Bill. 3. Wildlife Ordinance. 4. Domestic Fisheries Regulation (<i>Uga</i>). 5. Water Resource Bill.
Stakeholder training	1. Two-hundred government officials and other stakeholders trained.	1. One-hundred government officials and other stakeholders trained.	1. Eighty government officials and other stakeholders trained.	1. Fifteen government officials trained.
Component 2				
Documents	1. Baseline surveys for the three Protected Areas. 2. Three Protected Area management plans.	1. Baseline surveys for the three Protected Areas. 2. Three Protected Area management plans.	1. Baseline surveys for the four Protected Areas. 2. Four Protected Area management plans. 3. Local bylaws for Protected Area management.	1. Baseline surveys for the three Protected Areas. 2. Three Protected Area management plans. 3. Five local agreements for management of Tapu Areas.
Stakeholder training	1. One-hundred and eighty landowners trained in Protected Area management.		1. Eighty landowners trained in Protected Area management.	
Area covered by formal protection at project sites	1. Increase from 17,200 ha to 46,700 ha.	1. Increase from 3,700 ha to 45,700 ha.	1. Increase from 3,200 ha to 10,200 ha.	1. Increase from 6,000 ha to 6,300 ha.
Implementation of management activities	1. To be determined during year 4.	1. Restoration of 60 ha of degraded forest plus other activities to be determined.	1. To be determined during year 4.	1. To be determined during year 4.

Type of output Component 3	Fiji	Samoa	Vanuatu	Niue
Documents	<ol style="list-style-type: none"> 1. Training materials for Protected Area management. 2. Education materials about biodiversity conservation produced for use in every secondary school in Fiji. 	<ol style="list-style-type: none"> 1. Information about Protected Areas and biodiversity conservation reported in annual "State of the Environment" report for Samoa. 2. National Flora of Samoa. 3. Educational and public awareness materials about threatened and endangered species and Samoa's protected areas. 	<ol style="list-style-type: none"> 1. Best practice guidelines for five productive activities. 	<ol style="list-style-type: none"> 1. Educational and public awareness materials about: threatened and endangered species; traditional life skills; indigenous knowledge. 2. Guide to the Trees of Niue.
Electronic media	<ol style="list-style-type: none"> 1. Databases and maps of Protected Areas updated with monitoring and management information collected on the project. 2. Information about Protected Areas and biodiversity conservation provided on government website. 3. News/documentary item about biodiversity conservation on local television/radio stations at least four times per year. 	<ol style="list-style-type: none"> 1. Databases and maps of Protected Areas updated with monitoring and management information collected on the project. 2. Information about Protected Areas and biodiversity conservation provided on government website. 	<ol style="list-style-type: none"> 1. Databases and maps of Protected Areas updated with monitoring and management information collected on the project. 2. Information about Protected Areas and biodiversity conservation provided on government website. 	<ol style="list-style-type: none"> 1. Databases and maps of Protected Areas updated with monitoring and management information collected on the project. 2. Information about Protected Areas and biodiversity conservation provided on government website.

Type of output	Fiji	Samoa	Vanuatu	Niue
Component 3 Stakeholder training	<ol style="list-style-type: none"> 1. Fifty government and NGO staff trained in biodiversity assessment, threat identification and monitoring. 2. Fifty government and NGO staff trained in Protected Area management. 3. Three people trained to post-graduate level to fill local gaps in expertise. 4. One-hundred national and local government staff participate in awareness raising seminars. 	<ol style="list-style-type: none"> 1. Twenty MNRE and local NGO staff trained in biodiversity assessment and threat identification. 2. Forty MNRE and NGO staff trained in field assessment of biodiversity and land management practices. 	<ol style="list-style-type: none"> 1. Ten protected area managers trained in biodiversity assessment, threat identification and monitoring. 2. Four Protected Area managers and eight landowners trained in community-based approached to Protected Area management. 3. Twenty landowners trained in basic ecotourism skills. 	<ol style="list-style-type: none"> 1. Five government staff trained in biodiversity assessment, threat identification and monitoring.
Infrastructure	<ol style="list-style-type: none"> 1. Interpretative facilities constructed at key sites. 	<ol style="list-style-type: none"> 1. Interpretative and demonstration facilities constructed at key sites. 	<ol style="list-style-type: none"> 1. Eight demonstration plots established to test SLM and biodiversity-friendly production techniques. 	<ol style="list-style-type: none"> 1. Interpretative facilities constructed at key sites.

Type of output	Fiji	Samoa	Vanuatu	Niue
Component 4				
Documents	<ol style="list-style-type: none"> 1. Protected Area financing strategy. 2. National policy for PES. 3. Evaluation of Sovi Basin Trust Fund. 4. Evaluation of three PES pilot schemes. 5. Marketing package for fundraising development. 	<ol style="list-style-type: none"> 1. Protected Area financing strategy. 	<ol style="list-style-type: none"> 1. Protected Area financing strategy. 	<ol style="list-style-type: none"> 1. Protected Area financing strategy. 2. Information/marketing materials for Vanuatu Biodiversity Conservation Trust Fund.
Stakeholder training	<ol style="list-style-type: none"> 1. Thirty stakeholders (government and NGO staff) trained in PA financing. 2. Thirty stakeholders (government and NGO staff) trained in resource valuation and PES. 			
Financing/income	<ol style="list-style-type: none"> 1. At least one new source of Protected Area funding identified and secured. 	<ol style="list-style-type: none"> 1. At least one new source of Protected Area funding identified and secured. 	<ol style="list-style-type: none"> 1. At least one new source of Protected Area funding identified and secured. 	<ol style="list-style-type: none"> 1. At least one new source of Protected Area funding identified and secured.

Type of output	Fiji	Samoa	Vanuatu	Niue
Component 5				
Documents	<ol style="list-style-type: none"> 1. Assessment of eco-cultural tourism development. 2. Assessment of non-wood forest product development. 3. Evaluation of income generating pilot tests. 	<ol style="list-style-type: none"> 1. Assessment of organic products markets. 2. Evaluation of organic production and marketing activities. 	<ol style="list-style-type: none"> 1. Assessment of non-wood forest product development. 2. Evaluation of income generating pilot tests. 	<ol style="list-style-type: none"> 1. Assessment of eco-cultural tourism development. 2. Assessment of non-wood forest product development. 3. Evaluation of income generating pilot tests.
Stakeholder training	<ol style="list-style-type: none"> 1. Local community members trained to operate three eco-cultural tourism ventures and develop three local non-wood forest products (exact number to be determined). 	<ol style="list-style-type: none"> 1. Ninety farmers trained in organic production techniques. 	<ol style="list-style-type: none"> 1. Eighty households trained in alternative sustainable livelihood activities (based on non-wood forest products). 	<ol style="list-style-type: none"> 1. Local community members trained to operate three eco-cultural tourism ventures and develop three local non-wood forest products (exact number to be determined).
Financing/income	<ol style="list-style-type: none"> 1. Gross annual income of USD 50,000 earned from income generating activities supported by the project. 2. User-fees from eco-cultural tourism ventures agreed and implemented (indicative target: USD 5,000/year). 	<ol style="list-style-type: none"> 1. Gross annual income of USD 10,000 earned from organic market activities supported by the project. 	<ol style="list-style-type: none"> 1. Gross annual income of USD 5,000 earned from income generating activities supported by the project. 	<ol style="list-style-type: none"> 1. Gross annual income of USD 5,000 earned from income generating activities supported by the project. 2. User-fees from eco-cultural tourism ventures agreed and implemented (indicative target: USD 1,000/year).

Type of output Component 6	Fiji	Samoa	Vanuatu	Niue
Documents	1. Soil resource interpretative manual and training materials.	1. Village development plans (one per village). 2. Monitoring and evaluation report of SLM pilot-testing. 3. Best practice guidelines for SLM.		1. Monitoring and evaluation report of SLM pilot-testing. 2. Best practice guidelines for SLM.
Stakeholder training	1. Fifty agricultural extension workers trained in SLM techniques.	1. Sixty agricultural extension workers and farmers trained in SLM techniques. 2. One-hundred and twenty farmers trained in improved production techniques.		1. Fifty farmers trained in SLM techniques.
Financing/income		1. Gross annual income of farmers using improved production techniques increased by USD 15,000.		

ANNEX B: RESPONSES TO PROJECT REVIEWS

STAP scientific and technical screening of the Project Identification Form (PIF)

Date of screening: 10 November 2008

Screener: David Cunningham

Panel member validation by: Paul Ferraro

Further guidance from STAP

STAP acknowledges this project under the Pacific Alliance for Sustainability (GEF-PAS) programmatic approach. The program is led by the World Bank, with participation from the ADB, UNEP and UNDP and consists of 24 proposed projects from various focal areas (BD, CC, IW and POPs). Please note that STAP is written into the advisory structure of the GEF-PAS (pp. 13, 25 of the Program Framework Document) with reference to more specifically identifying the global environmental benefits.

The project aims to review the opportunities for income generation from Payments for Ecosystem Services (PES). STAP has undertaken to produce a guidance document indicating the ways in which the GEF can be supporting initiatives on Payments for Environmental Services (supplemented by a brief summary of the empirical evidence to date on effectiveness). This paper can be provided to the project proponents when it is available in late 2008.

Response by the project team

The project team have received and reviewed the STAP guidance document⁴ and incorporated its findings into the design of the GEF-PAS-FPAM Project. Although the project will examine the possibilities for strengthening conservation financing in all four countries, Fiji is the only country at an advanced stage of implementing a PES financing mechanism and activities in the other three countries will be more limited to capacity building and assessment of the potential options.

In the case of Fiji, the following specific points and proposed actions should be noted:

1. Activities in Fiji will address two points of entry noted in the STAP guidance document, notably: establishing and piloting direct payments; and financing PES start-up costs.
 - Establishing and piloting direct payments: the project will contribute to a long-term trust-fund for the conservation and management of forests of high conservation value in the Sovi Basin. This contribution is believed to represent the most cost-effective and promising way to secure biodiversity conservation at this site because it will leverage significant additional resources already raised for this trust fund (USD 3.75 million), the proposed payments have been based on a considerable amount of analytical work already undertaken to assess the appropriate levels of payment and negotiate payment levels with local communities and the lease will be for a relatively long duration (99 years).⁵ In addition, a further factor likely to strengthen this arrangement is the well-developed mechanism for administering such leases through the NLTB and the familiarity of local communities with the leasing process.
 - Financing PES start-up costs: the project will also support the development of other PES schemes in Fiji by analysing potential sources of revenue, developing further leases (and other PES funding mechanisms) and strengthening the overall institutional arrangements for the operation of conservation trust-funds in the country.⁶ It is believed that Fiji has considerable potential to raise conservation finance to cover recurrent conservation costs, but that the lack of experience in organising and developing such schemes is the main barrier to wider implementation of PES schemes. Technical assistance provided by the project and the

⁴ Payments for Environmental Services and the Global Environment Facility: A STAP guideline document

⁵ Working towards establishing a national Protected Area Network in Fiji, Sefanaia Nawadra, Presentation to GEF Project Inception Workshop, Suva, Fiji, 12-13 February 2009.

⁶ Several institutions in Fiji have already established national conservation trust funds. For example, in addition to the Sovi Basin Trust Fund, there is the Fiji Nature Conservation Trust held by the NGO Nature Fiji Mareqeti Viti and the Environmental Trust Fund held at the Department of Environment. Thus, national stakeholders are already quite familiar with the trust fund concept. However, both of these funds are at a relatively early stage of development, so there is a lack of detailed knowledge and experience about how such funds might operate.

experience gained from the implementation of the Sovi Basin Trust Fund will overcome this barrier and facilitate the gradual development of conservation trust funds more widely in the country.

2. The second part of the STAP guidance document refers to four potential threats to PES effectiveness: (i) non-compliance with contractual conditions; (ii) poor administrative selection (i.e. contracts are offered to areas or individuals who are not in the best position to supply environmental services cost-effectively); (iii) spatial demand spillovers (i.e. general equilibrium effects, or “leakage”) whereby protecting a resource in one location pushes pressure onto resources elsewhere; and (iv) adverse self-selection (e.g. paying people to conserve a forest area that they would have conserved anyway in the absence of such payments). These threats are addressed as follows:

- Non-compliance with contractual conditions: compliance with the terms and conditions of the conservation lease on Sovi Basin will be monitored as part of the project’s activities (as a cofinancing contribution) and will be reported to FAO and GEF as part of the project’s monitoring and evaluation system. The existing draft lease agreement specifies procedures by which to address non-compliance and provides the basis for legal recourse as a last resort. However, the design of the overall initiative is such that it is strongly believed that ongoing compliance will be in the best interest of all parties. Indeed, the five-year interim lease that has provided the window of time for designing, negotiating, and implementing long-term arrangements has seen no instances of non-compliance.⁷
- Poor administrative selection: this is thought unlikely to be a problem in this case, because the landowning *mataqali* in Fiji are already known in all of the areas (including Sovi Basin) and exercise very strong rights over their areas through a well-developed legal framework covering landowners rights. Activities in Sovi Basin are well advanced in this respect, as the boundary of the conservation area has been surveyed and registered and part of the management plan for the first five years of the new lease is to survey and register all the *mataqali* boundaries. Activities in the other proposed protected areas will follow the same course as the project is implemented.
- Spatial demand spillovers: as the area of Sovi Basin is relatively small compared to the total area of natural forest in Fiji (20,421 ha out of about 890,000 ha or 2.3 percent of the total), the likelihood of any demand spillover is extremely small. However, in order to test this assumption, an *ex post* analysis of industrial roundwood supply in Fiji will be produced as part of the evaluation of this activity.⁸ Also, spillover to areas of little biodiversity or other ecosystem value would actually reflect project success in redirecting pressure from Fiji’s most important terrestrial sites.
- Adverse self-selection: as noted in the STAP guidance document, this is likely to be the most difficult threat to assess as, to some extent, there is always a deadweight loss associated with almost all incentive schemes (i.e. payment for something that would have happened anyway) and assessing this loss is very difficult. As part of the evaluation of this activity, three measures will be examined to attempt to assess the extent of this: (i) the location of PES recipients;⁹ (ii) the contribution of PES payments to the cash income of households living in the area; and (iii) a comparison of PES payments in the Sovi Basin and income from forest harvesting leases in a random sample of similar forest sites. It is also worth noting that prior to the project (and before the existing five-year interim lease) the area was under a timber concession, which landowners agreed to terminate on the basis of that they would receive PES payment. Thus, the PES payments offset the opportunity cost imposed by forgoing potential timber concession income (which would accrue to all landowners, regardless of whether they live near the area or not) and the pre-project situation provides a strong indication that this is not forest that would have been conserved anyway.

⁷ A five-year conservation lease with landowners in Sovi Basin already exists and was used to pilot-test this approach while currently negotiating the terms and conditions of the full 99-year lease proposed as part of this project.

⁸ This will attempt to examine, for example, the supply of industrial roundwood from natural forests before and after the protection of this area, to assess whether there has been a structural shift in the supply curve as a result of the reduction in the area of forest available for wood supply.

⁹ It should be noted that not all landowners entitled to a share of payments made to a *mataqali* actually live within the boundaries of the *mataqali*. Thus, the share of these non-resident PES recipients is one simple indicator of adverse self-selection.

3. Finally, the above points and any other similar issues that arise during implementation will be examined and assessed as part of an evaluation of the Sovi Basin Trust Fund and an evaluation of activities to pilot PES in other locations. These evaluations will occur during the final six months of the project.

GEF Secretariat review for full/medium-sized projects

1. *Is the Participating Country eligible?* Yes.
2. *Has the operational focal point endorsed the project?* Yes.
3. *Which GEF Strategic Objective/Program does the project fit into?* BD SP1, 2, 3, 4, 5.
4. *Does the Agency have a comparative advantage for the project?* FAO has considerable technical expertise and experience in a number of areas under this project (e.g. community based forest and fisheries management, development of natural resource and environmental policies and laws, conflict resolution, development of community-based enterprises). FAO's experience with the development of national financing strategies for national forest programmes is also pertinent to Component 4 of the project.
5. *Is the proposed GEF Grant (including the Agency fee) within the resources available for (if appropriate): The RAF allocation?* within RAF allocation; *The focal areas?* BD with LD impact; *Strategic objectives?* BO 1,2,3,4; *Strategic Program?* The project will contribute to BD SO-1, BD SO-2 and LD SO-2.
6. *Will the project deliver tangible global environment benefits?* Adequate.
7. *Is the global environmental benefit measurable?* Not Applicable at PIF/Work Program Inclusion.
8. *Is the project design sound, its framework consistent sufficiently clear (in particular for the outputs)?* Adequate.
9. *Is the project consistent with the recipient country's national priorities and policies?* Yes in all the participant countries.
10. *Is the project consistent and properly coordinated with other related initiatives in the country or in the region?* The project will complement and collaborate with all the relevant ongoing projects in the region. The project represents almost one-half of the forestry and protected area management activities anticipated under the GEF Pacific Alliance for Sustainability. The other half of these activities will occur in Papua New Guinea (in a GEF Project led by UNDP). Although the focus of the two projects are quite different, this project will collaborate and share information and experiences with the project in Papua New Guinea through regular exchanges of project reports and materials and periodic joint meetings and workshops supported by GEF, FAO, UNDP and others.
11. *Is the proposed project likely to be cost-effective?* As referred in the PIF, Any attempt to calculate the cost effectiveness of this project will necessarily be speculative at the moment. These aspects need to be fully developed during project preparation - especially under the PPG.
12. *Has the cost-effectiveness sufficiently been demonstrated in project design?* Not Applicable at PIF/Work Program Inclusion.
13. *Is the project structure sufficiently close to what was presented at PIF?* Not Applicable at PIF/Work Program Inclusion.
14. *Does the project take into account potential major risks, including the consequences of climate change and includes sufficient risk mitigation measures?* Yes.
15. *Is the value-added of GEF involvement in the project clearly demonstrated through incremental reasoning?* Yes.
16. *How would the proposed project outcomes and global environmental benefits be affected if GEF does not invest?* Not Applicable at PIF/Work Program Inclusion.
17. *Is the GEF funding level of project management budget appropriate?* Yes within the 10% limit.
18. *Is the GEF funding level of other cost items (consultants, travel, etc.) appropriate?* Not Applicable at PIF/Work Program Inclusion.
19. *Is the indicative co-financing adequate for the project?* Tends to be on the low side 1:1. More is expected at CEO endorsement.
20. *Are the confirmed co-financing amounts adequate for each project component?* Not Applicable at PIF/Work

Program Inclusion.

21. Does the proposal include a budgeted ME Plan that monitors and measures results with indicators and targets?
Not Applicable at PIF/Work Program Inclusion.

Response by the project team

The project team responds to these comments as follows:

1. **Cost effectiveness:** The cost-effectiveness of the project has been examined and assessed during project preparation and is described in more detail in the project document.
2. **Cofinancing:** Extensive discussions with potential cofinancing partners were held during project preparation and the amount of cofinancing associated with this project has been increased by about 10 percent (compared with the PIF), from USD 9.88 million to USD 10.70 million.

The scope for cofinancing a project of this nature is relatively limited in Niue and Samoa, but FAO will commit some significant resources towards the sustainable land management aspects of the project.

The availability of resources for cofinancing is similarly limited in Vanuatu. There is significant donor support to Vanuatu but, with the exception of climate change activities, donor funding is not focused on environmental issues at present. Thus, FAO will also commit some of its project funds to sustainable land management activities there as well.

Fiji accounts for the majority of the increase in proposed cofinancing (and the majority of cofinancing overall). Given the current political situation, it was not feasible to obtain significant bilateral donor funding during the project preparation phase. However, all of the major international NGOs present in Fiji have committed resources to the project, as have several national institutions.

The cofinancing ratio is now 1.00:1.70 (well above 1.00:1.00), which it is hoped is adequate considering the difficulties of raising cofinancing in these small island states.

Comments from GEF Council members at work-programme inclusion

United States of America

We have concerns as to whether FAO has a comparative advantage with regard to the project and would like more information as to why they were selected. Given the project's focus on protected areas, it is not clear that FAO is the ideal agency to have the lead. FAO is not very active in conservation in the Pacific and their primary area of expertise is forestry. To the extent that there is a sustainable forest management component, the executing partners do not always include Forestry departments.

The four countries have relatively little in common and there is not much that makes this hang together as a single project. Even the unifying theme of "community engagement" is undermined by the radically different land tenure systems that characterize Fiji and Samoa, for example.

We find it odd that the proposal does not make use of SPC and SPREP, regional bodies with considerable expertise in community engagement and the substantive elements of the Project.

We would like the final project proposal to clarify how the Environment Departments in Fiji and Niue (which have very limited staff - 4-5 people) will have the capacity to manage this project.

The "value-added" discussion in section F of the proposal appears to misstate the prevailing degree of community engagement in decision-making on conservation. Far from being excluded, communities in at least Fiji, Vanuatu, and Samoa are the resource owners. Over 80% of the land available for conservation is under their control. This is what accounts for the small number and extent of PAs in these countries. It is presumptuous to say that, but for this project, PA development would languish. There are other on-going efforts to overcome the very substantial barriers to PA establishment. One example is Conservation International's effort to establish a large forest reserve in the Sovi Basin on Fiji's main island of Viti Levu.

The PIF also appears to underestimate the risks from this project. The risks are identified, but it substantially understates their level and overstates the potential for mitigation. For the most part the risks that are identified as medium to high, particularly with regard to families not wanting to give up land, village disputes and the momentum of

land clearance are near certainties in most settings. In our view the actual risks are high to very high.

Response by the project team

The project team responds to these comments as follows:

1. Comparative advantage of FAO: With respect to the comparative advantage of FAO, the team would point-out that the target areas for interventions under this project focus almost entirely on forests and forest margins (where FAO is already recognised by the GEF Council as having comparative advantage). It is also worth noting that the proposed project is broader than just protected areas (e.g. protected area activities will account for less than 20 percent of the project budget).

The approaches to conservation proposed by the countries include a mixture of strict protection and sustainable extraction in target areas, as well as more general measures to mainstream biodiversity conservation in forestry and agricultural activities in production landscapes. Given that conservation in these countries must respect the needs of local people to earn a living from natural resources, the proposed conservation activities will also be backed-up by appropriate and complementary income generating activities.

FAO experience and expertise: The proposed approaches will require technical assistance in many diverse areas such as community forestry techniques, sustainable harvesting practices, agroforestry, development of non-wood forest products and services, legal and policy reform and sustainable land management practices. In particular, a major emphasis will be placed on community-based approaches to natural resource management. FAO, as the leading international agency providing technical advice on forestry, has the qualified staff and other resources to meet all of these needs.

Furthermore, recent FAO Forestry activities in the Pacific are directly relevant to the proposed project including, for example: assistance to Fiji and Niue on forestry policy reform; assistance to Vanuatu on strengthening community participation in their national forest programme; assistance to Samoa on forestry policy and land-use planning; and assistance to all four countries with developing codes of good practice in forestry. FAO also provides on-going assistance to all of these countries through regular regional consultations and workshops.

With respect to the inclusion of Forestry Departments in the four countries, the Forestry Departments in Niue and Samoa are within the Executing Partners and both Vanuatu and Fiji have indicated that their Forestry Departments (in different ministries) will play a major role in the execution of this project.

2. The regional approach: The second point concerning the combination of these four countries into one project is valid and the original intention was to prepare four separate projects. However, the Programme Framework for the Pacific Alliance for Sustainability (already approved by the GEF Council) indicated that the forestry projects in these countries should be combined, so this was how the project was prepared. As the project does not have a significant regional component, it is our belief that the project should be viewed as a multi-country project rather than a regional project.

Apart from this, the discussions between countries as part of project preparation have already resulted in some regional benefits in terms of lessons sharing as part of project design. For example, the countries have seen some strong similarities in several technical areas and have benefited from discussions amongst themselves during project preparation. Conversely, in some cases, one or two countries have proposed very different approaches or activities and the others have welcomed this to see how they work before trying them in their own countries.

Furthermore, in addition to the technical benefits of sharing experiences and learning, the multi-country approach enables some economies of scale in terms of the cost-effectiveness of certain activities such as training, awareness raising, data collection and, of course, project management.

3. Regional bodies: SPC, SPREP, SOPAC and USP (the main regional institutions) have participated in the project design and will participate in the full project (especially with respect to community-based activities as suggested by the USA Council Member). It was simply not possible to list all of the likely participating partners within the confines of the PIF (e.g. at least five government agencies in Fiji alone). Further details of stakeholder participation are given in the full project document.
4. Local capacity: The local capacity to implement this project is also a very valid concern that we have addressed in the project design. As indicated in several places in the PIF, one part of the project in Fiji will be to develop institutional arrangements and co-ordination mechanisms for protected area management in the country. The

Department of Environment fully recognises its severe limitations in terms of staff numbers and has actively sought the participation of other government agencies and NGOs (local and international) in the design and implementation of this project, most likely through the recently formed National Environment Committee. Such a collaborative approach was already used to support the formulation of their part of the PIF and this project will act as a catalyst to encourage further co-ordination (as explained in the full project document).

In the case of Niue, a similar approach will be adopted, although even after including other agencies as partners in the project, the number of staff that will be involved is likely to remain quite low. However, the size of the project in Niue (USD 650,000 over four years) is quite small and within the available local capacity for project management.

5. The “value-added” discussion in section F of the proposal: This was not explained clearly enough in the PIF. It is correct to say that landowners in these islands are engaged in decision-making about conservation. The challenge is that they are mostly deciding not to agree to the establishment of formal protected areas (as pointed out in the comment). This is what was meant by communities not being “involved” in conservation and is exactly the problem that this project seeks to overcome through various measures.

Rather than saying that PA development would languish without this project, the problem identified in the PIF is that conservation will continue to be based on short-term projects (often funded and led by international NGOs) with little long-term sustainability and no formal backing of policy and legislation. This is why the project includes components on policy and legislation and, in particular, on securing long-term and sustainable financing, so that a more country-driven, accountable and coherent approach to conservation can be adopted.

The Conservation International effort in Sovi Basin is laudable and is exactly the type of effort that this project seeks to replicate and expand. It will be included in the project, along with capacity building activities to assist with replication elsewhere and to firmly establish such approaches within Fiji. Furthermore, with the multi-country approach proposed here, it is hoped that some of the other countries will also learn from this example (especially Vanuatu, which has also asked for assistance in this area).

6. Project risks: This is a valid point that was addressed in more detail as part of project preparation.

Germany

Several aspects remain unclear in the PIF.

- Country selection: Why Fiji, Samoa, Niue and Vanuatu and not other countries? GEF resources (650,000 \$) requested by FAO are the same for Niue and Vanuatu, even though Niue seems to be much smaller with the number of inhabitants still declining?
- Regional cooperation: The selected countries are member of the Secretariat of the Pacific Community (SPC) that also promotes Sustainable Forest Management. How will the project co-operate with existing activities of the SPC in the selected countries?
- Cooperation with other relevant international agencies: Vanuatu is a partner country of the NFP-Facility hosted by FAO. How will the project built on progress achieved concerning establishing a nfp in Vanuatu?
- Financing: Where will co-financing come from, and will the program still be feasible if there is less co-financing than projected?
- Resource dependency: proposals for PAs should concern category VI areas ("Protected area with sustainable use of natural resources: protected area managed mainly for the sustainable use of natural ecosystems"), as local communities are heavily dependent on forest livelihoods and tourism-related income generating possibilities are fairly limited

Response by the project team

The project team responds to these comments as follows:

1. Country selection: Following the principle that the development and implementation of GEF Projects should be country-driven, the four countries covered by this project selected the topics to be covered and level of resources to be devoted to this project from within their resource allocations. Papua New Guinea has also chosen forestry as a major topic to be addressed under the Pacific Alliance for Sustainability (with a separate project to be

implemented by UNDP). Thus, with the exception of the Solomon Islands, all of the countries with significant forest resources are included under the GEFPAS.

2. Regional cooperation: The project will collaborate with all of the main regional institutions.
3. NFP-Facility: NFP-Facility activities in Vanuatu are heavily focused on developing community-based approaches to sustainable forest management as part of their national forest programme activities. The NFP-Facility will cofinance this project by collaborating on topics of mutual interest.
4. Financing: Cofinancing sources and amounts are explained fully in **Error! Reference source not found.** The project will not be as successful if cofinancing commitments are not met, but this is thought unlikely.
5. Resource dependency: The project does focus largely on Category VI Protected Areas and improving the sustainability of forest-based livelihoods is a significant part of the project that aims to address exactly the concerns expressed by the Council Member for Germany.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF RESOURCES

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Project Management			
<i>Local</i>			
National Project Coordinators ¹ (FIJ, NIU, SAM, VAN)	500	69	<ul style="list-style-type: none"> • Act as Secretary to the NSC, with responsibility for convening meetings, drafting agendas, assembling and preparing materials for consideration by the NSC and reporting on the outcomes of NSC meetings. • Develop detailed ToRs for short-term consultants and contracts, assist with their selection and recruitment, then monitor and supervise their work to ensure the timely delivery of outputs to an acceptable standard. • Provide assistance and support to visiting international consultants and others engaged in project activities, including preparing itineraries, appointments and assisting with travel and other logistical arrangements. • Provide reports on project activities, outputs and outcomes and submit them to the CTA for inclusion in the project inception report, progress reports and terminal report. • Maintain regular contact with the CTA and serve as the main contact point between the project partners and all relevant stakeholders in the county.
Operational and Administrative Officer(s)	420	728	<ul style="list-style-type: none"> • Input financial data into FAO Oracle accounting system and produce financial reports as and when required. • Implement project procurement and personnel actions in line with FAO policies, procedures, rules and regulations. • Maintain project files, records and documents and provide other administrative support as required.
<i>International</i>			
Chief Technical Advisor ¹	3,077	17	<ul style="list-style-type: none"> • Act as Secretary to the PSC and liaise with the PSC chairperson. • Serve as the main contact point between project partners and the BH and LTU in FAO. • Liaise and work closely on project management activities with the NPCs in each country. • Prepare the project inception report, progress reports and terminal report. • Contribute to the development of ToRs, selection and evaluation of short-term consultants and contracts for project activities.
Finance and Budget Officer	3,125	8	<ul style="list-style-type: none"> • Provide guidance and supervision on finance and budget matters to ensure that all activities comply with FAO and GEF financial rules and requirements. • Collect and maintain records of cofinancing contributions to the project and report on these contributions (as necessary) to FAO and GEF. • Assist with the preparation of detailed annual budgets in compliance with the Annual Work Plan.
Personnel and Procurement Officer	3,125	8	<ul style="list-style-type: none"> • Provide guidance and supervision on personnel and procurement matters to ensure that all activities comply with FAO and GEF rules and requirements. • Implement all administrative activities necessary for recruitment, payment and separation of project consultants (including medical clearance, travel, visa and insurance arrangements). • Procure all project equipment, following FAO and GEF rules and procedures.
Justification for Travel, if any: No travel is required for the project management activities indicated above.			

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Technical Assistance			
<i>Local</i>			
National Project Coordinators ¹ (FIJ, NIU, SAM, VAN)	500	763	<ul style="list-style-type: none"> • Provide technical advice to project partners, short-term consultants and contractors and other relevant stakeholders. • Lead and contribute to project activities related to biodiversity conservation and protected area management (in particular, within Components 2 and 3 of the project), including the development, implementation and documentation of best-practices. • Implement monitoring and evaluation activities in the country. • Provide technical advice and assistance to the mid-term and final evaluations of the project. • Facilitate the exchange of results and information from the project within the country and provide such information to the CTA for broader dissemination. • Organise and implement national and local consultation, workshops and training exercises. • Ensure adequate communication of national activities to all stakeholders (including government, private-sector and NGOs) and invite and encourage the participation of a wide range of stakeholders (particularly local groups) in national activities and consultations when appropriate. • Represent the project at relevant meetings and conferences in the country and facilitate the coordination and integration of project activities into other efforts where appropriate and beneficial to the achievement of the project's objectives.
National Technical Advisors (FIJ, SAM)	529	416	<ul style="list-style-type: none"> • Lead and contribute to project activities related to sustainable production of forestry and agricultural goods and services (including income generating activities, development of certification, market development, etc.). • Lead and contribute to project activities related to sustainable land management and sustainable forest management (e.g. soil conservation techniques, ecosystem restoration, watershed protection, etc). • Based on the above, develop, implement and document best-practices in sustainable resource management and utilisation and support the CTA in developing and implementing appropriate best-practices in community-based approaches to natural resource management. • Assist with monitoring and evaluation activities in the country with respect to income generation and sustainable land and forest management. • Provide technical advice and assistance to the mid-term and final evaluations of the project. • Assist with the organisation and implementation of national and local consultation, workshops and training exercises on sustainable resource management and utilisation.

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Technical Assistance			
<i>Local</i>			
Legal consultant ² (FIJ, NIU, SAM, VAN)	1,379	84	<ul style="list-style-type: none"> • Prepare draft proposals for legal and policy frameworks for community-based decision-making with respect to biodiversity conservation, protected area management and sustainable forest and land management. • Conduct consultations on draft proposals with all relevant stakeholders. • Finalise drafts of new policies and legislation and support enactment through the usual procedures. • Raise awareness and provide training and capacity building to enable implementation and enforcement of legislation and policies. • Prepare short report of lessons learned and recommendations for next steps and replication elsewhere.
Consultant for designing long-term protected area strategy ³ (SAM)	1,200	6	<ul style="list-style-type: none"> • Evaluate the costs, benefits and management effectiveness of CCA agreements initiated under the project. • Identify lessons learned and recommend actions required to renew and replicate agreements. • Propose and draft (with legal consultants) any necessary legislation, policy statements, model agreements, etc. for future use. • Select replication sites using appropriate selection criteria.
Consultant for mainstreaming biodiversity and sustainable land management into Samoan Development Strategy (SAM)	1,200	8	<ul style="list-style-type: none"> • Review and assess where BD conservation and SLM issues/linkages occur in SDS and other sectoral policies and plans. • Discuss these issues/linkages with non-MNRE staff and propose ways of dealing with them. • Prepare recommendations for mainstreaming BD conservation and SLM issues/linkages into policy making outside MNRE.
Consultant for protected area management planning (FIJ, NIU, SAM, VAN)	1,388	51	<ul style="list-style-type: none"> • Collect baseline data on biodiversity (as necessary) and consult with local communities on the development of management plans. • Draft, finalise and agree the Protected Area management plans with local communities (including high-priority activities for implementation during the project). • Develop local capacities, rules, regulations and other local arrangements necessary for implementation of the management plans. • Support co-ordination of projects, policies and programmes in protected areas at the national level (within national and local government, NGOs and other relevant stakeholders).
Consultant for development of monitoring and evaluation system for protected areas (FIJ, NIU, SAM, VAN)	1,083	41	<ul style="list-style-type: none"> • Review current capacity in monitoring and evaluation of protected area management. • Provide training in necessary technical skills (e.g. data collection, data analysis, GIS, interpretation and dissemination of information). • Develop and maintain monitoring and evaluation system (including website and reporting to relevant conventions, international organisations and databases, updating IUCN Red List etc.).
Consultant for field assessment of biodiversity and sustainable land management practices (FIJ, SAM, VAN)	1,400	39	<ul style="list-style-type: none"> • Provide training on field assessment of biodiversity and land management practices in protected areas and production landscapes. • Produce appropriate manuals, tools, guidelines and other materials for future use and in other locations.

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Technical Assistance			
Local			
Consultant for training in protected area management (FIJ)	1,500	30	<ul style="list-style-type: none"> • Develop curriculum and course materials for training in protected area management. • Provide training to 50 staff of government (national and local) and local NGOs. • Provide further technical support (as required) for protected area management within government.
Consultant for management information system development (SAM)	1,200	16	<ul style="list-style-type: none"> • Update Samoan Forest Resource Information System (SAMFRIS) with new satellite information as well as information on protected areas and local land uses in the target area (ground truthing as part of land-use planning in the 3 CCAs). • Review, develop and implement electronic databases and website in support of protected area monitoring and evaluation, conservation and sustainable land management activities in the field. • Provide training to MNRE and MAFF staff on interpretation of satellite information and GIS.
Consultant for biodiversity education and awareness raising (NIU)	1,200	8	<ul style="list-style-type: none"> • Develop and implement an awareness raising programme, including activities in schools and village meetings, song quests, competitions and events, etc. • Produce and disseminate a range of materials about the biodiversity of Niue.
Consultant for development and field testing of Payments for Environmental Services (PES) (FIJ)	1,500	30	<ul style="list-style-type: none"> • Develop a policy framework and criteria for valuation of natural resources (ecosystem benefits and services) for implementation as PES. • Train appropriate local experts (e.g. government and NGO staff) in resource valuation and PES. • Identify and pilot-test three small case-studies in PES.
Consultant for development of protected area financing strategy (FIJ, NIU, SAM, VAN)	1,378	54	<ul style="list-style-type: none"> • Assess long-term financing needs for PA management and compare to current availability of resources. • Review and assess new potential financing mechanisms. • In consultation with other stakeholders, select the most viable financing mechanisms. • Prepare strategic plan for financing and start to implement this during the final year of the project. • Produce marketing materials to support fundraising initiatives.
Consultant for ecotourism development (FIJ, NIU)	1,437	38	<ul style="list-style-type: none"> • In consultation with local stakeholders, identify potentially viable eco-cultural tourism opportunities. • Conduct market research and identify interested local participants. • Select three or more of the most promising opportunities and test the market (including user fees to support PA management costs). • Based on the test results, formalise the arrangement and prepare and implement long-term business plan.
Consultant for non-wood forest product (NWFP) development (FIJ, NIU)	1,420	30	<ul style="list-style-type: none"> • In consultation with local stakeholders, identify potentially viable NWFP development opportunities. • Conduct market research and identify interested local participants. • Select three or more of the most promising opportunities and test the market (including simple certification and levy to support PA management costs). • Based on the test results, formalise the arrangement and prepare and implement long-term business plan.

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Technical Assistance			
Local			
Samoa – Organic farming development	1,200	8	<ul style="list-style-type: none"> • Provide training in organic crop production practices to local farmers in the target area, using the recently launched "Organic Pasifika" standard developed by SPC, IFAD and IFOAM. • Assist with the development of the "Co-ordinated Pacific Certification Option", as identified in the Pacific Region Organic Strategic Plan.
Consultant for implementation of sustainable land management practices (FIJ, NIU, SAM, VAN)	1,336	66	<ul style="list-style-type: none"> • Based on field assessments and consultations with local stakeholders, provide training to test and implement sustainable land management techniques (e.g. agro-forestry, soil conservation measures, composting, tree planting, ecosystem restoration, etc.). • Assist with the development and implementation of monitoring and evaluation of the impact of these techniques on key environmental variables (e.g. water quality, soil quality, biodiversity, etc.). • Synthesise results and publish best practice guidelines.
Member of Regional Scientific Advisory Panel	1,500	16	<ul style="list-style-type: none"> • Provide independent advice and comments on the technical and scientific content of any major proposed activities, evaluations, assessments and technical reports. <p><i>(Short-term inputs as required/requested by PSC or NSCs).</i></p>

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Technical Assistance			
International			
Chief Technical Advisor ¹	3,077	191	<ul style="list-style-type: none"> • Take the lead in developing, implementing and documenting appropriate best-practices in community-based approaches to natural resource management. • Design, develop and coordinate project monitoring and evaluation activities within the countries (including data collection, analysis and synthesis of results), following the results framework and responding to each country's specific needs for conservation policy, planning and reporting etc. • Provide technical advice and assistance to the mid-term and final evaluations of the project. • Facilitate the exchange of results and information across the four countries and elsewhere in the Pacific through the project website, publications, workshops and other events. • Design, develop and implement any technical activities (such as workshops and training events) implemented at the regional level. • Develop and supervise independent reviews and assessments of project activities by members of the RSAP, when requested by the PSC or NSCs. • Represent the project at relevant regional meetings and conferences and facilitate the coordination and integration of project activities into other regional efforts where appropriate and beneficial to the achievement of the project's objectives.

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Technical Assistance			
<i>International</i>			
Monitoring and evaluation expert(s)	2,526	35	<ul style="list-style-type: none"> • Review the effectiveness and efficiency of monitoring and evaluation activities in each of the main components of the project. • Analyse the effectiveness of implementation and partnership arrangements. • Identify lessons learned and any technical achievements of the project. • Identify issues requiring decisions and remedial actions and propose adjustments to the work plan as necessary (mid-term evaluation only).
Legal consultant (NIU, SAM, VAN)	2,500	12	<ul style="list-style-type: none"> • Based on experiences in other countries and current best-practice, assist with the preparation of draft proposals for legal and policy frameworks for community-based decision-making with respect to biodiversity conservation, protected area management and sustainable forest and land management. • Prepare training materials and provide support for training and capacity building to enable implementation and enforcement of any new legislation and policies.
Consultant for designing long-term protected area strategy (SAM)	2,500	3	<ul style="list-style-type: none"> • Based on experiences in other countries and current best-practice, prepare a methodology for the evaluation of the costs, benefits and management effectiveness of CCA agreements initiated under the project. • Assist with the identification of lessons learned and drafting of a report on this topic. • Develop criteria for the replication of community-based protected areas elsewhere in Samoa and assist with data collection and analysis for this purpose..
Consultant for protected area management planning (NIU, SAM, VAN)	2,500	11	<ul style="list-style-type: none"> • Based on experiences in other countries and current best-practice, prepare a methodology for the collection of baseline data on biodiversity (as necessary) and consultation with local communities on the development of management plans. • Assist with the drafting of the Protected Area management plans and other local arrangements necessary for implementation of the management plans.
Consultant for development of monitoring and evaluation system for protected areas (SAM, VAN)	2,500	15	<ul style="list-style-type: none"> • In consultation with local stakeholders, review current reporting obligations to relevant conventions, international organisations and databases, etc. and identify data and training needs. • Provide training in necessary technical skills (e.g. data collection, data analysis, GIS, interpretation and dissemination of information). • Based on experiences in other countries and current best-practice, prepare recommendations for the development and implementation of a monitoring and evaluation system that will meet these obligations as well as local needs.
Consultant for development and field testing of Payments for Environmental Services (PES) (FIJ)	2,500	20	<ul style="list-style-type: none"> • Based on experiences in other countries and current best-practice, assist with the development of a policy framework and criteria for valuation of natural resources (ecosystem benefits and services) for implementation as PES. • Provide training in resource valuation and PES.
Samoa - Organic farming development	2,500	4	<ul style="list-style-type: none"> • Assess local and international organic markets and strengthen marketing skills of local organic farmers association (OFA), Women in Business (WIB) NGO and others supporting the development of organic agriculture. • Assess local training and development needs for organic farming and assist with the development of training materials to be used locally.

<i>Position Titles</i>	<i>\$/week</i>	<i>Est. weeks</i>	<i>Tasks to be performed</i>
For Technical Assistance			
<i>International</i>			
Consultant for field assessment of biodiversity and sustainable land management practices (NIU, SAM, VAN)	2,500	11	<ul style="list-style-type: none"> • Provide training on field assessment of biodiversity and land management practices in protected areas and production landscapes. • Assist with the selection of sustainable land management techniques for pilot testing under the project. • Provide technical advice on suitable approaches for monitoring and evaluation of the impact of these techniques on key environmental variables (e.g. water quality, soil quality, biodiversity, etc.). • Contribute to the publication of best practice guidelines on sustainable land management and biodiversity conservation in production landscapes.
Consultant for development of protected area financing strategy (FIJ, NIU, SAM, VAN)	2,500	32	<ul style="list-style-type: none"> • Based on experiences in other countries and current best-practice, assist with the review and assessment of new potential financing mechanisms. • Provide training on the development and implementation of financing strategies. • Assist with the preparation of the strategic plan for financing and provide recommendations for implementation.
Consultant for ecotourism development (NIU)	2,500	4	<ul style="list-style-type: none"> • Based on experiences in other countries and current best-practice, assist with the identification of potentially viable eco-cultural tourism opportunities. • Review options for benefit-sharing to provide support towards the costs of protected area management. • Discuss potential options with local stakeholders for testing and implementation under the project and provide recommendations for the long-term business plan.
<p>Justification for travel, if any: Some local travel will be required for consultants to reach project sites in Vanuatu, Fiji and Samoa (where the sites are located on several different islands). This travel will be essential for consultations with local stakeholders and the development and implementation of community-based approaches to conservation and sustainable land management (i.e. local capacity building). Travel will be required for international consultants to reach the islands. The use of international consultants has been kept at a minimum and has only been programmed where the required technical skills are unlikely to be available locally (e.g. with relatively more in Niue and less in Fiji) or where experiences gained from other countries are likely to be of benefit to the project (e.g. the development of PES and financing strategies, which are very poorly developed in the Pacific, but have been tested extensively elsewhere). In addition, to minimise costs, international consultants from within the region will be given preference, subject to the over-riding condition that the highest possible levels of quality of technical assistance are provided.</p>			

Notes:

1. The long-term consultants (Chief Technical Advisor and National Project Coordinators) will allocate their time as follows: project management (one month per year); and technical assistance (11 months per year). Further details are provided in the project document.
2. With the exception of the long-term consultants, the terms of reference shown here may vary slightly between countries depending on their local needs and circumstances. Further details of project activities are described in an annex to the project document.
3. Not all consultants for technical assistance will be required in all four countries. In some cases, these activities will be funded by cofinancing in the countries. In other cases, the differences in requirements for technical assistance are due to differences in existing capacities or in proposed project activities.

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

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

The objective of the PPG has been achieved. Key outcomes of project preparation were as follows:

1. Review of policies, legislation and institutional arrangements: Existing policies, laws and institutional arrangements were reviewed in all four countries at national consultation workshops and detailed proposals were developed for Component 1 of the project.
2. Identification of protected areas to be covered by the project: A precise selection of protected areas to be included in the project was completed during project preparation, including definition of the proposed boundaries, completion of the GEF BD tracking tool for these areas and consultation/awareness-raising with local community members (and their agreement in principle to participate in the project). This selection was based on a review of past and present conservation activities in potential sites, local consultations and reviews of key documents such as Key Biodiversity Analyses or KBAs (where they exist) in the countries. Preliminary proposals for community-based management arrangements were also outlined (although the exact details of these will need further refinement as part of project implementation).
3. Capacity building: Detailed proposals for capacity building at national and local levels were developed, identifying: existing gaps/weaknesses in different technical skills; likely numbers of people that should be trained (within the available budget); and local and international partners to undertake these activities.
4. Protected area financing: Different approaches to protected area financing were discussed (amongst other things) at a regional workshop funded by cofinancing (from FAO) and all four countries developed proposals in this area for the project.
5. Biodiversity markets and sustainable land/forest management activities: It was agreed that activities under Components 5 and 6 of the project will occur mostly in and around the protected areas covered by the project. As part of consultations with local communities in these areas and technical studies by national consultants, a range of livelihood activities were examined, current weaknesses were identified and possible development options were proposed. There are numerous areas where improvements could be made (both in terms of income generation and environmental sustainability) and the vast range of potential options is described in the PPG reports. The final selection of technical options (e.g. exact sites, participants, activities – tree planting, organic farming, soil stabilisation measures, etc.) will be agreed during project implementation in consultation with local communities and taking into account local circumstances and technical feasibility.

In addition to the achievements of project preparation (in technical terms), local communities in the proposed sites have been informed about the project, local stakeholders at the national level have been consulted (and, where appropriate, have agreed to work in partnership with the project) and the required level of cofinancing has been obtained.

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

Experiences gained from project preparation have highlighted weaknesses in some of the countries to execute a large and complex project such as this. The starting point for project preparation was a strong desire on the part of the countries for local control and ownership of the project preparation and national execution, but their ability to manage and execute activities was, in some cases, quite weak. As a consequence, locally executed activities soon fell behind schedule, final GEF PPG expenditure was less than originally planned and substantial contributions from FAO and other cofinancing partners were required to complete project preparation (including the use of international consultants to undertake some activities that were originally identified for local consultants). In addition, some of the reports of project preparation activities were not of a very high standard.

Respecting the desire of the countries, GEF and FAO for strong local ownership, the project design retains a major focus on the use of local consultants and contracts with local institutions (through letters of agreement) and a minimal use of international consultants. This will be done through careful selection of local consultants and local partners, but may possibly require a reorientation of inputs in situations where local capacities are extremely weak (international consultants have already been proposed for some very specialised activities, but there may be others where the availability of local capacity is somewhat uncertain). Letters of agreement will also be carefully monitored to ensure that project activities and outputs are delivered on time and to an acceptable level of quality.

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

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF Amount (\$)</i>				<i>Co-financing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent to date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount</i>	
Local consultants	Completed	100,200	50,786	0	49,414	66,000
International consultants	Completed	70,800	44,879	0	25,921	148,200
Travel	Completed	77,150	42,770	0	34,380	35,000
Workshops	Completed	42,000	39,505	0	2,495	15,450
Data collection, consultation activities and other costs of project formulation	Completed	59,850	38,288	0	21,562	24,000
Total		350,000	216,228	0	133,772	288,650