



PROJECT CONCEPT and REQUEST for PIPELINE ENTRY

AGENCY'S PROJECT ID:
GEFSEC PROJECT ID: 2709
COUNTRY: Tunisia
PROJECT TITLE: Support to Sustainable Land Management in the Siliana Governorate
GEF AGENCY: International Fund for Agricultural Development (IFAD)
OTHER EXECUTING AGENCY(IES): Ministry of Agriculture (MoA), Commissariat Régional de Développement Agricole (CRDA), Ministry of Environment and Sustainable Development (MoESD)
DURATION: PDFB 12 months
GEF FOCAL AREA: Land Degradation
GEF OPERATIONAL PROGRAM: OP-15 Sustainable Land Management
GEF STRATEGIC PRIORITY: SLM 1 and 2, as well as linkage to BD 2 and BD 4
ESTIMATED STARTING DATE: 1 April 2005
ESTIMATED WP ENTRY DATE:
PIPELINE ENTRY DATE:

FINANCING PLAN (US\$)	
GEF ALLOCATION	
Project (<i>estimated</i>)	5,000,000
PROJECT CO-FINANCING (<i>estimated</i>)	
IFAD	12,000,000
Government	4,000,000
AFD	7,000,000
Beneficiaries	1,000,000
<i>Sub-Total Co-financing:</i>	<i>24,000,000</i>
Total Project Financing:	29,000,000
PDF FINANCING	
PDFB	350,000
PDF CO-FINANCING	
GEF Agency	160,000
National Contribution	70,000
Others	
<i>Sub-Total Co-financing:</i>	<i>230,000</i>
<i>Total PDF Financing:</i>	<i>580,000</i>

RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT:

DALI Najah

Date: *January 24, 2005*

Director General of Environment and Quality of Life
 Ministry of Environment and Sustainable Development
 and GEF Focal Point of Tunisia

Mohamed Nouri JOUINI

Date: *January 28, 2005*

Minister of Development and International Cooperation

This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for Pipeline Entry.

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LIST OF ACRONYMS

AFA	: Agence Foncière Agricole
AFD	: Agence Française de Développement
COSOP	: Country Strategic Opportunities Paper
CPE	: Country Programme Evaluation
CRDA	: Commissariat Régional de Développement Agricole
CWS	: Conservation of Water and Soil
DG/ACTA	: Direction Générale de l'Aménagement et de la Conservation des Terres Agricoles
DGF	: Direction Générale des Forêts
DGLLT	: General Directorate for Legal issues and Land Tenure
DRI/GRN	: Programme de Développement Intégré et de Gestion des Ressources Naturelles
GM	: Global Mechanism
GoT	: Government of Tunisia
IFAD	: International Fund for Agricultural Development
JBIC	: Japanese Bank for International Cooperation
MoA	: Ministry of Agriculture
MoESD	: Ministry of Environment and Sustainable Development
NAP/CD	: National Action Programme for Combating Desertification
NEPAD	: The New Partnership for Africa's Development
NCSD	: National Council for Sustainable Development
NCU	: National Coordination Unit
ODESYPANO	: Office de Développement Sylvo-Pastoral du Nord-Ouest
ODNO	: Office de Développement du Nord Ouest
OSS	: Observatoire du Sahara et du Sahel
PAE	: Plans d'Aménagement et d'Exploitation autour des points d'eau
PAP	: Plans d'Aménagement Participatifs
PDAI II	: Second phase of the « Projet de Développement Agricole Intégré »
PDAI-Zaghouan	: Integrated Agricultural Development Project in the Governorate of Zaghouan
NCSA	: National Capacity Self Assessment
PRODESUD	: Agro-pastoral Development and Local Initiatives Promotion Programme for the South-East
SAU	: Superficie Agricole Utile
STU	: Socio-Territorial Unit

PART I - PROJECT CONCEPT

A - SUMMARY

- 1. Tunisia was among the first countries to sign the UNCCD, as early as 1995. The Government of Tunisia (GoT) has also ratified the UNFCCC and the UNCBD in 1993.*
- 2. Given the significance of desertification and land degradation processes. It is estimated that the total annual loss of agricultural lands due to erosion is around 23,000 ha, which results in an economic loss of US\$ 15 million (equivalent to 1% of economic productivity). The Government of Tunisia (GoT) completed its National Action Programme for Combating Desertification (NAP/CD) in 1998, through a highly consultative process. NAP/CD includes programmes addressing soil and water conservation, sand dune fixing, and reforestation. The GoT has also adopted its National Biodiversity Strategy and Action Plan (NBSAP) in 1998 and finalized its Initial National Communication (INC) to the UNFCCC in October 2001.*
- 3. NAP/CD was integrated in the Tenth Economic and Social Development Plan (2002-2006) to serve as a strategic framework for planning desertification control activities. Accordingly, and with a view to rendering the NAP/CD more effectively operational at both the regional and local levels, a coherent group of priority projects has been identified, with the support of the Global Mechanism (GM). The identified projects are consistent with the specific thrusts of NAP/CD, namely, the promotion of local development and complementarity of desertification control and poverty eradication activities, strengthening the participation of civil society, and the consolidation of studies, research and development work in the field of desertification control.*
- 4. Tunisia is endowed with an extensive set of legal and strategic plans which supports the instauration of SLM within the decision making process as well as in the implementation of national plans and activities. The 10-years Plans for the Conservation of Water and Soil (CWS) are the corner stone of SLM work in Tunisia. The CWS interventions are also tuned with the CWS law of 1995 which sets the legal framework for CWS plans. The recently revised Agriculture law of 2001-419 supports most investments and planning processes for SLM in Tunisia. Another major legal development related to SLM is the establishment of the Agence Foncière Agricole (AFA) in 1977 to support the implementation of the agricultural reform. The Code for Land-Use Planning (Law 122 of 1994), which establishes an inter-ministerial committee for land-use planning, calls upon the development of physical land-use plans. Other key policies and plans include the First National Inventory of Forestry and Rangelands of 1994, the National Strategy for Forests Developments for 2011, based on the Forestry Code, and the National strategy for the Conservation and Development for Wildlife and Protected Areas of 2001.*
- 5. Despite the comprehensive policies and plans covering SLM in Tunisia, on-the-ground implementation has been constrained by limited coordination among relevant stakeholders, both at central and local level, which reduced the Government's achievements towards its strategic orientations. Translation of national strategies and plans from central to local level is also a challenge facing the concerned stakeholders and preventing best use of available resources.*

6. *The GEF project entitled Support to Sustainable Land Management in the governorate of Siliana is in line with the NAP/CD strategy as the Siliana target area is witnessing an extensive erosion and land degradation process which is a cause and effect of poverty. It is estimated that around 60% of the total surface area in Siliana is affected by land degradation. Loss of vegetation cover, reduced soil fertility and loss of grazing areas have led to dramatic changes in the ecosystem structure and placed significant strain on the integrity of the ecosystems. The climatic and physical conditions, coupled with the local economic activities, increase land degradation. This in turn leads to further disruption of the Siliana landscape, in terms of loss of key regulatory environmental functions and biodiversity attributes, as well as erosion of economic and productive capabilities. This erosion process is occurring in both the mountain chains as well as in the agricultural areas. The impact of erosion on the vegetation cover is threatening a globally significant biodiversity and will also lead to further disrupting ecological functions and severely impeding the provision of ecological services, including that of carbon reservoirs.*

7. *The variation in altitudes in Siliana provides a rich natural heritage, composed mainly of the Pinus halepensis in the forest areas and shrub formations elsewhere. Other important varieties have been identified such as the red junipers, rosemary...Some species - which are rare in Tunisia - have been spotted in Siliana. These include the Acer monspessulanum, the Cystius villosus which had completely disappeared due to intensive grazing and was identified in the Nature reserve of Jebel El Serj. An important fauna also characterizes some areas in Siliana, such as fox, jackal, important reptiles and soaring birds. Despite its wealth of natural resources, there are clear signs that the integrity of the ecosystem in the Governorate of Siliana is being severely undermined. The forest area has been subject to extensive pressure from overgrazing, woodcutting and transformation into agricultural area. Overexploitation of the forest areas was estimated at 22% in 1996.*

8. *The impact of land degradation on the access and availability of significant water resources in the Siliana region, which is considered as “the water fortress” (Chateau d’Eau) of Tunisia has major consequences on the ecological as well economical well being of the future project area. The GEF increment will also support the identification of important linkages between SLM and water management, given that land degradation is addressed primarily through Conservation of Water and Soil strategies at national and local level. These linkages between land and water can be specifically tested and demonstrated in the case of Siliana given its hydro-geological conditions and the availability of water resources in this region as compared to other arid/semi-arid areas.*

9. *Effects of increasing land degradation and desertification processes are not only ecological. The productivity of agricultural lands and pastures is significantly affected by trends in land degradation. As a result of land degradation coupled with limited profitability of smallholder agriculture, on-farm income is not sufficient to sustain farmers. Social effects of land degradation have been equally negative, contributing to rural migration to urban areas, reduction in the rural workforces and closure of small and medium businesses, as well as subsistence farms. Populations density in vast areas have dropped in an otherwise already sparsely populated area. The population of Siliana is witnessing a negative growth with clear geopolitical constraints.*

10. *The GEF incremental funding through this project will ensure that land degradation and SLM are effectively mainstreamed in regional and local development plans reflecting thus national priorities. This will be facilitated through the establishment of a cross-sectoral*

coordination, vertically between the federal and regional stakeholders, and horizontally between the local level stakeholders. The GEF intervention will facilitate and ensure the integration of SLM principles in the “Projet de Développement Agricole Intégré” (PDAI II) in Siliana. It will also provide a show case for replicating the principles and tools of SLM in other integrated agricultural projects in Tunisia. The key features of cross-sectoral coordination, mainstreaming of SLM practices in regional and local planning, and replicability of the activities, shape the GEF intervention as an active interface for the harmonization of approaches supported by Government and donor agencies, to natural resources management and local development.

11. This immediate objective of the GEF project entitled “Support to Sustainable Land Management in the Siliana Governorate” is to remove barriers impeding the adoption of SLM practices in Siliana in combating land degradation, improving biodiversity conservation and reducing poverty. The project aims at mainstreaming SLM strategies into national and local development priorities, and strengthening cross-sectoral coordination. Institutional strengthening will specifically support land tenure and land-use planning systems which are essential for the adoption and implementation of SLM practices. Piloting, monitoring and reporting of SLM practices would be carried out to ensure community participation in integrated land use planning and in the process of optimizing efforts in the implementation of national and local plans.

12. The GEF project will complement (act as a component) of the Phase II of the PDAI in Siliana, which design is scheduled to be finalized and endorsed by the Government, Agence Française de Développement (AFD) and IFAD by the end of 2005. The overall goal of the full project (i.e. the baseline plus additional GEF activities) will be the sustainable improvement of the incomes and living conditions of the rural population of the governorate of Siliana. The full project will adopt a participatory local development approach that capitalizes on the governorates assets and regional complementarities. The full project would expand successfully proven techniques of land and water conservation to encompass a more holistic approach to sustainable land management practices, premised on social and economic development priorities identified by the local communities. The objectives of reducing land degradation and alleviating poverty would thus be mutually supportive and synergistic.

13. The project conforms closely to GEF’s Operational Strategy, the objectives and eligible activities under OP15, the strategic priorities of Targeted Capacity Building (SLM 1) and Implementation of Innovative and Indigenous Sustainable Land Management Practices (SLM 2). The GEF assistance will be consistent with on-going efforts to implement the NAP/CD, respond to the CCD’s approach for combating desertification and build upon the partnership building and resource mobilization activities supported by the GM.

14. Additional benefits would be biodiversity conservation through protecting ecosystem integrity and function, and mitigating climate change by promoting increased tree and vegetative cover. The project specifically links with the strategic priority of Mainstreaming Biodiversity in Production Landscapes and Sectors (BD2). Moreover, given the integrated and cross-cutting nature of this project, it will also closely link to the strategic priority of Generation and Dissemination of Best Practices for Addressing Current and Emerging Biodiversity Issues (BD4). Indeed, the project will provide an opportunity to improve

compilation and dissemination of best practice, to support building scientific and technical cooperation and to undertake demonstration projects that generate synergies.

15. Given the specificity of the Siliana region where land degradation is closely related to water management, and on-going national efforts promoting the adoption of an integrated approach for the conservation of water and soil, the incremental GEF funding will also pilot and demonstrate integrated approaches for land and water management which are intrinsically linked and how water management can address global environmental concerns for SLM.

16. The GEF project presents a major opportunity to address land degradation in a holistic manner in Siliana by complementing the PDAI II and other SLM related strategies and programmes. A range of barriers and constraints impede the implementation of a cross-sectoral approach for sustainable land management through the Siliana PDAI II. Some of these barriers also hinder global benefits within the context of sustainable development, such as those related to increased conservation and protection of biodiversity, increased carbon sequestration and reduced carbon dioxide emissions. In order to address these structural barriers underlying land degradation as well as the key constraints impeding the implementation of participatory cross-sectoral approaches for SLM in the Siliana region, the GoT requested IFAD's assistance for the preparation of a GEF-financed project to complement the MoA's Siliana PDAI II.

17. Under the GEF alternative scenario, baseline action would be complemented to incorporate a broader range of environmental considerations, namely in the design and implementation of the Siliana PDAI II. The GEF project will cover the same geographic area as the Siliana PDAI II to consolidate and sustain the tangible impact of the project. The incremental outcomes of the GEF project will be the following:

- Strengthening cross-sectoral coordination between all concerned stakeholders, at local and regional level*
- Supporting the implementation of existing land-use and land tenure systems and ensuring the adherence of smallholdings to urgent land regrouping needs*
- Addressing the NAP/CD priorities elaborated under the CCD framework and mainstreaming the NAP concerns and SLM in national, regional and local policies and in related sector frameworks*
- Promoting alternative livelihood options that are environmentally friendly within the framework of SLM*
- Establishing a comprehensive monitoring system as a basis for decision making and awareness raising for SLM practices*
- Supporting the replication and implementation of successful experiences and lessons learned for SLM practices into existing and future strategies and programmes*

18. The detailed and in-depth definition of the complementarities between the PDAI II and the GEF increment will be identified during the implementation of the PDF phase of the GEF project, which also coincides with the formulation and appraisal of the Siliana PDAI II. In order to inform the design of the Siliana PDAI II, a number of diagnostic studies will be undertaken to better articulate the mix of activities and operational framework of the PDAI and its GEF increment. The inception phase of the Siliana PDAI II has nonetheless already laid out the orientation of the project approach and components, and could thus provide indications of areas of complementarities with the GEF increment. The present document presents the key concepts of the GEF increment with the understanding that these will be further operationalized during the implementation of the GEF project PDF and during the Siliana PDAI II formulation phase.

B - COUNTRY OWNERSHIP

COUNTRY ELIGIBILITY

19. Tunisia was among the first countries to sign and ratify the CCD, as early as 1995. The GoT has also ratified the UNFCCC and the UNCBD in 1993.

COUNTRY DRIVENNESS

Tunisia's response to the CCD

20. Tunisia has been very active in combating land degradation and seeking international cooperation on this issue given the significance of *desertification* and land degradation in the country. It is estimated that a total annual loss of agricultural lands due to erosion is around 23,000 ha, which results in an economic loss of US\$ 15 million (equivalent to 1% of economic productivity). The Government of Tunisia completed its National Action Programme for Combating Desertification (NAP/CD) in 1998, through a highly consultative process. NAP/CD includes programmes addressing soil and water conservation, sand dune fixing, and reforestation.

21. The Focal Point for the CCD is currently the General Directorate for Environment and Life Quality of the Ministry of Environment and Sustainable Development (MESD). Under the auspices of the National Council for Sustainable Development (NCSD), an institutional framework has been established consisting of the National Committee for Combating Desertification and the National Coordination Unit (NCU). The Committee is a high-level policy body with both governmental and non-governmental membership. The NCU includes technical expertise from concerned government departments as well as academic experts and non-governmental organizations. Until recently, these organs have been ad-hoc and project related. Recently, the Government has taken steps to formalize the coordinating mechanism, through the establishment of the *Focal Structure*. The National Committee is complemented by regional desertification committees, which include local NGOs and professional organizations.

A national momentum for SLM under the commitments to the CCD framework

22. In September 2001, the (then) Ministry of the Environment and Regional Planning and the Global Mechanism organized jointly a national workshop for mobilizing resources and partners for the NAP/CD to ensure that the NAP would provide:

- a framework within which to establish, on a federal and integrated basis, strategies and policies for combating desertification both at the national level and for Tunisia's partners in development; and
- a platform for the planning exercise itself and for the preparation of five-year social and economic development plans.

23. Pursuant to the recommendations emerging from the workshop, the NAP/CD was integrated in the Tenth Economic and Social Development Plan (2002-2006) to serve as a strategic framework for planning desertification control activities. Accordingly, and with a view to rendering the NAP/CD more effectively operational at both the regional and local levels, a coherent group of priority projects has been identified. The projects so identified are consistent with the specific thrusts of NAP/CD, namely, the promotion of local development, complementarity of desertification control and poverty eradication activities, strengthening the

participation of civil society and the consolidation of studies, research and development work in the field of desertification control.

24. NAP programmes and projects are tailored to the differential strengths and weaknesses of the development process in areas affected by drought and desertification. The aim of the priority projects is to address identified constraints so that the investment allocated under the Ninth National Plan, and budgeted for under the Tenth National Plan, can be strengthened. Accordingly, the commitments pledged by the GoT as a result of the integration of the NAP/CD in the Tenth National Plan, and specifically Chapter 5 of this Plan, are equivalent to TD 47.8 million. This amount represents the aggregate cost of the projects identified for the implementation of the NAP/CD.

25. This budget is complemented by the investments earmarked by the Tenth National Plan in the framework of national sectoral strategies and national integrated programmes which address desertification from its wider aspects. These include natural resources protection strategies such as the strategies concerning conservation of water and soil, sylvo-pastoral strategies, and others. It is estimated that an average annual investment of around 91 million TD (equivalent to US\$65 million) is allocated to various programmes which contribute to combating desertification.

26. The 5-years National Plans accordingly ensure the mainstreaming of the desertification aspects within the budgetary allocations, to the various stakeholders involved in the NAP/CD implementation process. The allocations for such strategies within the 5-years National Plans have witnessed a continuous increase for the aspects related to desertification. As an example, allocations for the Conservation of Water and Soil have increased from TD 289 million in the Ninth National Plan to TD 329 million in the Tenth National Plan. It should be noted that the Government investments are also being used as a catalyst to leverage private investments, thus paving the way for increased cost sharing from the smallholder and private sectors.

A national momentum for SLM under the commitments to the Global Environment

27. Tunisia was one of the first countries to establish a National Council for Sustainable Development (NCSA) in 1993. The NCSA is chaired by the Prime Minister, and the Ministry of Environment and Sustainable Development hosts the Secretariat. Members of the NCSA include all concerned ministries and two non-governmental members. The Ministry of Economic Development, which takes the lead in the preparation and management of national development plans, is also a member of the NCSA. The NCSA oversaw the preparation of the Tunisian National Agenda 21 Programme (1995). This programme aimed to raise understanding and awareness of sustainability, and to ensure that national development plans and processes are environmentally and socially sustainable. The Tunisian Agenda 21 strongly recommended a broader participation in decision-making and in project execution, in particular a stronger and more active NGO sector.

28. There is an important biodiversity heritage in Tunisia: of the 870 species of plants that are rare, threatened or endemic in North Africa, about 150 occur in Tunisia, and several mammal species are endemic to North Africa. The GoT pays a significant importance to biodiversity conservation and sustainable use in its development efforts. With support from the WB/GEF, Tunisia completed its National Biodiversity Strategy and Action Plan (NBSAP) which was adopted by the Government in 1998. The NBSAP determines six priority programmes, setting timelines and identifying responsible parties. It covers a range of actions from large-scale infrastructure to strategic policy making and human resource development.

29. Tunisia is very vulnerable to *climate change*, due to its long and economically important coast (over 1300 km) and its dry climate. Greenhouse gas emissions are estimated at 3.3 tons of CO₂ equivalent per person for 1994, with the energy sector being the main contributor. With support from UNDP/GEF, Tunisia finalized its Initial National Communication (INC) to the UNFCCC in October 2001. The INC provides an inventory of GHG emissions and sinks, a brief analysis of vulnerability to climate change, and a description of past and potential measures to mitigate GHG emissions. A multi-sectoral national climate change expert team was established to oversee preparation of the National Communication. This team has since been upgraded into a permanent Committee; however its activities are limited.

30. Tunisia has also moved quickly to sign and ratify other global environment agreements, such as the POPs Convention, the Kyoto Protocol under UNFCCC, and the Cartagena protocol under the UNCBD.

A national momentum for SLM through Conservation of Water and Soil (CWS) Plans

31. In the mid-eighties, Conservation of Water and Soil (CWS) works were undertaken by the Direction Générale des Forêts (DGF) and were limited to public and forest lands. Upon the establishment of the Direction Générale de l'Aménagement et de la Conservation des Terres Agricoles (DG/ACTA), works were extended to private lands.

32. The DG/ACTA establishes its work plan according to 10-years plans for CWS, which have evolved towards a strategy for integrated development, ensuring a participatory approach to water and soil conservation work and addressing the long-term development needs for the region. The CWS plans are implemented at the local level by the CRDA and are supported by various other strategic and planning tools such as the "Plans d'Aménagement et d'Exploitation autour des points d'eau" (PAE) and "Plans d'Aménagement Participatifs" (PAP) which define the areas of intervention and ensure the integration of water management in the CWS planning and implementation process, through a participatory approach. The CWS interventions are also tuned with the CWS law of 1995 which sets the legal framework for CWS plans.

33. The National Strategy for CWS was also elaborated in the aim for addressing land degradation in an efficient manner and optimizing surface waters. The National Strategy is based on the integration of CWS in agricultural development activities and on the participation of beneficiaries in the implementation of CWS activities. The CWS plans aim at the following:

- Conservation of the water and soil heritage
- Protection of downstream investments, specially hydraulic infrastructures
- Improving agricultural revenues of rural populations
- Ensuring economic feasibility of the Government's investments

Complementary strategies and plans for SLM in Tunisia

34. Tunisia is endowed with an extensive set of legal and strategic plans which supports the instauration of SLM within the decision making process as well as in the implementation of national plans and activities. A recently revised Agriculture law of 2001-419 supports most investments and planning processes for SLM in Tunisia. Other laws were also issued for simplifying the involvement of beneficiaries and local groups in the agricultural sector in general and in forestry in specific (Associations Forestières d'Intérêt Collectif).

35. Another major legal development related to SLM is the establishment of the Agence Foncière Agricole (AFA) in 1977 whose responsibilities were reviewed in 2000, to support the implementation of the agricultural reform and to cover both public and private lands with

agriculture potential, irrigated and non-irrigated. Another law that should also be noted at this level is the Code for Land-Use Planning (Law 122 of 1994) which establishes an inter-ministerial committee for land-use planning and call upon the development of physical land-use plans by the Ministry in charge of Land-Use planning and in close coordination with all concerned line Ministries and local authorities.

36. The above legal instruments are supported by a wide range of appropriate strategies and plans. The first national inventory of forestry and rangelands launched in 1989 and finalized in 1994 provides an exhaustive overview of the forest and rangelands situation in Tunisia. Plans are currently underway to update both inventories. Tunisia has developed its National Strategy for Forests Developments for 2011, based on its Forestry Code, and is considered as the planning tool for forests and rangelands in Tunisia. The DGF is in charge of the development and monitoring of this plan, while the CRDA ensures implementation at local level. Tunisia has also developed in 2001 its National strategy for the Conservation and Development for Wildlife and Protected Areas in Tunisia.

An opportunity for integrating SLM and global environmental issues in national plans

37. Tunisia has eagerly ratified the CCD and effectively moved to prepare the institutional environment for its application by completing plans and fulfilling reporting obligations. Tunisia can be considered to be currently endowed with a comprehensive and fairly developed set of instruments at system level for addressing SLM at cross-sectoral level. Notwithstanding, on-the-ground implementation has been constrained by limited coordination among relevant stakeholders, both at central and local level, which reduced the Government's achievements towards its strategic orientations. Translation of national strategies and plans from central to local level is also a challenge facing the concerned stakeholders and preventing best use of available resources.

38. GEF incremental funding through this project will ensure that a cross sectoral coordination is in place to mainstream land degradation and SLM in regional and local development plans reflecting thus the national priorities. The GEF intervention will facilitate and ensure the integration of SLM principles in the second phase of the "Projet de Développement Agricole Intégré (PDAI II)" in Siliana. It will also provide a show case for replicating the principles and tools of SLM in other integrated agricultural projects in Tunisia. The key features of cross-sectoral coordination, mainstreaming of SLM practices in regional and local planning, and replicability of the activities, shape the GEF intervention as an active interface for the harmonization of approaches - supported by Government and donor agencies - to natural resources management and local development.

39. The GEF project will also contribute to the overall objectives of NEPAD of eradicating poverty among all countries in Africa, and place the countries on a path of sustainable growth and development and at the same time to participate actively in the world economy and body politics. The project is fully in line with NEPAD's Environment Action Plan for the first decade of the 21st century and fits its thematic programme for Combating Land Degradation, Drought and Desertification. The thematic workshop on desertification for finalizing the Environment Action Plan, which was held in Algiers in January 2003, confirmed the importance of initiating projects within the NEPAD countries under the framework of UNCCD. Among the priority programmes initiated in Tunisia in this framework is the establishment of a National Observatory for Land Degradation, which will be closely supported by the activities proposed within this GEF project.

C – PROGRAM AND POLICY CONFORMITY

1. PROGRAM DESIGNATION AND CONFORMITY

40. This GEF project proposal entitled “Support to Sustainable Land Management in the Siliana Governorate” aims at mitigating the causes and effects of land degradation on rural livelihoods and on the structure and functional integrity of ecosystems. It proposes to do so through institutional strengthening and sustainable land management interventions. The project will involve mainstreaming SLM strategies into national and local development priorities, and strengthen cross-sectoral coordination as well as piloting, monitoring and reporting of SLM practices to ensure participatory involvement in integrated land use planning and optimization of efforts in the implementation of national and local development plans.

41. The GEF project will complement the Phase II of the “Projet de Développement Agricole Intégré (PDAI)” in Siliana, which design is scheduled for completion in 2005, and which will be financed by the Government of Tunisia, beneficiary communities and loans from the AFD and IFAD. The overall goal of the full project will be the sustainable improvement of the incomes and living conditions of the rural population of the governorate of Siliana. This will be based on a participatory local development approach that capitalizes on the governorates assets and regional complementarities. The full project (i.e. the baseline plus additional GEF activities) would expand successfully proven techniques of land and water conservation to encompass a more holistic approach to sustainable land management practices, premised on community priorities. The objectives of reducing land degradation and alleviating poverty would thus be mutually supportive and synergistic.

42. The project conforms closely to GEF’s Operational Strategy, the objectives and eligible activities under OP15, and the strategic priorities of Targeted Capacity Building (SLM 1) and Implementation of Innovative and Indigenous Sustainable Land Management Practices (SLM2).

43. The GEF assistance will be consistent with on-going efforts to implement the NAP/CD, respond to the CCD’s approach for combating desertification, and build upon the partnership and resource mobilization activities supported by the Global GM.

44. Additional benefits would be biodiversity conservation through protecting ecosystem integrity and function, and mitigating climate change by promotion of increased tree and vegetative cover. The project specifically links with the strategic priority of Mainstreaming Biodiversity in Production Landscapes and Sectors (BD2) as it puts significant emphasis on fostering broad based integration of biodiversity conservation through capacity building and demonstration. Specific project activities will be dedicated to facilitate the mainstreaming of biodiversity within production systems, develop market incentive measures and demonstrate replicable pilot projects.

45. Moreover, given the integrated and cross-cutting nature of this project, the project will also closely link to the strategic priority of Generation and Dissemination of Best Practices for Addressing Current and Emerging Biodiversity Issues (BD4). The project will provide an opportunity to improve the compilation and dissemination of best practices, support the building of scientific and technical cooperation as well as undertake demonstration of initiatives that generate synergies.

46. Given the specificity of the Siliana region where land degradation is mostly due to water erosion as a result of torrential rain and the nature of the soil and landscape, and where national efforts are on-going for the adoption of an integrated approach for the conservation of water and soil, the incremental GEF funding will also pilot and demonstrate integrated approaches for land and water management which are intrinsically linked and how water management can address global environmental concerns for SLM.

2. PROJECT DESIGN

PROBLEM STATEMENT

47. The Governorate of Siliana covers an area of 464,200 ha, and a total population of 253,481 inhabitants in 1999, of which 67% is a rural population. Its economy remains predominantly agriculture-oriented although a trend towards diversification is observed. Approximately, 66% of its total land surface is cultivated. Its land tenure situation is characterized by unequal distribution: 8% of farmers own more than 50% of the land whereas 44 % of smallholders cultivate less than 2 Ha.

48. Off- farm employment for women resides in the service sector and textile industries, located within Siliana or in the coastal areas (2 hours by car). For men, off-farm opportunities lie in the service sector and the construction business.

Poverty situation in Siliana

49. Although Tunisia has achieved remarkable results in terms of poverty reduction during the last two decades thanks to appropriate social and economic planning - as demonstrated by the drop in poverty rate from 22% to only 4.2% of the total population, regional disparities do exist: the geographic areas located in the Center and South of the country are among the most disadvantaged in terms of access to social services and economic opportunities. These areas rely mostly on a combination of agriculture and remittances (as is the case in the South East) or agriculture and seasonal or low skilled employment (as is the case in Siliana).

50. Poverty rates in Siliana were derived from the statistics available within the social welfare programme, Fonds National de Solidarité, whereby 12 to 24% of the population of Siliana receives some form of social welfare. The variation in ratio may be due to the precarity caused by the cyclical phenomena of droughts. Poverty is attributed to a number of causes:

- (i) limited productivity of the land resources due to erosion or drought, and slow uptake of land and water conservation techniques;
- (ii) limited water resources thus capping the development and expansion of irrigated agriculture;
- (iii) non viable smallholdings and limited land titling which excludes smallholders from accessing credit and incentives allocated by the GoT;
- (iv) weak organization of rural population leading to a loss of opportunities to valorize production activities, reduce production costs, and mobilize additional private investments; and.
- (v) reliance on Government welfare services in the form of social assistance, due to unemployment of young girls and boys or low skilled temporary employment.

Poverty and environmental situation in project area

51. Poverty as measured by frequency of smallholdings, number of households on social welfare, and access to basic services, is higher in the Southern region of the governorate of

Siliana, which encompasses the following districts, Siliana Janoubia, Makthar, Rouhia, Kesra, Bargou. This area is among the most vulnerable to land degradation, and has thus largely benefited from the investments in soil and water conservation made under the first phase of the Siliana PDAI. These areas have been prioritized for additional support during the second phase of the PDAI.

52. The main characteristics of the Southern region of Siliana are the following:

- predominantly rural population which accounts for 63% of the total population of the governorate;
- the agricultural sector employs between 24% and 44% of the active population;
- adverse socio-economic conditions in form of high unemployment rate (between 16% and 26%), high illiteracy rates (55% in Rouhia, 51% in Kesra), large presence of poor households and high population density (100 inhabitant/km² in Kesra);
- significant asset build up over the past decade in terms of development of basic infrastructure, availability of a rich natural heritage which could serve as a basis for ecologically viable pilot activities, opportunity of market niches for typical products of the area, diversification of economic opportunities around the irrigation schemes.

53. The project area extends over two different morphological units and is therefore characterized by different geological and climatic conditions (see Annex 1 for a map of the Siliana Governorate); and includes the following:

- (i) a mountainous zone, represented by the “Tunisian Ridge” (la Dorsale Tunisienne) extending from the South West in Bargou to the North East in Rouhia, going through Kesra. The mountain summits reach as high as 1400m. This area has a high erosion potential which negatively affects the productivity of lands situated upstream and threatens the life span of hydro-agricultural (dams) infrastructures situated downstream,
- (ii) a steppe zone, situated in the footsteps of the ridge towards the South of Kesra and Rouhia. It also includes a large alluvial plain of Rouhia, which is 15Km long and 10 Km wide and is considered a collection basin. This zone is also affected by strong erosion processes, which results in large amounts of sediments flowing into the rivers and streams of the area.

CAUSES OF LAND DEGRADATION AND ITS EFFECTS IN SILIANA

1. Climatic conditions and water resources:

54. These mountain chains constitute one of the most important watershed basins in Tunisia (among the largest in the country). The rates of rainfall are very varied and can reach 325 mm/yr in the Southern area (steppes of Rouhia) and 633mm/yr in the mountainous area (Bargou). The average annual rainfall is 300-500 mm/yr. The area is characterized by heavy torrential rains leading to violent surface run-off in the oueds causing extensive erosion and siltation of water retention ponds and reservoirs. It should also be mentioned that the area has witnessed drought seasons, which left rain-fed agriculture under immense pressure. It is estimated that in the upper areas, an alternation of 3 rainy years, 3 dry years and 4 average years occur. In the lower areas, the conditions are even more difficult and the alternation is estimated to be over 10 years with 4 rainy years, 4 dry years and 2 average years.

55. Surface water sources are estimated at around 140Mm³, of which 95Mm³ are stored in dams (Siliana and Lakhmas) and a dozen of retention reservoirs. Underground water sources are estimated at around 38Mm³. The water balance is specifically affected by the region’s semi-arid

climate and high evaporation rates, which are coupled with hot and dry wind from the South during the hot season.

2. Physical conditions:

56. **The geological formations** of the mountain chains in the area which are characterized by high altitudes and steep slopes contribute to a large erosion phenomenon in the area, including effects of surface run-off. The Governorate of Siliana is characterized by high altitude mountainous chains located mainly in the South of the Governorate (reaching up to 1320m). In the Center and North of the Governorate, altitudes are less predominant (700-800 m) but the area is characterized by very steep slopes. An overall representation of the slopes in the Governorate can be presented as follows:

Weak slope (less than 5%)	51%
Medium slopes (between 5-10%)	31%
High slopes (over 10%)	18%

57. It should also be noted that plains are also subject to significant erosion due to short transition zones between the mountains and the plains, in a way that violent surface run-off have direct contact with the plains and cause inundation and erosion of these fertile plains. The geologic formations and the nature of the soil, which is partly composed of soft formations (clay), render it subject to extensive erosion, and the rocky surfaces allow the collection of waters and creation of excavations in the watershed basins.

58. **Vegetation cover and natural resources.** Forests and rangelands constitute 30% of the total area of the governorate, of which 77,000 ha are forest areas providing an adequate vegetation cover, and 60,000 ha of rangelands of which over 60% are considered to be extensively degraded. While the vegetation cover could have allowed protection from erosion, the vegetation cover in Siliana can be considered as fairly poor thus accelerating the erosion process. In fact, 2/3 of the forests represents a vegetative cover of less than 50% and is subject to extensive erosion. Moreover, over exploitation of pasture areas and the lack of vegetation in agricultural areas in the autumn season which correspond to heavy rains, also contribute to soil erosion.

59. The variation in altitudes in Siliana provides rich natural heritage, based mainly on the *Pinus halepensis* in the forest areas and shrub formations elsewhere. Other important varieties have been identified such as the red junipers, rosemary... Some species which are rare in Tunisia have been spotted in Siliana, these include the *Acer monspessulanum*. The *Cystius villosus* which had completely disappeared due to intensive grazing was also identified in the Nature reserve of Jebel El Serj. An important fauna also characterizes some areas in Siliana, fox, jackal, important reptiles and soaring birds were also identified in the area.

60. Despite its wealth of natural resources, there are clear signs that the integrity of the ecosystem in the Governorate of Siliana is being severely undermined. The forest area has also been subject to extensive pressure from overgrazing, woodcutting and transformation into agricultural area. Overexploitation of the forest areas was estimated at 22% in 1996.

3. Socio-economic conditions,

61. **Parceling/fragmentation of agricultural exploitations:** the predominance (63%) of small scale exploitations (less than 10 ha) which represent only 14% of the total agricultural areas, constitutes a major constraint for most rehabilitation works for the conservation of water and soil in the area. The fragmentation of smallholding to small units render smallholder farming a non viable enterprise which income is insufficient for subsistence. Smallholders have to then resort to manual off-farm income and to migration. The limited viability of smallholder agriculture means that there is limited incentive to adopt agricultural and livestock practices that are environmentally friendly.

62. **Agricultural practices.** Erosion has been greatly exacerbated by inappropriate agricultural practices such as plowing in the same direction, and by the horizontal expansion of agriculture onto high erosion risk areas. Land-use of the Siliana region has been assessed as part of the National Plan for the CSW and has indicated that 66% of the total surface area of the Governorate is considered as Agriculture Used Area or Superficie Agricole Utile in French (SAU).

63. A total of 84% of the SAU is dominated by cereals. On the other hand, forage only represents 11.5% of the agricultural production, which is very poor and explains the deficit in forage needs of 25% witnessed in the area and an extensive overgrazing of rangelands. Moreover, irrigated agricultural areas constitute only 4% of its total agricultural production which is very poor given extensive water resources in the region.

64. **Overgrazing.** An important livestock of 584000 head based on a system of extensive grazing. The feeding is done mainly through direct pasture, leading to extensive exploitation of rangelands and their disruption. It is estimated that rangelands provide around 25% of required fodder resources through grazing.

4. Institutional conditions

65. Tunisia has engaged in a formidable soil and water conservation programme: 50% of land was protected in the past 10 years. The programme was supported by Government funding and has enabled the transformation of the local production systems from cereal production to a diversified cereal and orchard system, with improved husbandry in the livestock and forestry sectors. The economic impact of such programmes however takes time to materialize, as assessed by the various integrated agricultural development projects.

66. The uptake of soil and water conservation however by farmers remains limited and the soil and water conservation programme is still very much Government initiated and driven. The reasons for this are as follows:

- limited coordination among stakeholder agencies, already at the regional level, and between the regional and the central level thus maintaining a sectoral and technical approach to soil and water conservation;
- the priority given to a conservation perspective in land management that may not be consistent with dynamic and diversified livelihood strategies. This leads to limited adoption of land conservation techniques, and further reinforces the notion that land degradation is a state and central level responsibility;

- limited land titling which prevents smallholders from accessing certain agriculture development programmes;
- recent introduction of land use planning. Yet challenges remain to ensure ownership and adherence of local stakeholders to land use planning;
- limited communication of information for decision making and awareness raising due to limited sharing of the information, limited feedback loops to communicate the results of monitoring and evaluation so that the work processes and objectives could be adjusted accordingly.

Impact of land degradation in Siliana

67. Erosion and land degradation are an imbedded constraint for the economic development of the Siliana area, and contribute to poverty. The latest 10-years Plan for the Conservation of Water and Soil (CWS) estimated that around 60% of the total surface area in Siliana is affected by land degradation. The impact of land degradation is not only ecological but has also social effects.

68. Loss of vegetation cover, reduced soil fertility and loss of grazing areas have led to dramatic changes in the ecosystem structure and place significant strain on the integrity of the ecosystems in Siliana. The climatic and physical conditions, coupled with the local economic activities, increase land degradation, reduce land and agricultural productivity which in turn lead to further fragmentation of the Siliana landscape, both in the mountain chains as well as in the agricultural areas. The impact of erosion on the vegetation cover is threatening a globally significant biodiversity and will also lead to further disrupting ecological functions and severely impeding the provision of ecological services, including that of carbon reservoirs.

69. Tunisia has engaged in supply driven water development policies in order to master various water run-offs and underground water resources. These investments in form of dams/ retention ponds are now threatened by siltation as a result of soil erosion. The impact of land degradation on the access and availability of significant water resources in the Siliana region, which is considered as “the water fortress” (Chateau d’Eau) of Tunisia has major consequences on the ecological as well economical well being of the future project area.

70. Effects of the increasing land degradation and desertification processes are not only ecological. The productivity of agricultural lands and pastures is significantly affected by land degradation trends. With lowered profitability and increased degradation, agriculture is not capable of providing sufficient source of income to the farmers. Social effects have been equally negative with rural migration to urban areas, reduction in the rural workforces and closure of small and medium businesses, as well as subsistence farms. Population’s density in vast areas has dropped in this already sparsely populated area. The population of Siliana is witnessing a negative growth with clear negative geopolitical implications.

BASELINE SCENARIO

71. The region of Siliana has historically been considered as a priority zone for CWS works. Several generations of projects were implemented to halt erosion in the watershed, improve land productivity and protect existing infrastructure downstream (city of Kairouan, roads, irrigated areas, dams/ retention ponds) against flooding. In this respect, 3 important dams were built, which among other, were used for surface water retention purposes. However the life span of the water dams was reduced due to sediment accumulation originating from the watershed.

72. The 10-years CWS plan for Siliana for 1990-2000 had aimed at intervening at the level of 100,000 ha situated in watersheds, protecting and maintaining existing CWS works over 120,000 ha, conducting 100 interventions for underground water recharge and 120 retention ponds. The 10-years CWS Plan for Siliana for 2000-2010 has identified the need to intervene at the level of 135,000 ha of areas vulnerable to land degradation which have not been addressed yet by previous CWS efforts. This area constitutes around 29% of the total surface area of the Governorate of Siliana. It should be noted that the 10-years CWS Plan also includes a detailed land-use map of the Siliana region based on the agricultural map of the area. A land erosion map is also provided in the 10-years CWS Plan, in order to best identify priority action.

Projet de Développement Agricole Intégré (PDAI) in Siliana

73. Tunisia's efforts integrated and participatory development including the conservation of water and soils and vegetation cover are translated at local level in Siliana through its CRDA budget allocation, which is equivalent to around US\$ 8 million /year. This is further supported by various donors' support through loans and grants for integrated agriculture development projects. The main programme for supporting national and local efforts for integrated agricultural development in Siliana has been the first phase of the PDAI of Siliana.

74. The first phase of this project was initiated in 1997 as part of the national and regional strategy of soil and water conservation and rural poverty reduction, and aimed at improving the production and revenue potential of small agricultural holdings as well as the basic infrastructure available to poor populations, in 70% of the territory within the Governorate of Siliana. The total project budget is around US\$ 40 million financed mainly by the GoT, IFAD and AFD. To meet these challenges, the project called for investment components involving natural resources management with priority given to soil and water conservation works and harnessing water resources, as well as components to create and strengthen capacities among development institutions and smallholders. Major project components addressed soil and water conservation (28,000 ha), forestry and pasture development (pasture plantings on private and collective land and agro-forestry activities), agricultural development of 10,000 smallholdings (promotion of fruit tree cultivation and rehabilitation of irrigated perimeters), upgrading of basic infrastructure (drinking water and desert trails) and support for women's and community-based development. The target group comprised 12,000 families, including 10,000 smallholders and 2,000 young households

75. The Interim Evaluation of the first phase of the Siliana PDAI recommended the continuation of the project into a second phase in order to consolidate the achievements and to deepen their development impact. The investments undertaken are significant and an estimated 5-10 years are needed for the benefits to fully materialize and to make a dent on poverty. The main features of the second phase of the project are therefore to continue to preserve the land and water base, while valorizing the new production potential of the area. From a poverty reduction perspective, the continuation of the second phase would also provide the GoT with the instruments for effecting the transition from a Government driven development effort to the public-private partnership formula currently being advocated for taking advantage of the liberalization of the economy, its integration in the European market and the increasing emphasis put on private and local development initiatives

76. The second phase of the Siliana PDAI is expected to be initiated in early 2006 with a budget of around US\$30 million and duration of 6-7 years. Its overall goal will be the sustainable improvement of the incomes and living conditions of the rural population of the governorate of

Siliana. This will be premised on a participatory local development that capitalizes on the governorates assets and regional complementarities. More specifically, the project objectives will be: i) to improve the profitability of agricultural smallholders; ii) increase the employment opportunities of the most vulnerable population, in particular young women and men, landless household and women-headed households; and iii) enhance the institutional development by strengthening the rural grassroots organizations and the local consultation mechanisms between the population and the administration.

Other interventions supporting SLM in Siliana

77. Several other key programmes are also intervening in Siliana to respond to the challenges for integrated participatory development, CWS and conservation of the vegetative cover. These include the following:

- Programme for the “Conservation des Eaux et des Sols dans les Gouvernorats de Kaiouan, Siliana et Zaghouan”, co-funded by the Italian Government and implemented through FAO
- Programme for the «Développement Intégré et de Gestion des Ressources Naturelles» (DRI/GRN) co-funded by the European Union
- Office de Développement Sylvo-Pastoral du Nord-Ouest (ODESYPARO), co-funded by the World Bank
- Project for «Mise en place d’un système national de suivi-évaluation du programme d’action de lutte contre la désertification», co-funded by the European union and implemented by the Observatoire du Sahara et du Sahel (OSS).

Gaps in the Baseline- Barriers to Sustainable Land Management

78. The current generation of integrated agriculture development projects is area and livelihoods based, and promote principally a participatory approach to land and water conservation that involves communities in the planning, implementation and maintenance of the works, in the creation of alternative land uses and alternative income opportunities. Although the projects have an important capacity building component to local organizations whether government or grassroots, gaps do exist at the institutional level and the GEF investment will attempt to bridge these gaps.

79. The barriers which hinder full adoption of sustainable land management required to address the causes for land degradation in the Siliana region and reduce the desertification process are briefly listed below and will be further assessed and detailed during project preparation activities.

80. Limited coordination among stakeholder agencies, at the regional level, and between the regional and the central level. It is strongly believed that weak cross-sectoral coordination processes, both at central and local levels, and lack of a clear articulation and linkages between the strategic and operational processes for integrated agricultural development in general and SLM in specific constitute the main constraint to the adoption of SLM approaches. Deficiencies in coordination among all concerned institutions, as well as limitations in synergies and complementarities among institutions and their activities, both at central and local level are considered a major barrier to make best use of on-going efforts for SLM and consolidate these efforts in long-term plans and programmes.

81. The priority given to a conservation perspective in land management that may not be consistent with dynamic and diversified livelihoods strategies. Smallholders are thus slow to adopt soil and water conservation techniques without government incentives and they are

unclear about the maintenance of the works. This further reinforces the notion that land degradation is a state and central level responsibility.

82. Deficiency in land-use planning and land tenure regimes. The legal and institutional set-ups for land-use planning and land tenure procedures are well developed in Tunisia. They are mainly implemented through the agricultural reform as recently promulgated in 2000 and its institutional arms, namely the General Directorate for Legal issues and Land Tenure (DGLLT) and the Agence Foncière Agricole (AFA) and their respective decentralized representation. The national programme for agricultural reform and restructuring of land tenure calls upon the establishment of land regrouping conventions among concerned owners to proceed with any regrouping initiative. Major challenges are however faced to ensure ownership and adherence of local stakeholders to the land regrouping conventions. The situation is specifically difficult in the case of the Siliana region where small scale exploitations (less than 10 ha) are predominant (63%) while the prerequisite for establishing regrouping conventions is the adherence of at least 75% of the population and a minimal surface area of 1,000 ha. This situation results in continuing parcelling of the properties and lack of clear property rights. This in turns adds to the economic constraints of smallholdings, as the limited land titling excludes smallholders from accessing credit and incentives allocated by the GoT.

83. Limited communication of information for decision making and awareness raising. In general, the information is not shared; there are no feedback loops to communicate the results of monitoring and evaluation so that the work processes and objectives could be adjusted accordingly. Although efforts in land and water conservation have been phenomenal, with 50% of land protected in 10 years, the institutional conditions raise concerns about the sustainability of these works and their appropriation by the local population.

84. Some information gaps for decision making and awareness also occur: there is insufficient quantitative data on the status and trends of natural resources, impeding the full assessment of desertification problems and the quantification of losses to society from these. Although some programmes carry out isolated monitoring of environmental variables, there is no specific, coordinated system at the regional level to assess desertification dynamics. The absence of a comprehensive monitoring system seriously limits the application of adaptive management based on early detection of negative impacts. This limits decision-making, both at a local level to correct or mitigate the impact of current practices, and at a regional level to define land use policies. Adequate communication of the information at local level is also impeding awareness and responsibility of local stakeholders towards the protection of their ecosystem and long-term sustainability.

85. Limited experience in alternative land uses and indigenous knowledge for SLM. Although some promising examples exist for alternative land uses through the Siliana PDAI I, these have been tested in restricted areas limiting the soundness of the recommendations for all bio-zones, or in alternatives for which research has been minimal. There is lack of investment in indigenous knowledge and traditional practices, which can provide an opportunity to strengthen and expand different mechanisms for conserving ecosystem integrity in areas with high biological and cultural value. The possibility of using protected areas for alternative land uses, particularly low productive areas, has not been explored either.

INCREMENTAL REASONING

86. The second phase of the Siliana PDAI project builds upon the experience and lessons learned from the first phase of the project as well as a wide range of policies and programmes which contribute significantly to improving livelihoods and addressing land degradation. The Siliana PDAI II maintains an area and livelihood focus, and would then have a limited role in the design and implementation of activities supporting cross-sectoral approaches to land management that would otherwise take into account global environmental values and institutional frameworks, including incentives for incorporating global environmental concerns into the actions of public and private stakeholders.

87. With an increasing tendency to decentralise development programming, the time is opportune to consider the development of an integrated cross-sectoral programming platform for operationalizing Tunisia's legal and policy commitments to sustainable land management. The on-going and forthcoming agricultural integrated projects such as the Siliana PDAI II could then serve as vehicles for testing combined approaches of sustainable land management and poverty alleviation.

88. A range of barriers and constraints (as indicated above) hinder the full adoption of sustainable land use management that would be required to reduce the process of desertification in the Siliana region through the PDAI II and other SLM related strategies and projects. Some of these barriers also impede the generation of global benefits within the context of sustainable development, such as those related to increased conservation and protection of biodiversity, increased carbon sequestration and reduced carbon dioxide emissions.

89. In order to respond to these barriers, the GoT requested IFAD's assistance for the preparation of a GEF-financed project to complement the MoA's Siliana PDAI II.

90. Under the GEF alternative scenario, baseline action would be complemented to incorporate a broader range of environmental considerations into the Siliana PDAI II. The GEF project will intervene in the same area identified by the Siliana PDAI II to ensure complementarities with the PDAI intervention and provide tangible impact in the same geographical area. The incremental outcomes of the GEF project will be the following:

- Strengthening cross-sectoral coordination between all concerned stakeholders, at local and regional level
- Supporting and optimizing the implementation of existing land-use and land tenure systems and ensuring the adherence of smallholdings to urgent land regrouping needs
- Addressing the NAP/CD priorities elaborated under the CCD framework and mainstreaming the NAP concerns and SLM in national, regional and local policies and in related sector frameworks
- Promoting alternative livelihood strategies that are environmentally friendly to demonstrate pilot activities which contribute to SLM
- Establishing a comprehensive monitoring system as a basis for decision making and awareness raising for SLM practices
- Supporting the replication and implementation of successful experiences and lessons learned for SLM practices through existing strategies and programmes

91. The GEF increment will therefore address the economic, social and environmental impacts of desertification processes in the Siliana region, which is negatively affecting its fragile economy, undermining its productive potential, and contributing to already high unemployment rates and poverty in the region. Global environmental benefits will emanate from addressing a range of factors negatively affecting ecosystem integrity (structure and services). The project will be able to significantly reduce the extensive soil erosion phenomenon in mountain chains in the area which is characterized by high altitudes and steep slopes. Erosion and loss of nutrients will also be reduced in the plains where short transition zones between the mountains and the plains result in violent surface run-off directly contact the plains and cause inundation and erosion of these fertile plains. Over-exploitation of the forest areas and pressure from overgrazing, woodcutting and transformation into agricultural area will be significantly reduced and will contribute to conservation of significant biodiversity and reduced erosion due to the protection of the vegetative cover and increase carbon sequestration.

92. Similarly, proper management of agricultural areas and rangelands (of which over 60% are considered to be extensively degraded) will also allow protection of the vegetative cover; reduce erosion and increase carbon sequestration. By supporting improved land use planning and land tenure, the viability of smallholder agriculture will be improved and the potential for adopting environmentally friendly agricultural and livestock practices will also be possible, hence significantly supporting the global environment.

93. The GEF increment will also support the identification of important linkages between SLM and water management, given that land degradation is addressed primarily through Conservation of Water and Soil strategies at national and local level. These linkages between land and water can be specifically tested and demonstrated in the case of Siliana given its hydro-geological conditions and the availability of water resources in this region as compared to other arid/semi-arid areas.

94. In the absence of GEF intervention, the GoT will take important action to address this situation through its regular programme and the Siliana PDAI II to be funded in part by IFAD. This programme will naturally focus on addressing the social and economic consequences of land degradation but within a framework that does include certain elements for environment protection. However, this will not reduce desertification processes to the extent required to restore or conserve ecosystem integrity across this vast region.

95. The detailed and in-depth definition of the complementarities between the PDAI II and the GEF increment will be undertaken during the implementation of the PDF phase of the GEF project which also coincides with the formulation and appraisal of the Siliana PDAI II. In preparation of the PDAI formulation, a number of diagnostic studies will be undertaken and include the socio-economic impact of the soil and water conservation works; effectiveness of the technical and financial support system for small and micro-enterprises and poverty assessment in the project area. These studies will support the articulation of activities under both PDAI and its GEF increment. The inception phase of the PDAI has however already identified an initial orientation of the PDAI project approach and components, which can provide indications of areas of complementarities with the GEF increment.

96. An initial comparison of both projects outcomes and their relation to GEF's priorities are presented in the table below. This table constitutes the basis of the Incremental Cost Matrix which will be developed at a later stage. The GEF project expected outcomes, outputs and

activities are also detailed below and will be further elaborated in the PDF implementation phase.

97. Complementarities between the PDAI and the GEF increment and relevance to GEF's strategic priorities

Baseline outputs	GEF increment outputs	GEF SPs
1. Establish an enabling environment for mainstreaming sustainable land management at central and local levels		
Capacity building of the CRDA to adapt to new economic opportunities Capacity building of rural organization Strengthen coordination mechanisms and participation at local level	Promoting methods and systems for the participation and cross-sectoral coordination, information management and sharing among all concerned stakeholders in SLM	SLM1
Provide technical assistance to the local banking organizations	Provide an enabling institutional set-up to support the mainstreaming of SLM and the NAP/CD priorities in central, regional and local plans and related sector frameworks	SLM1
Improve rural organizations' representation of the various socio-economic groups, women and men	Ensure that the rural organization play an active role in the implementation of land-tenure and land-use management systems and the use of SLM tools	SLM1
2. Halt land degradation through agreed incremental on the ground investments and the promotion of alternative livelihood strategies that are environmentally friendly		
Strengthening the agricultural and non-agriculture potential of the area and the rural infrastructures Set up of an enabling system of technical and financial assistance to entrepreneurs Provide district wide investments to facilitate market transactions and generation of local value added	Demonstration pilots for alternative agriculture practices providing an opportunity for testing SLM approaches and improving livelihoods	SLM2 BD2
Expansion of the soil and water conservation works with comparatively larger resources allocated to extension and applied research Incorporate animal nutrition and veterinary care to develop livestock husbandry as an important coping mechanism for the smallholders and landless Marketing chain analysis of key products, opportunities and constraints for small and micro-enterprises	Demonstration projects for conserving and restoring critical vegetative cover in forests and rangelands and diversifying revenues	SLM2 BD2
3. Build and share knowledge and innovation for combating desertification and adopting sustainable land management practices.		
	Monitoring of land degradation and its impacts	SLM1
Increase outreach of community organizations	Consolidation of lessons learned and communication of results	SLM1 BD4

PROJECT OBJECTIVES

98. *The development objective* of the GEF Project Alternative is to reduce poverty and enhance livelihoods through the adoption of integrated and sustainable land management.

99. *The immediate objective* of the GEF project is to remove barriers impeding the adoption of SLM practices in Siliana in combating land degradation, improving biodiversity conservation and reducing poverty.

EXPECTED OUTCOMES, OUTPUTS AND ACTIVITIES OF THE FULL PROJECT

1. Establish an enabling environment for mainstreaming sustainable land management at central and local levels

1.1. Promoting methods and systems for the participation and cross-sectoral coordination, information management and sharing among all concerned stakeholders in SLM

100. GEF funding will support necessary institutional strengthening activities for promoting cross-sectoral coordination, and will respond to necessary capacity constraints for ensuring synergies among existing institutions to respond to the CCD in Tunisia. The GEF funding will ensure necessary support for coordination among the various national and local stakeholders, at the strategic and operational level to effectively articulate linkages and synergies for SLM at central and local level, and for strategic and operational processes.

101. The GEF project will use and consolidate the participatory approach now adopted by similar integrated agriculture development projects. The basis of this approach is to ensure that communities are empowered to manage and finance conservation works as these become a collective responsibility and no longer a government responsibility.

102. The Socio-Territorial Unit (STU) or Unités Socio-Territoriales in French, is increasingly adopted as the social unit for community participation in integrated agriculture development projects. Furthermore, the organization of communities into Agriculture Development Groups is encouraged whereby these organizations' key mandate is to manage natural resources and agriculture production within the STU. The Siliana PDAI II will provide technical assistance to the main agriculture implementing agency, the CRDA to tailor their interventions in land conservation in a manner that responds to livelihoods strategies, adopts as planning unit the STUs, and mainstreams participatory approaches in their work processes.

103. The GEF financing will broaden the intervention of the PDAI II to include all concerned stakeholders in capacity development and institutional strengthening efforts. It will specifically address the institutions' missions and mandates, as well as their structures and management procedures. The GEF project will also support institutional processes such as planning, management, monitoring and evaluation, ensuring that they are working effectively in planning and implementing of SLM practices. The project will also assess and support the necessary human and financial resources and skills required for performing the required mandates. By going so, the GEF project will streamline and strengthen institutions involved in SLM issues and optimize their coordination processes.

1.2. Provide an enabling institutional set-up to support the mainstreaming of SLM and the NAP/CD in central, regional and local plans and related sector frameworks

104. Based on the strong platform for cross-sectoral collaboration and coordination among central and local level stakeholders which would be established, GEF funding will ensure that SLM approaches are integrated in national and regional plans and adequately translated into operational action plans at the various levels. The GEF project will assess and strengthen existing policy and planning instruments for implementing SLM interventions in Tunisia in general and in Siliana in specific. The project will ensure that the overall policy environment is conducive to SLM and that the necessary systems for the implementation of SLM policies and plans are being enforced and are in line with market forces.

105. The GEF project will seize the opportunity of initiating the 11th National and Regional development plans in mid-2005 for integrating SLM into the planning process in Tunisia. It will also address various sectoral and cross-sectoral plans in-place related to SLM such as the CWS strategy, the Forest Conservation strategy...

106. The GEF project will ensure that the concept Regional Action Plan to Combat Desertification and Local Action Plan to Combat Desertification continue to be the basis for planning and implementing of the NAP/CD based on the priority projects identified for implementing the NAP. Other legal, political and planning mechanisms identified in NAP/CD will also be further strengthened and adopted as a basis for integrating SLM in national and local planning.

1.3. Ensure that the rural organization play an active role in the implementation of land-tenure and land-use management systems and the use of SLM tools

107. The momentum created by the project for supporting local participatory structures will serve as a basis for optimizing and making best use of on-going efforts for land regrouping undertaken by DGLLT, AFA, and their respective decentralized representations in Siliana as part of the agricultural reform.

108. The national programme for agricultural reform and restructuring of land tenure calls for an ambitious plan for land regrouping of 30,000 ha (of irrigated and non-irrigated areas) and will require the technical and institutional support of the project to achieve tangible results in Siliana. Current conventions for land regrouping in Siliana were made under the auspices of ODESYPANO and the Council of the Governorate of Siliana and covered around 2500 ha to date. These conventions need to be further supported and further expanded, especially in light of the challenges faced to ensure adherence of the local population to these conventions.

109. Through GEF funding, existing conventions will be activated and new conventions will be established to ensure adequate coverage of most vulnerable lands to erosion. GEF funding will support adequate planning, implementation as well as monitoring of the progress of property regrouping and property rights and their impact on the land use of these properties. Support will also be provided to DGLLT and AFA's efforts, at central and local level, in conducting their social surveys, legal and administrative interventions, negotiation of contractual land regrouping modalities and provision of adequate incentives for the adherence and sustainable adoption of the contractual arrangements.

110. GEF funding will also respond to other technical and institutional capacity building needs for the establishment of necessary land-tenure and land-use cartography and the relevant institutional system (Observatory or others) to monitor evaluate the land-use trends. The projects will also ensure cross-fertilisation and exchange with other countries with similar legislative and institutional (central and local) set ups.

2. Reduce land degradation through agreed incremental on the ground investments and the promotion of alternative livelihood strategies that are environmentally friendly

2.1. Demonstration pilots for alternative agriculture practices providing an opportunity for testing SLM approaches and improving livelihoods

111. Siliana PDAI II will sustain its Phase I efforts for maximizing agricultural and non-agricultural value added and safeguarding natural resources, specifically related to conservation of water and soil. The project will ensure that diversified income generating activities are in line with SLM practices.

112. PDAI II will design soil and water conservation measures based on an overall programme, with implementation plans for each sub-watershed with coherent ecological/social/economic boundaries under a participatory approach that involves farmers and takes into account specific land conditions. It will also develop and realize the fodder production potential of communally owned forest lands as well as private and collective territory in the project area, and will formulate ways to enable sustainable development and participatory and responsible use of these areas for pasture improvement.

113. GEF funding will be required to support the efforts deployed by PDAI II in identifying financial, institutional and economic factors impeding the development of micro-enterprises which will adopt alternative agricultural activities with a demonstration potential for SLM. The GEF will support the financing of studies with the aim to identify opportunities for consolidating SLM through local economic initiatives.

2.2. Demonstration projects for conserving and restoring critical vegetative cover in forests and rangelands and diversifying revenues

114. GEF funding will also support the integrated agricultural development activities focused on piloting the development of income generating activities based on endemic tree cultivations, non-wood forest products and the establishment of private and public multi-use of the protected area of Jebel El Sarj.

115. GEF funding will also be directed towards integrated forestry management projects in formulating participatory management plans for communally-owned forests, involving neighbouring residents in the protection, conservation, development and sustainable use of their resources. Necessary consideration will be given to ensure the integrity of the forest ecosystem in Siliana and its continuity in Jebel Zegouane in the management planning process.

116. GEF funding will cover the development of non-wood forest products (rosemary, Aleppo pine nuts [*zgougou*], acorns, mushrooms, medicinal plants) and will refine methods for sustainable participatory management and for assistance to be provided to residents to enter local, regional and national markets. The project partners will promote the organization of

residents into forestry groups with the status of micro-enterprises working in partnership with the forestry service, to ensure sustainable participatory management of forests, guarantee their permanence and improve their production potential.

3. Build and share knowledge and innovation for combating desertification and adopting sustainable land management practices.

3.1 Monitoring of land degradation and its impacts

117. GEF funding will be needed to consolidate on-going efforts by OSS and others for establishing a monitoring system to combat desertification in Tunisia. The project will ensure that the necessary field survey and monitoring systems are in place for relevant climate, soil, flora and fauna as well as socio-economic parameters. It will also ensure that the data is geo-referenced. The monitoring system will be used as a decision making support system and ensure active participation of all concerned stakeholders in the response to SLM.

3.2. Consolidation of lessons learned and communication of results

118. Through GEF funding, programmes will be designed to enhance public participation in the fight against land degradation in Siliana and in the implementation of SLM policies and procedures. Forums and mechanisms would be developed to facilitate the dissemination of lessons learned and best practices generated by local groups and NGOs recommendations in developing and implementing SLM policies and experiences. A strategy for consolidating and disseminating the results obtained from the project would also be developed for outreach to local communities and to regional, national and global audiences. Mechanisms would also be developed to permit closer co-ordination between the different projects in the region that seek the adoption of SLM practices and experiences.

3. SUSTAINABILITY

119. The proposed project strategy has mainly addressed at this stage of project design the ecological sustainability of the proposed land management practices beyond the GEF funding period by anchoring the project within the appropriate institutional set up, ensuring adequate transfer of technical assistance related to SLM and ensuring an effective M&E system that enables timely decision making with regards land management and development of land and water resources. In this context, the project is adopting the following principles: (i) building upon existing national and local institutions and optimizing their mandates and functioning at short, medium and long-term levels for the implementation of project activities; (iii) ensuring the adherence and empowerment of local stakeholders including rural communities to manage their resources in an environmentally responsible and economically sound manner through the adoption of a participatory approach for planning and implementing of local action.

120. The project design has also addressed economic and social sustainability of the proposed project activities by mainstreaming sustainable land management practices in regional and local development programming thus operationalizing Tunisia's core commitments to sustainable development and by stimulating a sustainable dynamic for economic and ecologic development, with special considerations given to these areas that are more seriously degraded in order to balance priorities of resource protection and of economically viable productive activities.

121. Moreover the financial sustainability of the GEF increment is closely linked to that of the full project, namely the Siliana PDAI II. The sustainability of the full project has been carefully assessed through IFAD's evaluation of the first phase of the Siliana PDAI. The Interim Evaluation (IE) recommended the continuation of the project into a second phase in order to consolidate the achievements and to deepen their development impact. The investments undertaken in the first phase of the Siliana PDAI are significant and an estimated 5-10 years are needed for the benefits to fully materialize and to make a dent on poverty. The second phase main features are therefore to continue to preserve the land and water base, while valorizing the new production potential of the area.

122. The project strategy also reflects the lessons learned from the evaluation of IFAD's cooperation programme with Tunisia over the last 20 years (1980 to 2002). The evaluation reaffirmed IFAD's special focus on aid to disadvantaged areas and vulnerable populations in Tunisia and recommended to move away from an exclusive focus on agriculture, to anchor projects more solidly in local institutions and the local economy, and to favor participation by local stakeholders and partnerships.

4. REPLICABILITY

123. Specific mechanisms have also been incorporated in project design to ensure its replicability. Cross-sectoral coordination at local and central level and between both levels will ensure adoption and replication of project outcomes and experience among all national and local stakeholders. Moreover, the function of information compilation, generation and dissemination is well developed thus facilitating capacity building efforts in other regions of Tunisia similarly affected by erosion. The fact that the GEF increment builds upon a larger programme for integrated development will also make use of the baseline structure to replicate successful on the ground experiences. In addition, the integration of a full-fledged monitoring and reporting system, covering the aspects related to SLM as well as in support of project implementation, provide the necessary tools to disseminate the experience obtained from this project at the level of similar integrated agricultural development projects, and at the level of the local institutions in other regions in Tunisia.

124. This is fully in line with the findings of IFAD's evaluation of its cooperation with the Government of Tunisia which stressed that IFAD's co-financed projects offer enormous potential for learning about and testing new approaches that deserve a wider role in national policy dialogue and policy development. The evaluation recommended that project formulation and implementation should take this feature into account at every stage, and at the same time try to find ways of more closely coordinating the operational side of projects with policy definition at the central level. Monitoring and Evaluation systems should be strengthened to learn from these experimental processes, and use these as vehicles for disseminating the acquired experience (such as publications, handbooks and audio-visual aids), in addition to workshops to present and discuss the new approaches and maintain close contacts with the government institutions involved. These constitute some examples of the possible avenues to explore.

5. STAKEHOLDER INVOLVEMENT

125. The primary beneficiaries of the GEF project will be the inhabitants of the Siliana Governorate. The GEF project, similarly to its PDAI baseline, will adopt a fully-participatory

approach for the involvement of all concerned stakeholders in project planning, implementation and monitoring.

126. While a comprehensive identification and analysis of stakeholders will be conducted as part of the Siliana PDAI II project formulation process, a preliminary capacity assessment of key stakeholders has already been undertaken by IFAD in the identification process of the Siliana PDAI II. This assessment has covered most local stakeholder groups which included the following:

- organizations with a responsibility in facilitating the project planning and implementation such as CRDA, the Project management Unit of the first phase of the PDAI, the “Office de Developpement du Nord Ouest” (ODNO), Fonds 26/26, Fonds Tunisiens de Solidarite,
- organizations providing necessary services in the Siliana region which include rural finance organizations such as Banque Nationale Agricole and Banque de Solidarité Tunisienne, micro-credit NGOs, public and private training organizations
- organizations benefiting from the project (or clients) including Union des Travailleurs de l’Agriculture et la Pêche (UTAP), official farmers’ organizations such as cooperatives, AIC..., and non-governmental community based organizations, formal and informal.

127. Other local stakeholders include the Governorate and its General Council, the decentralized representation of the main line ministry, specifically those of the MoESD, Ministry of Housing, Equipment and Land Use Planning, Ministry of Industry and Energy, Ministry of Tourism, Ministry of Interior and Local Development,... While a more in-depth assessment of local stakeholders and their capacity needs will be further conducted during the PDF phase of the GEF project, extensive consultations were conducted with key governmental and non-governmental organizations at local level during the development of this Concept note and were funded jointly by IFAD and the GM upon the request of the GoT.

128. At central level, the key stakeholders are the Ministry of Agriculture (MoA), the Ministry of Environment and Sustainable Development (MoESD), Ministry of Development and International Cooperation (MoDIC), Agence Foncière Agricole (AFA) and other line Ministries closely involved in SLM aspects such as Ministry of Housing, Equipment and Land Use planning.

129. Other line Ministries related to SLM aspects include Ministries of Education and Professional Training; Finance; Higher Education and Scientific Research; Interior and Local Development; Industry and Energy, Tourism, Trade and Handicraft; Information Technologies and Transport... Other national agencies under the supervision of MoESD also to be associated to the project are the Tunisian Observatory for Environment and Sustainable Development, the National Agency for Environmental Protection, with a focus on technical support, education and analysis, the International Centre for Environmental Technologies of Tunis and the National Sewage Office. The economic production sector and NGOs (includes academic institutes, consultancies and civil society organizations) are also very active in activities related to natural resource management and environmental protection. The production sector includes large private and state-owned enterprises, and a large number of small and medium sized enterprises. NGOs operate at the national and local levels, and are involved in activities ranging from policy support to awareness raising and physical implementation.

130. Scientific institutions, including para-statal organizations (such as the Institute for Arid Regions, National Agronomy Institute of Tunis, National Institute for Scientific and Technological Research, and others ...) as well as academic institutions will be involved in the

project as much as possible to ensure provision of necessary scientific backing to proposed changes. Scientific institutions will also provide the necessary institutional setup for the collection, maintenance and processing of land-use related data for informed decision-making.

131. All concerned national stakeholder groups will be closely involved in the project activities, through the appropriate coordination mechanisms which will be put in place and/or will be made operational during project implementation phase. Preliminary consultations have been conducted with the key line Ministries during the development of the Concept Note to guarantee ownership and commitment to the proposed GEF project. Further consultations, assessments and identification of strategic and operational project orientations will be conducted with all national during the PDF implementation phase.

D - FINANCING

1) FINANCING AND CO-FINANCING PLAN

132. While preparatory work would fully define the activities required in the full size project and their financing plan, initial estimates indicate that the proposed project would be in the US\$ 29 million range, with a co-funding contribution of US\$ 24 million and GEF resources tentatively in the range of US\$ 5 million. Co-funding sources have been confirmed by the partners of the first phase of the Siliana PDAI programme, namely the GoT, IFAD and AFD. The cost-sharing among the partners for the second phase of the Siliana PDAI is currently being finalized, and is expected to be as follows:

- Government: \$4 million
- IFAD: \$12 million
- AFD: \$7 million
- Beneficiaries and others: \$1 million

133. Upon successful entry into the Pipeline PDF B resources would be requested to fully develop the project. The PDF B project is expected to last 12 months and cost in the range of US\$ 0.580 with a requested GEF funding of US\$ 0.350m and co-financing of US\$ 0.230 million. The co-financing of the PDFB will be composed of the following activities:

- IFAD: \$160,000 to cover diagnostic studies on environmental development, socio-economic impact of soil and water conservation works, and constraints and opportunities of rural enterprise development in the agriculture and non agriculture sector.
- GoT: \$ 70,000 to finance the feasibility study of Siliana PDAI II:

E - INSTITUTIONAL COORDINATION AND SUPPORT

1) CORE COMMITMENTS AND LINKAGES

134. As a GEF Executing Agency with “expanded opportunities” IFAD will provide oversight of project implementation. The expanded project objectives through the inclusion of GEF activities are highly compatible with IFAD’s country strategy for Tunisia and will help the Fund to realize these goals.

135. IFAD’s Country Strategic Opportunities Paper (COSOP) for Tunisia, prepared in 1998, identified 4 strategic thrusts for IFAD investments in Tunisia: (i) ensuring high levels of beneficiary participation; (ii) ensuring gender balance; (iii) creation and strengthening of rural financial services; (iv) sustainable management of natural resources. In 2003, the Country Programme Evaluation (CPE) adjusted the strategic framework of IFAD interventions in line

with the new mandate of empowerment of the rural poor, catalytic effect of the investments, innovation and policy dialogue. Subsequent to the agreement at completion point of the CPE, IFAD and GoT agreed to: i) concentrate IFAD support on the most disadvantaged rural areas and the most vulnerable population; ii) expand the focus of investments from agriculture to on-farm and off-farm economic opportunities, since it has been recognized that the main source of income for the poorest households often derives from off-farm activities; iii) use IFAD resources to experiment with new approaches rather than finance standard public investment activities; and (iv) capitalize on lessons learned in project implementation to engage in policy dialogue with GoT.

136. In addition, in fulfilling its commitment to house the GM of the CCD, IFAD (through the GM) will continue working with the National Coordination Body of the NAP/CD and the Ministry of Environment and Sustainable Development in implementing the NAP/CD and in their resources mobilization efforts. The GM will specifically support the development of Regional Action Programmes to Combat Desertification, consolidate of the response to donors' interest in financing NAP priority projects, and strengthen national coordination and consultation mechanisms.

137. The proposed project will therefore provide a strategic opportunity for consolidation of national efforts and international support to SLM related activities mentioned in the baseline scenario, the project will actively explore and develop links and synergies with existing institutions and on-going strategies, programmes and projects, to support cross-sectoral coordination and participatory approaches for the mainstreaming of SLM in national and local plans, the following levels of linkages are envisaged and will be further explored and clarified in the PDF implementation phase:

- ensure close linkages between the proposed GEF increment of the PDAI in Siliana and other IFAD co-financed projects in Tunisia, namely the Agropastoral Development and Local Initiatives Promotion Programme for the South-East (PRODESUD) and the Integrated Agricultural Development Project in the Governorate of Zaghouan (PDAI-Zaghouan) to support replication of experience and lessons learned in SLM at the level of other integrated agricultural development and the new generation of local development projects.
- ensure close linkages between the members and activities of the National Coordination Body to operationalize the existing body and support its efforts in the implementation of the NAP/CD through optimization of existing resources and mobilization of additional funding for combating desertification and SLM. Close linkages will specifically be sought with GTZ's support to the NAP/CD implementation activities.
- ensure close linkages between various institutions at central level involved in SLM related activities to support cross-sectoral coordination and ensure linkages between their dedicated projects related to SLM, such as the EU co-funded DRI/GRN, the Italian Government co-funded "Programme de Conservation des Eaux et des Sols dans les Gouvernorats de Kaiouan, Siliana et Zaghouan", the World Bank co-funded ODESYPANO, the EU co-funded "Projet de mise en place d'un système national de suivi-évaluation du programme d'action de lutte contre la désertification" which is implemented by the OSS and the Japanese Bank for International Cooperation (JBIC) co-funded "Projet de gestion Intégrée des Forêts, in the Governorates of Beja, Jendouba, kasserine and Kef"
- ensure close linkages between various institutions at local level involved in SLM related activities to support participation and ownership of SLM related activities at local level and the mainstreaming of SLM policies in local plans and activities. The Siliana PDAI II will constitute the federating base for the promotion of local participation, demonstration of

value added SLM practices and mainstreaming of these practices in local plans and activities.

2) CONSULTATION, COORDINATION AND COLLABORATION BETWEEN AND AMONG IMPLEMENTING AGENCIES, EXECUTING AGENCIES, AND THE GEF SECRETARIAT, IF APPROPRIATE.

138. GEF funded activities in Tunisia are supporting a number of projects in the focal areas of biodiversity, climate change, POPs and multi-focal areas. There is potential for establishing linkages or at least collaboration with some of these projects. In particular the World Bank biodiversity projects supporting Protected Areas Management in Tunisia might provide lessons in SLM related aspects including participatory approaches for ecosystems management, strengthening institutional capacities and addressing land tenure issues. Other GEF funded biodiversity projects such as the Gulf of Gabes Marine and Coastal Resources protection implemented through the WB, the Conservation of Wetlands and Coastal Ecosystems in the Mediterranean project implemented through UNDP and the Participatory Management of Plants Genetic Resources in Oases of the Maghreb project implemented through UNDP will also provide a basis for sharing of experience regarding institutional strengthening and cross-sectoral coordination for biodiversity and ecosystems management.

139. The UNDP-GEF funded National Capacity Self Assessment (NCSA) project to identify and assess critical capacity constraints for addressing global environmental issues is soon to commence. This project will focus on cross cutting issues within the three UN global environmental conventions, as well as promote resource mobilization and coordination and will be able to support the identification of cross-cutting capacity constraints in Tunisia and ways to address them.

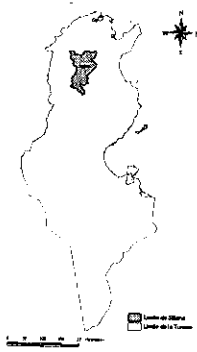
140. The GoT has also actively solicited GEF's support for co-funding an extensive range of programmes to respond to the UNFCCC and integrate GHG emissions reduction within its national plans and programmes. During the PDF implementation phase, the GEF project will identify potential linkages and collaboration with appropriate on-going GEF-funded projects under the climate change window and ensure best use of available experience through the on-going projects and strengthen linkages between GHG reduction efforts and SLM practices.

141. Another programme of interest for identification of linkages between the project and on-going efforts for involvement of Community-based organization in the Global environment agenda is the GEF Small Grants Programme which has been operating in Tunisia since 1993. A Steering Committee, representing over 10 national partners (mainly non-governmental) supports the execution of the SGP project activities and could contribute to create synergies between the GEF project and the key line Ministries involved in the GEF project, specifically the MoA and the MoESD.

3) IMPLEMENTATION/EXECUTION ARRANGEMENTS

142. Given the cross-sectoral nature of the GEF incremental project and the potential involvement of several Ministries, agencies and decentralized departments, it would be most appropriate to develop detailed implementation arrangements during the PDF-B design phase. The most cost-effective and efficient implementation modality will be designed and integrated into IFAD's co-funded PDAI II project in Siliana.

143. The definition of the implementation arrangements will take into consideration the recommendations reflected in the IFAD's evaluation of the Tunisia country programme as well as the first phase of the Siliana PDAI, whereby project implementation modalities should stress training for stakeholders, possible recourse to external technical assistance, the implementation of M&E systems for guidance, and regular supervisory missions with clearly defined objectives covering all aspects of implementation.



Annex 1. Governorate of Siliana

