



GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL

PROJECT TYPE: Medium-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Establishing the National Framework and Operational Capacity for Implementing the Nagoya Protocol in Timor-Leste			
Country(ies):	Timor-Leste	GEF Project ID: ¹	9703
GEF Agency(ies):	UNEP	GEF Agency Project ID:	01547
Other Executing Partner(s):	Ministry of Development and Institutional Reform – National Directorate for Biodiversity Protection and Restoration	Submission Date:	June 28, 2018
GEF Focal Area (s):	Biodiversity	Project Duration (Months)	48
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP <input type="checkbox"/>	
Name of Parent Program		Agency Fee (\$)	125,387

A. FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Focal Area Objectives/Programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Co-financing
BD-3 Program 8	Outcome 8.1: Legal and regulatory frameworks, and administrative procedures established that enable access to genetic resources and benefit sharing in accordance with the provisions of the Nagoya Protocol	GEFTF	1,319,863	4,050,000
Total project costs			1,319,863	4,050,000

B. PROJECT DESCRIPTION SUMMARY

Project Objective: To establish the conditions enabling sustainable access to the genetic resources of Timor-Leste, which will deliver fair and equitable benefits to its people, while protecting legal and customary ownership and traditional knowledge						
Project Components/Programs	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
<u>Component 1:</u> Establishment of national legal and institutional framework on ABS ⁴ , including Traditional Knowledge.	TA	<u>Outcome 1.1:</u> National legal and institutional framework on ABS and the protection of traditional knowledge developed and facilitated towards adoption in accordance with the Biodiversity Decree Law.	<u>Output 1.1.1:</u> National regulatory, policy and institutional framework developed and facilitated towards adoption by the government for implementation of the Nagoya Protocol through a process of national consultations, a government brief and National Operational Guidelines. <u>Output 1.1.2:</u> Nationally agreed model Community Protocols developed based on local indigenous practices, beliefs and customary law to guide	GEFTF	515,400	1,450,000

¹ Project ID number remains the same as the assigned PIF number.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#) and [CBIT programming directions](#).

³ Financing type can be either investment or technical assistance.

⁴ [Access and Benefit Sharing \(ABS\)](#).

		<p>access to traditional knowledge associated with genetic resources.</p> <p><u>Output 1.1.3:</u> National specific ABS model agreements (PIC, MAT⁵) developed that facilitate the negotiation of monetary and non-monetary benefits between users and providers of genetic resources.</p> <p><u>Output 1.1.4:</u> High-level dialogue established with policy makers and Parliament to make the case for the Nagoya Protocol and the national ABS framework, emphasising their potential for adding value through research & development, and their contribution to the Sustainable Development Goals (SDGs).</p> <p><u>Output 1.1.5:</u> Information required for formal accession to the Nagoya Protocol made available to the Government of Timor-Leste and accession process started.</p> <p><u>Outcome 1.2:</u> Increased awareness and capacity of national stakeholders on ABS principles, economic potential and procedures under the Nagoya Protocol and the national framework.</p>	<p><u>Output 1.2.1:</u> An outreach and institutional development plan on ABS issues prepared in Tetum language based on needs assessments.</p> <p><u>Output 1.2.2:</u> National outreach campaign implemented on the provisions of the Nagoya Protocol, the evolving national ABS framework, and the role of ABS for genetic resource-based innovation and adding value in meeting the SDGs.</p> <p><u>Output 1.2.3:</u> Targeted training carried out for 50 staff of the Competent National Authority, the Competent Sector Authorities, the National Focal Point and related research agencies on national institutional, regulatory and implementation framework for ABS.</p>			
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⁵ [Prior Informed Consent \(PIC\), Mutually Agreed Terms \(MAT\).](#)

<u>Component 2:</u> Operationalisation of the Nagoya Protocol on research and monitoring for sustainable utilisation of genetic resources	TA	<u>Outcome 2.1:</u> Institutional capacity enhanced for enacting Article 17 on ‘monitoring’ and Articles 8a & 23 on ‘promoting research’ for sustainable use through consolidation of inventory, cataloguing and fair access to national and internationally held records on biodiversity, genetic resources and traditional knowledge of Timor-Leste.	<u>Output 2.1.1:</u> Consolidated National Database on biodiversity, genetic resources and traditional knowledge, and national ABS Clearing House Mechanism, established. <u>Output 2.1.2:</u> Protocols established for the National Database and the national ABS Clearing House Mechanism on collecting, cataloguing, permitting and monitoring of fair access to scientific records and traditional knowledge in Timor-Leste, and existing information incorporated into the database.	GEFTF	684,475	2,250,000
		<u>Outcome 2.2:</u> Enhanced technological and business capacity for bio-prospecting in Timor-Leste, in compliance with the Nagoya Protocol on sustainable utilisation of genetic resources.	<u>Output 2.2.1:</u> Memorandum of Agreement on Technical Collaboration signed between MDIR/MAF/UNTL and Nimura Genetic Solutions (NGS Japan) on multiple-year collaborative research and capacity building for bio-prospecting. <u>Output 2.2.2:</u> Bio-prospecting trials implemented, enabled through PIC and MAT agreements with the provider(s) of the genetic resources, and through technology transfer in research and development. <u>Output 2.2.3:</u> Existing and new opportunities for bio-prospecting projects in e.g. the agricultural, crop protection, food/beverage, botanical, cosmetics or pharmaceutical industries identified.			
Subtotal					1,199,875	3,700,000
Project Management Cost (PMC) ⁶				GEFTF	119,988	350,000
Total project costs					1,319,863	4,050,000

⁶ For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

C. CONFIRMED SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE

Please include evidence for co-financing for the project with this form.

Sources of Co-financing	Name of Co-financier	Type of Cofinancing	Amount (\$)
Recipient Government	Ministry of Development and Institutional Reform (MDIR)	Grants & In-kind	1,046,000
Recipient Government	Ministry of Agriculture and Fisheries (MAF)	Grants & In-kind	1,000,000
Recipient Government	Centre for Climate Change and Biodiversity (CCCB), National University of Timor-Leste (<u>UNTL</u>)	In-kind	100,000
CSO	Conservation International (CI)	In-kind	454,000
Donor Agency	European Union (EU)	In-kind	1,100,000
Private Sector	Nimura Genetic Solutions, Ltd. (NGS)	In-kind	250,000
GEF Agency	United Nations Environment Programme (UNEP)	In-kind	100,000
Total Co-financing			4,050,000

D. TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country Name/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee ^{a)} (b) ²	Total (c)=a+b
UNEP	GEF TF	Timor-Leste	Biodiversity		1,319,863	125,387	1,445,250
Total Grant Resources					1,319,863	125,387	1,445,250

a) Refer to the Fee Policy for GEF Partner Agencies

E. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁷

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	<i>n.a.</i>

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

(If non-grant instruments are used, provide an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/CBIT Trust Fund) in Annex D.

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN WITH THE ORIGINAL PIF⁸

A.1. Project Description. Elaborate on: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area⁹ strategies, with a brief description of expected outcomes and components of the project, 4) [incremental/additional cost reasoning](#) and expected contributions from the baseline, the GEFTF, LDCF, SCCF, CBIT and [co-financing](#); 5) [global environmental benefits](#) (GEFTF) and/or [adaptation benefits](#) (LDCF/SCCF); and 6) innovativeness, sustainability and potential for scaling up.

Additional information has been gathered on the baseline projects and is included in Section 2 of the Project Document. The project components and outputs have been refined based on consultations with key stakeholders during the project design phase. The changes as compared to the PIF are explained in the table below. These changes will not, however, affect the project outcomes or objective.

Outcome / Output	Description of the changes
General	<ul style="list-style-type: none"> The bullet points in the column “Project Outcomes” of Table B have been removed and are now included in the Project Results Framework (Appendix 3), as these were targets rather than outcomes.
Outcome 1.1	<ul style="list-style-type: none"> “Draft Biodiversity Law” has been replaced by “Biodiversity Decree Law” since the law was approved by Parliament in 2017¹⁰. The term “White Paper” has been replaced by “government brief” as stakeholders found the term confusing. In Outcome 1.1, the word “coherent” has been removed, as it is difficult to be measured as part of the results framework. The word “approved” has been replaced by “developed and facilitated towards adoption”, as the approval by Parliament is beyond the control of the project: “National legal and institutional framework on ABS and the protection of traditional knowledge developed and facilitated towards adoption in accordance with the Biodiversity Decree Law.” Under Output 1.1.1, “National regulatory, policy and institutional framework adopted” has been

⁷ Update the applicable indicators provided at PIF stage. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period.

⁸ For questions A.1 –A.7 in Part II, if there are no changes since PIF, no need to respond, please enter “NA” after the respective question.

⁹ For biodiversity projects, in addition to explaining the project’s consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving..

¹⁰ [The Decree Law is expected to be promulgated by the President in early 2019.](#)

	<p>replaced by “<i>developed and facilitated towards adoption</i>”, as the final adoption depends on factors outside the project’s direct control.</p> <ul style="list-style-type: none"> • Output 1.1.2 has been reworded as shown below in order to make it clearer and more targeted. From: “Systematization of local indigenous practices, beliefs and customary law into nationally agreed (model) Community Protocols for the protection and access related to traditional knowledge.” To: “Nationally agreed model Community Protocols developed based on local indigenous practices, beliefs and customary law to guide access to traditional knowledge associated with genetic resources.” • In Output 1.1.4, “to make the case for the Nagoya Protocol and the Draft Biodiversity Act” has been replaced by “to make the case for the Nagoya Protocol and the national ABS framework”. Since the Biodiversity Decree Law was approved in 2017, the focus will be on supporting the adoption of the national regulatory and institutional framework to be developed by the project.
Outcome 1.2	<ul style="list-style-type: none"> • Outcome 2.1 has been slightly reworded to make it clearer and add a focus on awareness of ABS principles and its economic potential. From: “Increased awareness and capacity of national stakeholders on the provisions of the Nagoya Protocol, and the (evolving) national institutional and regulatory framework on ABS.” To: “Increased awareness and capacity of national stakeholders on ABS principles, economic potential and procedures under the Nagoya Protocol and the national framework.”
Outcome 2.1	<ul style="list-style-type: none"> • Output 2.1.1 has been slightly reworded to make it clearer. The reference to the partnership with UNTL-National Database Centre (TLNDC) has been removed as this National Database Centre has not been realized as planned. However, UNTL and its CCCB will still play a key role in hosting and administering the database in close collaboration with the Biodiversity Directorate, and UNTL’s IT department can provide technical support. This output will also benefit from technical assistance from the Museum and Art Gallery of the Northern Territory (MAGNT) and CI, as well as MAF. Most physical investments are still provided through co-financing, although the project will provide some support for IT infrastructure for the database. The idea of a physical repository (herbarium/museum) described in the PIF has been, for now, replaced by the database/virtual library of specimens, which is deemed more pragmatic, realistic, and effective. From: “Consolidated National Database on biodiversity, genetic and traditional knowledge (TK) resources, including ABS Clearing House Mechanism through partnership MCIE-NDBPR¹¹ with UNTL-TLNDC (<i>all physical, core staffing and laboratory investments through co-funding</i>)” To: “Consolidated National Database on biodiversity, genetic resources and traditional knowledge, and national ABS Clearing House Mechanism, established.” • Output 2.1.2 has been slightly reworded and an aspect on data collection has been added, as this was identified as a critical element to help to achieve the project objective. From: “Protocols established for the national ABS Clearing House Mechanism, including National Database on collecting, cataloguing, permitting and monitoring of fair access to scientific records and traditional knowledge in Timor Leste. (see also 1.1.2)” To: “Protocols established for the National Database and the national ABS Clearing House Mechanism on collecting, cataloguing, permitting and monitoring of fair access to scientific records and traditional knowledge in Timor-Leste, and

¹¹ National Directorate for Biodiversity Protection and Restoration under the Ministry of Commerce, Industry and Environment (now MDIR).

	<p>existing information incorporated into the database.”</p> <ul style="list-style-type: none"> • Output 2.1.3 (below) has been removed. Point (i) has been incorporated into Output 2.1.1 as building partnerships for institutional development is an integral element of this output. Point (ii) has been incorporated into Output 2.1.2, as building partnerships for protocols on data management and access to traditional knowledge is an integral element of this output. Point (iii) has been removed as there is now an increased focus on the collection of existing information and data (see Output 2.1.2), and on surveys that more directly support Outcome 2.2 (see Output 2.2.2). Output 2.1.3 (removed): “Partnership, training and transfer of knowledge with international institutions for (i) institutional development of NDBPR and UNTL with regards the CHM/National Database, (ii) protocols on data management and access to TK, and (iii) co-funded collaborative survey and data exchange programs on biodiversity, genetic and TK resources of Timor Leste.” • Output 2.1.4 has been moved to Outcome 2.2 (see new Output 2.2.3) as it is more directly linked to this outcome.
Outcome 2.2	<ul style="list-style-type: none"> • The definition of bio-prospecting has been clarified and standardized, and the wording of Outcome 2.2 has been revised accordingly. The project uses the following definition of bio-prospecting: “Bio-prospecting is the process of screening for and discovery and commercialisation of new products based on biological resources (plants, animals, fungi, bacteria etc.), including for biochemicals, genetic information, properties etc., for pharmaceutical, agricultural, cosmetic and other applications”. Outcome 2.2 has therefore been adjusted as follows: From: “Enhanced technological and business capacity for screening and commercialisation of genetic and bio-chemical compounds of biodiversity in Timor Leste, in compliance with NP on sustainable utilisation of genetic resources.” To: “Enhanced technological and business capacity for bio-prospecting in Timor-Leste, in compliance with the Nagoya Protocol on sustainable utilisation of genetic resources.” • Output 2.2.1 now also includes MAF as a partner in the Memorandum of Agreement with NGS, as explained in Section 4 (implementation arrangements) of the Project Document. The part on “and institutional support to the biochemical and genetic research laboratory” has been removed to make the output more targeted. Outcome 2.2 will still support institutional development through capacity building. • Output 2.2.2 has been reworded to make it clearer and more focused. From: “Technology transfer in research and development through conducting institutional development and biochemical and genetic screening trials, enabled through PIC and MAT agreements with the provider(s) of the genetic resources (<i>co-funded</i>).” To: “Bio-prospecting trials implemented, enabled through PIC and MAT agreements with the provider(s) of the genetic resources, and through technology transfer in research and development.” • Output 2.2.3 on identifying bio-prospecting opportunities has been added (formerly Output 2.1.4).

Project co-financing

During the [project preparation grant \(PPG\)](#) phase, extensive consultations were held to confirm the co-financing commitments that had been identified in the PIF. Emphasis has been placed on designing a project that is realistic and focused, with partnerships that directly contribute to the project’s goal and its sustainability. Co-financing letters have been secured from all critical project partners, including the relevant government agencies and UNTL-CCCB, Conservation International, the European Union, Nimura Genetic Solutions and UN Environment. Some co-financing has been shifted from UNTL-CCCB to government as the CCCB is a joint facility between MDIR and UNTL. Three project partners that had been indicated as co-financing partners in the PIF, namely Charles Darwin University, World

Vision and With One Seed, were consulted but it was jointly decided not to include them in the co-financing partners in order to reduce complexity in the project execution and focus on the contributions most relevant to the project outcomes. The project will, nevertheless, continue to keep them informed and, where relevant, involve them in the project implementation.

A.2. *Child Project?* If this is a child project under a program, describe how the components contribute to the overall program impact.

N/A

A.3. *Stakeholders.* Identify key stakeholders and elaborate on how the key stakeholders engagement is incorporated in the preparation and implementation of the project. Do they include civil society organizations (yes /no)? and indigenous peoples (yes /no)? ¹²

As described in Section 2.5 of the Project Document, a series of consultations were held during the project design phase in April, May and June 2018 in Timor-Leste with the key stakeholders at the national and international levels to discuss different aspects of project design. An analysis of the main project stakeholders, including their mandates and role and involvement in the project, is included in the Project Document. The main stakeholders of the project are central government agencies, local government, national research institutions, international research institutions and international and regional organisations, the private sector, small and medium enterprises, the media, civil society, as well as local communities.

Civil society organisations that work directly with local communities, such as Conservation International, World Vision, With One Seed and RAEBIA, have been consulted during the PPG phase. Project stakeholders include local communities from different ethnic groups, as described in Section 3.11 on Environmental and social safeguards. The project will ensure the respect of socio-cultural conditions as well as the inclusion of the different ethnic groups in all its components, specifically through development, testing and adherence to PIC, MAT and Community Protocols.

Two sites have been identified for the development of Community Protocols, inventories of traditional knowledge and for the field surveys under Outcome 2.2, in discussion with project partners – one marine/coastal site (Atauro Island for its high marine biodiversity) and one terrestrial site (Mt. Legumau in Bacau municipality, where Conservation International is planning a biodiversity survey under a CEPF grant). Due to synergies with existing projects implemented by Conservation International (CI) and MAF at these sites, and in order to be able to follow a proper process of Prior Informed Consent (PIC) supported through a communications strategy and Community Protocols, it was decided to consult with local communities in the two pilot sites only at the inception of the project implementation. However, CI and MAF are familiar with the communities in the two sites. A more detailed description is included in Section 3.3 of the Project Document.

A.4. *Gender Equality and Women's Empowerment.* Elaborate on how gender equality and women's empowerment issues are mainstreamed into the project implementation and monitoring, taking into account the differences, needs, roles and priorities of women and men. In addition, 1) did the project conduct a gender analysis during project preparation (yes /no)?; 2) did the project incorporate a gender responsive project results framework, including sex-disaggregated indicators (yes /no)?; and 3) what is the share of women and men direct beneficiaries (women X%, men X%)? ¹³

A gender analysis with regard to equality and women's empowerment was conducted during the PPG phase based on secondary sources and is included in Section 3.11 of the Project Document. Gender-disaggregated indicators are included in the project results framework (Appendix 3 to the Project Document), with at least 40% of project

¹² As per the GEF-6 Corporate Results Framework in the GEF Programming Directions and GEF-6 Gender Core Indicators in the Gender Equality Action Plan, provide information on these specific indicators on stakeholders (including civil society organization and indigenous peoples) and gender.

¹³ Same as footnote 8 above.

beneficiaries and targeted stakeholders being women. Based on the recommendations and observations of the analysis, the activities of the project have been designed to address some of the gender-related issues, as follows.

- a) During the project design phase, efforts were made to ensure opportunities for both women and men to provide their perspectives on potential activities and priorities. Approximately 30% of the participants in the PPG consultation and validation workshops were women. During implementation, the project will ensure adequate representation of (and inputs from) women, local community representatives and youth (with a target of at least 40% women represented at meetings), and will hold separate consultations, as needed, with different interest groups including women, local community representatives, and youth. Particular efforts will be made to build the capacity of women and involve them, for instance, in training of trainers workshops.
- b) The project activities have been designed to ensure that any model Community Protocols, traditional knowledge surveys, PIC and MAT meet the needs of women as part of fair and equitable access and benefit sharing of genetic resources. Awareness and capacity building activities will target both women and men.
- c) Under Component 2, attention will be given to the need to understand the breadth and depth of traditional knowledge of environment and biodiversity resources, including the knowledge of both women and men. Finally, as genetic resources are identified and understood in terms of customary ownership and stewardship, activities under this component will seek to ensure that improved livelihood options and other benefits are available to both women and men.

A.5 Risk. Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

The project risks and risk mitigation measures are described in the table below (see also Section 3.5 of the Project Document).

Identified Risks and Category	Impact	Likelihood	Risk Assessment	Mitigation Measures
Weak operation and maintenance of laboratory facilities will impact the sustainability of the bio-prospecting work and partnership.	MEDIUM	HIGH	HIGH	During the project design phase, emphasis has been placed on identifying and assessing capacity/challenges/potential of existing laboratories to build upon. As a result, the project will work with mandated national agencies (UNTL/MAF) and work through two main laboratory partners (MAF's Seed and Soil Laboratory and the National Health Laboratory), who already conduct examinations and maintain their specific equipment used. Emphasis will also be placed on technology transfer as well as capacity building in operation and maintenance of the laboratory.
Possible shifts in government priorities and policy changes could prevent the establishment of an ABS regime and/or constrain the development of public-private partnerships on biodiversity and genetic resources.	HIGH	LOW	MEDIUM	The project will strengthen political commitment and support by raising the awareness of decision makers, institutions, and communities on the capacity of biodiversity and genetic resources to provide economic benefits to resource owners / stewards and to commercial partners, and to contribute to science and national research capacities generally. The project also will strengthen the capacity and understanding of decision makers, institutions, and communities on the potential benefits of an ABS regime through targeted training modules and access to best practice tools and ABS success stories. The benefits and costs of ABS implementation, based on case studies from other countries, will be highlighted during the project inception phase in order to increase support by decision makers.
Uncontrolled exploitation of forests and other natural ecosystems at field survey sites continues to negatively	MEDIUM	MEDIUM	MEDIUM	By establishing ABS regulations and by building in-country capacity for bio-prospecting, the project aims to generate monetary and non-monetary benefits to Timor-Leste and its communities. These benefits (e.g., increased knowledge of

Identified Risks and Category	Impact	Likelihood	Risk Assessment	Mitigation Measures
impact marine and terrestrial ecosystems and their genetic resources.				the value of genetic resources, income from locally developed products) are expected to provide incentives for the protection of natural ecosystems (e.g., reefs and forests). The project is thereby expected to reduce the pressure of encroachment and conversion to other destructive purposes. If a genetic resource of interest is found and grown for commercial purposes, the project will make sure that its harvest is sustainable and does not negatively affect ecosystems, based on the know-how and experience of MAF and other project partners.
Limited coordination / communication between sectorial agencies and/or ministries	MEDIUM	MEDIUM	MEDIUM	The project will support the development of inter-agency collaboration protocols by building on existing structures and initiatives such as the Timor-Leste National Council for Food Security and Nutrition (KONSANTIL), the Agriculture and Fisheries Development Partners' working group and the Agrobiodiversity working group. Under Output 1.2.2, the project will also consider the establishment of a Biodiversity Working Group to discuss and follow up on activities related to biodiversity, including genetic resources. It will also seek to get all sectorial agencies with responsibilities related to biodiversity and genetic resources to be designated as Competent Sector Authorities (CSAs) and to incorporate ABS into their routine responsibilities.
Local communities and holders of traditional knowledge do not agree to share information and grant access to their genetic resources.	MEDIUM	MEDIUM	MEDIUM	A fair and clear process needs to be designed and followed as part of the Community Protocols and the PIC/MAT agreements to gain the trust and long-term partnership of the communities. This will be facilitated by project partners that have experience in community engagement and co-management arrangements, in particular Conservation International and MAF. Additionally, an independent legal expert will be made available to the communities by the project team to provide independent advice and guidance to the communities.
Climate change impacts	MEDIUM	MEDIUM	MEDIUM	Climate change is expected to have adverse impacts on ecosystems and communities of Timor-Leste, in particular through increased droughts, more intense rainfall events leading to erosion and landslides, and rising sea temperatures. These changes may negatively affect project stakeholders and limit their capacity to participate in project activities. Climate change, combined with other factors, is also expected to have negative impacts on biodiversity and genetic resources in Timor-Leste, which could affect the value and diversity of genetic resources in the future. On the other hand, some species found in Timor-Leste may prove to be valuable resources due to their climate resilience ¹⁴ . In order to mitigate this risk, the project will collaborate closely with the National Directorate for Climate Change and climate change related initiatives implemented in Timor-Leste, in particular with regard to its commitments under the UNFCCC.

¹⁴ At the ecosystem level, Timor-Leste's coral reefs seem to be relatively resilient to climate change. Erdmann and Mohan (2013) noted that "there was no evidence or reports of past (1998) or recent (2010) large-scale high temperature bleaching-induced coral mortality around Timor-Leste. This is consistent with the presence of cool waters in most sites, which were [...] three to four degrees cooler than many neighbouring locations. [...] Timor-Leste's oceanography may provide a cool water buffer and refuge against the increasing sea temperatures predicted from climate change over coming decades."

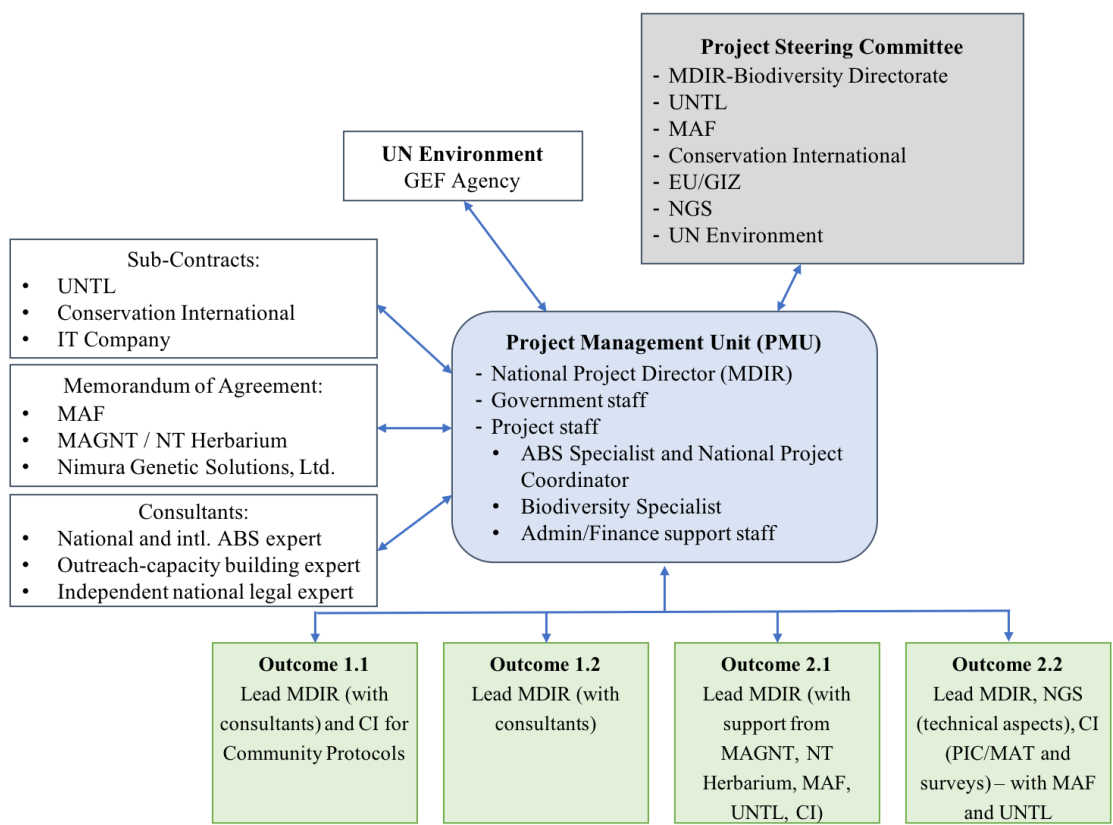
A.6. Institutional Arrangement and Coordination. Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

The institutional arrangements are described in detail in Section 4 of the Project Document. Coordination with relevant other GEF and non-GEF interventions is described in Sections 2.6 and 2.7 of the Project Document.

UN Environment will act as the GEF Implementing Agency (IA) and will be responsible for monitoring the implementation and impact of the project, reviewing progress in the realization of the project outputs, and ensuring the proper use of GEF funds. The Ministry of Development and Institutional Reform (MDIR; previously Ministry of Commerce, Industry and the Environment or MCIE) through its Biodiversity Directorate will be the Executing Agency (EA) and will be responsible for project coordination and management, monitoring adherence to the work plan, and administering the project funds. The MDIR will be supported in the execution, through several sub-contracts and Memorandums of Agreement, by the National University of Timor-Leste (UNTL), MAF, Conservation International, an IT company for the development of the national database, the Museum and Art Gallery of the Northern Territory (MAGNT), Nimura Genetic Solutions (NGS), and contracted experts.

A Project Steering Committee (PSC) will be constituted to serve as the project oversight, advisory and support body for the project. The MDIR will establish a Project Management Unit (PMU) and assign a National Project Director (part-time) to coordinate the tasks of the project. In addition, a lead organisation has been defined for each outcome which will have the main responsibility for the implementation of the activities.

The project’s organizational structure is shown in the figure below.



Additional Information not well elaborated at PIF Stage:

A.7 Benefits. Describe the socioeconomic benefits to be delivered by the project at the national and local levels. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

The project will lay the foundations for the implementation of the Nagoya Protocol in Timor-Leste, in order to establish the conditions enabling sustainable access to the genetic resources of the country, delivering fair and equitable benefits to its people while protecting legal and customary ownership and traditional knowledge. The aim of the project is, therefore, to deliver monetary and non-monetary benefits to the country and its people, including through enhanced conservation and sustainable use of biodiversity, and the potential commercialisation of products resulting from bio-prospecting activities. However, it has to be noted that the creation of benefits arising from ABS implementation generally takes time, in particular when it comes to monetary benefits. During the project design phase, a few options that potentially provide benefits to communities more quickly were discussed with Nimura Genetic Solutions (NGS), such as research and development of health food supplements and ornamental flowers. In addition, it should be emphasized that building laboratory and research capacity is an important benefit in itself to the country and its institutions.

By supporting enhanced conservation and sustainable use of biodiversity, the project will – together with other initiatives – help Timor-Leste to address the threats to globally significant biodiversity and ecosystem services by promoting ownership of the biodiversity in the ecosystems. The project will also strengthen the argument for conserving biodiversity in production landscapes and seascapes, and generate incentives to biodiversity conservation in protected areas as well as in community-managed land.

A.8 Knowledge Management. Elaborate on the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives (e.g. participate in trainings, conferences, stakeholder exchanges, virtual networks, project twinning) and plans for the project to assess and document in a user-friendly form (e.g. lessons learned briefs, engaging websites, guidebooks based on experience) and share these experiences and expertise (e.g. participate in community of practices, organize seminars, trainings and conferences) with relevant stakeholders.

As part of Outcome 1.2, an outreach and institutional development plan will be developed, defining actions to build awareness and capacity on ABS issues, tailored to the needs of different stakeholders (government agencies, research institutions/academia, indigenous and local communities, private sector, media; women and youth). Subsequently, a national outreach campaign will be implemented, involving relevant stakeholders such as government staff, researchers, local communities, and relevant industry players.

The proposed project places knowledge management at the centre of its strategy, and its outcome to address the storage and management of digital data on biological specimens will contribute substantially to the knowledge base for Timor-Leste. By collaborating with UNTL and its Centre for Climate Change and Biodiversity (CCCB), project outputs and products are ideally situated to be converted into teaching and learning tools. Information generated by the project will be made available on the national ABS Clearing House Mechanism. The project will also collaborate closely with the GEF-UNDP Cross-Cutting Capacity Development (CCCD) project, in particular with regard to its activities on information management systems and awareness raising.

Participatory and multi-stakeholder meetings will ensure access to information is maximised across the many stakeholder groups, including government, CSOs, and the private sector. The outreach and capacity building expert will provide support to the community outreach organisation in facilitating community engagement (e.g., for the development of Community Protocols, PIC and MAT, and the inventories of traditional knowledge), by ensuring that any communication and engagement is gender sensitive and meets local people's interests.

Internationally, the project will establish a network of partnerships with international institutions based on a two-way flow of scientific information, which will increase knowledge and assist in capacity building while also assisting in the establishment of a regulatory framework for potential commercial interactions involving biodiversity and genetic resources. Finally, collaboration with similar projects in the region is actively being sought with the support of the UN Environment Regional Office in Bangkok.

B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

B.1 Consistency with National Priorities. Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.:

As described in more detail in Section 3.6 of the Project Document, the project is consistent with Timor-Leste's NBSAP, and in particular its Strategic Action 16 on "Developing and promoting understanding of national policies on access and benefit-sharing arising from utilization of genetic resources, including biosafety measures". The project is also consistent with and will support the implementation of the Biodiversity Decree Law (2017), the General Forestry Regime (2017), the National Seed Policy and the Decree Law on the National System of Protected Areas (2016).

The project is in line with Timor-Leste's commitments to the implementation of the CBD and the achievements of its targets. In particular, it supports Aichi Biodiversity Targets 1, 16 and 19. In addition, the project will assist Timor-Leste in delivering Sustainable Development Goal 15, Target 6, which is to ensure fair and equitable sharing of the benefits arising from the utilization of genetic resources, and promote appropriate access to genetic resources.

The project is also consistent with the United Nations Development Assistance Framework (UNDAF) 2015-2019 for Timor-Leste. In particular, it supports the following outcome and sub-outcome:

Outcome 1: People of Timor-Leste, especially the most disadvantaged groups, benefit from inclusive and responsive quality health, education and other social services, and are more resilient to disasters and the impacts of climate change.

Sub-Outcome 1.4: People of Timor-Leste, particularly those living in rural areas vulnerable to disasters and the impacts of climate change, are more resilient and benefit from improved risk and sustainable environment management. [...] The United Nations System will [...] build capacity for regionally harmonized national processes for implementing CBD provisions on access to genetic resources and sharing of benefits.

C. DESCRIBE THE BUDGETED M & E PLAN:


As described in Section 6 of the Project Document, the project will follow UN Environment standard monitoring, reporting and evaluation processes and procedures. Substantive and financial project reporting requirements are summarized in Appendix 7 of the Project Document. Reporting requirements and templates are an integral part of the UN Environment legal instrument to be signed by the Executing Agency and UN Environment.

The project M&E plan is consistent with the GEF Monitoring and Evaluation policy. The Project Results Framework presented in Appendix 3 includes SMART indicators for each expected outcome as well as mid-term and end-of-project targets. These indicators along with the key deliverables and benchmarks included in Appendix 5 will be the main tools for assessing project implementation progress and whether project results are being achieved. The means of verification and the costs associated with obtaining the information to track the indicators are summarized in Appendix 3 and Appendix 5. Other M&E related costs are also presented in the costed M&E Plan in Appendix 6 and are fully integrated in the overall project budget.

PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)

A. GEF Agency(ies) certification

This request has been prepared in accordance with GEF policies¹⁵ and procedures and meets the GEF criteria for CEO endorsement under GEF-6.

Agency Coordinator, Agency Name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Kelly West, Senior Program Manager & Global Environment Facility Coordinator Corporate Services Division		June 28, 2018	Max Zieren, Task Manager & Regional Focal Point Asia	+66-2-288 2101	zieren@un.org

¹⁵ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

See Appendix 3 of the Project Document.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

The GEF Secretariat comments that were not addressed at the PIF stage are elaborated in the table below.

GEF Secretariat comment	Agency response at PPG stage
<p>During PPG, please put particular effort into developing a sustainability strategy for the implementation of these activities beyond the life of the project.</p>	<ul style="list-style-type: none"> • A sustainability strategy has been integrated into the project design during PPG, as described in Section 3.8 of the Project Document. • Firstly, the project is sustainable because it supports the implementation of already approved national legislation (the Biodiversity Decree Law), and because it focuses on establishing a national policy and regulatory framework for ABS in Timor-Leste, supported by the two key government agencies for ABS, MDIR and MAF. It is also sustainable because it builds on existing procedures and mandates within these ministries. By establishing a high-level dialogue with policy makers and Parliament, emphasising the economic potential of genetic resources and traditional knowledge, the project will aim to secure government commitment for the allocation of resources necessary for the implementation of the ABS framework after the project ends. The project will also ensure that clear responsibilities are assigned, and sufficient budget is allocated for the maintenance and update of the National Database and the national ABS Clearing House Mechanism in the medium and long term. • The project is also sustainable because of its focus on institutional strengthening and capacity building. By building on existing structures and capacity available, in particular in MAF, and by strengthening recently established government institutions such as the National Directorate for Biodiversity Protection and Restoration and the Centre for Climate Change and Biodiversity (CCCB), the project will aim to build long-term professional capacity for ABS implementation in Timor-Leste. The project will also aim to increase awareness and public support for ABS implementation and encourage engagement with rural communities, which are presently poorly represented in decision making and whose traditional knowledge is also mostly discounted by economic planners. • By facilitating the emergence of a national database and biochemical and genetic research laboratory facilities with national and private sector funding outside the project, it is intended that a feedback loop of expanding expertise and commitment will be built, based on success stories and lessons learned that will also facilitate sustainability. • In addition to this, several strategies have been incorporated into the project design to ensure the long-term sustainability of the project activities beyond the life of the project. These include, among others: (i) the development of a clear and simple institutional framework and regulations with the involvement of the responsible agencies; (ii) the assignment of clear responsibilities and government budget to sustain the maintenance and update of the national database and the operation and maintenance of the laboratories in the long term; (iii) the development of measures to ensure that capacity building activities are sustained after the project ends (e.g., by designating champions in each sector agency, allocating budget and adjusting terms of reference of relevant agencies); (iv) the establishment of long-term research partnerships; and (v) the elaboration of a long-term plan to pursue priority bio-prospecting opportunities (including funding).
<p>At PPG please elaborate on plans for the inclusion of ethnic minorities as appropriate.</p>	<ul style="list-style-type: none"> • As explained in the Project Document, the field component of this project is primarily linked to interviewing, surveying and sampling activities under Output 2.2.2, although a more in-depth engagement with communities will take place to ensure Prior Informed Consent (PIC) and respect community ownership over genetic resources and associated traditional knowledge in accordance with the provisions of the Nagoya Protocol. Any utilisation of genetic resources will be based on Mutually Agreed Terms (MAT) to ensure fair and equitable sharing of benefits. The project will also involve the development of Community Protocols to ensure that local indigenous practices, beliefs and customary law are followed to guide access to traditional knowledge associated with genetic resources. Moreover, the project will ensure that any Community Protocols and model agreements take into account the specific needs and priorities of local communities, in particular women, and that any benefits are available to both women and men. • A sub-contract with Conservation International (CI) will be established to lead the implementation of the community consultations and ensure that the field activities do not

negatively affect local communities and their livelihoods. CI already has a presence in the two pilot field survey sites (Baucau and Atauro), and has extensive experience in community engagement in Timor-Leste. In particular, CI supported the development of “Guidelines for Establishing Co-Management of Natural Resources in Timor-Leste”, which can serve as a reference for the development of model Community Protocols under this project. Information will be provided in the local languages relevant to the field survey sites (CI’s field coordinators in Timor-Leste are native to the area they work in). The project will involve all project stakeholders, including local community representatives, early in the process in order to ensure that their views and concerns are taken into account in the design of the national ABS framework.

- A socio-economic analysis has been produced to identify any socio-economic constraints for the implementation ABS in Timor-Leste and to formulate recommendations to overcome these constraints. The socio-economic analysis is included as Appendix 15. As mentioned in the analysis, Timor-Leste consists of several ethnic/language groups, the majority being of Malayo-Polynesian descent and Melanesian/Papuan descent. As explained in the Project Document, the people of Lari Sula in Baucau Municipality are of the *Makasae* ethno-linguistic group, while the people of Macadade on Atauro Island belong to the Atauru (or Wetar) ethno-linguistic group. The development of model Community Protocols will ensure the respect of socio-cultural conditions as well as the inclusion of the different ethnic groups.

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS¹⁶

A. Provide detailed funding amount of the PPG activities financing status in the table below:

PPG Grant Approved at PIF: \$ 50,000 (UNEP project ID 01547)			
<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF/CBIT Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
International Consultant	23,000	23,000	0
National Consultant	9,450	9,450	0
Travel	7,418	7,418	0
Workshops and meetings	10,132	10,132	0
Total	50,000	50,000	0

¹⁶ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities. Agencies should also report closing of PPG to Trustee in its Quarterly Report.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

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

N/A