

FACSIMILE TRANSMISSION



United Nations Development Programme
GLOBAL ENVIRONMENT FACILITY (GEF)



To: Mr. Kenneth King
Assistant Chief Executive Officer
GEF Secretariat

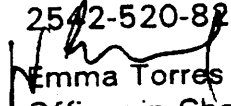
Date: 22 February 1999

Mr. Lars Vidaeus, Chief
Global Environment Div.
World Bank

Mr. Ahmed Djoghlaif
GEF Executive Coordinator
UNEP, Nairobi, Kenya

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Pages: (6 including this sheet)

From:  22/2/99
Emma Torres
Officer-in-Charge and
Deputy Executive Coordinator

Subject: PDF A Funding - Iran: Carbon Sequestration in the Desertified Rangelands of Hosseinbad

Please find attached for your review a PDF Block A request for funding entitled:
"Iran: Carbon Sequestration in the Desertified Rangelands of Hosseinbad".

We would appreciate receiving your comments no later than c.o.b. Monday 1
March 1999.

Thank you.

PM

Block A PDF	
PART I - ELIGIBILITY	
1. Project name: Carbon Sequestration in the Desertified Rangelands of Hosseinabad, Iran	2. GEF Implementing Agency: UNDP
3. Country or countries in which the project is being implemented: Islamic Republic of Iran	4. Country eligibility: CCD Ratification: December 1996. UNFCCC ratification: June 1996 GEF participation since 25 May 1994
5. GEF focal area(s), and/or cross-cutting issues: Climate Change	6. Operational programme/Short-term measure: Short-term response measure
<p>7. Project linkage to national priorities, action plans, and programmes:</p> <ul style="list-style-type: none"> • Environment protection is an important national concern and priority in Iran. Article 5 of the constitution requires all development activities to be in harmony with the environment. The "Environment Protection Act" and the "Clean Air Act" strongly call for preventive and remedial measures for the protection and rehabilitation of environment. The on-going National Development plan incorporates a number of environmental objectives. • Over one third of Iran is desertland. Overgrazing and removal of vegetation cover for fuel has set into motion a process of expanded desertification which is threatening cities, villages, roads and farmland. This process considerably reduces the carbon sink capacity of the land. Faced with the threat, the Government has allocated considerable investment to initiate desertification programmes. The UNDP has been co-operating with the Government in a number of initiatives that aim at sustainable development of land and water resources with emphasis on desert combat. UN is also supporting the UNFCCC Enabling Activities which, <i>inter alia</i>, aims to develop a mitigation strategy to counter negative impacts of the climate change on the desertland. • Hosseinabad is located in south Khorasan on the margins of the Central Desert. The area has been home to thousand of Afghan refugees who fled the conflict and economic hardship in Afghanistan. The influx of refugees increased the pressure on the already fragile ecosystem. Most of the vegetation cover has been eroded to provide for forage and fuel. The Government has identified the area as high priority region for its desertification combat activities. 	
<p>8. GEF national operational focal point and date of country endorsement: Ministry of Foreign Affairs, 7th of January 1997.</p>	
<p>9. Project rationale and objectives:</p> <p>The project will be a 'model' initiative for the dual objectives of offsetting biotic carbon and promotion of sustainable livelihood through a participatory approach in desert combat. It will sequester carbon, at a very high level, in the desertified lands of Hosseinabad through the establishment of a hand planted Haloxylon forest. All activities will be carried out by the local civil societies. The Haloxylon forests will store carbon at levels justifiable by the STR criteria-Footnote 25, Chapter 3. The forests will also remove the threat to the existing farmland and will rehabilitate the desertified farmland. Increased farm production will provide for an improved livelihood of the poor farmers and refugees in the area, thus reducing the fuel wood demand, which is presently the cheapest form of fuel. The project will be later used as a model initiative for replication throughout Iran. As such the potential carbon sequestration is much higher than what can be expected from the project. Baseline activities will be supported by the Government including the supply of seeds and seedlings, nursery building and watering equipment. Government will also provide technical personnel.</p>	

10. Expected outcomes:

As a result of implementing the project 9,700 hectare (ha) of desertified land will be converted to a grazing forest land. The potential stored carbon in roots and stems will be 8.2-13.8 tonnes/ha. The arid conditions of the proposed site as well as the stability of the sink would affect a slow recycle of carbon (in excess of 100 years). The project will increase the villagers income by increasing the forage production from the present 50-60 kg/ha to 300-400 kg/ha and by providing land for additional farming activities. It will also reduce the threat of the expanding desert and will be an incentive for the farmers to remain in the area. The project will enhance the indigenous capacity in environment rehabilitation and can be disseminated to and replicated in other desertland areas of Iran.

11. Planned activities to achieve outcomes:

- Plantation of 9,700 hectares with seedling of *Haloxylon Persicum*, *caligonum* and *Artiplex* through participation of the villagers as organized in civil societies. The Plantation ratio is 80% , 10% and 10% respectively.
- Capacity building through training and extension activities and promotion of environmental awareness, particularly amongst the youth and women. Capacity building will address different types of soil/terrain conditions and will target the ultimate objective of enabling the nationals to train others and disseminate the know how gained.
- Workshops to draw attention to the sustainable development at nature of the project, especially through careful monitoring of project activities of the initial stages.
- Information sharing events and activities with other rural communities.

12. Stakeholders involved in project:

The local branches of the Forest and Rangeland Organization, Nomadic Affairs Organization and local communities including semi nomadic herders. The Forest and Rangeland Organization (FRO) operates under the auspices of the Ministry for Construction Crusade.

PART II – INFORMATION ON BLOCK A PDF ACTIVITIES**13. Activities to be financed by the PDF**

The objective of this PDF A is to assist the Government of Iran in formulating and finalizing a GEF Medium-Size Project brief and project document to submit for GEF financing in carbon sequestration in the desertified rangelands. In addition, this PDF A needs to distinguish baseline activities from incremental activities, and clarify the methodology for estimating unit abatement cost in view of the recent relevant initiatives under the targeted research studies. The output of the mission is a finalized GEF Medium-Size Project brief and project document to submit for GEF financing in carbon sequestration in the desertified rangelands of Hosseinabad. The PDF A will cover the costs for

- 1) Hiring an international consultant to formulate and finalize a GEF Medium-Size Project brief and project document to submit for GEF financing, distinguish baseline activities from incremental activities, and clarify the methodology for estimating unit abatement cost;
- 2) Holding a project formulation workshop with all stakeholders involved;
- 3) Hiring one national consultant to assist the international consultant in the project brief development activities, including organizing the project formulation workshop.

14. Expected outputs and completion dates:

- 1) A GEF Medium-Size Project brief and project document;
 - 2) A brief mission report
- Completion date: to be determined

15. Other possible contributors/donors and amounts: All project proponents will contribute as detailed in Section 16 below

16. Total budget and information on how costs will be met (including the Block A grant):**GEF:**

a) International Consultant:	US\$13,600
b) National Consultant:	US\$5,000
c) Workshop 2 days	US \$2,500
d) Sundry	US \$1,000
e) Documentation	US \$1,000
f) Project Support Services	<u>US\$ 693</u>
Total	<u>US\$23,793</u>

Other

UNSO: US\$5,000 for technical backstopping (in-kind)

FRO: US\$5,000 for administrative and logistical support including workshop, round-table facilities (in-kind)

PART III – INFORMATION ON THE APPLICANT INSTITUTION

17. Name: Forest and Rangeland Organisation (FRO)	18. GEF Implementing Agency: UNDP
19. Mandate/terms of reference: FRO is Government body in charge of protection of forests and rangelands	20. Source of revenue: Government budget
21. Recent activities/programmes, in particular those relevant to the GEF: Major partner to UNDP in implementing a US \$ 1.2 million project on sustainable management of land & water resources. Also collaborating with UNDP in implementation of CCD. FRO is a proactive Government body with a substantial portfolio.	

PART IV – INFORMATION TO BE COMPLETED BY IMPLEMENTING AGENCY

22. Project identification number: IRA/98
23. Implementing Agency contact person: Nandita Mongia, Regional Coordinator for Climate Change
24. Project linkage to Implementing Agency programme(s): National Environmental Action Plan

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(MON) 2. 22' 99 17:58/ST. 17:56/NO. 4860993824 P 5

FROM RAFAEL ASENJO UNDP GEF

FEB. -18' 99 (THU) 16:15 UNDP/RBAP

TEL: 212-906-5825

P. 001

FROM RAFAEL ASENJO UNDP GEF

(TUE) 9. 15' 98 11:50/ST. 11:49/NO. 4860993300 P 2

PAJ

UNOFFICIAL TRANSLATION

10 August 1998
(19 Mordad 1377)
Letter No: 622/1096

To: United Nations Development Programme - Tehran

From: Bureau for International Economic Affairs

Greeting,

In reply to your letter numbered P 236 of 14th of July 1998, we hereby declare that this General Directorate agrees with the execution of Carbon Sequestration PDP Block A project.

Director General for International
Economic & Specialized Affairs
Pirooz Houseni

FEB. -18' 99 (THU) 16:15 UNDP/RBAP

TEL:212-906-5825

P.002

FROM RAFAEL ASENJO UNDP GEF

(TUE) 9. 15' 98 11:50/ST. 11:49/NO. 4860993380 P 3



جمهوری اسلامی ایران
وزارت امور خارجه

File filed under Carbon Sequestration

m.k.
13/7

شماره ۳۳۱۹۶ تاریخ ۱۸ شهریور ۱۳۷۸

بسمه تعالی

تاییدیه فکس

تعدادی

نمایندگی برنامه عمران ملل متحد - تهران

بازگشت به نامه شماره P236 مورخ ۱۶ جولای ۱۹۹۸، بدینوسیله موافقت این اداره کل را با اجرای بلوک A تسهیلات توسعه پروژه (PDP-BLOCK A) جناب و ترسیب کرین اعلام می دارد.

مدیرکل امور اقتصادی و تخصصی (وزارت عالی)

پیدز حسینی
[Handwritten signature]

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