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The World Bank

Report No:

GEF PROJECT BRIEF  
ON A  
PROPOSED GRANT FROM THE  
GLOBAL ENVIRONMENT FACILITY TRUST FUND  
IN THE AMOUNT OF USD 7.0 MILLION  
TO THE  
REPUBLIC OF GUINEA  
FOR A  
COMMUNITY-BASED LAND MANAGEMENT PROJECT  
January 18, 2005

## CURRENCY EQUIVALENTS

(Exchange Rate Effective July 31, 2004)

Currency Unit = Guinean Franc (GF)  
GF 2,500 = US\$1

## FISCAL YEAR

January 1 – December 31

## ABBREVIATIONS AND ACRONYMS

AGIR	Project to Support Integrated Resource Management of the Niger and Gambia River Basins ( <i>Appui à la Gestion Intégrée des Ressources du Niger et la Gambie</i> )
CBD	Convention on Biological Diversity
CBLMP	Community-Based Land Management Project ( <i>Projet de Gestion Intégrée des Ecosystèmes, PGIE</i> )
CDD	Community Driven Development
CND	National Commission on Decentralization ( <i>Commission Nationale de la Décentralisation</i> )
DNH	National Department for Water Resource Management ( <i>Direction Nationale de l'Hydraulique</i> )
GIS	Geographic Information System
IEM	Integrated Ecosystem Management
IRAG	Agricultural Research Institute of Guinea ( <i>Institut de Recherches Agronomiques de la Guinée</i> )
LIF	Local Investment Fund
MAE	Ministry of Agriculture and Livestock ( <i>Ministère de l'Agriculture et d'Élevage</i> )
MATD	Ministry of the Interior and Decentralization ( <i>Ministère de l'Administration du Territoire et de la Décentralisation</i> )
M&E	Monitoring and Evaluation
MEF	Ministry of the Economy and Finance ( <i>Ministère de l'Économie et des Finances</i> )
MP	Ministry of Planning ( <i>Ministère du Plan</i> )
NAPA	National Adaptation Plan for Action
NCU	National Coordination Staff
NPC	National Project Coordination Unit ( <i>Cellule nationale de coordination, CNC</i> )
NRM	Natural Resources Management
OGM	Observatoire Guinée Maritime
OP	Producer Organization ( <i>Organisation des Producteurs</i> )
PEGRN	Enlarged Natural Resource Management Program ( <i>Programme Elargi de Gestion des Ressources Naturelles</i> )
PGIRN	Coastal Zone Integrated Management and Preservation of Biodiversity Project ( <i>Projet de gestion intégrée des ressources naturelles en Guinée littorale, PGIRN</i> )
PNIR2	Second Phase National Rural Infrastructure Program ( <i>Deuxième Phase du Programme National des Infrastructures Rurales</i> )

SLM Sustainable Land Management  
UNCCD United Nations Convention to Combat Desertification  
UNFCCC United Nations Framework Convention on Climate Change  
VCSP Village Communities Support Program (*Programme d'Appui aux Communautés Villageoises, PACV*)  
VCSP2 Village Communities Support Program Second Phase

Vice President:	Gobind T. Nankani
Country Manager/Director:	Mamadou Dia
Sector Manager:	Mary Barton-Dock
Task Team Leader:	Dirk Nicolaas Prevo

**GUINEA**  
**Community-Based Land Management Project**

**CONTENTS**

	<b>Page</b>
<b>A. STRATEGIC CONTEXT AND RATIONALE .....</b>	<b>1</b>
1. Country and sector issues.....	1
2. Rationale for Bank involvement .....	2
3. Higher level objectives to which the project contributes .....	5
<b>B. PROJECT DESCRIPTION .....</b>	<b>6</b>
1. Lending instrument .....	6
2. Program Objective and Phases.....	6
3. Project Sites.....	6
4. Description of Baseline Project.....	7
5. Project development objective and key indicators.....	10
6. Project components.....	11
7. Lessons learned and reflected in the project design.....	16
8. Alternatives considered and reasons for rejection .....	18
<b>C. IMPLEMENTATION .....</b>	<b>19</b>
1. Partnership arrangements .....	19
2. Institutional and implementation arrangements .....	20
3. Monitoring and evaluation of outcomes/results.....	20
4. Sustainability and Replicability .....	21
5. Critical risks and possible controversial aspects.....	22
6. Loan/credit conditions and covenants.....	24
<b>D. APPRAISAL SUMMARY .....</b>	<b>24</b>
1. Economic and financial analyses .....	24
2. Technical.....	26
3. Fiduciary .....	27
4. Social.....	28
5. Environment.....	28
6. Safeguard policies.....	28
7. Policy Exceptions and Readiness.....	29

<b>Annex 1: Country and Sector Background .....</b>	<b>30</b>
<b>Annex 2: Major Related Projects Financed by the Bank and/or other Agencies.....</b>	<b>35</b>
<b>Annex 3: Results Framework and Monitoring .....</b>	<b>42</b>
<b>Annex 4: Detailed Project Description.....</b>	<b>47</b>
<b>Annex 5: Project Costs .....</b>	<b>53</b>
<b>Annex 6: Implementation Arrangements .....</b>	<b>54</b>
<b>Annex 7: Financial Management and Disbursement Arrangements .....</b>	<b>57</b>
<b>Annex 8: Procurement Arrangements .....</b>	<b>61</b>
<b>Annex 9: Economic and Financial Analysis .....</b>	<b>64</b>
<b>Annex 10: Safeguard Policy Issues.....</b>	<b>66</b>
<b>Annex 11: Project Preparation and Supervision .....</b>	<b>68</b>
<b>Annex 12: Documents in the Project File .....</b>	<b>70</b>
<b>Annex 13: Statement of Loans and Credits .....</b>	<b>71</b>
<b>Annex 14: Country at a Glance .....</b>	<b>72</b>
<b>Annex 15: Incremental Cost Analysis .....</b>	<b>74</b>
<b>Annex 16: STAP Roster Review.....</b>	<b>82</b>
<b>Annex 17: Monitoring and Evaluation .....</b>	<b>93</b>
<b>Annex 18: Site Specific Land Degradation Issues.....</b>	<b>97</b>

## **A. STRATEGIC CONTEXT AND RATIONALE**

### **1. Country and sector issues**

Guinea possesses one third of the world's known bauxite deposits and large reserves of iron, diamonds, gold, uranium, and limestone. Combined with an immense hydroelectric potential that is only beginning to be tapped, the country has great promise in terms of economic and social development prospects.

Despite Guinea's generous natural resources endowment, a steady economic growth of 4% a year in GDP during the past decade, and a strategic location that favours trade, the proportion of the population living in poverty has not fallen and remains at about 40%. GDP per capita stood at US\$410 in 2002, yet the UN Human Development Index continues to rank Guinea among the lowest (159 out of 173 in 2002) as most socio-economic indicators compare negatively with countries having a similar income structure.

While the root causes of Guinea's poor socio-economic performance are numerous, land degradation certainly plays a role through its impacts on the productive capacity of ecosystems. It has long been recognized that land degradation is intricately linked to poor economic performance and poverty especially in rural areas as well as population growth. The cycle is all too familiar: population growth and poverty accelerate deforestation through the expansion of areas under cultivation and unsustainable exploitation of resources (hunting, tree cutting, artisanal mining), leading in turn to reduced productivity of natural resources, which exacerbates food insecurity, loss of biodiversity, decline in water quality, and over time in decreased health status.

Beyond having significant negative impacts on livelihoods in Guinea, land degradation is also threatening the health of important ecosystems. Guinea includes vast areas of relatively undisturbed natural habitats most of them rich both in terms of biomass production and biodiversity (e.g. National Park of Badiar, Mount Nimba Biosphere Reserve, Massif du Ziama Biosphere reserve). Preservation and/or recovery of the condition of these land and water resources is of major environmental and socio-economic importance to Guinea and the West Africa region as whole given the interlinkages through the watersheds.

Land degradation in many parts of Guinea has a distinct transboundary impact through the large number of international rivers originating in the mountainous areas of Middle Guinea (the Fouta Djallon region). Guinea is the source for many of the tributaries of regionally important rivers such as the Niger, the Gambia and the Senegal. Many neighboring countries depend on the health of these watersheds for various purposes (e.g. water supply, food, transport, energy and tourism). Long-term sound management of these waters is therefore indispensable in fighting the water scarcity and stress in West Africa, which is expected to occur over the next decades.

By addressing deforestation, where applicable, the project will also increase carbon sequestration and restore micro-climate stability. Many areas of Guinea have high levels of biodiversity and are critical habitats for threatened species. Conservation International has declared the rainforest areas a biodiversity hotspot because they contain a number of endemic species and because they are some of the last remnants of the formerly extensive Guinean forest system of West Africa.

Consequently, these areas also represent a relatively important carbon sink for the region. The IUCN red list of threatened species identifies, amongst others, a total of 14 mammals, 10 birds, and 21 plants.<sup>1</sup> An earlier study<sup>2</sup> lists a higher number of threatened species, these include: *afrihelfusa gerhildae*, *globonautes macropus*, *cercopithecus diane*, *liberiictis kuhni*, *loxodante africana*, *lycaon pictus*, *malimbus ballmani*, *Nimbaphrynoides occidentalis*, *Procolobus badius*, *magnoliopsida* – several orders, *liliopsida zingiberales*, *liliopsida arecales*, *filicinées filicales*, *filicinées isoctales*. As a result, interventions that improve ecosystem health and reduce human encroachment on habitats also represent a critical contribution to the preservation of biodiversity.

As a result of a wealth of plant and animal life, as well as the beauty of natural features, Guinea has a wholly undeveloped potential as a tourism destination. This potential is, however, threatened by the potential for widespread land degradation.

In the case of Guinea, land degradation is exacerbated by weak institutional capacity and knowledge on both the national and local levels regarding environmental management in general and in particular on how certain human activities, such as artisanal mining, deforestation and inadequately adapted agricultural practices, impact on fragile ecosystems. Little awareness exists of the longer-term multiple functions of ecosystems and the important role land degradation control and prevention activities can have in these. In particular, there is a lack of decentralized and site specific strategies of sustainable land use linking (i) improved land management practices, which generate benefits immediately perceptible to land users, such as decreased costs of production and/or in seasonal labor demand, and increase in farm income; and (ii) medium and long-term goals of environmental management, including reversing trend in land degradation and loss of (agro) biodiversity, decreasing greenhouse gas emissions, improving carbon sequestration, and improving hydrological cycle at sub-watershed level and beyond.

## 2. Rationale for Bank involvement

The World Bank's support and the implementation through the multi-donor funded Village Communities Support Program (VCSP) presents an important opportunity for piloting land degradation control and prevention activities in selected pilot sites and also in replicating the results (once evaluated) over a wider geographic area. The GEF Project proposed here would complement the VCSP. The aim would be to achieve a synergistic effect between combating and preventing land degradation and its negative impact on the productive potential of land, with the provision of basic services through the VCSP. The synergistic effect is demonstrated as follows: VCSP funds are targeted towards capacity building of technical agencies, local governments, and producer organizations, for planning and managing socio-economic infrastructure and productive investments, and providing matching grants for such investments, while GEF funds would be focused on knowledge, decision support tools, and support for investments to address land and water degradation issues. The combined IDA and GEF supported activities would address more constraints to sustainable development than either

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<sup>1</sup> IUCN website.

<sup>2</sup> PNUD, Monographie Nationale sur la Biodiversité Biologique, November 1999.

project could achieve by itself and thus have an improved likelihood of reducing rural poverty through sustainable land management (SLM).

A second advantage of linking with the VCSP is that in the past a large number of fragmented small-scale watershed protection interventions have been implemented in Guinea. For a variety of reasons, these interventions have not been sustainable or replicable and thus failed to have a positive, long-term, impact on land degradation. Moreover, results of these interventions have not been widely disseminated and detailed information is difficult to obtain. Successful project interventions will be integrated into the second and third phases of the VCSP. As the VCSP is implemented through national institutions and on a national scale, information obtained through the GEF Project will become part of the national institutional databases.

The GEF Project is consistent with the strategy proposed under the Bank led multi-donor initiative for SLM (TerrAfrica), as it is cross-sectoral by its very design, seeks to harmonize and learn from past and ongoing activities in Guinea and elsewhere, and will scale-up successful interventions through the mechanism of the VCSP.

The Project also addresses several of the *New Partnership for Africa's Development's* (NEPAD) objectives. NEPAD explicitly calls for greater attention by multilateral development institutions to the agricultural sector and rural development. It specifically targets the issue of land degradation and identifies it as a priority for intervention noting that 'initial interventions are envisaged to rehabilitate degraded land and to address the factors that lead to such degradation'. This Project would be such an intervention.

## **b) Rationale for GEF involvement**

There is clearly a significant potential for GEF incremental funding to have a marked effect on livelihoods and environmental sustainability within the context of other projects and programs that are already ongoing or under preparation. Several such partners exist, however, these are often geographically or technically limited. Rather than work through a number of geographically limited projects, it is best to work through a vehicle, which already has a national presence.

The GEF Project (Community-Based Land Management Project, CBLMP) will therefore emphasize the development of replicable participatory mechanisms for building the capacity of local stakeholders to recognize land degradation causes and effects and apply sustainable land management practices in their activities (pilot sites will thus cover multiple ecological zones), as well as an institutional mechanism to exchange implementation experiences amongst different actors (development agencies, project staff, staff from government agencies) to determine best practice approaches and to widely disseminate information. The GEF project seeks to ensure sustainability through the implementation of activities through existing national institutions and the mainstreaming of its results through the second phase of the VCSP. This approach is fully consistent with the National Environmental Action Plan, which emphasizes the need for mainstreaming the results of such interventions.

A second advantage of linking with the VCSP is that in the past a large number of fragmented small-scale watershed protection interventions have been implemented in Guinea. For a variety of reasons, these interventions have not been sustainable or replicable and thus failed to have a positive, long-term, impact on land degradation. Moreover, results of these interventions have not been widely disseminated and detailed information is difficult to obtain.

The GEF Project will focus on improving the environmental conditions in project sites through land degradation control and prevention activities. As such, it is consistent with GEF objectives for Operational Program 15. In particular, through working with the VCSP, the project is seeking to mainstream land degradation considerations into community development planning and decision-making. Furthermore, by demonstrating the multiple benefits of improved land and water management, the GEF Project is expected to create awareness and mainstream sustainable land management and will do so through supporting the application of innovative on-the-ground technologies.

GEF strategic priorities under its Operational Program 15 for capacity building and the on-the-ground application of innovative approaches are fully supported by the project. It is fully recognized that without adequate capacity building of local populations and providing them with the means to take responsibility for controlling and preventing land degradation, it is not possible to have a sustainable impact. Capacity building and the provision of a basket of innovative approaches to control, combat and prevent land degradation are therefore important instruments of the Project.

The Government ratified the three conventions aiming at reducing land degradations, i.e., the UN Convention to Combat Desertification (UNCCD) in June 23, 1997, the UN Framework Convention on Climate Change (UNFCCC) in May 7, 1993, and the Convention on Biological Diversity (CBD) in May 22, 1991. The GEF Project will contribute to the implementation of these conventions, as all three conventions specifically recognize the link between land degradation and desertification, climate change and its negative impact on sites with biological importance at the national and global levels. Specifically, the GEF Project will contribute to these conventions through the protection of watersheds and by its emphasis on sustainable land management seek to control, mitigate, and prevent land degradation resulting from deforestation and other human interventions. It will do so through the provision of capacity building, tools and the provision of matching grants for critical investments for which no other sources of funding exist. The link with these three conventions and the GEF Project is summarized in the Table below.

Table 1. Potential National and Global Benefits by Convention and Ecosystem

	<b>UNCCD</b>	<b>UNFCCC</b>	<b>CBD</b>
Ecosystem (national)			
Northern semi-arid/sub-humid	Substantial	Limited	Limited
Transition zone	Moderate	Moderate	Limited
Southern Humid	Limited	Substantial	Moderate
Watershed (national and global)			
Senegal, Gambia, and other river basins	Substantial	Limited	Substantial
Niger River basin (not included in proposed GEF Project) <sup>3</sup>	N.A.	N.A.	N.A.

In the absence of a new dynamic such as that proposed under the Project, the threats described above and detailed in Annex 1 will cause irreversible land degradation, which will undermine the structure of critical ecological systems and directly affect the income earning potential of rural households living in and around these areas, and indirectly in surrounding countries, through reduced and uncertain water flows, as the watershed will be negatively impacted, and reduced land productivity. By focusing on land degradation prevention and control, the project will provide the tools for sustainable land practices at both the local and national levels within Guinea. This would result in the maintenance and restoration of the stability of these critically sensitive ecological systems.

### 3. Higher level objectives to which the project contributes

a) Sector-related Country Assistance Strategy (CAS) goal supported by the project: (Annex 1)

Document number: 25925 GN

Date of latest CAS discussion: July 6, 2003

The interim CAS and PRSP focus on three strategic priorities to achieve its goal of poverty reduction: (i) promoting broad-based sustainable growth with a focus on the rural sector; (ii) improving social services delivery; and (iii) enhancing governance and institutional capacity with a strong emphasis on empowering communities and local governments to play an increasing role in identifying, designing and implementing community level development projects. The GEF Project is included in the CAS. The overall objectives of the strategy are to significantly reduce poverty, and to improve the living conditions and prospects of the population, particularly the poorest.

<sup>3</sup> A number of regional projects already intervene in the Niger River Basin or are planned. Given the scarce resources, the GEF Project would focus on other watersheds instead.

In line with the CAS and the PRSP, the Bank's approach in Guinea is three-pronged, with (i) the PRSC targeting macro-level challenges and sectoral reforms, (ii) the VCSP targeting community empowerment and financing to support capacity building and greater accountability at local levels, and (iii) the strengthening of services to facilitate institutional transformation, decentralization to improve local governance and participation both within the public and private sectors.

The GEF Project is consistent with the CAS and PRSP objectives of supporting opportunities for employment and income-generating activities for the poor. In particular, it will contribute to an increase in the productivity of rural assets (labor and land) through the conservation, regeneration, and sustainable use of natural resources, and thus also to increased rural revenues and increased food security. In addition, it will strengthen the institutional capacity of local governments and producer organizations to identify, design and implement such activities.

The GEF Project also supports the Millennium Development Goals of reduced poverty and hunger (#1) and environmental sustainability (#7).

## **B. PROJECT DESCRIPTION**

### **1. Lending instrument**

GEF full-sized project (US\$7.0 million).

### **2. Program Objective and Phases**

The GEF Project will be associated with the second phase of the VCSP and be implemented from 2006-2009. The GEF Project is intended to be a catalyst for improved land management practices and the results of the GEF Project will be fully integrated into the third phase of the VCSP (2010-2013).

### **3. Project Sites**

The GEF Project will intervene in selected sites within four watersheds. As part of project preparation the Kogon and Fatala rivers in Middle Guinea (*Guinée Moyenne*) have been identified. The Project intervention sites will be in the upstreams part of these watersheds in the foothills of the Fouta Djallon. A preliminary root causes and threats analysis is presented in Annex 18. Two additional watersheds will be identified prior to GEF Project appraisal. Selection of these sites will be done in coordination with the proposed GEF/FAO Rehabilitation of Ecosystems in the Fouta Djallon Project (*Projet de Réhabilitation des Ecosystemes du Fouta Djallon*),<sup>4</sup> as well as the ongoing Support to Integrated Resource Management of the Niger and Gambia River Basins (*Appui à la Gestion Intégrée des Ressources dans les Bassins du Niger et de la Gambie*, AGIR) and the Senegal River Basin Project.

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<sup>4</sup> This project will be submitted to the GEF for funding in calendar year 2005.

## Site Selection.

Based on available geographic information, a more detailed map will be made overlaying specific geographic information on the watershed (vegetation coverage, topography, population density, land use). Several sub-watersheds, with the highest likelihood for land degradation will be selected on this basis. Onsite visits will confirm the selection. Once selected, a detailed analysis will be carried out together with local populations to identify specific causes of land degradation, as overall threats are likely to be location specific. This work will be carried out by teams specialized in working with communities using participatory techniques and that has been contracted for this purpose. These teams will have no other affiliation with the project or government agencies to limit bias on the part of team members or communities.

Site selection criteria will include:

- apparent acceleration of expansion of exhaustive land use practices;
- potential of modification of exhaustive land use practices and alternative income generating activities;
- interest and capacity of local communities to collaborate with the CBLMP;
- inexistence of similar activities funded by other donors;
- accessibility to the site;
- vulnerability to further land degradation; and
- population density.

In addition, the selected Rural Development Communities (*Communautés rurales de développement*, CRD), which represents the lowest level of Government, that encompass the site will need to have been included in the first phase of the VCSP.

## 4. Description of Baseline Project

The VCSP is co-financed by IDA, IFAD, the African Development Fund (ADF), the Agence Française de Développement (AFD) and the Government of Guinea. This program seeks to reduce rural poverty through capacity-building at the level of the CRD. The VCSP became effective in November 1999.

The VCSP has three phases and was to be implemented over a period of 12 years, in three phases of four years each. The first phase is expected to close on June 30, 2005. The first phase was extended because of implementation start-up delays. The second phase, which is currently under preparation, is expected to be launched in late 2005, at which time the CBLMP is also expected to become effective. All 303 CRDs will be included in the VCSP by the end of its second phase.

The first phase of the VCSP has three specific objectives: (i) establish an effective and efficient mechanism for transferring public funds to local communities for the financing of prioritized rural community infrastructure; (ii) improve the regulatory, institutional, and fiscal environment and develop local capacity for decentralized rural development; and (iii) rehabilitate and to promote regular maintenance of infrastructure and rural roads.

The first phase of the VCSP has been one of the few success stories in Guinea. By the middle of 2004, 85% of the credit had been disbursed, and the project had exceeded many of its physical targets, achieved its development objectives, and made substantial progress towards completing the second phase triggers. At the end of 2004, 146 CRDs<sup>5</sup>, covering a population of over 2.5 million people, are participating in the program. These communities have adopted the methodology for decentralized development and have strengthened their capacity to plan, implement and manage local investments. As of June 30, 2004, the investment fund had financed 299 basic infrastructure micro-projects (amongst which 144 schools, 77 health posts and 19 bridges).

The CRDs participating in the first phase are located in all four natural regions, and were selected based on their initial ability and willingness to collaborate with the project. A quality of supervision review of the VCSP took place in November 2002, which rated as satisfactory project implementation status and progress towards achieving the project's development objectives. The VCSP is expected to meet all of its first phase impact indicators by the time of credit closing on June 30, 2005.

The VCSP2's objectives are to reduce poverty by empowering rural populations to make decisions about the development of their community and to implement these. VCSP2 also contributes to four higher-level objectives: (i) strengthening of decentralization and democratization; (ii) improving allocation and efficiency of public expenditures; (iii) poverty reduction by improving service delivery; and (iv) improving public and private sector efficiency. To ensure long-term institutional sustainability, VCSP2 will be fully implemented, managed and coordinated through national institutions (see also Annex 6).

The second phase of the VCSP will build on the strengths of the first phase and will include the following four components:

#### **A. Support to decentralized finance**

This component will be implemented by the Ministry of Economy and Finance (*Ministère de l'Economie et des Finances*, MEF) and will support the necessary fiscal and administrative reforms for fiscal decentralization. CRDs will be included in the budget process of MEF and assign the relevant codes to enable MEF to transfer funds from its accounts to the CRD accounts. It will also strengthen the ability of CRDs to raise local funds, and strengthen the rural banking system.

Currently, The National Coordination Unit of the VCSP carries out the transfer of funds to beneficiary CRDs. MEF has no prior experience. In order for MEF to assume this responsibility during the third phase of the VCSP, this component will also support the strengthening of MEF's institutional framework and capacities at the national, regional and prefectural levels.

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<sup>5</sup> The target for the first phase was to support 100 CRDs.

## **B. Support to decentralized rural development (socio-economic support)**

This component will have three sub-components and will be implemented by the Ministry for the Interior and Decentralization (*Ministère de l'administration territoriale et la décentralization*, MATD). The three sub-components are:

- (i) Targeted support to central and deconcentrated agencies in the implementation of decentralized development (focused studies and training on the operationalization of decentralization and local development).
- (ii) Capacity building of CRDs to plan for and implement local development activities. MATD is responsible for building awareness and training local officials and CRD administrative and technical staff in the areas of local development, planning and financial management. CRDs that have already benefited from support under the first phase of the VCSP will update existing local development plans, while new CRDs would draw such plans up with the support of teams organized and supervised by MATD. These teams would consist of service providers or members of the different technical services based on existing capacities in each prefecture. An annual investment program would be established on the basis of priorities identified in the local development plan.
- (iii) A window under the Local Investment Fund (LIF) to provide matching grants for socio-economic investments (schools, health posts, tracks, bridges, waterholes, health posts, etc.). The budgetary envelope for the socio-economic investments will be about US\$50,000 per CRD and per year. The CRD must provide proof of availability of its contribution in cash (5%) and in-kind (15%), before it can receive funds.

## **C. Support to decentralized rural development (productive support)**

This component has four sub-components and will be implemented by the Ministry of Agriculture and Livestock (*Ministère de l'agriculture et d'élevage*, MAE). The sub-components are:

- (i) Capacity building support to Producer Organization (*Organisation des Producteurs*, OPs) and Federation of OPs to enable these to articulate their demand for services and to conceive, formulate, implement, and manage micro-projects.
- (ii) Action-research activities to further decentralization objectives and the decentralized provision of goods and services
- (iii) A window under the LIF to provide matching grants for production-oriented investments related to the resolution of constraints to sustainable agricultural development (primarily through the contractualization of research and extension support). Two types of matching grants would be made available: local (for well-defined activities with a localized impact) and regional (for activities that

benefit a much wider group of producers organized in a federation. The budgetary envelope for the socio-economic investments will be tested based on demand.

- (iv) Pilot land tenure security activities aimed at identifying and resolving various constraints (primarily institutional and social) to increase land security of agricultural producers. Experience gained would lead to a wider application under the third phase.

#### **D. Coordination and Monitoring and Evaluation**

This component has three sub-components and will be implemented by the Ministry of Planning (*Ministère du plan*, MP). The sub-components are:

- (i) Coordination at the national, regional and prefectural levels of the various activities carried out by the implementing agencies, as well as oversight of the program. This would include work program preparation and coordination, support to the VCSP Steering Committee, and organization of field supervision trips.
- (ii) Management of the LIF and transfer of funds to beneficiaries at the demand of MATD and MAE.
- (iii) Establishment of an effective GIS-based monitoring and evaluation (M&E) system. Monitoring of project implementation would be the responsibility of each of the implementing agencies in the areas of their responsibilities. MP would assure the integration of the different data and prepare the reports required for the proper evaluation of implementation progress. In addition, the VCSP2 will pilot a beneficiary managed participatory M&E system, which is presently under development. An external impact evaluation would be carried out at start-up (baseline), mid-term, and credit closing to measure progress towards the results and outcome indicators defined for the project.

### **5. Project development objective and key indicators**

#### **(a) Development Objective**

The development objective of the GEF Project is to pilot the integration of improved land management practices into the overall development planning process of communities and local governments in selected pilot sub-watersheds. The GEF funded project thereby broadens the scope of the VCSP2.

#### **(b) Global objective**

The global objective of the GEF Project is to pilot sustainable and replicable approaches to the prevention and mitigation of the causes and negative impacts of land degradation on the structure and functional integrity of ecosystems. By adopting an integrated cross-sectoral approach facilitated by linking up with the VCSP2, and by using sub-watersheds as a planning basis, it will contribute to the protection of selected critical watersheds. The objective will be achieved

through the implementation of activities compatible with OP 15 (SLM) and corresponds to GEF strategic priorities for capacity building and the on-the-ground application of innovative approaches and technologies.

(c) Key indicators

Project indicators will be consistent with the expected outcomes based on the objectives of Operational Program 15. These indicators are detailed in Annex 3 and include:

Capacity Building:

- Proportion of community leaders and members trained in SLM approaches;
- Proportion of participating technical agencies' staff trained in SLM approaches;
- Number of land management plans adopted that reflect SLM concerns; and
- Proportion of sub-projects approved for funding, successfully implemented, and, where applicable, maintained.

Policy, Regulatory and economic incentive framework:

- Formal recognition of land management plans developed by/with communities.

Economic Productivity and Land Management Activities

- Number of innovative SLM technologies or activities adopted;
- Increase in land productivity per ha;
- Improved quality of pastures (site specific);
- Reduced environmental damage on transhumance routes (site specific);
- Reduced rate of deforestation;
- Reduced agricultural production on marginal land;
- Change in vegetation coverage
- Change in sedimentation rate as a measure of riparian health (to measure both water quality and erosion); and
- Changes in native biological status (selected from key site-specific species identified through the baseline surveys)

As part of project preparation activities, detailed analyses will be carried out on all sites. Based on the results of these studies baseline indicators will be developed and goals set for mid-term and end of project. These indicators will be reflected in the Project Implementation Manual. It is expected that for at least 80 percent of all sites, such indicators will have been established prior to GEF grant effectiveness (planned for December 2005) and the remaining 20% within 3 months after start-up of activities.

## **6. Project components**

### *Description Summary*

The Project's strategy is based on a participatory approach involving greater awareness and assumption of responsibility on the part of beneficiaries. It aims to put local actors who are reliant upon natural resources at the center of the process of generating ideas, decisions and

interventions for the management of these natural resources. In order to effectively address land degradation, local beneficiaries must be provided with adequate resources, appropriate information, and a supporting institutional framework. Furthermore, the project will approach land degradation within the framework of watershed management planning. The specific design principles (as described below) are consistent with the approach envisaged by Operational Program 15.

The proposed GEF Project aims to integrate the ecological, social and economic dimensions of land degradation to ensure full participation and cooperation at all levels. Specifically, the GEF will support (i) capacity building of communities to promote new land management techniques, (ii) implementation of micro-projects having a positive impact on productive land and associated ecosystems, (iii) capacity building of decentralized agents of the relevant technical ministries as appropriate, and (iv) development of methodologies for environmental information management and support for the exchange of information to encourage a holistic SLM approach throughout the country.

### *Specific Components*

#### **I. Capacity Building for Local Development.**

GEF complement (US\$1.5 million): The VCSP is mostly concerned with local development from a socio-economic perspective. The SLM focus of the GEF Project adds an additional dimension to the capacity building activities of the VCSP2. GEF incremental funding will therefore strengthen the capacity of local governments and rural communities in the selected pilot sites to plan, implement and coordinate land degradation mitigation and control activities and development actions that emphasize SLM. It will support the following activities:

- provision of GIS based planning and investment decision support tools such as maps (with natural resources and land quality information, important for local development as well as their role in SLM), M&E tools such as a GIS based database system, and master plans for the sub-watershed. A multi-disciplinary technical and scientific task force will be set up to review with beneficiaries the proposed sub-watershed development plans to ensure they are consistent with ongoing activities elsewhere in the sub-watershed and will have the desired impact;
- dissemination of technical information and transfer of knowledge in relation to land degradation control and mitigation technologies and potential profitable activities, through training, testing and demonstrating sustainable land use technologies and activities;
- support to participatory rural appraisals (PRAs) to adapt existing VCSP2 related local development plans to reflect SLM priorities;
- training for improving the land use planning skills of local government officers and community leaders, and provision of related adapted data base management tools;

- support to professional organizations (*Organisations professionnelles*, OPs) for all matters related to SLM and land degradation prevention/control, including provision of organizational, management and negotiation skills;
- support to natural resource use conflict resolution mechanisms (design and implementation) that may otherwise contribute to land degradation;

The coordination of the drawing up of local development plans (LDP) within a given (sub) watershed will be the responsibility of the deconcentrated technical agencies, which will receive support from technicians drawn from the University of Conakry and/or research institutions. The GEF Project will fully fund the cost of the technical support.

The VCSP2 supports, along with the PRSC, the creation of an institutional environment supportive of sustainable local development. As the enabling institutional environment desired by the GEF Project coincides with the priorities of the VCSP2 (capacity building of the deconcentrated services, and piloting of land tenure security intervention activities), no additional funding will be allocated to this activity.

## **II. The Local Investment Fund.**

GEF complement (US\$4.5 million): In support of the annual investment plans derived from the local development plans, the GEF Project will supplement the targeted local investment funds under the VCSP2 with two complementary windows for providing earmarked matching grants for micro-projects focusing on SLM: (i) matching grants for micro-projects that are relatively complex or have broad indirect benefits and are executed by the CRDs; and (ii) matching grants for micro-projects emphasizing SLM that are relatively small and technically simple with direct benefits to the implementers, and implemented by members of OPs or other legally recognized groupings.

### **II.1 Inter-Community SLM Fund**

The GEF Project will supplement the LIF of the base Project with an earmarked inter-community fund for investments identified in the adapted LDPs based on a sub-watershed management analysis and coordination. Eligible investments would focus on creating synergy with other local development activities and eliminate negative externalities caused by sources not under control of the local communities. Typical investments include the creation of livestock passages that would minimize erosion; removal of noxious plants from rivers; and (inter) communal forest or natural habitat prospection and protection.

Micro-project proposals submitted by one or more CRDs or by sub-watershed committees will be processed through the same approval mechanisms as already exists for the base project's CRD proposals through MATD. CRDs will be assisted in the formulation and execution of these projects by service providers, including NGOs, public and private service delivery institutions and firms, most of whom would be hired directly by the CRDs involved.

The inter-community envelope will range from US\$50,000 to US\$100,000 per year and per targeted sub-watershed. The actual envelope will be determined based on a needs assessment and the expected benefits of the proposed activities.

Details for the funds will be included in the implementation manual for the LIF. This window of the LIF is managed by MATD (component 2 of the VCSP2).

## **II.2 Village Investment Fund**

The GEF Project will supplement the VCSP2 matching grant through the allocation of an envelope of US\$25,000 to US\$50,000 per year and per CRD for undertaking the sustainable land management micro-projects identified in their adapted LDP and approved through the micro-project approval mechanisms of the VCSP2. Beneficiary contributions rates will be minimized, on average 20% based on the type of investment. The percentage in cash contribution for these types of micro-projects will be lower than for the socio-economic investments under the base project, instead relying on a higher in-kind contribution, so as to encourage investments in activities aimed at maintaining and/or improving land quality (SLM), and reducing pressures on sensitive ecosystems. As activities can only be contracted by legally recognized entities, all activities would be organized through formally recognized OPs, associations or cooperatives.

Eligible investments will include

- sustainable land and water management investments including: soil fertility management; localized soil erosion control; localized river banks protection; restoration of degraded lands; support for conservation agriculture or conservation tillage; introduction of locally adapted agricultural technologies that reduce the risk to farmers from changes in precipitation; development of improved pastures to reduce the need for brush fires and ensure sufficient quality animal fodder; and support to forestry and agro-forestry investments to diversify incomes and protect land and increase wood supply (firewood and construction, etc.).
- biodiversity promotion activities, including: protection and domestication of medicinal plants; protection of endangered plant and animal species on land and in waters; bee keeping (for protection of forest species); promotion of biodiversity-conserving fishing equipment; and promotion of eco-tourism.
- operational research and development activities requested by communities for on-farm or on-site testing and validation of new technologies and activities that improve land productivity and have no negative impact on the watershed.

These investments are not eligible under the VCSP2. Emphasis will be placed on alternative technologies that may also attract interest from NGOs and firms specializing in importing organic produce from developing countries.

This window under the LIF would be managed through MAE (Component 3 of the VCSP2)

### **III. Project Management, Coordination and Monitoring and Evaluation.**

#### **III.1. Project Management and Coordination**

GEF Complement (US\$0.5 million): Implementation of the CBLMP will be completely integrated into the structure of the VCSP. The GEF Project will provide funding to the MP, MATD and MAE to support the incremental cost of GEF Project implementation and management.

In addition, the GEF Project will fund the costs of participation in annual meetings to exchange implementation experiences and relevant baseline and impact data with other SLM focused projects and stakeholders. Project implementation would be adjusted on the basis of the recommendations of these meetings.

#### **III.2. Monitoring and Evaluation**

GEF Complement (US\$0.5 million): The GEF Project has specific requirements that will go beyond the requirements of the baseline Project. The internal M&E system of the baseline Project will be adapted to the requirements of the GEF, with a particular emphasis on strengthening the land use and planning monitoring components of the M&E system of the VCSP. This will be done as part of project preparation.

The GEF Project will provide funding to adapt the M&E and impact assessment systems of the VCSP to the added requirements of the GEF Project. The impact evaluation system is under development and will be modeled on the Coastal Zone Integrated Management and Preservation of Biodiversity Project (*Projet de Gestion Intégrée des Ressources Naturelles en Guinée Maritime*, PGIRN). Close collaboration will be sought with national institutions such as the Agricultural Research Institute of Guinea and the University of Conakry. Spectrometry and remote sensing techniques with the help of LANDSAT GIS data would be used to measure vegetation coverage and the extent of land and water degradation/restoration, as well sediment loading into rivers. In addition, a link would be sought with AGRHYMET (in Niamey) to measure the evolution of vegetation indexes. The baseline and impact studies will be carried out by institutions independent from the implementation structure of the VCSP.

To assist with M&E, a GIS baseline database would be established for each CRD and pilot watershed. The approach used would be the same as for the PGIRN to ensure that information can be aggregated and compared amongst GEF supported projects. More importantly, after technical validation, it would be the used as the basis for a nationalized database.

#### **Specific strategic decisions taken during project design include:**

- Focusing limited resources on pilot sites to demonstrate the impact of the proposed approach;

- Linking up the GEF Project with the VCSP makes project design much more simple and efficient. In addition, this will ensure that the results of the GEF Project will be mainstreamed into the third phase of the VCSP;
- Using the watershed as a geographic tool for planning purposes of local development activities to underscore cause and effect and interdependencies within ecosystems.
- The GEF Project seeks to integrate and promote land degradation control and mitigation activities into the overall development process by demonstrating viable investments in selected sub-watersheds and rural communities. This will inform communities and local governments of the need to increase such investments in local development plans;
- The project ensures that SLM is achieved primarily by using participatory processes with all stakeholders in the planning and decision making processes, in particular by providing local governments and communities with relevant decision support tools;
- Maximum coordination is developed between the design and implementation of this project and the PGIRN to ensure synergy, complementarity and maximum global benefits from both projects through site selection and full integration within the base Project; and
- Enabling environment policy and institutional reforms are addressed mainly in the PRSC and the baseline Project, in line with Bank country assistance strategy for Guinea.

## **7. Lessons learned and reflected in the project design**

Based on a broad body of experience, including Guinea and other countries with World Bank (including the first phase of the VCSP) and non-World Bank funded rural development and natural resource oriented projects, the following lessons were used in the design of the project:

### Integrated objectives and SLM

All interrelated ecosystems should be taken into account by modeling the impact of planned SLM interventions on the landscape as a whole, hence a sub-watershed approach has been adopted.

Independent scientific structure capable of measuring trends and dynamics at the sub-watershed level and over a longer time is part of the project. The GEF Project supports an independent and scientifically validated, impact monitoring and evaluation mechanism drawing on national and international expertise. Project impact would be measured through comparison to time series data where these exist.

Integrate SLM concerns into development. In building on the baseline Project, and by paying particular attention to land degradation control and prevention action plans and to communities living within sensitive watersheds, the GEF Project builds on the need to integrate SLM concerns into development not only at the community level but also at the sub-watershed and watershed levels.

### Institutional sustainability and accountability

Use existing institutions. Similar SLM oriented projects in Guinea have not been sustainable because their set-up was too much project oriented and did not sufficiently empower existing national institutions. Along with the baseline Project, CBLMP builds on national institutions as a key for sustainability. In particular it builds on the local decentralized structures from the National Directorate for Decentralization, the different agencies from MAE, and the Guinean Agricultural Research Institute (IRAG), etc. The support to the decentralization process, implemented under the first phase of the baseline project, provide a solid basis for institutional sustainability of CBLMP.

Devolve authority to appropriate levels. Along with the baseline Project, CBLMP builds on the lesson that all efforts at devolving authority to the local level will fail unless local institutions are sufficiently representative of the local population. The participatory planning process, which leads to the adapted local development plans, and the local democratic governance building process that go into the establishment and maintenance of the sub-watershed management committees, are expected to provide increased accountability.

### Community-Driven Development

Recognize community needs. The experience with community-based multi-sectoral or natural resources management projects in West-Africa over the last few decades indicates that the interests of communities tend to progress from addressing immediate needs such as food, health care and income generating activities towards longer-term interests such as natural resources management, to ensure livelihoods are sustained over time. Among the latter, those pertaining to cropping areas are generally given priority over those involving the management of communally used areas, such as surface water resources, rangelands, forests and nature reserves.

Focus activities. SLM activities tend to be fragmented and random, without taking into account either the multiple functions of the local resources as part of larger production systems or the interest of the various stakeholders involved. As a result, the achievements tend to be short-lived while leading to social inequity and instability.

Stakeholder involvement. Lessons from past experiences clearly indicate that natural resources are most efficiently managed when communities are entirely involved in the decision-making and control processes. This supports the need for the Community Driven Development (CDD) approach and for a substantial investment in capacity building to enable communities, and in particular the poor, to participate in both processes.

The need for beneficiaries' participation in the identification, planning, implementation and co-financing of sub-projects, and the need to adjust the level and the nature of co-financing, are well known and taken into account in the design of both the baseline Project and CBLMP.

Maintenance of micro-projects. Experience under the VCSP and other CDD style operations have clearly demonstrated the difficulty in setting up viable maintenance arrangements, which

jeopardizes the longer-term viability of investments. Timely follow-up with beneficiaries is therefore needed to ensure maintenance arrangements are being adhered to.

Training and follow-up. It is important to train beneficiaries (either as individuals or organized in professional organizations) over the course of several cropping seasons, in the use of proposed new techniques and follow the application in real life conditions. They should also receive feedback on the results of any sociological, technical and economic monitoring that has taken place.

The blended CBLMP-VCSP2 Project will: (i) increase awareness and knowledge of the linkages between poverty reduction and land degradation, (ii) promote involvement of all stakeholders, and (iii) support establishment of favorable institutional, legislative, fiscal and financial frameworks to enable design and implementation of community-based SLM practices. This approach will upgrade the accomplishments of the VCSP toward longer-term socio-economic and ecological sustainability. Furthermore, VCSP geographic upscaling of the CDR's involved will take into account the extent of opportunities to achieve the global environmental benefits envisioned by the CBLMP.

Capacity constraints. The CDD approach transfers a number of activities to beneficiaries assisted by service providers. Capacity constraints at all levels (community, public, private, NGO) need to be properly evaluated during implementation and arrangements, when necessary, need to be adapted to reflect these, lest implementation problems arise. This will be done as part of VCSP preparation.

### Socio-Economic Factors

Technology fit. A main lesson in agricultural technology development and transfer is that individuals will not adopt a technology unless it fits their cultural, intellectual and socioeconomic capacities, and provides them with substantially greater benefits and lower risks. It is also known that high time discount rates of medium to long-term benefits from activities associated with land degradation control and prevention tend to lower the adoption rate of related technologies, unless compensation and rewards are used to provide sufficient adoption incentives. The LIF and capacity building components of the GEF Project take these factors into consideration. In addition, as part of project preparation, a technical manual would be developed containing detailed descriptions of a large number of micro-projects.

Many technologies have been tested and adapted over time by a variety of projects in Guinea, but for which follow-through has been inadequate for one reason or another. As part of project preparation, an inventory will be made to identify the most promising technologies and evaluate the likelihood they will be adopted given their costs and benefits.

## **8. Alternatives considered and reasons for rejection**

One key alternative considered was to supplement the VCSP2 LIF for certain types of micro-projects focused on land degradation control and prevention, without making changes in the capacity building approach at the community and CRD levels. This would have the advantage of

reduced overhead costs as well as faster project start-up, as less capacity building investments would be needed. This approach had as main drawbacks that it would have been difficult to: (i) mitigate externalities from conflicting activities in neighboring CRDs and focus on land degradation based on a holistic approach, or (ii) optimize available resources, as the interaction of upstream and downstream activities would not have been taken into account in the decision making process, as will be when using a watershed based approach. It would also have likely biased micro-projects under the LIF away from those with higher risks.

## **C. IMPLEMENTATION**

### **1. Partnership arrangements**

The AFD-French Cooperation is likely to provide parallel financing to the VCSP2 and will provide financial and technical assistance to the capacity building elements of the CBLMP, where geographic intervention overlaps. At this point it is unclear whether IFAD or the ADF would continue their support. Site selection is, however, sufficiently flexible to allow for additional sites under the IDA funded part of the VCSP2 in case there is delayed funding by these partners. FAO may provide technical expertise and support to the CRDs in addressing agricultural practices. The French supported *Observatoire Guinée Maritime* (OGM) will provide capacity building support on impact evaluation, as it is also doing for the PGIRN.

Partnership arrangements will also be sought with the IDA supported ongoing Second National Rural Infrastructure Project through the same mechanisms that are already employed by the VCSP (coordination at the regional level on the basis of needs identified in local development plans). Of greatest concern to the GEF Project is the need to ensure that rural infrastructure desired by local populations, and indeed needed for local development, minimizes and where possible reduces land degradation. Similarly, linkages would be established with the HIV/AIDS project, which also has a community support fund managed by the VCSP. The project would thus work in a network of projects that support a large number of different types of micro-projects aimed at supporting sustainable local development.

At the regional level, the GEF Project would seek partnership arrangements with the ongoing multi-donor supported *Project for Reversing Land and Water Degradation Trends in the Niger River Basin* and the ongoing multi-donor supported *Senegal River Basin Water and Environmental Management Project*.

The Niger River Basin Project focuses primarily on institutional capacity building and information exchange to achieve best practice approaches. It also includes tests for different categories of micro-projects but none of these are planned in the Guinea part of the Niger watershed. The GEF Project would seek to establish ties with the coordinating mechanism of the Niger River Basin to ensure that it can benefit from experience elsewhere and contribute and validate its own experiences.

The Senegal River Basin Project has a similar focus as the Niger River Basin Project. The GEF Project would seek to collaborate with the Senegal River Basin Project to exchange best practice experiences and collaborate on site selection to avoid that there will be unexpected externalities or duplication of efforts. This risk of duplication is low as the Senegal River Basin Project has only limited funds available for on-the-ground activities (20 community based micro grant

activities planned in four countries), the supported activities are different from those of the GEF Project, and the implementation of these activities in Guinea require the setting-up of a new project specific implementation structure.

Collaboration with similar projects at the national level has been actively pursued to avoid duplication of activities and actively learn from the lessons with past experiences.

Collaboration on GIS and M&E issues has been established with the USAID supported *Enlarged Natural Resource Management Project* and the EU supported *Project to Support the Integrated Resource Management of the Niger and Gambia River Basins*. The project preparation team is also pursuing close collaboration with several UNDP/GEF supported activities such as the *Conservation of Biodiversity through Integrated Participatory Management in the Nimba Mountains* and the *National Adaptation Plan for Action*. The FAO/GEF/ADB supported *Ecosystem Rehabilitation Program for the Fouta Djallon* is under preparation and at a less advanced stage. Contacts have been made with the FAO office in Conakry to ensure that planned activities will be mutually reinforcing and to exchange information on experience gained from earlier projects.

## **2. Institutional and implementation arrangements**

The GEF Project will be implemented through the same structures that are responsible for the coordination, management and implementation of the VCSP2. The philosophy of the VCSP2 is to use existing Government institutions to the extent possible for technical support and coordination of Project activities. This Project and the PGIRN will also share the same Steering Committee (SC) with the VCSP2, made up of representatives of the relevant ministries and national directorates. The SC will be responsible for project oversight and convene at least twice a year, gathering representatives of the different stakeholders involved in the GEF-alternative implementation, including co-funding agencies. These meetings will review completed or on-going activities supported by the two projects (VCSP2 and CBLMP).

Day to day coordination of the activities of VCSP2 is entrusted to staff responsible for project coordination (National Coordination Unit, NCU) attached to the office of the Minister, MP. The responsibilities of the present coordinating structure would be integrated into those of the NCU. The composition and attributes of NCU will be finalized during VCSP2 preparation.

MATD would be responsible for all activities related to CRDs (capacity building, institutional framework and the window of the LIF for activities to be carried out or managed by CRDs).

MAE would be responsible for all activities related to OPs and the provision of technical services. MAE would also manage the window under the LIF for micro-projects that will be executed by OPs or other legally recognized entities.

Coordination of micro-projects at the (sub) watershed level would be the responsibility of the regional representation of MATD, supported by the regional representation of MP.

## **3. Monitoring and evaluation of outcomes/results**

Monitoring and evaluation (M&E) processes will be managed within the framework of VCSP2. The existing M&E procedures and capacity of the VCSP will be upgraded with support from the PGIRN and the OGM, and include a GIS based system for planning, monitoring and evaluating project implementation and impact. Part of the M&E system will be managed by local communities and they will receive training in collecting the data and its interpretation. The CBLMP will add a number of indicators to the existing ones presently collected by the VCSP2. These indicators are detailed in Annex 3. Three studies would be carried out to measure project impact: (i) a baseline study of the selected sites, which will be done prior to project appraisal; (ii) an impact study at mid-term; and (iii) an end-of project impact study. It should be noted, however, that the mid-term study may not be able to draw statistically significant conclusions because of the long lead time needed before certain activities result in measurable changes, especially where this concerns erosion control activities or soil and plant investments expected to lead to increased carbon sequestration. Details for the M&E system are provided in Annex 17.

#### **4. Sustainability and Replicability**

The combined VCSP2/CBLMP will be almost entirely coordinated, managed and implemented through existing Government agencies. Combined with capacity building support of these agencies, the mainstreaming of the proposed alternative GEF Project approach through the explicit linkage of land degradation as a threat to agricultural productivity is expected to significantly contribute to the longer-term sustainability of the GEF Project.

A number of factors are necessary to provide a solid foundation for the long-term sustainability of project activities and outcomes. One such factor is the Government's commitment to sustained policy reform and to the creation of mutually beneficial partnerships for all actors. This project, as well as the VCSP, relies on the CRD as the local body for promoting rural development. The VCSP is already strengthening CRD capacity to do so. At the present time, it is considered unlikely that Government will backtrack on its stated commitment of decentralization and local capacity building, especially since the VCSP is considered a model project by both the Bank and the Government of Guinea.

The integration of capacity building and buy-in of local communities at the onset will provide for their full empowerment by the end of the Project, and should result in their realization of the importance of SLM. These communities would thus have the capacity to assure a follow-up to the activities undertaken during the Project.

The GEF Project will start in pilot sites to ensure that experience can be gained with this approach, which is relatively new for national public agencies. The design of the GEF Project is specifically kept flexible to allow for continual adjustment based on experience gained during implementation and through exchanges with similar SLM oriented projects in Guinea and the sub-region, as the goal is to test replicable approaches to SLM in Guinea. Only after a satisfactory evaluation of project activities at mid-term and confirmed towards the end of project implementation -with all stakeholders- will the approach be mainstreamed into the third phase of the VCSP.

## 5. Critical risks and possible controversial aspects

Risks	Risk Mitigation Measures	Risk Rating with Mitigation Measures
<p>To project development objectives/global environmental objectives</p> <p>Government commitment to decentralized decision-making and resource transfer to rural communities is not sustained</p> <p>Financing gap</p>	<p>Ownership of the VCSP by the Government is high. The Project is prepared by the same team that is preparing the VCSP2 and is viewed not as a separate project but an integrated one.</p> <p>The GEF funded activities will not be affected if the VCSP2 is to be scaled down because of insufficient funds, as site selection is flexible and the project could if necessary collaborate with other donor funded projects</p>	<p>N</p> <p>N</p>
<p>Impact due to demographic pressures in vulnerable zones</p>	<p>The envelope is flexible and can provide more resources to those areas under severe stress, while providing less funding to areas under low or moderate stress. Allocations are therefore made on the basis of a participatory diagnostic carried out by IRAG and technical agencies.</p>	<p>S</p>
<p>Impact of drought</p>	<p>In drought prone areas, emphasis will be placed on risk diversification and adapted technologies in the context of SLM.</p>	<p>S</p>
<p><b>To component results</b></p>		
<p>Component 1</p> <p>Insufficient attention to land degradation issues in local development plans</p>	<p>Appropriate training and follow-up with local communities to ensure that land degradation issues are appropriately addressed.</p> <p>Targeted incentives to local communities to address these issues (in part through lower counterpart contributions than under regular VCSP micro-projects)</p> <p>Provision of targeted capacity building</p>	<p>S</p> <p>S</p>

	and awareness raising activities.	
Component 2		
Limited adoption due to high financial risk or long lag time before benefits become apparent	The beneficiary contribution is adapted to the risk/benefit profile of the proposed activities. Hence the GEF will contribute the risk portion as an incentive for farmers to adopt promising activities that control or reverse land degradation.	M
Insufficient providers to provide support services for micro-project formulation and implementation to beneficiaries	The first phase of VCSP implementation has shown that this poses only a modest risk. In addition, civil servants that would work directly with beneficiaries would be pre-selected and trained to ensure quality services. Moreover, the GEF Project will focus on CRDs that were already included in the first phase of the VCSP.	M
Difficulty for beneficiaries to mobilize their contribution	The counterpart contribution has deliberately been set low to ensure that beneficiaries are able to mobilize their contribution. However, competing demands may limit available resources (time and money)	M
Competition between VCSP and CBLMP	Most communities are expected to have substantial needs, in addition, the VCSP allowance of US\$50,000 per CRD is small relative to socio-economic infrastructure needs	M
Insufficient resource mobilization for maintenance	Continued follow-up with communities on maintenance issues. This has been a serious issue under the VCSP and similar projects elsewhere	S
Component 3		
Weak institutional capacity in Ministries for financial and procurement management	Substantial training will be provided and an action plan drawn up to closely follow-up on this issue. Incentives will be provided to Ministries to improve performance. In addition, the responsibilities of the first phase VCSP	S

	coordination unit will be maintained within the NCU, until all Ministries and technical agencies have been certified.	
Overall risk rating		M

N = negligible; M = moderate; S = substantial

## 6. Loan/credit conditions and covenants

As this project will be implemented through the VCSP2, conditionalities will include:

- Cross-effectiveness of the grant with the IDA credit

### D. APPRAISAL SUMMARY

#### 1. Economic and financial analyses

Like the VCSP2, CBLMP does not lend itself to classic quantitative cost-benefit analysis because on one hand, the expected capacity building benefits have undetermined life expectancies and cannot be quantified in monetary terms, while on the other hand, the demand-driven nature of investments also leaves the specific investments that will be made under the GEF Project undetermined. Not enough is known about investment attitudes of the rural communities to attempt a simulation exercise. However, it is possible to demonstrate in qualitative terms that economic and social returns are likely from the capacity building and the LIF components. A more detailed analysis is presented in Annex 9.

*Benefits and Cost-effectiveness of Capacity Building:* The Capacity Building component is most likely to generate substantial economic benefits. Decentralization, land use planning and human capacity building will improve the economic decision-making process. The promotion of improved land management/degradation control decision-making is also likely to increase the public benefits of the Project. In studies for other countries, returns to human capacity building are significant, especially when there is an adequate enabling environment.

*Benefits and Cost-Effectiveness of Local Investments:* The LIF will generate numerous investments that cannot be precisely predetermined given the demand-driven nature of the project. Consequently, no classic *ex-ante* cost-benefit analysis can be applied in this case. However, many eligible types of investments are predetermined and are known to generate significant economic benefits. Previous experience suggests that rural communities usually select projects with very high rates of returns and low risks, and manage them much more efficiently than Government or project agencies. Most micro-projects are expected to generate an economic rate of return exceeding 15%. A study on the benefits and cost-effectiveness of the various types of micro-projects eligible under the Project will be carried out as part of project preparation.

For those investments where benefits are uncertain an analysis of the financial soundness of proposed activities will be undertaken for all investments identified with the CRDs and OPs prior to funding the activity, so as to maximize chances of sustainability.

In addition, the GEF Project is expected to generate external benefits from activities that will mostly accrue to other parts of the (sub-) watershed, such as improved water quality and water flow through erosion control activities.

*Incremental Cost Analysis:* The detailed analysis is provided in Annex 15. The table below provides a summary of the GEF Project’s incremental costs:

**TABLE 1: INCREMENTAL COSTS**

<b>Financing</b>	<b>Baseline Scenario (USD m)</b>	<b>GEF Alternative (USD m)</b>	<b>Project Increment (USD m)</b>
GEF Contribution	0.00	7.00	7.00
Co-Financing (IDA only)	25.00	25.00	0.00
Current Estimated In-kind Contribution	9.00	9.40	0.40
<b>Total</b>	<b>34.00</b>	<b>41.40</b>	<b>7.40</b>

The total project cost under the Baseline Scenario where only the IDA credit will be implemented, is US\$34.0 million, while the total cost under the GEF Alternative is US\$41.4 million. The incremental cost under the GEF Alternative is therefore US\$7.4 million. The GEF contribution covers 18% of total cost. In addition, GEF has provided project preparation funds for US\$350,000 to support preparatory studies. Government and beneficiaries will contribute about US\$9.0 million to the baseline Project (a mixture of cash and in-kind, representing the net financial contribution of Government to the IDA Credit, in-kind contributions of facilities, equipment, etc., and a beneficiary contribution to the micro-projects) and an additional US\$400,000 under the GEF alternative (representing the beneficiary contribution to micro-projects).

The GEF OP15 allows for the funding of a wide range of land management activities so long as they are incremental to a defined baseline and will bring incremental benefits to the broader environment. In this demand-driven investment program involving several thousands of potential sub-projects the determination of incrementality and therefore suitability for support by GEF will be made prior to adoption of the local development plans.

Incrementality of activities would be determined as follows:

- Establishment of a baseline reflecting land degradation concerns
- Identification in a participatory manner of main SLM issues
- Assess effectiveness and constraints to the application of SLM friendly activities

- Identify priority actions in a participatory manner and assess incremental value of these actions

Activities identified through participatory techniques with local stakeholders would be ranked on the basis of likely incremental benefits and as such prioritized in the local development plans to ensure maximum benefits from limited resources.

Fiscal Impact: The long-term objective is for CRDs to be able to raise fiscal resources from increased local economic activity and consumption, thereby contributing to the funding of their local development plans while reducing the need for fiscal transfers from the central Government. In the short-to-medium term, fiscal transfers from the central Government will be needed to cover what the beneficiary contribution does not. It must be recognized that the long-term capacity-building needs of rural communities will require considerable support, and that such support will need to come largely from the outside, including support to cover the operating costs of the Project and intermediaries. Such operating costs are part of the investment required to build institutional, and ultimately fiscal, sustainability.

## **2. Technical**

A key technical issue is to ensure that complex and interrelated sub-watershed issues are well understood by rural communities and local governments (CRDs), so as to trigger the right mix of investments. This issue is tackled as follows:

- An adequate institutional support framework will be put in place to ensure that local development plans reflect land degradation control and prevention priorities;
- Technical quality of micro-project activities will be reviewed periodically by national and international experts;
- Information, education and communications campaign targeted on pilot sites before training/capacity building activities start;
- Evaluation of impact of training/capacity building activities with appropriate follow-up training where needed;
- Wide dissemination of technical issues for the benefit of rural communities and policy makers through annual fora;
- Technical manuals will be produced for small scale micro-projects, with specification of technical standards and norms, and will be made widely available;
- Independent technical audits to verify proper execution of micro-projects will be conducted periodically and on request from communities and/or local governments;
- Communities may use a portion of the resources allocated to them by the GEF Project to recruit technical expertise to assist in the design, supervision and reception of works.

The STAP Review focuses on the scientific and technical soundness of the project and is presented in Annex 16. The STAP Reviewer's comments were requested at an earlier stage and have been incorporated into the project design. They greatly contributed to strengthening the overall technical quality of project design.

### **3. Fiduciary**

#### ***Financial management issues (see Annex 7):***

The objective is to amend the present financial and disbursement arrangements under the VCSP to allow for the direct involvement in project implementation of the various technical ministries, rather than have all financial management under the responsibility of the NCU, and have ministries provide services on a contractual basis, which could lead to delays in service delivery. These fiduciary arrangements are also meant to strengthen national institutions and improve sustainability while ensuring efficiency, transparency and accountability. A timetable for transitioning from the present system to the new system will be discussed with the Borrower as part of Project appraisal.

The timetable would reflect the following steps:

- (i) Assessment of each Financial and Administration Department/Unit's capacity and agreement with each Ministry on a dated action plan including measures and transition arrangements to address weaknesses identified during the evaluation. The objective of the assessment is to ensure transparent and efficient management of funds regardless of source of funding.
- (ii) Upon satisfactory evaluation, selected ministries participating in the project will be granted relative financial and disbursement autonomy that will translate into the opening of a Special Account (SA) in each participating Ministry. Ministerial Financial and Administrative Departments/Units will be responsible for the administrative and financial management of their respective SAs.

The NCU would remain responsible for financial management until the participating ministries have satisfactorily proven that they can assume this role.

#### ***Procurement Arrangements (see Annex 8):***

Procurement procedures will remain unchanged as World Bank procedures apply. All IDA financed contracts for works, goods, and services or contracts financed by other donors, but for whom IDA serves as Administrator, will be procured in accordance with the World Bank's guidelines on procurement of goods, works and services.

The main change will be in procurement responsibilities. Under the VCSP, procurement was managed by the NCU as past poor performance in managing procurement by ministries had severely hampered project implementation in Guinea. Under the second phase, procurement responsibilities are to be transferred to implementing ministries (MEF, MATD and MAE). This will be implemented using the same approach as the one described above, i.e., assessment, time-bound action plan, and final evaluation. The NCU would remain responsible for procurement until the participating ministries have satisfactorily proven that they can assume this role.

Demand-driven micro-projects under the LIF will be procured in accordance with the provisions of paragraph 3.15 of the procurement guidelines. These guidelines provide much flexibility for

working with communities in as much as procedures are acceptable to IDA. Procurement procedures for demand-driven micro-projects have been detailed in the existing Project Implementation Manual. These have proven to ensure transparent and efficient management of local procurement. They will be adapted to the new circumstances: larger scope and range of activities that will include works, goods, and services at the local and regional levels prior to negotiations.

#### 4. Social

The base-Project and GEF Project were both designed to be highly participatory at all levels, particularly at the community level. Established participatory needs assessment techniques will be applied to involve the maximum number of beneficiaries in activity selection. A social assessment will be carried out as part of project preparation to refine these techniques. In addition, since so much emphasis in this GEF Project design (and also in the design of the VCSP) has been placed on the involvement of communities at the community and inter-community level during Project implementation, stakeholder workshops will be organized during project preparation to discuss the Project with concerned stakeholders at the grassroots level and make adjustments where necessary.

#### 5. Environment

The base-Project has a category ‘B’ rating. In fulfillment of the World Bank Environmental Assessment guidelines OP/BP/GP 4.01, and in conformity to the recently adopted national environmental impact assessment legislation, the borrower is in the process of preparing an environmental and social assessment as part of base-project preparation. As the GEF Project seeks to have a positive environmental impact, an Environmental and Social Management Framework - to provide guidelines for screening projects and identifying mitigation measures when necessary – will be prepared. Even though the GEF Project is not expected to limit access to resources or lead to involuntary resettlement, a resettlement framework - to provide guidelines in the event that involuntary resettlement takes place as a result of the project - will be prepared.

The Project is likewise classified as a category B project, safeguard screening factor S2. Although the project is designed to have mainly positive environmental and social impacts, the Environmental and Social Management Framework (ESMF) and the Resettlement Framework of the base-Project will be adapted and publicly made available prior to appraisal of the Project.

#### 6. Safeguard policies

<b>Safeguard Policies Triggered by the Project</b>	Yes	No
<a href="#">Environmental Assessment (OP/BP/GP 4.01)</a>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Natural Habitats ( <a href="#">OP/BP 4.04</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pest Management ( <a href="#">OP 4.09</a> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Cultural Property ( <a href="#">OPN 11.03</a> , being revised as OP 4.11)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Involuntary Resettlement ( <a href="#">OP/BP 4.12</a> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Indigenous Peoples ( <a href="#">OD 4.20</a> , being revised as OP 4.10)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Forests ( <a href="#">OP/BP 4.36</a> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Safety of Dams ( <a href="#">OP/BP</a> 4.37)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Projects in Disputed Areas ( <a href="#">OP/BP/GP</a> 7.60)*	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Projects on International Waterways ( <a href="#">OP/BP/GP</a> 7.50)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## 7. Policy Exceptions and Readiness

No policy exceptions are sought.

Prior to appraisal, the different implementation manuals will be available as well as the project's first year procurement plan.

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\* *By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas*

## **Annex 1: Country and Sector Background**

### **GUINEA: Community-Based Integrated Ecosystem Management Project**

#### **I. Country Context**

Guinea possesses one third of the world's known bauxite deposits and large reserves of iron, diamonds, gold, uranium, and limestone. Combined with an immense hydroelectric potential that is only beginning to be tapped, the country has great promise in terms of economic and social development prospects. Despite Guinea's generous natural resources endowment, a steady economic growth of 4% a year in GDP during the past decade, and a strategic location that favours trade, the proportion of the population living in poverty has not fallen and remains at about 40% overall and over 52% for rural areas. GDP per capita stood at US\$410 in 2002, yet the UN Human Development Index continues to rank Guinea among the lowest (159 out of 173 in 2002) as most socio-economic indicators compare negatively with countries having a similar income structure.

The rural sector is a key part of the economy and employs about 88 percent of the labor force. Performance of the agricultural sector between 1991-95 has been better than the overall economy. However, 88 percent of the country's poor live in rural areas, making it a key area of concentration for any efforts to reduce poverty.

While the root causes of Guinea's poor socio-economic performance in rural areas are numerous, land degradation plays a major role. According to the PRSP, the constraints impeding the rural sector's development include:

- the severe decline in production potential of land;
- insufficient rural infrastructure (dirt roads, irrigation infrastructure, etc.); and
- deficiencies in the framework governing private sector development (access to land and secure land tenure, access to credit, public support services, etc.).

The PRSP concludes that the outlook for the rural sector will be largely contingent upon activities implemented to overcome these constraints and places the focus on the rural sector as a source of growth.

Beyond having significant negative impacts on livelihoods in Guinea, Declining land productivity is also having an impact on land degradation and threatening the natural environment, which has much wider impacts, given Guinea's status as a key watershed for many of the major West Africa rivers (including the Niger, the Senegal and the Gambia rivers). Many neighboring countries depend on these waters for various purposes (e.g. water supply, food, transport, energy and tourism). Long-term sound management of the waters is indispensable in fighting the water scarcity and stress in West Africa, which is expected to occur over the next decades. Finally, many areas of Guinea have high levels of biodiversity and are critical habitats for threatened species. The IUCN red list of threatened species identifies, amongst others, a total

of 14 mammals, 10 birds, and 21 plants,<sup>6</sup> which is confirmed by the 1997 National Monograph on Biodiversity. UNEP states that out of 88 endemic plant species, 36 are threatened. As a result, interventions that protect or improve ecosystem health (in the case of this project through the use of sustainable land management) and reduce human encroachment on habitats also represent a critical contribution to the preservation of biodiversity.

## **II. Main Sector Issues.**

### **a. Declining agricultural production potential**

Gains in past levels of food production primarily reflect the expansion of surface areas under cultivation. Improvements in yields have been negligible between 1991-1995, with the exception of cassava for which the yield actually fell from 7.0 to 6.1 metric tons per ha.

The causes for stagnating and declining agricultural productivity are multi-faceted. In many parts of Guinea, agricultural technologies have remained relatively unchanged due to poor technical support provided by agricultural extension and research, and insufficient access to markets, which limits the ability of farmers to sell surplus production and obtain modern inputs to intensify production. In addition, rural poverty has caused seasonal migration of agricultural labor to the coastal zone for employment, which limits the availability of labor required for intensive land cultivation, which has the perverse effect that more land is needed to feed the same population.

The presence of traditional production systems in many areas of Guinea is the result of adaptation to local constraints in the past but they no longer respond to the present-day conditions. Increased demand for land as a result of population growth and changes in seasonal labor availability has led to an increased emphasis on extensive agricultural technologies where slash and burn is used to clear land, and decreases in the time period that land is allowed to lay fallow. In the Fouta Djallon area, certain land used to be cropped for a couple of years and then was allowed to be fallow for up to 15 years, now land use data and on-site observations indicate that there have been drastic reductions in the fallow periods in many areas where demographic pressures are increasing and thus a concomitant decline in soil fertility. Land used for extensive cultivation and pasture now accounts for almost half of all arable land, underscoring that land rotation is becoming increasingly difficult.

Slash and burn contributes to reduced agricultural productivity because of the loss in organic content of the soil and increased risk of soil erosion due to the heavy rains at the start of the cropping season.

In Middle and Lower Guinea, added land pressures are caused by the extensive livestock system and the practice of moving herds from Middle Guinea to the relatively more humid coastal areas during the dry season. This practice causes widespread damage to productive systems and is the source of conflicts between farmers and pastoralists.

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<sup>6</sup> IUCN website.

These developments are all, in varying degrees, contributing to land degradation. Even though estimates of erosion are limited, some studies indicate that it is an increasingly serious issue. Erosion is directly related to topography and rainfall. It is generally accepted to be of importance in many parts of Guinea given the terrain (hilly with many steep slopes). Moreover, there is visible run-off in rivers during the peaks of the rainy season. One of the more recent studies estimated soil erosion at 0.3-0.5 mm per annum on relatively flat terrain. Given the thin layer of fertile topsoils in many areas and the topography of land under cultivation, this means that there is a high threat of soil erosion.

Mining activities have a dramatic impact on land (directly erosion) and water (through run-off and pollution from transformation of bauxite) and in the case of Lower Guinea on many of the ecologically important estuaries. Given its overall importance to the economy, Government has been slow in adopting and enforcing policies that would place restrictions on mining.

#### Support services.

Past donor supported interventions to improve agricultural productivity through improved extension and research have only had limited success. The main reasons were the poor capacity of frontline workers and the lack of responsiveness to local needs. In addition, there has been a poor linkage between agricultural research and extension to get adapted technologies to farmers, and agricultural research and local needs, which has limited the usefulness of many adapted technologies. Tests with the contractualization of such services have been somewhat successful under the IDA funded National Agricultural Services Project. Plans to mainstream the results of these tests have not yet been implemented due to lack of donor funding, even though such need is recognized as the most promising way to make service delivery responsive to needs. The planned second phase of the VCSP will include support for contractual service delivery.

#### Insufficient rural infrastructure.

Although some progress has been made in physical rehabilitation through donor, NGO and local efforts, the country's stock of basic infrastructure, such as roads, public buildings, markets and processing facilities, remains largely in disrepair and wholly inadequate. The situation has been made worse by the spillover effects of (now ended) wars in neighboring countries and internal rebel activity. All this combines to hinder providing access for farmers to inputs and markets, improving access to health, education, security and other government services, and promoting governance and national integration. Within this context, two areas stand out: (i) rural roads; (ii) commercial infrastructure.

**Rural Roads:** Most of the rural road network is barely functional and rapidly deteriorating due to lack of maintenance. Because of poor access, many rural communities are cut off for parts of the year from essential social services and markets. With respect to roads, the PRSP's goal is to achieve balanced development of the road network underpinning the nation's economy and places a high priority on reducing isolation to the poorest areas. This will be implemented through the National Transport Plan and the Rural Transport Policy, currently under consideration. These activities are supported under the second phase of the National Rural Infrastructure Project.

**Market Infrastructure:** Private and export-led agricultural development of the rural sector has been seriously constrained by inappropriate regulatory frameworks, lack of investment resources and a shortage of basic post harvest and marketing infrastructures. Through the efforts of the Agricultural Export Promotion Project (PCPEA) (1993-2002), the Government has made some steps toward improving the agricultural investment climate, notably through the elimination of duties on imported agricultural inputs (fertilizers and pesticides) and with the creation of the "one stop shop" export facilitation centers (CAFEX). The PRSP aims to stimulate the rural economy by capitalizing on the emergence of locally-based professional organizations, and potential marketing partners, to initiate the efficient linkage of farmers to more profitable distribution channels, and, in time, facilitate their integration in high-value produce export supply chains at the international and regional level. Part of this strategy includes developing the basic rural based infrastructure necessary for more effective processing and marketing of agricultural, livestock and fishing products. Along with this, the PRSP aims to build capacity of farmers' organizations in the logistical, quality management, technical and marketing skills to ensure i) an adequate and continuous supply and ii) develop a contractual framework that would ensure sustainable operation and maintenance of these facilities. These activities are supported under the second phase of the VCSP.

#### Access to land and secure land tenure

Land ownership in rural areas is governed by traditional arrangements and land use rights are given out on the basis of social customs and kinship relations. Best land has traditionally been reserved for members of the dominant group. In the case of Guinea, the traditional system is rendered less transparent because of past Government attempts to interfere in the traditional land ownership system. Given the increased demand for land and the required investments to make land more productive, a more formal system of land ownership is needed. It is evident that land tenure has an effect on land fertility. Where user rights are clear, significant investments are made in building and maintaining soil fertility. Where user rights are temporary or not clearly defined, no long-term investments are made. Application decrees for the forestry code have not yet been adopted leaving the formal status of community and private forest holdings unclear thereby providing incentives for outsiders to log wood.

A test to pilot land security in some areas will be part of the second phase of the VCSP.

#### Access to credit

The absence of agricultural credit because of the high perceived risks and poor access to financing in general are major constraints to agricultural development. No formal rural banking exists making it almost impossible for farmers to gain access to credit and other financial services. Lack of credit is a leading cause for low use of modern inputs in production, which is compounded by poorly organized and inadequate input supplies and makes access to farm inputs almost nonexistent for farmers.

### **III. Government Strategy**

The Government's development strategy for the rural sector emphasizes:

- Improving food production and ensuring food security
- Raising rural incomes, in particular through export development
- Conserving natural resources

It will operationalize this by:

- Placing producers, professional organizations and local governments at the heart of the development process
- Enhancing and improving the quality and efficiency of Government services
- Institutional capacity building of all stakeholders (OPs, CRDs, agencies)
- Facilitating access to land and rational management of land resources
- Improved rural infrastructure

The Government strategy specifically recognizes the potential negative effect of development activities, including mining, on the environment and especially on land and water resources. It is therefore also calling for the development of bench marks to which all stakeholders will have to adhere, environmental assessments of new activities and monitoring of new activities.

As a part of Guinea's participation in the UN Convention to Combat Desertification, a National Adaptation Plan for Action (NAPA) is being drafted and is intended to outline the Government's priorities and programs to address land degradation issues in the country. The NAPA makes the case for the need for interventions to counter the ongoing degradation of hillsides and watersheds in ecosystems that are critical to maintain the water and soil nutrient cycles. It is seen as vital to improve farming through environmentally sustainable practices for addressing poverty and food security needs, as well as to lessen the pressure on natural resources and off-site land degradation. The Project would be in support of the NAPA.

## Annex 2: Major Related Projects Financed by the Bank and/or other Agencies

### GUINEA: Community-Based Integrated Ecosystem Management Project

Sector issue addressed	Project status	Latest Supervision (PSR) Ratings	
		Implement. Progress (IP)	Dev. Objective (DO)
<b>World Bank / IDA</b>			
Community-Empowerment, poverty alleviation and rural development	Village Communities Support Program (VCSP) Phase 1 (2001 – 2005) (see section below)	S	S
Community-Empowerment, poverty alleviation and rural development	Village Communities Support Program (VCSP) Phase 2 2005 - 2009 To be negotiated in FY 05 (see section below)	Under preparation	
Renewable Energy	Rural Energy Project	S	S
Road Rehabilitation	National Rural Infrastructure Program (PNIR 2) Phase 2	S	S
Biodiversity conservation and environmental management in coastal zone	GEF Coastal Zone Integrated Management and Preservation of Biodiversity Project (CZMP) To be negotiated in FY 05 for 2005 - 2009 (see section below)	Under preparation	
Land and Water Degradation	Reversing Land and Water Degradation Trends in the Niger River Basin Regional Programme UNDP/WB/GEF Under implementation	S	S
Land and Water Degradation	Senegal River Basin Water and Environmental Management Program Regional Programme UNDP/WB/GEF Under implementation	S	S
<b>Other Agencies</b>			
Land management and biodiversity conservation	Conservation of Biodiversity through Integrated Participatory Community Management in the Nimba Mountains UNDP / GEF Launch in 2005 until 2013		
Climate change and adaptation	National Adaptation Plan of Action (NAPA)		

	UNDP / GEF Launch in 2005		
Biodiversity conservation	Identification of Capacity-Building Needs for BD Strategy Implementation and Strengthening of the CHM (Add on) UNDP /GEF Supplemental preparation phase on-going 2001 – 2005		
Capacity building for Global Environment	National Capacity Self-Assessment for Global Environmental Management UNDP / GEF Proposed		
Natural Resource Management	Enlarged Natural Resource Management Project (PEGRN) USAID On-going (see below)		
Natural Resource Management	Programme de Rehabilitation des Ecosystemes du Foutah Djallon FAO/ADB/GEF Under preparation		
Natural Resource Management	Support to integrated resource management of the Niger and Gambia River Basins (AGIR) EU (see below) 2000 – 2004/5		

### **Specific information about selected interventions:**

#### 1. Multi-donor including WB: The Village Communities Support Program (VCSP)

The VCSP2, which is under preparation, will build on and expand on the first phase. By the end of the second phase, the project is expected to cover the entire country. In addition, as the first phase clearly demonstrated, beneficiary populations are now asking for different types of micro-projects than what is now included in the VCSP. The project will therefore enlarge the menu of eligible investments to include agricultural services (research and extension), and also focus on professional organizations rather than on CRDs only. The rural infrastructure will in part be taken over by the PNIR and in part merged with the LIF. Instead, the project will include a pilot land security component.

#### 2. WB: The Second Phase of the National Rural Infrastructure Program (Deuxième Phase du Programme National d'Infrastructures Rurales, PNIR 2)

PNIR 2 seeks to rehabilitate 5,600 km of roads, and develop 4,000 ha of lowlands and 2,000 ha of coastal plains. One of the project's weaknesses has been the absence of an effective system for rural road maintenance and the inadequacy of the corresponding budgetary resources, especially to replenish the Roads Fund (*Fonds Routier*). The implementing agency would be the

Direction Nationale du Génie Rural (DNGR) under the Ministry of Agriculture and Livestock (MAE).

Accompanying measures will be taken to ensure greater security of land tenure and investments, and to preserve imperiled ecosystems. In addition, a participatory road maintenance strategy will be adopted and implemented in the field. Finally, linkages will be developed with activities under the VCSP2 and the CBLMP, albeit indirectly through the local development plans as an additional source of funding. Also, by collaborating using the same CDD based approach, the GEF Project will as an additional benefit ensure that proposed infrastructure investments will be in accordance with in-depth analysis done of the pilot watersheds rather than localized impact studies.

### 3. WB/GEF: Coastal Zone Integrated Management and Preservation of Biodiversity Project (CZMP)

The CZMP is presently under preparation and is expected to become effective by September 2005 together with the VCSP 2. It aims to promote rational management of Guinea's unique coastal biodiversity for both local, national and global conservation and sustainable development ends, with a particular emphasis on assisting communities in and around these priority areas to plan, implement and maintain environmentally sustainable and socially inclusive alternative livelihoods options. The project has five closely inter-linked components. Three of these will provide incremental support to the components of the VCSP 2 (the LIF, the Local Capacity-Building and the Project Management). The two additional components are:

#### *Component 1: Protection and conservation of coastal Ramsar sites*

The aim is to provide the necessary strategic and operational tools and experiences to establish at least one coastal conservation areas (CCA) around the identified Ramsar sites (e.g. Rio Pong) through a participatory approach with concerned communities.

The **CBLMP** has been designed to include selected sub-watersheds upstream of the CZMP sites (e.g. Tristao/Alcatraz, Rio Pongo). This will increase impact downstream and provide important lessons for impact assessments of proposed interventions following an integrated landscape approach.

#### *Component 2: Institutional strengthening for integrated coastal zone management*

The weak capacity of the institutions at national and regional level to sustainably plan, manage and monitor the area's natural resources and coastal ecosystems is a barrier to the effective protection of coastal biodiversity in Guinea. Targeted capacity building will be provided for stakeholders at national and local level to establish an integrated coastal zone management action plan and if needed appropriate legislation and to support the establishment of a coastal zone stakeholder information mechanism around targeted Ramsar sites (e.g. Tristao/Alcatraz, Rio Pongo).

Activities of the **CBLMP** would be coordinated through the same base-Project (VCSP 2) and thus provide for complementarities and synergies in specific project sites (i.e. up-stream of CZMP sites). A strategic decision was taken to apply the same baseline assessment methodologies for both projects. This will lead to a harmonized impact m&e system linked to

the VCSP 2's performance m&e system and thus facilitate greatly the comparison and assessment of impact of activities supported under both projects.

#### 4. Identification of Capacity-Building Needs for BD Strategy Implementation and Strengthening of the CHM (Add on)

Jointly financed by the GEF/UNDP and the Guinean Government, this add-on is based on previous GEF/UNDP support given to Guinea for the development of a National Biodiversity Strategy and Action Plan and is managed by the new Ministry of Environment. It is expected that this supplemental support will result in an UNDP project proposal to strengthen the capacity of national and local stakeholders, in particular the Ministry of Environment, to manage the biodiversity resources more sustainably. Together with the proposed NCSA, it will greatly reinforce the capacity of the Ministry of Environment to set standards regarding land uses and land and water management techniques including providing for linkages to the NAPA under development.

#### 5. Senegal River Basin Water and Environmental Management Project.

The four-year Project is being jointly implemented by the World Bank and UNDP and is being executed by the Senegal River Basin Authority. The development objective of the Senegal River Basin Water and Environmental Management Project is to provide a participatory strategic environmental framework for the environmentally sustainable development of the Senegal River Basin and to launch a basin-wide cooperative program for transboundary land-water management. To successfully achieve the development objective, the project proposes to strengthen regional and national institutional capacity to enable these institutions to address priority basin-wide, transboundary water and environment management issues. This will allow the Senegal Basin's four riparian countries - Guinea, Mali, Mauritania, and Senegal - to jointly build on ongoing initiatives in the Basin; develop a cooperative regional approach to the environmental management of the Basin; and contribute to effective operation of the Basin's water resources, providing benefits beyond national boundaries.

The project's global objective is to promote broad, basin wide participation in developing and implementing measures that will lead to sustainable, transboundary management of the Senegal River Basin's land and water resources.

At the sub-regional level, the GEF Project will seek partnership arrangements with the planned multi-donor supported Project for Reversing Land and Water Degradation Trends in the Niger River Basin and the ongoing multi-donor supported Senegal River Basin Water and Environmental Management Project.

The GEF Project would seek to collaborate with the Senegal River Basin Project to exchange best practice experiences and also in site selection to avoid that there will be unexpected externalities or duplication of efforts. This risk of duplication is low, as the Senegal River Basin Project has only limited funds available for on-the-ground activities (20 community based micro grant activities distributed over four countries) and the supported activities are different from those of the GEF Project. Moreover, the implementation of these types of activities in Guinea would require the setting-up of a new project specific implementation structure.

#### 6. Reversing Land and Water Degradation Trends in the Niger River Basin Project.

The Project is supported through a broad multi-donor initiative, including the World Bank, UNDP and GEF, and is implemented by the Niger Basin Authority. Its global environmental objectives are to reduce and prevent transboundary water related environmental degradation, prevent land degradation, and protect globally significant biodiversity, through sustainable and cooperative integrated management of the Basin, enhance existing capacity, informed decision-making and ensure the public's greater involvement in the Basin's decision-making process. The global environmental objectives will be achieved, through broad basin-wide participation and implementation of cooperative decision-making and best practices, sustainable management of the Basin's land and water resources, with special attention to the Africa Integrated Land and Water Initiative of the GEF implementing agencies.

The GEF Project would seek to establish ties with the coordinating mechanism of the Niger Basin Authority to ensure that it can benefit from experience elsewhere and contribute and validate its own experience. The Niger River Basin Project has no planned direct activities in the Guinea part of the Niger watershed.

#### 7. Rural Energy Project

The key development objective of the Bank and GEF supported Learning and Innovation Loan is to support the Government in implementing its strategy for increasing access to electricity in rural and peri-urban areas and in promoting the adoption of Renewable Energy Technologies (RET). The project's global environment objective is to remove barriers to application, implementation and dissemination of RET. Removal of barriers will make it attractive for the private sector to start investing in decentralized rural electrification schemes, and operate these on a fully commercial basis.

As the project has not yet finalized intervention zones, a dialogue will be maintained to ensure that where overlap is potentially beneficial, the GEF Project would include this in the selection criteria for the remaining two pilot sites.

#### 8. Conservation of Biodiversity Through Integrated Participatory Community Management in the Nimba Mountains - UNDP

This 9-year GEF supported phased program aims to contribute to the protection and sustainable use of the biological diversity of the Nimba Mountains Biosphere Reserve, including the World Heritage Site. It is based on an integrated ecosystem management through participatory approaches according to the philosophy of a biosphere reserve in which conservation of globally important biodiversity, landscape-level sustainable use of natural resources and sustainable development are harmonized. The program further supports mainstreaming of biodiversity conservation into local and national level sustainable development planning. The program consists of:

- supporting protection of three core reserve areas in the Nimba Mountains
- improving sustainable land planning and use, agricultural intensification and revenues in the buffer zone and transition area of the Reserve,

- promoting culturally appropriate animal husbandry and sustainable management and use of wild fauna in the buffer zone and transition area,
- improving local health and hygiene conditions, including promoting complementarity between ‘modern’ and traditional medicines, and sustainable use and management of traditional medicinal plants in the buffer zone and transition area, and
- strengthening the management authority for the Biosphere Reserve.

Detailed management plans will be prepared to overcome the barriers to improved park management, improved agricultural practices and revenues, and improved animal husbandry and wildlife management.

Near the end of the program, it will develop exit strategies to rural development support, establish with the mining company an independent structure and sustainable financing mechanism to support integrated conservation and sustainable use of the Nimba Mountains, and complete any remaining activities or needed institutional and legal reforms.

The **CBLMP** will assure close coordination to exchange lessons learned related to the successful development and implementation of micro-projects through its annual fora.

#### 9. Support to Integrated Resource Management of the Niger and Gambia River Basins (Appui à la Gestion Intégrée des Ressources dans les Bassins du Niger et de la Gambie, AGIR)

This project is a natural resource management project operating at national and sub-regional levels, and is funded by the European Union. At the present time, the second phase of the program is being implemented. The project provides funding to beneficiary communities for micro-projects and has a sub-watershed approach to development planning and land use. The components are:

- 2 sub-regional components related to the Gambia and Niger River basin;
- 1 component related to the Parc National Haut Niger,
- 3 transboundary components Guinea-Guinea-Bissau, Mali-Guinea and Senegal-Guinea; and
- 4 institutional components supporting regional environmental decision systems, transboundary resource-management committees and biodiversity valorization.

The **CBLMP** will work with the AGIR on the selection of appropriate micro-projects and also exchange ideas on the different tools for land use planning, as AGIR already has a considerable GIS database. This would be formalized through annual fora on land management projects in Guinea.

#### 10. Enlarged Natural Resource Management Project (Projet Elargi de Gestion des Ressources Naturelles, PEGRN)

This project places emphasis on the strengthening of natural resource management and planning capacities of local communities, increased agricultural production, support to small- and micro-

enterprises, and policy reform. It is funded by USAID and implemented by a consortium of NGOs.

Coordination with the PEGRN would be in the same way as for the AGIR program through annual fora. The **CBLMP** would also take advantage of the work done by PEGRN on land mapping and experiences with GIS training. During preparation, extensive consultations have been held to ensure that there is no overlap in geographic sites of the two projects and that lessons learned can be shared and used.

### Annex 3: Results Framework and Monitoring

#### GUINEA: Community-Based Integrated Ecosystem Management Project

#### Results Framework

Project Development Objective/Global Environment Objective	Outcome Indicators	Use of Outcome Information
PDO: pilot the integration of improved land management practices into the overall development planning process of communities and local governments in selected pilot sub-watershed.	1. Number of adopted local development plans reflecting improved land management practices	At mid-term, progress towards these indicators would be reviewed and changes made in the strategy where appropriate.  Evaluation at end of project of impact and replicability of approach to other parts of the country and possibly sub-region.
PGEO: pilot sustainable and replicable approaches to the prevention and mitigation of the causes and negative impacts of land degradation on the structure and functional integrity of ecosystems.	2. Prevention, mitigation of land degradation, through SLM practices compared to baseline assessment: <ul style="list-style-type: none"> <li>• Change in vegetation cover;</li> <li>• Increase in land productivity;</li> <li>• Improved quality of pastures (site-specific);</li> <li>• Reduced rate of deforestation;</li> <li>• Reduced agricultural production on marginal land;</li> <li>• Changes in native biological status (selected from key site-specific species identified through the baseline surveys); and</li> <li>• Changes in sedimentation rates (water quality and erosion)</li> </ul>	At mid-term, progress towards these indicators would be reviewed and changes made in the strategy where appropriate.  Evaluation at end of project of impact and replicability of approach to other parts of the country and possibly sub-region.  Low impact could indicate problems with the incentives structure of the Local Investment Fund, awareness raising of stakeholders, capacity building activities aimed at beneficiaries and public agencies, and/or implementation arrangements of the Project.
Intermediate Results One per Component	Results Indicators for Each Component	Use of Results Monitoring
<b>Component One: Capacity Building for Local Development</b>  CRDs and local communities in the targeted sub-watersheds have the knowledge and competency required to plan, implement, and monitor land degradation control and mitigation activities	<b>Component One: Capacity Building for Local Development</b>  60 % of identified stakeholders trained in SLM approaches per sub-watershed.  By the end of year 2, 30 percent of first year beneficiary CRDs have	<b>Component One: Capacity Building for Local Development</b>  Poor progress could indicate: <ul style="list-style-type: none"> <li>• lack of ownership in beneficiary CRDs</li> <li>• incentives in place for participation in capacity building exercises may not</li> </ul>

	<p>appropriately adapted existing land management plans to include land degradation concerns and which are also adopted at the prefectural and regional levels.</p> <p>50 % of annually submitted SLM sub-projects are of satisfactory quality.</p> <p>By end of Project at least 60 percent of beneficiary CRDs have appropriately adapted and formally recognized existing land management plans using the (sub) watershed as the planning basis and including land degradation concerns</p>	<p>be appropriate</p> <ul style="list-style-type: none"> <li>• awareness raising and training have not appropriately informed stakeholders of land degradation issues</li> <li>• inadequate follow-up measures after completion of the capacity building activities</li> <li>• design too complex given context; simpler approaches may be needed</li> </ul>
<p><b>Component Two: Local Investment Fund (LIF)</b></p> <p>CRDs and sub-watershed management committees use the local investment fund effectively in the implementation of SLM activities defined in their land management plans.</p>	<p><b>Component Two: Local Investment Fund (LIF)</b></p> <p>By end of project, 60% of sub-projects funded under the LIF are properly executed and maintained by beneficiaries (OPs, CRDs).</p>	<p><b>Component Two: Local Investment Fund (LIF)</b></p> <p>Progress would be measured annually and weakness would indicate that:</p> <ul style="list-style-type: none"> <li>• beneficiaries may have insufficient capacity to carry out the activities including development of sub-project proposals</li> <li>• incentives structure is inadequate, and</li> <li>• eligible activities do not respond to community priorities</li> </ul>
<p><b>Component Three: Project Coordination and Management</b></p> <p>Project Funds provided in a timely manner to beneficiaries</p> <p>Satisfactory functioning information system in place and effectively used for project management and for monitoring and evaluating the project</p>	<p><b>Component Three: Project Coordination and Management</b></p> <p>Project funds properly managed</p> <p>Work programs and calendar adhered to</p> <p>Funds made available to communities when scheduled</p> <p>M&amp;E has provided reliable information, effective in guiding project management, and independently evaluated</p>	<p><b>Component Three: Project Coordination and Management</b></p> <p>Y1-4: poor financial management and delays in providing funds to communities would flag need for additional training of financial staff, additional staff or need for different management approaches (sub-contracting/outsourcing)</p> <p>Y1-4: if M&amp;E evaluation indicates quality issues, the methods of collection, training of enumerators, and capacity of staff doing the compilation and analysis would be reviewed.</p>

### Arrangements for results monitoring

Outcome Indicators	Baseline <sup>7</sup>	Target Values					Data Collection and Reporting		
		YR1	YR2	YR3	YR4	YR5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
1. Proportion of adopted local development plans reflecting improved land management practices	TBD	0%	20%	35%	50%	60%	MTR review	M&E system	PIU and CRDs
2. Prevention, mitigation of land degradation, through SLM practices compared to baseline assessment:									
<ul style="list-style-type: none"> <li>• Change in vegetation cover;</li> <li>• Increase in land productivity;</li> <li>• Reduced rate of deforestation;</li> <li>• Improved quality of pastures;</li> <li>• Reduced productive use of on marginal land;</li> <li>• Changes in native biological status;</li> <li>• Changes in sedimentation rates</li> </ul>	TBD	Site-specific		Positive		Positive	Bi-annual progress reports	Satellite photography and GIS tracking software managed by OGM, with support from the university of Conakry and IRA G, and confirmed through onsite visits	ditto  Service provider contracted by PIU
	TBD	ditto		Positive		Positive			
	TBD	ditto		Positive		Positive			
	TBD	ditto		Positive		Positive			
	TBD	ditto		Positive		Positive			
	TBD	ditto		Positive		Positive			
	TBD	ditto		Positive		Positive			
For these criteria, monitoring indicators would be site specific.									

<sup>7</sup> Detailed baseline studies will be carried out as part of project preparation activities. These will be reflected in the Project Impact Evaluation Indicators. Studies on at least 80% of the sites will be completed prior to grant effectiveness.

<b>Component 1: Capacity Building for Local Development</b> 60 % of identified stakeholders trained in SLM approaches per sub-watershed by MTR.  By the end of year 2, 30 percent of first year beneficiary CRDs have appropriately adapted existing land management plans to include SLM concerns.  By end of Project at least 50 percent of appropriately adapted land management plans are reflected in prefectoral level development plans  50 % of annually submitted SLM sub-projects are of satisfactory quality.	0	30%	60%				Yr 1 and 2	Project progress reports and independent technical audits	Project M&E, private sector firms  Project M&E
	0	15%	30%	40%	60%		Annual	Surveys	PIU/Minister of Planning and service provider
	0	15%	30%	40%	50%		ditto	Technical audits	ditto
	0	50%	50%	50%	50%		ditto	M&E system	
<b>Component Two :</b> By end of project, 60% of sub-projects funded under the LIF are properly executed and maintained by CRDs and OPs.  Number of innovative SLM technologies and activities adopted	0	15 %	30%	40%	60%		Annual	Technical audits	PIU/Minister of Planning and service provider
	0		5 per site	10 per site	15 per site		ditto	ditto	ditto
<b>Component Three:</b> Project funds properly managed	100%	100%	100%	100%	100%		Annual	financial audit	Independent auditor

Work programs and calendar adhered to	N.A.	60%	60%	75%	75%		ditto	technical audits and project M&E	PIU/Minister of Planning and service provider
Funds made available to communities when scheduled	N.A.	75%	75%	75%	75%		ditto	technical audits and project M&E	PIU/Minister of Planning and service provider
M&E has provided reliable information, effective in guiding project management, and independently evaluated	N.A.		satisfactory review		satisfactory review		Mid-term and end of project	external review	PIU/Minister of Planning and service provider

## **Annex 4: Detailed Project Description**

### **GUINEA: Community-Based Land Management Project**

The Project's strategy is based on a participatory approach involving greater awareness and assumption of responsibility on the part of beneficiaries. It aims to put local actors who are reliant upon natural resources at the center of the process of generating ideas, decisions and interventions for the management of these natural resources. Furthermore, the project will approach land degradation within the framework of sub-watershed management planning, as the two are intimately linked.

To accomplish this, the Project will take advantage of an initiative already taking place in the country concerned with capacity building for local communities (VCSP). In particular, the implementation structure of the GEF support will be fully integrated into the VCSP and based on existing institutions. The Project will also directly support the National Environmental Action Plan, the Biodiversity Strategy and Action Plan for Guinea and feed into the National Action Plan for Adaptation (under development).

One of the main limitations of the VCSP is that the program insufficiently includes natural resource management considerations into the land planning and needs assessment processes. Where it does so, it is highly localized with little knowledge of potential interactions elsewhere. It is for this reason that the Project will add a watershed-based approach to land use.

Also, the tools made available to communities to assist them in the land use process that would culminate in a land use/degradation control program, will be more sophisticated than used by the VCSP in the past. A multi-stage process would be applied. Firstly, an initial analysis would be carried out by technical staff of existing information and updated land occupancy and land use data using satellite imagery of the selected sub-watershed. Secondly, consultations would be held with communities to assess their priorities and constraints and how these match with the technical analysis. Subsequently, a series of meetings would be held with the sub-watershed management committee and beneficiary communities to arrive at consensual solutions that are technically sound, in the interest of the communities, and most importantly fully supported by the communities.

In each of the four main natural regions of the country –Lower Guinea, Middle Guinea, Upper Guinea and the Forest Region, initially a limited number of sub-watersheds will be targeted based on: (i) the importance of environmental threats, (ii) their role as part of regional, national and international ecosystems, (iii) the potential to strengthen existing programs and/or (iv) the opportunity to fill gaps in the coverage of ecological sensitive areas in the country by other environmental programs.

A preliminary assessment of these various aspects has identified two pilot watersheds, one the Kogone river, covering sub-watersheds feeding into the Rio Komponi, and the second the Fatala river, in the Guinée Moyenne feeding into the Rio Pongo. Two more sites will be identified as part of project preparation.

Accordingly, GEF support to the Project will work to integrate the ecological, social and economic dimensions of land degradation to ensure full participation and cooperation at all levels. Specifically, the GEF will support: (i) capacity building of communities to promote new land management techniques, (ii) the realization of micro-projects having a positive impact on productive land and associated ecosystems, (iii) capacity building of decentralized agents of the relevant technical ministries as appropriate, and (iv) development of methodologies for environmental information management to encourage a holistic approach throughout the country.

### *Specific Components*

#### **I. Capacity Building for Local Development.**

GEF complement (US\$1.5 million): The VCSP is mostly concerned with local development from a socio-economic perspective. The SLM focus of the GEF Project adds an additional dimension to the capacity building activities of the VCSP2. GEF incremental funding will therefore strengthen the capacity of local governments and rural communities in the selected pilot sites to plan, implement and coordinate land degradation mitigation and control activities and development actions that emphasize SLM. It will support the following activities:

- provision of GIS based planning and investment decision support tools such as maps (with natural resources and land quality information, important for local development as well as their role in SLM), M&E tools such as a GIS based database system, and master plans for the sub-watershed. A multi-disciplinary technical and scientific task force will be set up to review with beneficiaries the proposed sub-watershed development plans to ensure they are consistent with ongoing activities elsewhere in the sub-watershed and will have the desired impact;
- dissemination of technical information and transfer of knowledge in relation to land degradation control and mitigation technologies and potential profitable activities, through training, testing and demonstrating sustainable land use technologies and activities;
- support to participatory rural appraisals (PRAs) to adapt existing VCSP2 related local development plans to reflect SLM priorities;
- training for improving the land use planning skills of local government officers and community leaders, and provision of related adapted data base management tools;
- support to professional organizations (*Organisations professionnelles*, OPs) for all matters related to SLM and land degradation prevention/control, including provision of organizational, management and negotiation skills;
- support to natural resource use conflict resolution mechanisms (design and implementation) that may otherwise contribute to land degradation;

The main difference from the VCSP is related to the elaboration and validation of the LDPs under the GEF Project. As a first step to the elaboration of adapted LDPs, all existing LDPs for the sub-watershed are translated by a cartographer into a digitized (GIS) development plan for the entire sub-watershed. This consolidated plan is reviewed by a technical/scientific team drawn from different technical agencies and institutes to ensure that the plan is technically coherent (no negative externalities), reflects sub-watershed priorities and appropriately addresses concerns related to SLM priorities.

Upon completion of the capacity building activities, and technical analysis and validation, a team experienced in participatory techniques will work with CRD stakeholders to achieve a bottom-up view of land degradation issues affecting the CRDs in the sub-watershed. This team will have no connection to Government agencies and cannot include civil servants to avoid a possible bias in the results. On the basis of the participatory interventions, the stakeholders will express their concerns and proposed mitigation actions at the CRD level, which are subsequently incorporated in the LDP. The resulting adapted LDPs are subsequently aggregated for the pilot site and compared to the technical analysis. The teams working with the stakeholders will be invited to participate in this review. Where the LDP is insufficiently noting land degradation concerns, in relation to the technical analysis, the team will return to the CRD to verify whether the omission is due to lack of sensitization or other issues (land security, absentee owners, cultural, etc.) and see to what extent it can improve on this. Under no circumstance will the adapted LDP include concerns and activities for which there is insufficient support under the local populations.

The adapted LDPs are subsequently submitted for validation to each of the CRDs. Once validated and integrated into the watershed development plan, adapted local development plans are submitted to MATD for inclusion in official regional development planning and to ensure that only one LDP will be used for each of the CRDs. As of this point both baseline project and GEF funded Project follow the same procedures, i.e., on the basis of the adapted LDPs, annual investment plans are prepared and submitted for funding under the different matching grant mechanisms of the LIF (CRD and sub-watershed level activities executed by the relevant CRDs).

The coordination of the drawing up of local development plans (LDP) within a given (sub) watershed will be the responsibility of the deconcentrated technical agencies, which will receive support from technicians drawn from the University of Conakry and/or research institutions. The GEF Project will fully fund the cost of the technical support.

The VCSP2 supports, along with the PRSC, the creation of an institutional environment supportive of sustainable local development. As the enabling institutional environment desired by the GEF Project coincides with the priorities of the VCSP2 (capacity building of the deconcentrated services, and piloting of land tenure security intervention activities), no additional funding will be allocated to this activity.

## **II. The Local Investment Fund.**

GEF complement (US\$4.5 million): In support of the annual investment plans derived from the local development plans, the GEF Project will supplement the targeted local investment funds

under the VCSP2 with two complementary windows for providing earmarked matching grants for micro-projects focusing on SLM: (i) matching grants for micro-projects that are relatively complex or have broad indirect benefits and are executed by the CRDs; and (ii) matching grants for micro-projects emphasizing SLM that are relatively small and technically simple with direct benefits to the implementers, and implemented by members of OPs or other legally recognized groupings.

The GEF OP15 allows for the funding of a wide range of land management activities so long as they are incremental to a defined baseline and will bring incremental benefits to the broader environment. In this demand-driven investment program involving several thousands of potential sub-projects the determination of incrementality and therefore suitability for support by GEF will be made prior to adoption of the local development plans.

Incrementality of activities would be determined as follows:

- Establishment of a baseline reflecting land degradation concerns
- Identification in a participatory manner of main SLM issues
- Assess effectiveness and constraints to the application of SLM friendly activities
- Identify priority actions in a participatory manner and assess incremental value of these actions

The retained actions need to be reflected in the local development plans required by both the VCSP and the CBLMP.

## **II.1 Inter-Community SLM Fund**

The GEF Project will supplement the LIF of the base Project with an earmarked inter-community fund for investments identified in the adapted LDPs based on a sub-watershed management analysis and coordination. Eligible investments would focus on creating synergy with other local development activities and eliminate negative externalities caused by sources not under control of the local communities. Typical investments include the creation of livestock passages that would minimize erosion; removal of noxious plants from rivers; and (inter) communal forest or natural habitat prospection and protection.

Micro-project proposals submitted by one or more CRDs or by sub-watershed committees will be processed through the same approval mechanisms as already exists for the base project's CRD proposals through MATD. CRDs will be assisted in the formulation and execution of these projects by service providers, including NGOs, public and private service delivery institutions and firms, most of whom would be hired directly by the CRDs involved.

The inter-community envelope will range from US\$50,000 to US\$100,000 per year and per targeted sub-watershed. The actual envelope will be determined based on a needs assessment and the expected benefits of the proposed activities.

Details for the funds will be included in the implementation manual for the LIF. This window of the LIF is managed by MATD (component 2 of the VCSP2).

## **II.2 Village Investment Fund**

The GEF Project will supplement the VCSP2 matching grant through the allocation of an envelope of US\$25,000 to US\$50,000 per year and per CRD for undertaking the sustainable land management micro-projects identified in their adapted LDP and approved through the micro-project approval mechanisms of the VCSP2. Beneficiary contributions rates will be minimized, on average 20% based on the type of investment. The percentage in cash contribution for these types of micro-projects will be lower than for the socio-economic investments under the base project, instead relying on a higher in-kind contribution, so as to encourage investments in activities aimed at maintaining and/or improving land quality (SLM), and reducing pressures on sensitive ecosystems. As activities can only be contracted by legally recognized entities, all activities would be organized through formally recognized OPs, associations or cooperatives.

Eligible investments will include

- sustainable land and water management investments including: soil fertility management; localized soil erosion control; localized river banks protection; restoration of degraded lands; support for conservation agriculture or conservation tillage; introduction of locally adapted agricultural technologies that reduce the risk to farmers from changes in precipitation; development of improved pastures to reduce the need for brush fires and ensure sufficient quality animal fodder; and support to forestry and agro-forestry investments to diversify incomes and protect land and increase wood supply (firewood and construction, etc.).
- operational research and development activities requested by communities for on-farm or on-site testing and validation of new technologies and activities that improve land productivity and have no negative impact on the watershed.

These investments are not eligible under the VCSP2. Emphasis will be placed on alternative technologies that may also attract interest from NGOs and firms specializing in importing organic produce from developing countries.

This window under the LIF would be managed through MAE (Component 3 of the VCSP2)

## **III. Project Management, Coordination and Monitoring and Evaluation.**

### **III.1. Project Management and Coordination.**

GEF Complement (US\$0.5 million): Implementation of the CBLMP will be completely integrated into the structure of the VCSP. The GEF Project will provide funding to the MP, MATD and MAE to support the incremental cost of GEF Project implementation and management.

In addition, the GEF Project will fund the costs of participation in annual meetings to exchange implementation experiences and relevant baseline and impact data with other SLM focused

projects and stakeholders. Project implementation would be adjusted on the basis of the recommendations of these meetings.

### **III.2. Monitoring and Evaluation**

GEF Complement (US\$0.5 million): The GEF Project has specific requirements that will go beyond the requirements of the baseline Project. The internal M&E system of the baseline Project will be adapted to the requirements of the GEF, with a particular emphasis on strengthening the land use and planning monitoring components of the M&E system of the VCSP. This will be done as part of project preparation.

The GEF Project will provide funding to adapt the M&E and impact assessment systems of the VCSP to the added requirements of the GEF Project. The impact evaluation system is under development and will be modeled on the Coastal Zone Integrated Management and Preservation of Biodiversity Project (*Projet de Gestion Intégrée des Ressources Naturelles en Guinée Maritime*, PGIRN). Close collaboration will be sought with national institutions such as the Agricultural Research Institute of Guinea and the University of Conakry. Spectrometry and remote sensing techniques with the help of LANDSAT GIS data would be used to measure vegetation coverage and the extent of land and water degradation/restoration, as well sediment loading into rivers. In addition, a link would be sought with AGRHYMET (in Niamey) to measure the evolution of vegetation indexes. The baseline and impact studies will be carried out by institutions independent from the implementation structure of the VCSP.

To assist with M&E, a GIS baseline database would be established for each CRD and pilot watershed. The approach used would be the same as for the PGIRN to ensure that information can be aggregated and compared amongst GEF supported projects. More importantly, after technical validation, it would be the used as the basis for a nationalized database.

**Annex 5: Project Costs**  
**GUINEA: Community-Based Land Management Project**

(GEF Only)

Project Cost By Component and/or Activity	Local US\$ million	Foreign US\$ million	Total US\$ million
Capacity Building	1.2	0.3	1.5
Local Investment Fund	4.5	0.0	4.5
Project Management	0.7	0.3	1.0
<hr/>			
Total Baseline Cost			
Physical Contingencies			
Price Contingencies			
<b>Total Project Costs<sup>1</sup></b>	6.4	0.6	7.0
Interest during construction			
Front-end Fee			
<hr/>			
<b>Total Financing Required</b>	6.4	0.6	7.0

## **Annex 6: Implementation Arrangements**

### **GUINEA: Community-Based Land Management Project**

The Project will be implemented in its entirety by the baseline Project. The following are the institutional arrangements for the second phase of the baseline Project amended for the GEF Project.

#### **(VCSP2) Component 4: Coordination and Monitoring and Evaluation**

Overall guidance would be provided by the Project *Steering Committee* (SC) chaired by MATD. The primary role of the SC would be to review, for each of the Ministries involved in VCSP2 implementation, the proposed annual work programs and budgets at project start-up and subsequently October of each year. This review would ensure that the submitted work programs are consistent with the Project's objectives and the goals defined in the PRSP. In addition, the SC would meet at least one more time each year to review project implementation progress. Membership will be drawn from all ministries participating in the project and the Ministry of Finance and the Economy.

Day-to-day project coordination would be the responsibility of staff attached to the office of the Minister, MP. These staff would be responsible for overall VCSP coordination. MP will be assisted in its coordination of the VCSP by a Managerial Committee (*Comité technique d'exécution*, CTE) whose members will be the National Directors involved in the program as well as the National Coordinator. The CTE will be presided over by a senior representative of the MP.

The Regional Directorates of the MP will act as field offices and will have for specific responsibilities to monitor project implementation and coordination at the regional level. They would send periodic progress reports to the national coordinator on project implementation, using an agreed upon format.

Specific components and sub-components will be managed by technical National Directorates of the three ministries directly involved in VCSP implementation.

*Project Monitoring:* Under the base-Project, input, output and outcome data will be collected at the community level by the beneficiaries themselves (CRDs and OPs) and they will receive training from the base-Project to effectively carry out this task. Training will also include interpretation of the collected information so it will be meaningful rather than an imposed activity. The data collected by the beneficiaries is computerized, analyzed and aggregated by the technical teams from MP at the prefecture and national levels. The information is used to (i) review the work program (supervision needs, audits, approval of new investment budgets, etc.), (ii) improve coordination between development projects, NGOs and public agencies, and (iii) monitor development impact. A copy of the final report is discussed with the beneficiaries. The findings will be used in the progress reports and national and regional workshops.

MP will contract with outside experts for baseline environmental, institutional and household socio-economic baseline studies and impact analysis. The Project will draw on procedures and baselines already in place, and add specific land degradation/land use related indicators not included in the baseline-Project's system. Support for this would be provided by the *Observatoire Guinée Maritime*. The baseline study would be repeated at mid-term and end of VCSP-CBLMP to measure progress towards expected project results and also serve to adjust implementation where necessary.

### **(VCSP2) Component 1: Support to Decentralized Finance.**

At the national level, MEF will be responsible for implementing the activities foreseen, i.e., policy reform for financial decentralization (including all related studies). As MEF has little experience in this domain, this activity would initially also be supported by the NCU and MATD (primarily drawing up of work programs and terms of reference).

### **(VCSP2) Component 2: Support to Decentralized Rural Development (socio-economic).**

This component formed the focus of the first phase VCSP. It is responsible for the strengthening of capacities of CRDs, technical agencies involved in working at the CRD level, and service providers that work with the VCSP.

Basic capacity strengthening activities have already taken place in the implementation zone of the first phase of the VCSP. The GEF Project would build on these capacity building accomplishments and additional training modules focusing on SLM and IEC for the pilot zones where it intervenes. These capacity building activities would include the deconcentrated agencies involved in project implementation at and below the regional level. The relevant training modules would be developed as part of GEF Project preparation and implemented by selected NGOs and other service providers.

### **(VCSP2) Component 3: Support to Decentralized Rural Development (Productive Support)**

This component will be entirely implemented by MAE. MAE has substantial experience in implementing donor-funded projects. For the VCSP, the primary objective is to strengthen OPs and to contractualize services provision, be it from the national extension service (SNPRV) or the National Agricultural Research Institute (IRAG). Activities would be proposed for funding to local committees at the CRD or regional level (the Direction Préfectoral de Développement Rural et de l'Environnement (DPDRE)), depending on who will execute (OP or federation of OPs). Upon approval, funds would be transferred directly from a special account managed by MAE to the beneficiary OP or Federation of OPs.

In the case of the GEF Project, a number of SLM specific activities are eligible for implementation by OPs or other legally recognized entities, which are not eligible under the baseline Project or for which insufficient funding exist. The approval process would be similar to that of the baseline Project. OPs are most likely to be used, even though the micro-projects will be implemented by individuals or groups of members and not the entire OP. This would

thus constitute a broader guarantee (involving all members) that the activities will be implemented.

### **Operational Manuals**

The Project Implementation Manual (PIM) of the base-Project will detail day-to-day project implementation and will be adapted for the sites in which the GEF Project intervenes to allow for the additional targeted matching grants for SLM. The PIM consists of the following detailed manuals: (i) the Administrative and Financial Procedures Manual, (ii) the Technical Manuals (guidelines for specific types of micro-projects), (iii) the Monitoring and Evaluation Manual, (iv) the LIF Manual, (v) the Resettlement Framework, and (vi) the Environmental and Social Management Framework. All manuals will be elaborated prior to appraisal and confirmed at negotiations. Any further revisions will be carried out during project implementation on the basis of field experience, and as mutually agreed between the Borrower/Recipient and IDA/Bank.

## **Annex 7: Financial Management and Disbursement Arrangements**

### **GUINEA: Community-Based Land Management Project**

The base project's present financial and disbursement arrangements will be amended for the second phase to allow for the direct involvement in project implementation of the various technical ministries, rather than have all financial management under the responsibility of the NCU, and have ministries provide services on a contractual basis, which could lead to delays in service delivery. These new fiduciary arrangements are also meant to strengthen national/ministerial institutions and improve sustainability while ensuring efficiency, transparency and accountability.

The proposed changes are based on the following principles:

#### *Responsibility:*

Selected ministries will be granted relative financial and disbursement autonomy that will translate into the opening of a Special Account (SA) in each participating Ministry. Ministerial Financial and Administrative Units (FAU) will be strengthened and will become responsible for the administrative and financial management of their respective SAs.

IDA will assess each FAUs' capacity and establish with each Ministry a dated action plan including measures and transition arrangements to address weaknesses identified during the evaluation, as a condition of disbursements. The objective of the assessment is to ensure transparent and efficient management of funds regardless of source of funding. The capacity assessment will be carried out as part of appraisal.

#### *Autonomy:*

Each Ministry and related SA functions independently from other implementing agencies. This is to ensure that performing Ministries are not indirectly sanctioned by poor performance at other Ministries. Above all, demand-driven funds to communities should not be held hostage by public service related problems.

#### *Accountability:*

Although the Government and the communities are squarely in charge of program implementation, within a framework that holds them accountable, IDA will not relinquish its fiduciary responsibilities. Standard instruments will be used such as: prior review and post review of procurement, financial and technical audits, SOE reviews, assessment of capacity, and training, performance evaluations of staff and monitoring of the preparation and implementation of annual work programs and budgets. These work programs are key to the success of the approach. They will be carefully prepared by Government, discussed during joint Government-donor supervision missions, and presented to IDA for its non-objection.

The NCU has an effective financial management system in place, which is, however, not compliant with disbursements based on Financial Management Reports. This system will be updated prior to Project launch to allow for the monitoring of physical project implementation progress.

The implementing agencies, in case of the GEF the Ministries of Planning, and Agriculture and Livestock, do not have performing financial management systems in place. An action plan will therefore be agreed upon at appraisal that would define the timetable for transitioning from the present system to the new system will be discussed with the Borrower as part of Project appraisal.

The timetable would reflect the following steps:

- (i) Assessment of each Financial and Administration Department/Unit's capacity and agreement with each Ministry on a dated action plan including measures and transition arrangements to address weaknesses identified during the evaluation. The objective of the assessment is to ensure transparent and efficient management of funds regardless of source of funding.
- (ii) Upon satisfactory evaluation, selected ministries participating in the project will be granted relative financial and disbursement autonomy that will translate into the opening of a Special Account (SA) in each participating Ministry. Ministerial Financial and Administrative Departments/Units will be responsible for the administrative and financial management of their respective SAs.

The NCU would remain responsible for financial management until the participating ministries have satisfactorily proven that they can assume this role.

#### ***Accounts and Annual Audits***

The NCU (and later where so evaluated by the Bank, the Ministries) will maintain project accounts in accordance with International Accounting Standards (IAS) to reflect their operations and financial positions and will have all accounts audited in accordance with the IAS, by an external and independent audit firm with terms of reference acceptable to IDA. An audit firm will be recruited as a condition of effectiveness. The contract can be renewed up for a maximum of three years provided performance of the auditor is judged satisfactorily. Assurances will be sought at negotiations that the auditor's report, including the Management Letter and a statement as to whether or not Bank funds have been used for their intended purpose, will be submitted to IDA no later than June 30 of each year. In addition, an internal auditor will be hired to improve fiduciary management. The internal auditor will be attached to the NCU. Renewal of the contract with the internal auditor will be contingent on the conclusions and recommendations of the external auditors.

#### ***Beneficiaries***

To ensure proper accountability of funds managed by beneficiaries, technical and financial audits will be carried out on a sample basis. These audits will focus on the technical execution of the works (technical quality and progress), systems in place to ensure appropriate maintenance, and that basic information is available to track the use of the funds (receipts, contracts, comparison of prices/bids, etc.). Where funds are inappropriately utilized, the Project will cease supporting activities until all funds have been accounted for. In cases where fraud is suspected, local authorities will be notified.

### ***Work programs and budgets***

As part of the preparation of its annual work program and budget, each Ministry will commit itself to specific performance indicators specifying clear targets to be achieved in the course of the year regarding improved access and quality of service delivery. These targets reflect the goals these Ministries want to achieve during project implementation. The goals are specified in strategy documents that have already been prepared for the base-Project and will be adapted for this Project. Work programs will be presented to IDA and their approval is a condition of annual disbursements.

No later than November 30 of each year, the NCU will submit to the Steering Committee (SC), with a copy to IDA, the aggregated proposed Annual Work Programs and Financial Report for the Project as a whole and broken down by implementing partner. The report format will detail activities, associated unit costs and an implementation timetable. It will also include monitorable progress indicators for each activity proposed in the work program. The work program and budgets will be reviewed by the NCU prior to submission to IDA for no-objection.

In addition, the NCU will submit semi-annual progress reports to the SC showing budgeted and actual expenditures, source of funds used, statements of progress achieved on the basis of the agreed upon indicators and the (revised) objectives and financial reports for the forthcoming six months.

### ***Disbursements***

The amounts and percentages to be financed through the GEF grant are detailed in the Table below. The grant will be disbursed over a period of four years, from October 1, 2005 till September 30, 2009. The grant closing date has been set at six months after the expected date for completion of project activities (March 31, 2010), to allow for the orderly processing of final disbursement requests and the production of the project's final audit and annual progress reports.

**Table: Disbursements**

Disbursement Categories	Allocated Amount (US\$ millions)	Disbursement percentages
Vehicles and Equipment	0.3	TBD
Consulting Services	0.8	
Training and workshops	0.5	
Matching Grants	3.9	
Operating Costs	0.5	
Unallocated	1.0	
Total	7.0	

***Special Account.*** To expedite disbursements and ensure that project funds will be available when needed, the Government will open one Special Account for the NCU and MAE in a commercial bank, acceptable to IDA. The authorized balance of special account A under the Ministry of Planning (NCU) and Special Account B under the Ministry of Agriculture and

Livestock will be US\$400,000 and US\$200,000 respectively, representing GEF's anticipated share of eligible expenditures for 4 months. Replenishments of Special Accounts will be made on the basis of monthly applications supported by full documentation of SOEs as required and verified by the NCU's Administrative and Financial Director.

***Statement of Expenditures (SOEs).*** Disbursements for all expenditures should be made against full documentation, except for items of expenditures for: (i) contracts for goods, works, consulting firms and LIF sub-projects in an amount equivalent or inferior to US\$50,000; (ii) contracts for individual consultants in an amount equivalent or inferior to US\$20,000 and (iii) training, studies and operating costs, which will be claimed on the basis of Statement of Expenditures (SOEs). All supporting documentation for SOEs will be retained at a suitable location and readily accessible for review by periodic Bank supervision missions and external auditors.

***Counterpart Funds, Project Account.*** The Ministry of Planning/NCU and the Ministry of Agriculture and Livestock will each open a project account in a commercial financial institution, acceptable to the Association, in which Government's counterpart contribution will be deposited. The initial deposit will be in the amount of US\$10,000 and US\$40,000 equivalent respectively, which is equivalent to 4 months of expenditures. Replenishments will be done on a quarterly basis on the basis of forecasts included in the annual work programs and semi-annual progress reports. The establishment of this account and the first deposit will be a condition of effectiveness.

## **Annex 8: Procurement Arrangements**

### **GUINEA: Community-Based Land Management Project**

#### **A. General**

Procurement for the proposed project would be carried out in accordance with the World Bank's "Guidelines: Procurement Under IBRD Loans and IDA Credits" dated May 2004; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated May 2004, and the provisions stipulated in the Legal Agreement. The various items under different expenditure categories are described in general below. For each contract to be financed by the Loan/Credit, the different procurement methods or consultant selection methods, the need for pre-qualification, estimated costs, prior review requirements, and time frame are agreed between the Borrower and the Bank in the Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

**Procurement of Works:** The GEF supported project will not fund any civil works, other than those under the matching grants of the LIF and managed by beneficiary communities. Procedures for these works are detailed in the Project Implementation Manual.

**Procurement of Goods:** Goods procured under this Project would include: vehicles and equipment for Project implementing agencies, as well as small agricultural equipment procured by Project beneficiaries. The procurement will be done using the Bank's Standard Bid Documents for all ICB and NCB, agreed with or satisfactory to the Bank.

**Procurement of non-consulting services:** N.A.

**Selection of Consultants:** Short lists of consultants for services estimated to cost less than \$200,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines. The Project will enter into agreements with Government and/or donor supported institutions, such as the National Agricultural Research Institute, the University in Conakry and the Observatoire Guinee Maritime for M&E of the GEF Project, and for specific implementation support. As no competitive process would be possible, the GEF Project would only fund incremental costs. In addition, where capacities lack, the Project may enter into contractual arrangements with NGOs for certain aspects of implementation (beneficiary training, participatory analyses, etc.)

**Operating Costs:** The Project would fund incremental operating costs of the implementing agencies (CNC and MAE). Normally, national shopping procedures would apply, except for the case of gasoline, which is purchased through a system of vouchers. For this particular item, a national tender would be held each year.

**Others :** The procurement procedures for the matching grants under the LIF follow the guidelines for simplified procurement and detailed in the Project Implementation Manual.

The procurement procedures and SBDs to be used for each procurement method, as well as model contracts for works and goods procured, are presented in the Project Implementation Manual.

## **B. Assessment of the agency's capacity to implement procurement**

Procurement activities will be carried out by the NCU and MAE. NCU is staffed with an experienced procurement officer who would oversee procurement under the grant. An additional staff may be hired based on the results of the capacity assessment at appraisal. Arrangements would be made to ensure that such staff would be sufficiently trained prior to project start-up. MAL has procurement staff, however, these are inexperienced with Bank procedures.

An assessment of the capacity of the NCU and MAE to implement procurement actions for the project will be carried out by procurement staff in the Guinea Country Office at the time of appraisal. The assessment will review the organizational structure for implementing the Project and the interaction between the staff responsible for procurement and the staff/unit responsible for administration and finance within the NCS and MAE.

The key issues and risks concerning procurement for implementation of the project have been identified and include capacity within MAL. Corrective measures will be agreed upon as part of the assessment and will be reflected in a time-bound action plan. Until MAL has satisfactorily completed the action plan, all Project procurement would remain the responsibility of the NCU.

The overall project risk for procurement is high.

## **C. Procurement Plan**

The Borrower will develop a procurement plan for project implementation, which provides the basis for the procurement methods and present this as a condition for appraisal. This plan will be agreed between the Borrower and the Project Team during appraisal and made available at the Ministry of Planning in Conakry. It will also be available in the project's database and in the Bank's external website. The Procurement Plan will be updated in agreement with the Project Team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

## **D. Frequency of Procurement Supervision**

In addition to the prior review supervision to be carried out from Bank offices, the capacity assessment of the Implementing Agency has recommended two annual supervision missions to visit the field to carry out post review of procurement actions. This arrangement would be confirmed during appraisal.

## **E. Details of the Procurement Arrangements Involving International Competition**

### **1. Goods, Works, and Non Consulting Services**

(a) List of contract packages to be procured following ICB and direct contracting:

Given the small amount of the GEF grant that is not managed directly by beneficiaries, it is unlikely that any ICB would be needed, except for possibly vehicles. This would be reviewed during project appraisal.

(b) ICB contracts estimated to cost above US\$100,000 per contract and all direct contracting will be subject to prior review by the Bank.

## **2. Consulting Services**

(a) List of consulting assignments with short-list of international firms: The project is not expected to use international firms, instead all contracts will be with individual consultants.

(b) Consultancy services estimated to cost above US\$100,000 per contract and single source selection of consultants (firms) for assignments estimated to cost above US\$50,000 will be subject to prior review by the Bank.

(c) Short lists composed entirely of national consultants: Short lists of consultants for services estimated to cost less than US\$200,000 equivalent per contract, may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

## **Annex 9: Economic and Financial Analysis**

### **GUINEA: Community-Based Land Management Project**

Like the base project, CBLMP does not lend itself to classic quantitative cost-benefit analysis because on one hand, the expected capacity building benefits have undetermined life expectancies and cannot be quantified in monetary terms. On the other hand, the demand-driven nature of investments also leaves the specific investments that will be made under the Project undetermined. Not enough is known about investment attitudes of the rural communities to attempt a simulation exercise. However, it is possible to demonstrate in qualitative terms that economic and social returns are likely from the capacity building and the LIF components.

*Benefits and Cost-effectiveness of Capacity Building:* The Capacity building component is most likely to generate substantial economic benefits. Decentralization, land use planning and human capacity building will improve the economic decision making process. The promotion of IEM decision-making is also likely to increase the public economic benefits of the Project. Returns to human capacity building are significant, especially when there is an adequate enabling environment. The review of GEF-related activities in other countries suggests that the short-term effect of capacity building on productivity ranges from 12 to 30 percent increase in crop yields (Ouadba et al., 2001). Given that the capacity building benefits are likely to accrue for many years beyond the life of the project, they will most likely offset costs, with significant rates of returns.

*Benefits and Cost-Effectiveness of Local Investments:* The LIF will generate numerous investments that cannot be precisely predetermined given the demand-driven nature of the project. Consequently, no classic *ex-ante* cost-benefit analysis can be applied in this case. However, many eligible types of investments are predetermined and are known to generate significant economic benefits. Previous experience suggests that rural communities usually select projects with very high rates of returns and low risks, and manage them much more efficiently than Government or project agencies.

Research shows positive net returns to natural resource management investments/land degradation control and mitigation activities, in particular land restoration. For example, the net value of techniques such as composting, windbreaks or rock bunds is about US\$700 per hectare. Conservation tillage techniques to be promoted under the Project are known to have significantly positive impacts on yields and to significantly reduce labor costs.

The economic activities that the project will generate are expected to be sufficiently profitable so as to result in increased capital accumulation at the farm level and particularly for the poor. This is expected to substantially improve the financial capacity of rural communities to maintain the investments made under the project and to expand investment activities beyond the lowlands.

A financial soundness analysis will be undertaken for all investments identified with the communities, so as to maximize chances of financial success. The capacity of the private and/or public sectors to sustain recurrent costs of planned investments will receive special attention. Provisions will be made to ensure the operation, maintenance and renewal of those investments.

Emphasis will be put on cost-minimization measures and on anticipating additional funding requirements to ensure investment sustainability.

As an illustration, for other projects, financial rates of return on the types of micro investments proposed under the project have ranged from 27.8% (apiculture) to 13.9% for beans and 30.3% for soybeans (both nitrogen fixing crops, thereby also having a longer-term impact on agricultural productivity).

Fiscal Impact: The long-term objective is for CRDs to be able to raise fiscal resources from increased local economic activity and consumption, and thereby contribute to the funding of their local development plans reducing the need for fiscal transfers from the central Government. In the short-to-medium term, fiscal transfers from the central Government will be needed to cover what the beneficiary contribution does not. It must be recognized that the long-term capacity-building needs of the rural communities will require considerable support, and that such support will need to come largely from the outside, including support to cover the operating costs of the Project and intermediaries. Such operating costs are part of the investment required to build institutional, and ultimately fiscal, sustainability. The sub-projects financed under the Project such as community forests, improved agricultural practices, and land restoration will increase the income earning potential of the rural population and possibly lead to new opportunities (e.g., organic farming) that could eventually generate fiscal revenues for CRDs.

## **Annex 10: Safeguard Policy Issues**

### **GUINEA: Community-Based Land Management Project**

The base-Project has a category 'B' rating. In fulfillment of the World Bank Environmental Assessment guidelines OP/BP/GP 4.01, the Beneficiary is in the process of preparing an environmental and social assessment as part preparation of the base-Project. Once completed, it will be made available in-country and at the World Bank public information center.

The Project is also classified as a category B project. It will fund the incremental cost of activities and investments to protect and promote sustainable land use. Although the project is designed to have mainly positive environmental and social impacts, an Environmental and Social Management Framework (ESMF) has been prepared to provide guidelines for screening projects and identifying mitigation measures when necessary.

The ESMF is designed to include a process of consultation with stakeholders that assesses each micro-project as it is proposed for financing. The implementation of the Project is consultative in nature, with the micro-projects themselves, and the environmental requirements for each one, arrived at in a participatory way. It is therefore implicit that stakeholders will be consulted adequately for the entirety of the Project.

Given that objectives of the Project are environmental in nature, the M&E system and impact evaluation studies all include environmental indicators. As mentioned earlier, both participatory M&E systems and scientific systems employing, *inter alia*, GIS and satellite imagery techniques will be used.

A social and institutional assessment will be carried out as part of base-Project preparation, with the goal of understanding the social dynamics at the household, local institution, and community levels and maximizing the impact on the poor and marginalized groups. Lessons and conclusions were integrated into the baseline-Project design as well as the GEF Project:

*Institutional Development:* There is no conflict between the institutions promoted by the VCSP and the GEF Project (e.g., the CRD and the watershed management committees) and traditional community-level organizations. The assessment shows that "communities" of villages exist, tied together by social, cultural, kinship, religious and market relationships, encouraging villages to work together around common objectives, such as improved watershed management and improved land management.

*Vulnerable Groups:* One of the critical issues in bringing the entire community together to select, finance, and implement subprojects is to ensure an equitable and representative decision-making process. Since most groups are stratified -- organized around age, kinship, and gender -- participatory planning will be used to ensure that vulnerable groups (e.g., women, herders, youth, castes) are fully included in the decision-making process.

To address the issue of vulnerable groups and the potential, albeit unlikely, negative impact of the Project on them, including forced resettlement, a Resettlement Policy Framework and a Process Framework will be prepared and will provide the framework for assessing and monitoring the social impact of project activities and investments.

Both the M&E system and the Impact Evaluation studies, track institutional development issues at the community level (including an analysis of the participation of and impact on different societal groups) and a socio-economic survey will provide some indication of the distribution of benefits at the household level.

Bank supervision missions will at least once a year include a specialist to review compliance with the agreed upon safeguard policies for the Project.

**Annex 11: Project Preparation and Supervision**  
**GUINEA: Community-Based Land Management Project**

	Planned	Actual
PCN/GEF Project Brief review	08/30/2004	12/09/04
Initial PID to PIC	09/15/2004	
Initial ISDS to PIC	09/15/2004	
Appraisal	01/15/2005	
Negotiations	03/08/2005	
Board/RVP approval	04/17/2005	
Planned date of effectiveness	07/31/2005	
Planned date of mid-term review	12/10/2007	
Planned closing date	06/30/2009	

Key institutions responsible for preparation of the project:

- Government of Guinea through the CNC of the PACV
- Ministry of Agriculture and Livestock
- Ministry of Environment
- World Bank

Bank staff and consultants who worked on the project included:

Name	Title	Unit
Dirk Prevoo	Operations Officer/Team Leader	AFTS4
Yves-Coffi Prudencia	Sr. Agriculturalist	AFTS2
Jaime Webbe	Junior Professional Associate	AFTS4
Joseph Ellong	Language Program Assistant	AFTS4
Susanne Leloup	Consultant	
Gabriele Rechbauer	Consultant	
Enos Esikuri	Land Degradation Specialist	ENV
Bella Lelouma Diallo	Sr. Financial Management Specialist	AFTFM
Mathieu Meguhé	Procurement Analyst	AFTPC
Racky Dia Camera	Team Assistant	AFMGN
Zié Ibrahima Coulibaly	Infrastructure Specialist	AFTU2
Yves Prévost	Safeguards Specialist (environmental)	AFTS4
TBD	Safeguards Specialist (social)	

Bank funds expended to date on project preparation:

1. Bank resources: US\$0
2. Trust funds: US\$110,000
3. Total: US\$110,000

Estimated Approval and Supervision costs:

1. Remaining costs to approval: US\$75,000
2. Estimated annual supervision cost: US\$60,000

**Annex 12: Documents in the Project File**  
**GUINEA: Community-Based Land Management Project**

Mamadou Tahirou Barry: « *Consultation pour la préparation du projet de gestion intégrée des écosystèmes de Guinée* », Conakry, Mai 2004.

Detailed watershed maps, June 2004 and December 2004 (DNH and OGM).

Project Implementation Manuals for the base-Project.

Impact studies of the base-Project, including beneficiary assessments.

Environmental and Social Management Framework (draft).

**Annex 13: Statement of Loans and Credits**  
**GUINEA: Community-Based Land Management Project**

Project ID	FY	Purpose	Original Amount in US\$ Millions				Cancel.	Undisb.	Difference between expected and actual disbursements	
			IBRD	IDA	SF	GEF			Orig.	Frm. Rev'd
P074288	2003	Guinea: Decentralized Rural Electrification	0.00	5.00	0.00	0.00	0.00	5.32	1.00	0.00
P073378	2003	Multi-Sectoral AIDS Project (MAP)	0.00	0.00	0.00	0.00	0.00	19.24	3.28	0.00
P050046	2002	Education for All	0.00	70.00	0.00	0.00	0.00	61.39	-19.61	0.00
P050732	1999	Guinea: VILLAGE COMMUNITY SUPPORT PROGRAM	0.00	22.00	0.00	0.00	0.00	3.84	4.07	0.00
P001074	1999	URBAN III	0.00	18.00	0.00	0.00	0.00	7.28	7.00	6.43
P001075	1997	THIRD WATER SUPPLY	0.00	25.00	0.00	0.00	0.00	16.57	-12.32	8.47
<b>Total:</b>			0.00	140.00	0.00	0.00	0.00	113.64	- 16.58	14.90

**GUINEA**  
**STATEMENT OF IFC's**  
**Held and Disbursed Portfolio**  
**In Millions of US Dollars**

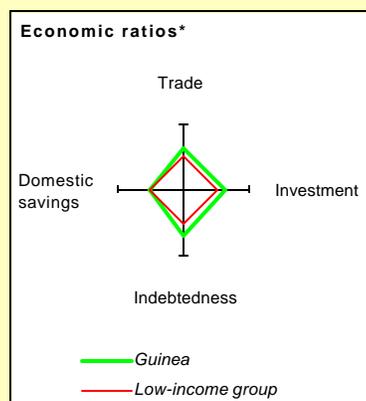
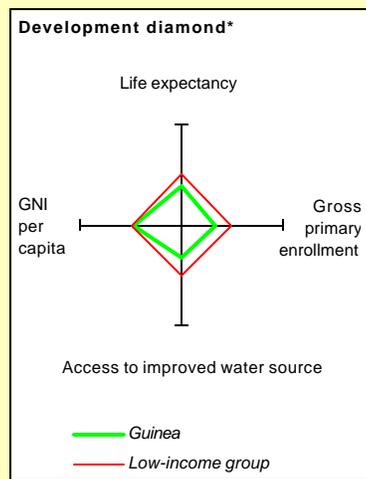
FY Approval	Company	Committed				Disbursed			
		IFC				IFC			
		Loan	Equity	Quasi	Partic.	Loan	Equity	Quasi	Partic.
1998	SEF Agro	0.16	0.00	0.00	0.00	0.16	0.00	0.00	0.00
1998	SEF Hamdallaye	0.02	0.00	0.00	0.00	0.01	0.00	0.00	0.00
1993/98	SIG	0.00	0.00	0.54	0.00	0.00	0.00	0.54	0.00
<b>Total portfolio:</b>		0.18	0.00	0.54	0.00	0.17	0.00	0.54	0.00

		Approvals Pending Commitment			
FY Approval	Company	Loan	Equity	Quasi	Partic.
<b>Total pending commitment:</b>		0.00	0.00	0.00	0.00

## Annex 14: Country at a Glance

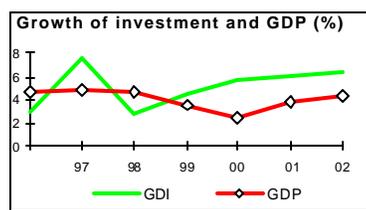
### GUINEA: Community-Based Land Management Project

POVERTY and SOCIAL	Sub-Saharan Africa				
	Guinea	Africa	Low-income		
<b>2002</b>					
Population, mid-year (millions)	7.7	688	2,495		
GNI per capita (Atlas method, US\$)	410	450	430		
GNI (Atlas method, US\$ billions)	3.2	306	1,072		
<b>Average annual growth, 1996-02</b>					
Population (%)	2.3	2.4	1.9		
Labor force (%)	2.1	2.5	2.3		
<b>Most recent estimate (latest year available, 1996-02)</b>					
Poverty (% of population below national poverty line)	..	..	..		
Urban population (% of total population)	28	33	30		
Life expectancy at birth (years)	46	46	59		
Infant mortality (per 1,000 live births)	105	105	81		
Child malnutrition (% of children under 5)	33	..	..		
Access to an improved water source (% of population)	48	58	76		
Illiteracy (% of population age 15+)	..	37	37		
Gross primary enrollment (% of school-age population)	61	86	95		
Male	74	92	103		
Female	49	80	87		
<b>KEY ECONOMIC RATIOS and LONG-TERM TRENDS</b>					
	1982	1992	2001	2002	
GDP (US\$ billions)	..	3.3	3.0	3.2	
Gross domestic investment/GDP	..	17.4	21.7	25.6	
Exports of goods and services/GDP	..	19.4	27.3	27.4	
Gross domestic savings/GDP	..	11.2	20.1	21.3	
Gross national savings/GDP	..	5.2	18.9	20.2	
Current account balance/GDP	..	-7.4	-3.6	-6.8	
Interest payments/GDP	..	1.0	1.0	1.3	
Total debt/GDP	..	80.2	107.3	..	
Total debt service/exports	..	10.7	15.7	..	
Present value of debt/GDP	..	..	57.1	..	
Present value of debt/exports	..	..	208.0	..	
	1982-92	1992-02	2001	2002	2002-06
(average annual growth)					
GDP	3.7	4.3	3.8	4.3	..
GDP per capita	0.8	18	15	2.1	..



#### STRUCTURE of the ECONOMY

	1982	1992	2001	2002
(% of GDP)				
Agriculture	..	22.3	24.4	..
Industry	..	27.9	37.7	..
Manufacturing	..	3.4	4.4	..
Services	..	49.8	37.9	..
Private consumption	..	81.3	75.2	73.4
General government consumption	..	7.5	4.7	5.3
Imports of goods and services	..	25.6	29.0	31.6

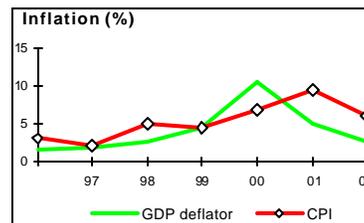


	1982-92	1992-02	2001	2002
(average annual growth)				
Agriculture	32	4.0	2.4	4.3
Industry	23	5.2	4.9	6.0
Manufacturing	..	4.4	5.5	..
Services	39	3.2	-1.7	0.2
Private consumption	4.1	3.2	3.4	..
General government consumption	-3.7	5.6	5.2	..
Gross domestic investment	4.1	4.5	6.0	6.3
Imports of goods and services	3.7	3.0	4.0	9.4



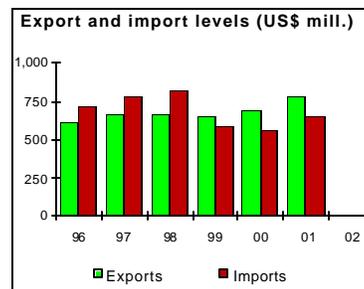
## PRICES and GOVERNMENT FINANCE

	1982	1992	2001	2002
<b>Domestic prices</b>				
<i>(% change)</i>				
Consumer prices	..	32.4	9.6	6.0
Implicit GDP deflator	..	26.7	4.9	2.4
<b>Government finance</b>				
<i>(% of GDP, includes current grants)</i>				
Current revenue	..	12.2	12.8	..
Current budget balance	..	2.0	2.2	..
Overall surplus/deficit	..	-7.1	-5.5	..



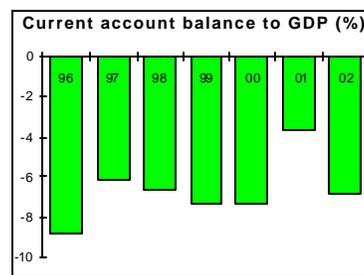
## TRADE

	1982	1992	2001	2002
<i>(US\$ millions)</i>				
Total exports (fob)	..	657	775	..
Other metals	..	343	314	..
Aluminum	..	107	121	..
Manufactures	..	..	..	..
Total imports (cif)	..	740	648	..
Food	..	49	93	..
Fuel and energy	..	69	107	..
Capital goods	..	98	132	..
Export price index (1995=100)	..	117	92	..
Import price index (1995=100)	..	95	95	..
Terms of trade (1995=100)	..	124	97	..



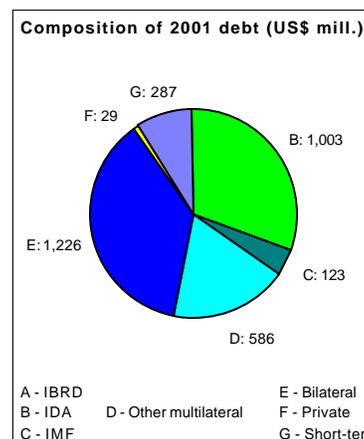
## BALANCE of PAYMENTS

	1982	1992	2001	2002
<i>(US\$ millions)</i>				
Exports of goods and services	484	811	831	868
Imports of goods and services	491	856	880	1,004
Resource balance	-7	-45	-50	-136
Net income	..	-141	-92	-104
Net current transfers	..	-57	31	24
Current account balance	..	-244	-111	-216
Financing items (net)	..	247	164	..
Changes in net reserves	-2	-3	-54	..
<b>Memo:</b>				
Reserves including gold (US\$ millions)	..	155	282	287
Conversion rate (DEC, local/US\$)	22.4	902.0	1,950.6	1,992.7



## EXTERNAL DEBT and RESOURCE FLOWS

	1982	1992	2001	2002
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	1,366	2,634	3,254	..
IBRD	49	0	0	..
IDA	57	548	1,003	..
Total debt service	89	87	130	..
IBRD	8	15	0	..
IDA	1	5	25	..
Composition of net resource flows				
Official grants	20	222	137	..
Official creditors	22	157	16	..
Private creditors	23	-8	0	..
Foreign direct investment	0	20	2	..
Portfolio equity	0	0	0	..
World Bank program				
Commitments	8	78	145	..
Disbursements	11	88	71	..
Principal repayments	3	16	18	..



## **Annex 15: Incremental Cost Analysis**

### **GUINEA: Community-Based Land Management Project**

This annex includes a brief review of the environmental situation in Guinea, with focus on land degradation; Project development goals and global environmental objectives, the baseline scenario without GEF financing versus the alternative scenario of an IDA-GEF blended Project and presents the incremental cost analysis.

#### ***The Environmental Situation in Guinea***

Increasing demand for land and wood from a growing population, which is still to a large extent utilizing traditional agricultural technologies, has resulted in increasing deforestation of fragile zones, cultivation on marginal lands, and conversion to agriculture of ecosystems such as forests, bottom-lands and marshes. Agricultural lands are overexploited as a result of shorter fallow periods and soil fertility is declining leading to stagnating yields or declining yields (and increased need for land expansion). Soil erosion and siltation of rivers has increased due to deforestation and watershed degradation, threatening biodiversity and other ecosystem services. The increased vulnerability of soils due to slash and burn practices to cyclical droughts contributes to increased degradation of the natural resources. Adverse policy incentives and a lack of a sound land tenure system hamper long term investments in increasing the productivity of land. Institutional capacity is weak and appropriate resource use planning is hampered by poor monitoring and inadequate environmental and natural resource related data for most of the country.

#### ***Project Development Goals***

The combined IDA-GEF Project supported activities will help restore productive capacity and livelihoods by strengthening the provision of decentralized service delivery and the capacity of local populations to steer their development and formulate demands for targeted investments. It will provide support to revitalize and diversify agricultural production on a sustainable basis through sustainable land use and enhanced environmental management, and reduce poverty through the increased provision of socio-economic infrastructure (roads, schools, water supply, health posts, roads, bridges, etc.). Both CBLMP and VCSP support the strategies outlined in the Government of Guinea's Poverty Reduction Strategy and the World Bank's CAS.

GEF funds will supplement IDA financing and strive for incremental benefits accruing from establishing the basis for sustainable land management. The program will promote the inclusion of land degradation concerns in local development planning; promote community directed micro-projects addressing land degradation; advance sustainable agricultural systems; and minimize the encroachment and degradation of forests and bottomlands through an integrated micro-watershed level approach, capacity building, and institutional strengthening. It will seek 'win-win' options in enhancing the ecological and economic value of land use. It will enhance the institutional and technical capacities of producer organizations, communities and government institutions related to strengthening the rural sector.

The GEF OP15 allows for the funding of a wide range of land management activities so long as they are incremental to a defined baseline and will bring incremental benefits to the broader environment. In this demand-driven investment program involving several thousands of potential sub-projects the determination of incrementality and therefore suitability for support by GEF will be made prior to adoption of the local development plans.

Incrementality of activities would be determined as follows:

- Establishment of a baseline reflecting land degradation concerns
- Identification in a participatory manner of main SLM issues
- Assess effectiveness and constraints to the application of SLM friendly activities
- Identify priority actions in a participatory manner and assess incremental value of these actions

The retained actions need to be reflected in the local development plans required by both the VCSP and the CBLMP.

Capacity building activities will include modules to allow stakeholders to be able to distinguish between incremental and non-incremental activities. The M & E program will verify that the distinction is being maintained. OP15 will form the basis of these decisions as indicated in more detail in the PIM.

### ***Global Environmental Objectives***

The GEF Project will pilot a replicable delivery mechanism that would mainstream sustainable land management activities into the overall development planning process through the integration of activities in selected areas into a community driven development program. The GEF supported project will incorporate the achievements of other localized interventions (ongoing and past) supported by other donors. Introduction of improved land use and agricultural practices, and soil and water management measures are expected to help sustain livelihoods, reduce pressure on bottom-lands, forests and other fragile parts of the productive ecosystem, conserve biodiversity, prevent loss of and/or improve habitats, help maintain hydrological cycles affecting global water resources such as Ramsar sites in Coastal Guinea through its upstream interventions, and international waters such as the Niger, Senegal and Gambia rivers, and contribute positively to carbon storage in bottomland sinks. Global benefits accruing from Project activities will also help Guinea in meeting some of its global environmental obligations as represented by its participation in international environmental conventions:

- Convention on Biological Diversity ratified on May 7, 1993
- United Nations Convention to Combat Desertification ratified on January 28, 1997
- Contracting party to the Ramsar Convention on Wetlands on March 18, 1993
- United Nations Framework Convention on Climate Change ratified on May 7, 1993

Guinea developed its first National Environment Strategy in September 1994, which has as its main objectives the improvement of the quality of life (health, lodging, potable water, infrastructures, urban sanitation), sustainable management of natural resources, protection against major risks, prevention and mitigation of sources of pollution, protection of cultural and natural sites. Efforts to implement the strategy are hampered by the lack of resources, capacity and conflicting development priorities. Guinea has moved on the UNCCD priorities and is in the process of drafting a national action plan to combat land degradation. The proposed Project activities will be fully supportive of the priorities as they will emerge in the NAPA, especially capacity building and support to environmental monitoring. The NAPA is expected to seek integration and harmonization of the various initiatives addressing land degradation, which the proposed GEF Project fully supports.

Guinea is a member of the Niger Basin Authority and is expected to join the Senegal River Basin Authority initiative. The government recognizes the national and regional significance of the hydrological functions of the watersheds.

Guinea recognizes the importance of biodiversity conservation and management and has developed a National Biodiversity Strategy and Action Plan with the support of GEF/UNDP. This strategy has four main objectives:

- Conservation of biological diversity
- Sustainable use of natural resources
- Strengthening of national framework for conservation and sustainable use
- Strengthening sub-regional, regional and international collaboration for the protection of biodiversity, the sustainable use of natural resources, and the equitable distribution of the benefits from such exploitation.

While the Government of Guinea recognizes the need for an intervention to address land degradation in watersheds, promote sustainable land use, and improve the management of undisturbed lands such as bottom-lands, marshes along the riverbeds and forests that are increasingly encroached on by human activity, it is severely constrained in financial, technical and human capacity.

### ***Baseline Scenario – An IDA only VCSP***

The baseline Project, the VCSP, will be the second phase of a 12 year program. The VCSP2's objectives are to reduce poverty by empowering rural populations to make decisions about the development of their community and to implement these. VCSP2 also contributes to four higher-level objectives of the PRSP: (i) strengthening of decentralization and democratization; (ii) improving allocation and efficiency of public expenditures; (iii) poverty reduction by improving service delivery; and (iv) improving public and private sector efficiency.

VCSP2 will focus on capacity building of technical agencies (to improve service delivery) and of producer organizations (to improve agricultural productivity and access to markets).

The main elements of this program are support to CRDs for socio-economic investments and to producer organizations for productive investments, through subprojects, as well as the technical assistance required for effective planning and implementation of these subprojects. Also included is capacity strengthening of CRDs, producer organizations and of local agencies that would support the design and development of the subprojects. Support to the NCU, located in the Ministry of Planning is also included.

The focus on environment sustainability of activities in the agricultural sector will be enhanced with GEF support. In the short term, the baseline situation will focus on socio-economic development and agricultural production issues while GEF support will aid in building capacities to help technical agencies and local communities to identify and address issues related to land degradation, primarily soil erosion, sedimentation, watershed degradation and encroachment on bottomlands, marshes and forests.

### ***Alternative Scenario: The GEF Co-funded Alternative***

The global objective of the GEF Project is to pilot sustainable and replicable approaches to the prevention and mitigation of the causes and negative impacts of land degradation on the structure and functional integrity of ecosystems. By adopting an integrated cross-sectoral approach facilitated by linking up with the VCSP2, and by using sub-watersheds as a planning basis, it will contribute to the protection of selected critical watersheds

Overall goals will focus on the maintenance of critical ecosystem functions including hydrological cycles, nutrient cycling, and carbon sequestration. This will be accomplished while fostering multiple global benefits through maintenance of trans-boundary water systems, biodiversity, and carbon sinks.

Soil erosion is a chronic problem throughout the country. Deforestation and soil erosion can lead to increased sedimentation and greater flood risk downstream, while sediments also accumulate in bottomlands and reservoirs. Reduced flow in watersheds encourages growth of noxious plants species and algae. For local stakeholders, land tenure for most land is unclear or not protected and producers have therefore little incentive to invest in long term measures to maintain soil fertility.

Continuation of only baseline activities would limit Guinea's ability to continue its objective of increasing productivity over the long term without addressing the issues of land degradation, the cost of which will also increase over time. The trend of declining soil fertility and the lack of financial resources combines to intensify the pressures of agriculture on fragile lands and bottomlands. Steps are thus needed to ensure that a basis is created on which to build sustained land management and planning programs. Thus in the combined IDA and GEF operation, each play complementary roles – the IDA credit will strengthen the overall environment (including the piloting of vital land tenure activities), while the GEF grant will strive to enhance the longer term (and transboundary) benefits of environmentally sound agricultural practices, land use, and natural resource management.

In addition to activities supported under the baseline scenario, the GEF alternate will include support to the following activities:

a) *Grants for sub-projects:* The Project will finance subprojects initiated by CRDs, producer organizations and formally recognized groups through a participative process. The details of subprojects to be supported through Project funds will not be determined in advance because of the demand-driven approach of the VCSP, however, they will focus on socio-economic activities (health, water, education, rural infrastructure) and productive activities (agricultural research and extension, productive infrastructures). Instead the approach involves considerable participation of producers and communities in prioritizing critical areas for investment. GEF supported matching grants will be available for incremental sustainable land management activities that are clearly identified in local development plans, supported by proposed indicators that are acceptable to measure their success. Incorporation of clearly identified SLM activities in micro-project proposals will be a required criteria in the selection of micro-projects. The financing will be provided as grants, with an upfront beneficiary contribution (cash or kind) of at least 5 percent of the subproject costs.

*Capacity building of CRDs and Technical Services:* The VCSP will provide targeted support to central and deconcentrated agencies in the implementation of decentralized development (focused studies and training on the operationalization of decentralization and local development), as well as capacity building of CRDs to plan for and implement local development activities, and adjust existing local development plans to include SLM concerns.

GEF will support the strengthening of capacity of service providers, local NGOs and CRDs through training in techniques of improved ecosystem management. The SLM program will develop and deliver education and awareness programs that emphasize the way in which environmental issues reflect on, and are affected by, human activities; as well as ways in which long term ecosystem productivity can be maintained and enhanced through the use of environment-friendly techniques. Training will also be provided to extension agents active in the pilot zones in response to constraints identified by communities.

Institutional development will help key public agencies assimilate the ideas of sustainable land management in their policies and activities through improvements in natural resource use planning, monitoring and coordination, and improvement of environmental management processes.

*Capacity building of OPs and other formally recognized groups:* The Project will enhance the capacity of community leaders, as well as that of producer organizations (POs) and formally recognized groups. Support will be provided for: (i) strengthening the organizational, technical and management capacities of local communities and POs; and (ii) promoting an understanding of the broader environmental management issues related to land degradation and how these need to be addressed. Support will also be provided to ensure that community organizations are included in the adaptation of existing local development plans to include SLM concerns.

Capacity building of the producer organizations and local communities will be based on a situational analysis and demand, and linked to their productive investment subprojects and offered by contracted service providers.

The benefiting producer organizations and local communities generally will be grassroots-level organizations, but the Project may also assist the capacity building of vertical organizations already existing or ones to be established by producer organizations or local communities. GEF support will be provided to strengthen the capacities of farmers and communities to manage natural resources sustainably, access knowledge on improved methods, use indigenous and local knowledge and native species and implement agricultural systems that enhance agro-biodiversity etc.

This subcomponent will also strengthen, when necessary, the capacity of service providers, to enable them to provide services to producer organizations and local communities.

*Project administration and monitoring* component would help support the NCU in coordinating and the MAE and MATD in managing SLM activities.

### ***Incremental Cost Analysis Matrix***

Incremental Costs. The underlying incremental cost analysis compares the total cost of the Baseline Scenario as far as of interest to the effectiveness of the Project with the total of this amount and requested GEF funding. The following assumptions were made regarding the relevant amount of the Baseline Scenario per project component:

- *Local Investment Fund:* the Project coverage is limited as portion of the CRD’s being targeted by VCSP. However, when successful, it is likely that replication will occur, hence about 30% of VCSP’s total program funding for this component is considered.
- *Local Support:* As of entire interest to outreach and upscaling of Project activities 30 % of VCSPs total program funding is considered relevant.
- *Program Management:* As of entire interest to outreach and upscaling of activities.

***Table 3: Incremental cost matrix for GEF funding***

Component	Cost Category	Cost USD M	Domestic Benefits	Global Benefits
1. Capacity-Building for SLM	Baseline	14.5	Increased capacity of communities to design and implement local development plans, which do not always fully take into account land management issues. Institutional capacity strengthened and policies reformed to support decentralization.	
	GEF Alternative	16.0	Increased capacity of communities to design and implement sustainable land management of long-term local, national and global environmental and development interest.	Increased understanding of the human activities on the different parts of the eco-system is expected to lead to reduced pressures on globally significant resources. The global environmental benefits will thus include: (i) halting land degradation and desertification, (ii) preserving biodiversity, (iii) preserving carbon storage capacity and (iv) maintaining the condition of international waters.

				The LIF will strengthen this impact through incentives for positive behavior.
	Increment	1.5		
2. Local Investment Fund (LIF)	Baseline	8.5	A limited number of SLM related micro-investments planned and implemented, mostly of medium to long term local environmental benefits	Activities might lead to limited global benefits (mostly related to replanting of community forests) but would lack the support for a coherent institutional and technical framework.
	GEF Alternative	13.4	A significant number of sustainable land management micro-investments planned and implemented based on an “integrated watershed management plan” will lead to the adoption of sustainable land use practices, i.e.: (i) land use changes in critical areas, such as river banks, flood prone or ground water recharge areas, and forest or natural habitats of significant biodiversity values; and (ii) sustainable agricultural practices. These changes will lead to enhancing the structural and functional integrity of ecosystems, and improve rural livelihoods.	The improved functional integrity of ecosystems will have positive impacts beyond the limited (sub-) watersheds where the project intervenes, but will have a positive impact that affects a wider geographical range beyond the national borders.
	Increment	4.9		
3. Project Management and Coordination	Baseline	11.0	Efficient and capable staff in place to implement, manage and evaluate the project’s impact.	
	GEF Alternative	12.0	Same as above	The strengthened M&E system, will support improved monitoring of global resources in fulfillment of Guinea’s international obligation (desertification, biodiversity, climate change)
	Increment	1.0		
TOTALS	Baseline	34.0		
	GEF Alternative	41.4		
	Increment	7.4		

The incremental cost of US\$7.4 on a total of US\$41.4 under the GEF supported Alternative Scenario represents about 18%. This would be a conservative estimate since a significant portion of the cost of the first phase of the VCSP could have been considered as well. The French and IFAD funded programs were temporarily suspended in 2004 and their financing is therefore not included in the analysis, as it is uncertain whether these funds can be made available at project start-up. If they can be made available, the cost-sharing ratio would drop further.

In addition, complementarity with the PNIR 2 and other donor-funded activities were not included in the analysis, such as support provided by the OGM, AGIR, and PEGRN.



**Annex 16: STAP Roster Review and Response**  
**GUINEA: Community-Based Land Management Project**

**STAP REVIEWER :**

Paul Vedeld  
NORAGRIC; Agricultural University of Norway  
Box 5003, 1430 Ås Norway  
+0047 64949950

**1. Introduction<sup>8</sup>**

The overall impression is that the project is relevant and well suited for GEF support. My comments should be seen in light of that the definitely project should be supported. I do offer some questions, comments and suggestions concerning overall both goal and problem understanding, but also project design, participation, local knowledge and some other issues.

**2. Scientific and technical soundness of the project**

**2.1 Is there sufficient ecological and technical information available to give the project a sound scientific base?**

The documents provide substantial knowledge and insights in the problem at hand. It is obviously a strength that the proposed project builds on and into the existing VPSC project and can utilize experience-based insights; both from the field, and in terms of how one best can develop a good organizational structure.

I would still ask for a better basic exposition of the overall problem of land degradation; its main causes and effects and how such causes and effects would typically vary within the country according to climatic, ecological, economic, cultural, social and political factors.

Established agricultural land can be degraded through soil erosion and soil nutrient depletion processes. This type of degradation poses substantial challenges in terms of identifying and getting regeneration activities implemented thus improving productivity on the existing land. However, in many districts, the major land degradation threat is deforestation in various forms; caused by quite different processes such as land clearing for agriculture; both permanently an in shifting cultivation systems; but also charcoaling, legal and illegal cutting of timber and a variety of other activities lead to both deforestation and forest degeneration. What kind of processes that are present in a particular area will depend on various contextual factors (climatic, ecological, economic, etc.) mentioned above.

Important driving forces that create pressures for degradation comprises population growth and in-migration of people. But it also relates to broader and more complex issues of land tenure and policies, removal of subsidies for agricultural inputs (fertilizers, seeds, pesticides, extension service) and outputs, increased conservation of land etc.

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<sup>8</sup> The STAP review was done at a relatively early stage of project development to aid the team in finetuning project design. STAP review comments have been fully incorporated in the final project description.

The complexities and local variations in causes- and effects will thus demand more locally adapted and less blueprint oriented approaches. It is then for example a question if the proposal ought to should start out with lists of activities that are acceptable for funding and not, but rather let such items be subject for local deliberations.

## **2.2 Have all the threats to the ecosystem been considered?**

From what is mentioned above; a more detailed and regionally diversified description could have been included, especially to display the substantial regional variations and challenges of the country.

## **2.3 Does the type of ecosystem management proposed require further research?**

This project is more applied and a substantial research effort is not strictly necessary. One could consider some kind of participatory research efforts on local knowledge and local values, norms and practices on particular land degradation issues.

## **2.4 Is there a need to develop indicators to achieve the objectives?**

The LFA format and the main objectives and indicators developed are good as they are.

On a detailed basis, one could consider if the suggested soil improvement indicator of “organic matter change”, could be considered supplemented by soil phosphorous or even some kind of yield or output measures.

## **2.5 Will appropriate monitoring be put in place?**

A substantial amount of monitoring is suggested in the project on impact, on performance and on financial and project monitoring. All are of course important. I want to raise two issues concerning impact monitoring:

1) A couple of places in the document, the issue of *participatory* monitoring is raised. I feel that the way it is described in the document, is an approach where participation becomes a means rather than a goal in itself. Local people are to be used to collect the material for monitoring and receive a written report afterwards.

A different thinking on participatory monitoring is that local people themselves, together with competent staff, develop indicators and measures for monitoring and that they are able to interpret results and correct actions themselves. I still see these two approaches as more complimentary than alternative and hope it can be considered in the final proposal.

2) I also raise the issue of the suggested GIS – monitoring system. It is now suggested with a rather substantial part of total costs of the programme. I am wondering, for several reasons; first of all; if this project is a pilot and demonstration scheme; is a GIS type of monitoring something that can be sustained upon donor withdrawal? Secondly; is the local level competence and

resource situation on GIS at a level where this methodology can be successfully used at present, and in the future? One should at least discuss possible alternatives to (an expensive and sophisticated) GIS system for this kind of impact monitoring.

## **2.6 Will the approach taken in the project proposal achieve the objectives of conserving biodiversity?**

I think especially that the relevant activities suggested in the Local Investment funds; both the Intercommunity SLM Fund Component and the Village Investment Fund have very good and practical orientations. And I would lift out in particular the ideas of both individual and village level factors combined with the intercommunity approach. The latter is often neglected in projects like this, and I feel that is an important and particular asset of this proposed project.

I would also recommend that the *Local Investment Fund*, if possible, is given a larger share of total funds than the present suggested 64% .

## **2.7 What are the risks and constraint associated with the approach?**

I think they are well discussed in the proposal itself.

## **2.8 Is there any area weakness, gap in the project?**

The project has, in general, a lot of good properties. Some aspects could still be discussed further.

There should, as raised earlier, have been a better analysis of causes and effects of land degradation and maybe even discuss the practical implications of a Boserupian compared to a Malthusian approach to land degradation.

There should be a more wholehearted and embracing emphasis on local participation and I feel in particular that issues around local knowledge of both nature, and of social relations should have been more explicitly addressed throughout the proposal.

Linked to this is also the issue on challenges of meeting local heterogeneity; both on natural and on social issues.

I miss a description of the role of the Watershed Management group; who are invited; what kind of powers and authorities will they have; relative to the state, and to the project management.

This is a pilot and demonstration activity. As such, it is important that one consciously selects sites that cover the range of challenges related to project objectives that one will meet throughout the country at large (climate, ecology, markets, ethnic groups, political situation etc.).

So, a closer discussion of possible criteria for selection of sites would have been interesting and important precisely in the context of a pilot and demonstration activity.

### **2.9 Are there any controversial aspects about the project?**

The issue of potential resettlement of people is brought up a couple of places in the project document, but with little description and analyses. I have problems in seeing if and how, such issues will be brought up, if the measures to be undertaken are brought up by local people? If such plans are relevant or important part of the program, it should definitely be clarified, much better than what is done in the present proposal.

Some of the ideas suggested in Appendix 15 may lead to substantial local conflicts and in the name of participation; one may let the content of such a list be part of a participatory process as mentioned before.

It is also mentioned in the project document that no funds will be used for fertilizers and pesticides. That position is of course a highly political issue; but in terms of a participatory approach to generating such a list of “eligible items”, it seems rather probable that such items would be raised and demanded by local people. If a major problem is declining soil fertility, resulting in more land being cleared for agriculture, more fertilizer may actually be a cost-efficient measure to address the problem. This issue is widely addressed and debated by economists, and should at least be problematised in the document.

### **2.10 Does the project introduce incentives that may lead to overharvesting (in the case of a sustainable use project)?**

I cannot see that this is an issue in this project.

### **2.11 How will drops in revenue as a result of conservation measures be compensated?**

As also stated in 2.9, resettlement processes or even conservation measures, that both could trigger drops in incomes for local people, are not addressed in the document. To the extent it is seen as a probable and or substantial activity, it should definitely be addressed in the proposal.

### **2.12 Are there legal instruments aspects that should be dealt with?**

One should clarify tenure issues around the list in Appendix 15 (Table 2), where several items have substantial legal “aspects” on banning land use; by whom and for whom, and who will cover the costs ?

### **2.13 How will the model of sustainable use outlined in the project be developed?**

It is extremely important with good processes for local anchoring of the project ideas.

The participation approach has been mentioned and it has been stated that it may deserve closer attention for the final proposal. Participation is better approached as a human rights issue, than as an instrument for external donors, wherever possible.

#### **2.14 How effective will the proposed model be in the local situation?**

I think the overall model, as it is partially tested through the VCSP, will work well with some adjustments. Very few references are, however, made to the review of the VCSP project; of experiences gained, weak and strong sides etc. That could have been included somewhere in the project document.

#### **2.15 Is there evidence that the project offers the best long-term solutions?**

There is of course no evidence, as the project has not been implemented. One major challenge is if the project with its objectives will be continued upon donor withdrawal. Many environmental programmes suffer from this. An advantage in this respect for the suggested project is the emphasis on local environmental benefits; which should cater better for local legitimacy and support to the programme; compared to more pure conservation programmes where local benefits are usually less present.

### **3. Identification of global environmental benefits**

As also stated in the project document, this project fits very well with the purposes laid down for GEF to “provide funding for the agreed incremental costs of measures to achieve global environmental benefits in the area of biodiversity”.

To the extent the project delivers planned output; benefits in terms of restoration of degraded lands, improved protection of remaining important biodiversity resources and reduction in rates of future degradation will all contribute to sustainable biodiversity management and conservation. The project has a good flexibility in site selection and can select sites that have substantial global biodiversity interests. The global benefits are thus clear relative to **CBD**. The flexibility also allows for exchange of experiences and ideas between interventions in different ecological zones.

The project will also rehabilitate land and improve vegetation cover and forests and as such contribute to enhanced carbon sequestration relevant for the **UNFCCC**.

The project also plans interventions in the semiarid areas of Guinea and will deliver results relevant for the **UNCCD**.

Guinea has ratified all these three conventions and the proposed project contain components that in a good way contribute to the implementation of the conventions.

### **4. Regional Context**

A substantial number of major African rivers (Niger, the Senegal and Gambia rivers) flow through Guinea and the protection of these rivers, and reducing pollution into these is an important factor in itself and also in protecting the economically and biologically valuable marine environment along Guinea's coastal waters. As such the project has substantial regional meaning and importance.

## **5. Replicability of the project**

This type of project has a good scope for replication, both within the country, to additional sites, but also regionally and even globally.

## **6. Sustainability of the project**

The sustainability of the project has several dimensions;

First of all; if the project ideas themselves are considered profitable in themselves and if farmers and local communities have been involved in developing them, one would expect that activities would continue after donor withdrawal.

Secondly, if the local institutions in charge of the project are able to secure a tax-base or other types of economic instruments that can and will be used for this kind of activities; it may be possible that project activities will continue upon withdrawal.

Thirdly, the project has an expressed strong support from the government, it fits well into other government plans such as CAS and PRSP. This is important in a sustainability context.

Fourthly, if the project has not created separate new own institutions, but instead has placed its organization on long enduring existing organizations, it seems more likely that activities will be sustained upon donor withdrawal. This seems to be the case in this project. One question in this respect has still been raised about status of the Watershed Management Committees.

## **7. Secondary issues**

### **7.1 Linkage to other focal areas**

The project is definitely "consistent with the operational strategies of the other focal areas" such as carbon sequestration and with issues related to combating desertification and also to enhance aquatic biodiversity. This is also reflected in the project document.

The proposal also describes a number of correlated activities, both in Guinea, and also in neighboring countries that link up with the project objectives. One particular project in this respect is the AGIR project supported by EU, with a focus on Integrated Resource Management of the Niger and Gambia River Basins.

The project is well linked up at the national level with the VSCP project and utilizing partly the same organizational structure, and not least the experiences from this programme.

## **7.2 Other beneficial or damaging environmental effects**

Reduced land degradation, deforestation and afforestation measures improve local climate, water retention amounts and quality, reduces soil and wind erosion, improves potentials for urban water supply and electricity and reduces health hazards in addition to enhancing biodiversity resources and soil carbon sequestration.

And, as already mentioned, an improved biodiversity management and afforestation and reduced soil erosion, will also enhance Guineas coastal waters and marine resources.

It is difficult to see any possible negative environmental effects.

## **7.3 Degree of involvement of stakeholders in the project**

This is an area where there may still be room for improvement in the project, both concerning planning, implementation and monitoring activities.

It must be said as a general challenge in biodiversity management undertakings, project operators often come with a “hidden agenda” (not local) to the table, and want people to agree to the agenda in the name of participation. If we see participation as goal in itself, as a right, and as a way to generate legitimate systems for resource management, then the project may plan for more participation on certain items.

On the planning side, for example, it seems crucial that local people have a right to discuss and revise the list of activities eligible for GEF co- financing as presented or suggested in Table 2, Appendix 15.

On the implementation side, how will local people, and in particular poor local people, be involved in practical implementation and monitoring activities? One item relates to that some of the activities to be funded imply restricting particular people from using certain resources. This may lead to relative deprivation for some compared to other groups. A truly legitimate system where in particular vulnerable and poor groups are represented would be important to secure. This may, however, prove to be difficult to achieve.

On monitoring; can we strike a balance between sophisticated and expensive “remote systems” and more barefoot local level participatory monitoring approaches? That is an important- and possible challenge. If we trust local knowledge, competence and institutions not least, participatory monitoring may actually form a glue of legitimacy for project activities to be implemented and sustained. The present suggestion with reports and workshops for local people may not be the most effective way of meeting different groups of local people and their interests.

For all activities, it is also important that both village level institutions and not least the Watershed Management Committee are constituted and given rooms to operate in ways local people perceive as legitimate. This involves both their legitimacy and representativeness and also

their ability to handle or resolve local conflicts. The proposal can be clarified in this respect, and will most likely have the experience from the VCSP to draw on in this respect. One could also want closer descriptions of LIF, POS and other organizations and their relationship to local people.

## **7.4 Capacity building aspects**

This is an area where there is room for improvement in the proposal. The words local knowledge is not mentioned once in the document, and the thinking is surprisingly old-fashioned in the sense that one talks consistently about transfer of knowledge from project to local people.

The meeting between local knowledge and experience and modern scientific knowledge is crucial for this project. It must be important for the project to develop ideas and approaches that cater for a fruitful mix; both because also experience-based, hands-on knowledge itself is crucial relative to the objectives of the project, but also because it has to do with the legitimacy of governance. How do local people experience the “encounters at the interface?”

One challenge is then not only to train local people; but field staff must learn participatory approaches and be allowed or enabled to develop respect for the local knowledge. It is possible that the VCSP project has developed this kind of staff; but in that case, it could be better reflected in the project proposal.

## **7.5 Innovativeness of the projects**

I think this project, despite some more critical points made, in general has a sound and clear approach that makes it suitable as pilot and demonstration project.

In particular, the sustainable use orientation that I read into the project is wise.

Working with local institutions at village level, but also applying a broader watershed perspective is also important as an asset of the project proposal.

The broad array of benefits and the innovative type of activities suggested is another asset.

## **B. Response to STAP Review comments**

The main issues raised by the STAP reviewer can be grouped as follows: (i) need for more technical information related to causes of land degradation; (ii) monitoring and evaluation; (iii) insufficient information related to the proposed participatory processes; (iv) the sustainability of watershed management committees; and (v) capacity building and use of indigenous knowledge.

### Information on land degradation.

Following the STAP review, Annex 1 of the Project Brief was substantially revised to provide information on the linkages between the different sector issues (agricultural technology base, poor agricultural services/capacity, lack of rural infrastructure and access to markets, land tenure systems, access to credit, and population growth as an overall issue). In addition, annex 18, with a site specific roots and threats analysis, was added. Also, more detailed analyses of the final the selected sub-watersheds are planned of project preparation and would be available at the time of appraisal. On the basis of these analyses, confirmed through consultations with local

stakeholders, appropriate responses would be formulated in a participatory manner and using the community demand driven approach. It should be noted that the Project is piloting an approach of integrating SLM into wider development issues. Project responses to the site specific constraints are flexible, as long as constraints are stakeholder identified and proposed activities are fully supported by local communities.

#### Monitoring and Evaluation

There were two aspects to the comments, the first related to the integration of a community based M&E system, while the second related to the cost.

The community will be fully involved in the M&E process and not merely to “feed the beast.” Community representatives involved in M&E information collection will also receive training to interpret data themselves that will help them make appropriate presentations to the community itself, but also to others. CBLMP would verify data (also to assess the need for further training) and do a separate analysis covering a wider area that would be shared with communities also.

The cost of a GIS based system to the GEF Project will be limited because the system will be co-funded from several sources. The VCSP is in the process of designing a GIS based M&E system using IDA preparation funds for the second phase, GEF preparation funds for the PGIRN, and with technical support from OGM. The cost for individual projects is therefore low. Also, not using a GIS based system for this type of project would have serious drawbacks for measuring project progress and impact, as several indicators require a GIS based system for appropriate monitoring.

#### Participatory processes and capacity building.

The CBLMP places an important emphasis on working in a participatory manner with local communities to identify constraints and design solutions. It is for this reason that capacity building is emphasized. The GEF Project will not propose or impose solutions, it is neutral. The teams that work on the situational analysis and potential solutions with local populations will have no ties with the GEF Project other than this activity and will not include representatives of government agencies to avoid a bias in community responses. Furthermore, communities will not know that their responses may lead to additional matching grants for SLM activities. They will likewise be unaware of which types of activities will be eligible for CBLMP funding. This will hopefully lead to honest responses and the identified SLM oriented activities are more likely to have full stakeholder support. Avoiding biased responses is also the reason why these activities will be carried out as part of project preparation and not after the project has already started its activities.

#### Sustainability of the watershed management committees.

The preparation mission confirmed the difficulty of working with watershed management committees (WMC), especially regarding special interests and sustainability. The concept of WMCs were therefore dropped from the project. Instead, existing government structures at the prefectural and regional levels, which already fulfill a similar function under the VCSP, would be responsible for activity coordination. This approach would be more cost-effective and be replicable as it uses existing agencies that have these responsibilities in their mandate.

Use of indigenous knowledge.

As part of the situational analysis, traditional activities will be reviewed and how changing circumstances have impacted these. The CBLMP will favor resolving constraints to using traditional techniques or the use of indigenous knowledge rather than importing solutions. Adaptation of indigenous techniques, where feasible, is also a more sustainable solution as beneficiaries can apply these technologies at much lower costs. Quite often maintenance of these solutions is much easier.

## **Annex 17: Monitoring and Evaluation**

### **GUINEA: Community-Based Land Management Project**

#### **1. Introduction**

The strategy developed for the project M&E system is based on the (i) results framework (see Annex 3), (ii) lessons learned from the implementation of the first phase of the VCSP and similar projects in the country, (iii) methodology developed for the baseline studies and project impact evaluation system (identical for both VCSP supplemental GEF projects), and (iv) GEF principles for monitoring and evaluation as well as for OP 15 on Sustainable Land Management.

An M&E manual will be developed as a condition of grant effectiveness. Identified project staff at the national and local level, as well as service providers and civil society leaders, will be trained on M&E procedures as needed. During project implementation, the manual will be reviewed and adapted to ensure that it meets the project's needs.

An outline of the guidelines adopted for GEF Project progress monitoring and impacts is described below, established based on the information gathered in the diagnostic preparation phase, results framework and suggestions received from several interested parties during the project preparation phase and on the experience arising from the implementation of other projects and programs.

#### **2. M&E System Components**

The project's M&E system includes: (a) impact monitoring; (b) performance monitoring; and (c) financial and project monitoring.

##### **a) Monitoring of Results and Impacts**

The Project Impact Monitoring System would be structured in such a way to provide information on the results and effectiveness of the actions implemented, in particular within the range of the micro-projects, along with the evaluation of how the project contributed to solving the core problem to be confronted: the lack of participatory tools and methodology necessary for the reduction of land and water degradation in selected sites.

During the pre-appraisal mission, it has been widely agreed that this task will be assigned to the *Observatoire de Guinee Maritime* (OGM). This entity, currently a French/French GEF funded project, is expected to become a semi-public structure attached to the MP by March 2005. OGM will develop the methodology for the baseline studies and impact monitoring systems on expanding and capitalizing their experiences in Guinea Maritime. Scientific support will be provided through the University of Bordeaux 3.

The impact M&E system provides for the socioeconomic and environmental monitoring of four pilot sub-watersheds. Works would be initiated by an initial diagnostic with the participation of

the community, and would contemplate the follow-up of the following indicators: social organization, land use evolution, evaluation of revenues and of physical assets of producers, soils (physical, chemical, and biological indicators), rainfall depending on data availability for the selected sub-watersheds hydro-sedimentometry, chemical characterization of sediments, surface and ground water quality, and evaluation of flora and fauna.

Native vegetative cover in sub-watersheds with micro-projects would be evaluated with the support of images generated by remote sensors (satellite images, aerial photographs, etc.). An initial mapping would be undertaken and updated with a frequency to be determined. This mapping would be complemented by field information. The evaluation of ecological aspects would consider the diversity and relative abundance of species, and the occurrence of natural regeneration, along with other indicators to be identified.

The proposed project impact monitoring system would consist of four modules:

- Evolution of state of sub-watershed ecosystems
- Evolution of rural activity systems
- Evolution of rural poverty and capacity
- Evolution of implementation of GEF eligible micro-projects

Each module includes a certain number of specific surveys bearing on a common sample of households and/or production units. Within the sample, one will distinguish between the households / production units concerned with GEF micro-projects of the FIL / VCSP and those not concerned. Comparison of evolution of the different indicators and cross-analysis based on multi-theme data will make it possible:

- To characterize the evolution of each theme on each site.
- To determine the overall evolution of the links between poverty reduction, state of land degradation and activity systems dynamics.
- To determine the pertinence, efficacy and replication of proposed approaches.

Of particular interest is the innovative approach taken to assess poverty and capacities of rural communities. The indicators do not only select monetary poverty (income, consumption, ...) but also living standard indicators, access to resources, assets and production factors (to measure vulnerability to risks), social links and poor people's participation in decision-making ("empowerment") as well as indigenous perception of poverty.

The collected data (annual surveys) are encoded so as to be entered theme by theme in a computer and GIS referenced in the database. This will allow to establish the evolution pattern of the criteria chosen to assess the evolution of each theme; carry out multi-criteria analyses in order to establish a causal relation and map the elements and dynamics of the above.

The outcomes and proposals resulting from this project would be widely disseminated in annual fora so that they may be used or adapted to confront similar problems elsewhere.

### **b) Monitoring of Project Progress**

The project progress monitoring (managerial monitoring) would aim to exercise systematic control of scheduled actions, evaluating the adequacy of execution in relation to what was planned, and to facilitate any necessary modifications. General responsibility for project managerial monitoring would rest with the NCU, which, in close collaboration with technical and administrative management, would guide the executing units concerning progress, performance and any necessary adjustments.

The project follow-up would be carried out in a systematic manner, considering the phases for planning, execution, verification, and adjustment. The detailed Project Monitoring and Evaluation Plan (to be included in the Project Implementation Manual) would delineate a detailed form of implementation of the project monitoring and evaluation. Every year a schedule would be prepared regarding the establishment of goals and indicators compatible with the general planning of the project.

Managerial monitoring would be performed through the collection, systematization and analysis of information on the execution of the planned activities.

The Semiannual Follow-up Reports would address:

- Physical execution of the scheduled activities;
- Financial execution;
- Analysis of the compatibility of physical and financial execution;
- Information on non-conformities recorded within the period, highlighting relevant and/or unresolved problems up to that time;
- Realization of events with the participation of the society, especially those focused on qualification, planning and evaluation;
- Partnerships established within the period;
- Other information deemed relevant.

Participation of the beneficiaries in M&E would be maximized. Resource persons would be trained in data collection and interpretation. Data collected by these resource persons would become part of the overall project's M&E. Beneficiaries would be provided with feedback on project implementation and share in decisions on any necessary mid-course corrections. Consolidated M&E reports would be submitted to the Bank. Specific evaluation studies, independent mid-term and ex-post evaluations would be contracted by the NCU. Together with the M&E reports, these evaluations would provide feedback to adjust project activities and future management interventions that would be incorporated into the Project Annual Operative Plans.

### **c) Financial and project monitoring**

This will focus on the NCUs contracting and coordinating capacity and the relevance, quantity, quality, and economy of public sector, municipal, and civil society services. Project monitoring will be combined with financial monitoring and managed by NCU with annual contracts

according to specific related TOR. Contract renewal will be submitted to external evaluation every year. The project would upgrade the existing and proposed MIS used by the baseline project VCSP, to include specific needs for the GEF-supported project.

### 3. Proposed Actions for the National Coordination Unit (NCU)

The NCU will undertake the following actions to effectively coordinate project monitoring:

- The NCU M&E specialist will be responsible for training partners, collating and reporting data.
- The NCU and stakeholders will undertake a participatory process, to prepare a nationally owned M&E plan and manual and to build commitment and ownership for M&E.
- Each partner will report results quarterly using a simple, structured reporting form.
- The NCU M&E will collate, analyze and prepare semi-annual summary reports of aggregate activities, using a standard format;
- The NCU and key stakeholders will meet semi-annually to review and verify monitoring reports and to identify key lessons; and
- The NCU M&E specialist and key stakeholders will update their operational and M&E manuals and procedures based on lessons learned.

### 4. Monitoring and Evaluation Budget

M&E operating costs are estimated at US\$0.5 million. Detailed estimates will be obtained by appraisal.

### 5. Key Steps

<b>Action</b>	<b>Completed</b>
M&E plan and M&E manual produced (up-date of VCSP M&E manual)	March 31, 2005
Training of key staff	Project Effectiveness
M&E included into the project launching workshop	Project Effectiveness

## **Annex 18: Site Specific Land Degradation Issues**

### **GUINEA: Community-Based Land Management Project**

The Project will select four watersheds to pilot its approach. The number of watersheds has been limited to avoid dispersing project activities over too wide an area, which would increase overhead costs and reduce funding available for field activities.

As part of project preparation, the two first watersheds have been selected. These are the Kogon and Fatala rivers in Middle Guinea (*Guinée Moyenne*) and Lower Guinea (*Guinée Maritime*). The locations will be in the upstreams part of the watersheds in the foothills of the Fouta Djallon and upstream from two Ramsar sites that are part of another GEF and IDA supported project (PGIRN), which increases the likelihood of reducing the impact of negative externalities on the Ramsar sites from upstream human interventions. A preliminary root causes and threats analysis for these two watersheds is presented in Table 1.

Two additional watersheds will be identified prior to Project appraisal. Selection of these sites will be done in coordination with the proposed GEF/FAO Rehabilitation of Ecosystems in the Fouta Djallon Project (*Projet de Réhabilitation des Ecosystemes du Fouta Djallon*),<sup>9</sup> as well as the ongoing Support to Integrated Resource Management of the Niger and Gambia River Basins (*Appui à la Gestion Intégrée des Ressources dans les Bassins du Niger et de la Gambie*, AGIR) and the Senegal River Basin Project.

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<sup>9</sup> This project will be submitted to the GEF for workprogram inclusion in calendar year 2005.

Table 1: Roots and Threats Analysis for the Kogon and Fatala Watersheds

Problem	Symptoms	Immediate Causes	Roots	Extent	Problem Rating
<i>Inadequate institutional capacities</i>	<p>Lack of knowledge on sustainable land management</p> <p>Inadequate agricultural services provision</p> <p>Insufficient information for informed decision making</p> <p>Insufficient interagency collaboration at the national, regional and CRD levels</p> <p>Insufficient field presence</p>	<p>Poorly trained staff</p> <p>Lack of incentives for collaboration even where structures exist</p> <p>Poorly defined mandates</p> <p>Insufficient operating budgets</p> <p>Donor driven initiatives</p>	<p>Budget allocation process not targeted on priorities</p> <p>Low fiscal revenues going mostly to salaries even when there is no operating budget</p> <p>Low capacity</p>	National	Substantial
<i>Deforestation</i>	<p>Increased scarcity in certain zones of wood suitable for carbonization and for construction, especially closer to urban areas</p> <p>Disappearance of useful species to rural populations (plant and animal)</p>	<p>Poor planning of forest plantations given the importance of wood as energy source</p> <p>Inadequate pricing framework for firewood and charcoal.</p> <p>No appropriate political framework to (re) plant</p>	<p>Rural poverty, thereby forced to focus on opportunities for income generation in the short-run with limited opportunity on longer-term investments</p> <p>Rapid urbanization with associated high demand for wood (construction and energy) on limited areas.</p> <p>Undermined traditional control due to interventions by rent seeking outsiders</p>	Entire zone.	Substantial

<i>Soil Erosion</i>	<p>Increased topsoil runoff due to removal of plant cover through slash and burn.</p> <p>Increased difficulty in maintaining productive potential of land causing stagnating/declining yields.</p> <p>Increased erosion along gullies due to extension of land under cultivation</p>	<p>Seasonal labor migration to urban areas diminishing the supply of labor.</p> <p>Technologies no longer adapted to circumstances</p> <p>No access to fertilizers</p> <p>Population pressures.</p> <p>Absence of improved adapted technologies for sustainable land and water management that are of interest to local populations</p>	<p>Poverty</p> <p>Changes in production system with a shift from production for auto consumption to market oriented production (in particular on lowlands) while technical support is poor.</p> <p>Poor functioning of markets</p> <p>Seasonal rainfall patterns with heavy concentrations during certain periods</p>	Entire zone.	Substantial
Overgrazing of Pastures	<p>Shrinkage of land available for cattle and conflicts based on land utilization.</p> <p>Movement of pastures to lowlands and riverbeds at a greater distance from habitats</p> <p>High concentration of cattle in certain zones causing degradation of land</p> <p>Diminished productivity of pastures</p>	<p>Reduced communal management of pastures.</p> <p>Seasonal migration of herds from Middle Guinea to the coastal areas</p>	<p>Absence of adaptation of land tenure system to changes in production systems</p> <p>Export of fertility from pastures to land around houses</p> <p>Population growth</p> <p>Seasonal droughts limiting carrying of traditional pastures</p>	Particularly in Téliélé, Gaoual et Koundara	High
<i>Lack of alternative sources of renewable energy</i>	See deforestation	<p>Shortages of energy from wood.</p> <p>Relative cost advantage of wood over other sources of energy.</p>	<p>Absence of alternative sources of energy given low household incomes and lack of incentives framework.</p> <p>Limited access to new technologies</p>	Entire zone	Substantial

<i>Declining food security</i>	<p>Insufficient production to ensure food sufficiency during the dry season</p> <p>Competition from imported cereals</p> <p>Changes in urban tastes away from traditional varieties</p>	<p>Chemical inputs are not economically viable.</p> <p>Lack of appropriate technologies, adapted to the environmental, technical, and socio-economic constraints of farmers.</p>	<p>Inadequate focus on improving local, indigent, technologies</p> <p>Rural-urban migration of especially young, males, causing (seasonal) shortages of farm labor.</p>	Entire zone	Substantial
<i>Water pollution</i>	Pollution of the downstream areas of the Fatala et Kogon.	<p>Mining activities.</p> <p>Lack of follow-up and control</p>	Lack of appropriate legal framework and inadequate resources for follow-up	Downstream areas of watersheds	Likely high

Following watershed selection, a detailed map will be made overlaying specific geographic information on the watershed (vegetation coverage, topography, population density, land use), based on available geographic information. Several sub-watersheds, with the highest likelihood for land degradation will be selected on this basis. Onsite visits will confirm the selection. The sub-watersheds would be limited in size to avoid dispersal of activities over too wide an area.

Once selected, a detailed analysis will be carried out together with local populations to identify specific causes of land degradation, as overall threats are likely to be location specific. This work will be carried out by a team that has been contracted for this purpose and has no further affiliation with the project to limit bias on the part of facilitators or communities.

Project responses in terms of capacity building and matching grants for activities that target land degradation/sustainable land management will be tailored to the results of the analysis. This will allow the maximum flexibility for responding to site-specific threats. Similarly, the envelope for matching grants will be determined based on the extent of land degradation in each site,

Prior to the start-up of project activities, a baseline will be carried out focusing on establishing the start-up indicators related to:

- Surface areas and land use
- Degradation of land cover
- Sediment load of streams
- Vegetation cover
- Production systems
- Land productivity (yields per main crop and per ha)

The basic indicators will be applicable to all interventions. In addition, for each project site, zone-specific indicators will be selected based on the threats identified with the local population. The evaluation will be based on careful mapping of specific land attributes and/or values of the representative sites at the baseline situation and in subsequent years. Changes will be evaluated every two years for four representative sites. This will not be systematically done in all of the Project's intervention sites in view of the time and cost involved. Instead, a few representative sites will be selected in each of the four watersheds and results will be extrapolated. The underlying concept of the evaluation is to determine how much land is under sustainable land management. In this way, the results of the land baseline assessment can also be easily integrated with the findings of the socio-economic surveys.

The detailed in-site analysis will determine the types of activities that will be supported by the GEF Project. For illustrative purposes, the basket of activities supported by the GEF Project are shown below.

Area	Priority Responses	Level	Type of action	Urgency
<i>Deforestation</i>	Qualitative and quantitative assessment of deforestation. Reforestation in collaboration with communities using multiple varieties of trees  Improved productivity of agroforestry  Reduced wood consumption	Intercommunal	Local development plans for the CRD and aggregated for a wider part of the watershed, established together with communities.  Formal adoption of such plans by local and regional authorities.  Support to reforestation by local communities where such demand exists  Promotion of wood conserving technologies	High
<i>Erosion</i>	1.1 Development of methodologies focusing on land fertility, erosion control on the basis of local knowledge and experience.  Selection of land based on productive potential.	Intercommunal, national	Collaboration of local communities using participatory approaches.  Test and extension of methodologies	Substantial
<i>Water pollution</i>	Monitoring of ongoing mining activities and evaluation of potential negative environmental impact (Fatala and Kogon watersheds)	National and regional	Propose regulatory reforms as part of capacity building activities	High

<i>Energy</i>	See also deforestation			
<i>Lack of institutional capacity</i>	<p>Promotion of collaboration of the different agencies and ministries at the national, regional and local levels.</p> <p>Capacity building programs.</p> <p>Increased field presence</p>	National, regional and local	<p>Capacity building of technical agencies (in part also through the VCSP)</p> <p>Funding of incremental operating costs</p> <p>Cross-sectoral collaboration at the watershed level</p>	High
<i>Lack of information</i>	Strengthening of knowledge base and building of national databases in collaboration with government agencies and donors.	National	Baseline studies, SIG based cartography, measuring of erosion over time, design of multi-sectoral database	High
<i>Legislative reforms</i>	Reform of land ownership legislation (through baseline Project)	National	Land legislation (supported through the VCSP)	High