



# PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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## PART I: PROJECT INFORMATION

Project Title:	Sustainable Fuelwood Management in Nigeria		
Country(ies):	Nigeria	GEF Project ID: <sup>1</sup>	5745
GEF Agency(ies):	UNDP	GEF Agency Project ID:	5366
Other Executing Partner(s):	Federal Ministry of Environment, Energy Commission of Nigeria, Federal Ministry of Health, Cross River State Government, Nigerian Alliance for Improved Cookstoves	Submission Date: Re-submission date:	2014-03-07 2014-03-21
GEF Focal Area (s):	Multi-focal Areas	Project Duration (Months)	60 months
Name of parent program (if applicable):	SFM	Project Agency Fee (\$):	418,950
	• For SFM/REDD+ <input checked="" type="checkbox"/>		

### A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK<sup>2</sup>:

Focal Area Objectives	Trust Fund	Indicative Grant Amount (\$)	Indicative Co-financing (\$)
CCM-2	GEFTF	841,300	5,000,000
CCM-3	GEFTF	769,790	2,500,000
CCM-5	GEFTF	588,910	3,700,000
LD-2	GEFTF	1110,000	700,000
SFM-REDD-1	GEFTF	1100,000	4,000,000
Total Project Cost		4,410,000	15,900,000

### B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: Sustainable fuelwood management in Nigeria secures multiple environmental and socio-economic benefits, including reduced GHG emission from wood fuel consumption, enhanced carbon storage and sequestration, as well as improved rural livelihoods and opportunities for local development						
Project Component	Grant Type <sup>3</sup>	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Cofinancing (\$)
1. Sustainable fuel wood supply	TA	Models for sustainable fuelwood production demonstrated in at least 10 communities in Cross River State leading to: - 50,000 ha of forestlands under improved multifunctional forest management; - 100 people trained in SFM; - Forest Management Committees (FMCs) created/strengthened for SFM	Assessment of the availability of dead wood and prospects of the rural subsistence supply of fuel wood conducted  Community woodlots established for sustainable fuelwood supply in pilot areas  Sustainable community-run forest management systems established over an	GEFTF	Total: 1,213,929 LD: 725,029 SFM: 488,900	2,500,000

<sup>1</sup> Project ID number will be assigned by GEFSEC.

<sup>2</sup> Refer to the reference attached on the [Focal Area Results Framework and LDCF/SCCF Framework](#) when completing Table A.

<sup>3</sup> TA includes capacity building, and research and development.

			<p>area of 50,000 ha</p> <p>Community-based micro-enterprises (carbonization units, agro-forestry processing units, etc) established</p> <p>FMCs enhanced for participatory community-based forest management</p> <p>Awareness raising campaign on sustainable wood fuel production and other benefits of SFM conducted targeting</p>			
2. Fuelwood Demand Management	TA	Improved awareness and acceptance of alternative (renewable and more efficient) energy technologies for cooking and heating among local communities in CRS	<p>Feasible EE and alternative energy solutions identified for selected communities.</p> <p>EE Cook stove distribution program designed and its implementation monitored</p> <p>Training provided to households, especially women, on clean energy technologies for households</p> <p>Marketing and awareness raising campaign conducted</p>	GEFTF	Total: 315,488 CCM: 315,488	500,000
	Inv	<p>Increased penetration of improved/alternative energy technologies for domestic needs in targeted communities by at least 20% (BAU: 0.1%)</p> <p>Avoided emissions of 50,000 t CO2 eq/year from combustion of unsustainable biomass in inefficient cook stoves (replaced by more efficient or other alternatives)</p>	<p>EE Cook stove distribution program implemented (at least 20,000 improved cook stoves)</p> <p>Other alternative energy solutions tested and piloted at household and/or community level (i.e. biogas, LPG and solar-based solutions)</p>	GEFTF	Total: 825,589 CCM: 504,780 LD: 320,809	2,750,000

3. Domestic Industry for Clean Cook Stoves and Other Clean Energy Alternatives	TA	<p>Improved efficiency, quality and affordability of domestically manufactured cooking/heating appliances for BOP</p> <p>Strengthened domestic supply chain for EE/RE cooking and heating appliances</p>	<p>Affordable and efficient cooking solution for BOP designed and tested</p> <p>Business plan for clean cook stove manufacturing zone prepared to scale-up production and reduce costs</p> <p>Unit cost of improved cook stove reduced down to at least 10\$</p> <p>Training to local SME, distributors and community centers provided</p> <p>Adequately capable local entrepreneurs producing certified improved cook stoves</p>	GEFTF	<p>Total: 614,149</p> <p>CCM: 614,149</p>	5,000,000
4. Financial models for sustainable fuelwood management	TA	<p>Consumer financing model for EE cook stove successfully operates covering at least 100,000 households/year</p> <p>Sales of efficient cook stoves increased by at least 20% in Cross River State</p> <p>Investment in sustainable forest management in Cross River State increased</p>	<p>Financial model designed and tested in partnership with MFIs and technology providers</p> <p>Training provided to MFIs on clean energy financing</p> <p>Community forestry fund set-up and capitalized, including via compensatory mechanisms for forest conservation</p>	GEFTF	<p>Total: 635,650</p> <p>CCM: 420,650</p> <p>SFM: 215,000</p>	2,500,000
5. National and state-level policies, enabling environment and MRV system for sustainable fuelwood management	TA	<p>Enabling policy and business environment for sustainable fuelwood production and consumption at national and state-level in Cross River State</p> <p>-</p>	<p>Targets and roadmap for the phase-out of traditional cook stoves adopted, including:</p> <p>Policies, regulations and financial incentives to promote replication of prioritized and tested low-carbon alternatives to traditional cook stoves adopted and enforced</p>	GEFTF	<p>Total: 611,664</p> <p>CCM: 235,564</p> <p>SFM: 376,100</p>	2,200,000

			Standards and certification system for cook stove in place and is operational at national level			
			Set of policies promoting clean energy solution and domestic manufacturing proposed and adopted in CSR			
			Monitoring system for fuelwood production and consumption in CSR in place			
			Incentives for forest conservation/sustainable energy use proposed and adopted in CSR			
Subtotal					4,216,469	15,450,000
Project Management Cost (PMC) <sup>4</sup>				GEFTF	Total: 193,531 CCM: 109,369 LD: 64,162 SFM: 20,000	450,000
Total Project Cost					4,410,000	15,900,000

**C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, (\$)**

Sources of Cofinancing	Name of Cofinancier	Type of Cofinancing	Amount (\$)
National Government	Federal Ministry of Environment	Grant	2,200,000
Multilateral organization	UN-REDD (including UNDP)	Grant	4,000,000
Multilateral organization	UNDP	Grant	300,000
Private Sector	Members of NAIC	Investment	5,000,000
Private Sector	MFIs	Loans	2,500,000
Regional Government	Cross River State	In-kind	1,900,000
<b>Total Cofinancing</b>			<b>15,900,000</b>

**D. INDICATIVE TRUST FUND RESOURCES (\$) REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY<sup>1</sup>**

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Grant Amount (\$) (a)	Agency Fee (\$) (b) <sup>2</sup>	Total (\$) c=a+b
UNDP	GEFTF	Climate Change (+1 mln from BD STAR under flex mechanism)	Nigeria	2,200,000	209,000	2,409,000
UNDP	GEFTF	Land Degradation	Nigeria	1,110,000	105,450	1,215,450

<sup>4</sup> To be calculated as percent of subtotal.

UNDP	GEFTF	Multi-focal Areas	Nigeria	1,100,000	104,500	1,204,500
<b>Total Grant Resources</b>				4,410,000	418,950	4,828,950

<sup>1</sup> In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

<sup>2</sup> Indicate fees related to this project.

**E. PROJECT PREPARATION GRANT (PPG)<sup>5</sup>**

Please check on the appropriate box for PPG as needed for the project according to the GEF Project Grant:

- |   |                                 |
|---|---------------------------------|
| <u>Amount</u>   | <u>Agency Fee</u>               |
| <u>Requested (\$)</u>                                   | <u>for PPG (\$)<sup>6</sup></u> |
| (upto)\$150k for projects up to & including \$6 million | _____                           |
| _____   | _____                           |

**PPG AMOUNT REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES) FOR MFA AND/OR MTF ROJECT ONLY**

Trust Fund	GEF Agency	Focal Area	Country Name/ Global	(in \$)		
				PPG (a)	Agency Fee (b)	Total c = a + b
GEF TF	UNDP	Climate Change	Nigeria	60,000	5,700	65,700
GEF TF	UNDP	Land Degradation	Nigeria	30,000	2,850	32,850
GEF TF	UNDP	MULTI FOCAL AREA	Nigeria	30,000	2,850	32,850
<b>Total PPG Amount</b>				<b>120,000</b>	<b>11,400</b>	<b>131,400</b>

MFA: Multi-focal area projects; MTF: Multi-Trust Fund projects.

<sup>5</sup> On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

<sup>6</sup> PPG fee percentage follows the percentage of the GEF Project Grant amount requested.

## PART II: PROJECT JUSTIFICATION<sup>7</sup>

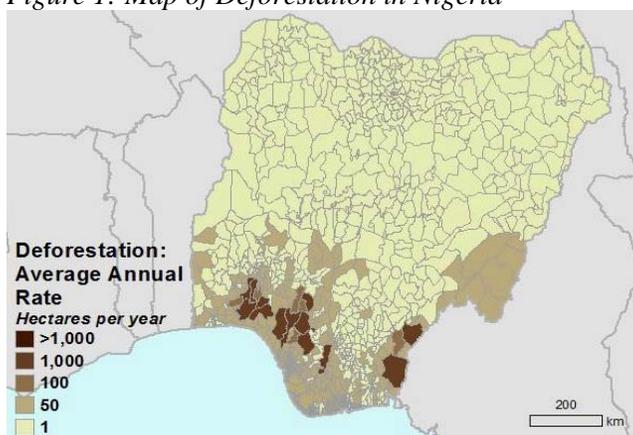
### Project Overview

#### A.1. Project Description

##### Problem description

1. Nigeria has the third highest rate of deforestation in the world: 3.7% or 410,000 hectares of forests annually; with some areas in the South losing over 1,000 hectares/year (See Figure 1). The country has lost almost 50% of its forest resources between 1990 and 2010 when its forest area shrank from 17 mln hectares down to 9 mln hectares<sup>8</sup>. With continuation of current trends unaltered it is a matter of just a few decades when all Nigeria's forests might be gone.

*Figure 1: Map of Deforestation in Nigeria*

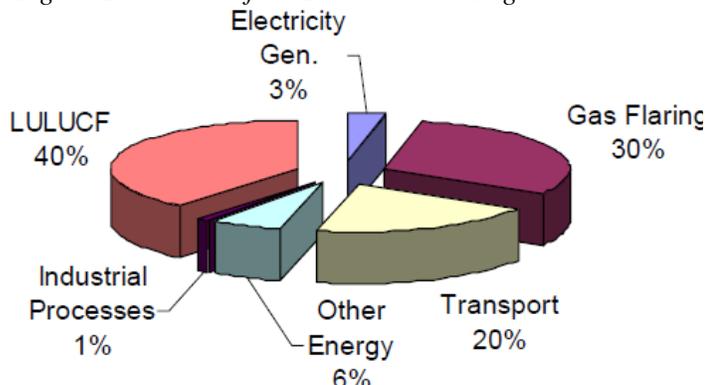


Source: Conservation International, available on-line at

[http://www.conservation.org/how/science/Documents/DeforestationGuide\\_CommoditySourcing\\_Nigeria.pdf](http://www.conservation.org/how/science/Documents/DeforestationGuide_CommoditySourcing_Nigeria.pdf)

2. Deforestation is the largest source of GHG emissions in Nigeria: it is responsible for 40% of national CO<sub>2</sub> emissions (See Figure 2). According to National Communication to UNFCCC, under baseline scenario emissions from deforestation will increase from 9.5 MtC/year in 1990 up to 26.5 MtC/year in 2030 (based on a conservative deforestation rate of only 2.6%).

*Figure 2: Sources of CO<sub>2</sub> emissions in Nigeria*



Source: Nigeria's 1<sup>st</sup> National Communication to UNFCCC

<sup>7</sup> Part II should not be longer than 5 pages.

<sup>8</sup> FAO 2010. Global Forest Resources Assessment. FAO Forestry Paper 163. FAO: Rome

3. Unsustainable and constantly growing consumption of fuelwood by Nigerian households is one of the main causes of deforestation. More than half of the 9.6 million hectares of rain forest belt in the south of Nigeria has been used to meet the demand for fuelwood in rural and urban areas. Fuelwood use has grown from 50 mln m<sup>3</sup>/year in 1990 up to 70 mln m<sup>3</sup>/year and accounts for significantly higher share of forest product use than, for example, commercial logging; the latter makes only 11 mln m<sup>3</sup>/year in 2010 and didn't register any major changes in the last decades<sup>9</sup>. This increase is largely due to population growth, but also due to the absence of affordable alternatives, especially for the poorest consumers. On the contrary, due to rising prices for fossil fuels, a massive shift from "modern" fuels like kerosene and LPG back to fuel wood has been taking place ("reverse substitution with wood fuel", according to the FAO).
4. First National Communication estimates that about 4.5 mln hectares of fuelwood plantation have to be established in order to tackle primary cause of deforestation and help address looming shortfall of fuel wood resources. However, this analysis does not take into account significant, yet unrealized, potential to effectively reduce demand for fuel wood via more efficient cooking solutions, as well as through the use of alternative low-carbon energy sources, such as LPG, biogas or solar energy.

### **Cross River State**

5. Cross River State (CRS), in southeast Nigeria, has a population of almost 3 million people and covers an area of 2,307,400 ha. More than 50% of what is left in Nigeria as Tropical High Forest is found in CRS. Lowland rainforests occupy more than a third of the State land (829,412 ha), the mangrove forests (fresh water and salt water) jointly account for 5 % of the state land area (105,339 ha), and montane forest covers less than 1% of the CRS land area (11,376 ha). The forests of the cross-border region between Cameroon and Nigeria are especially rich, with a high degree of endemism. In addition to being home to the Cross River gorilla, the region straddling the Nigeria-Cameroon border is a biodiversity hotspot of global significance. An estimated 120 endemic plant species and many rare tropical hardwoods (e.g., mahogany, ironwood, and ebony) also grow in these forests. Though the region has been somewhat neglected by international conservation efforts, it is recognized as a landscape of High Conservation Priority by USAID's Central African Regional Program for the Environment (CARPE) and is included in two of the World Wildlife Fund's Critically Endangered Terrestrial Ecosystems<sup>10</sup>.
6. Between 1978 and 1995, the area occupied by natural forests in CRS decreased from 52.7% to 44.8%. Further assessments carried out between 1991 to 2001 and 2000 to 2008, indicated additional and intensified losses: the total forest cover of CRS in 2000 was 7,409 km<sup>2</sup>, and accounted for 34.8% of the state land area. By 2008, the total forest cover declined to 6,102 km<sup>2</sup> leading to a further decline in coverage of the state to 28.68%. 1,307 km<sup>2</sup> of forest was lost between 2000 and 2008 resulting in a 17.64% decline in forest cover for the period. Forest cover data between 2000 and 2008 showed an annual loss of 163.42 km<sup>2</sup> at a rate of 2.2% yearly.
7. "A Preliminary Assessment of the Context for REDD in Nigeria", a joint study commissioned by the Federal Ministry of Environment, the Cross River State's Forestry Commission and UNDP identified the following key drivers of deforestation in CRS: (i) Agricultural expansion; and (ii) Unsustainable wood extraction for timber and fuel wood.
8. Agricultural expansion is the primary driver of deforestation in CRS in light of state's demographic and economic profile: agriculture is the largest economy sector in the state and often the only source

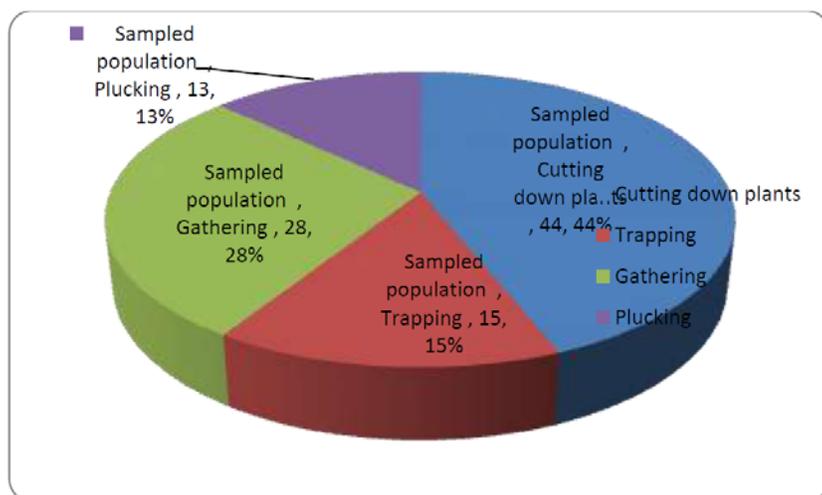
<sup>9</sup> FAO 2010. Global Forest Resources Assessment. FAO Forestry Paper 163. FAO: Rome

<sup>10</sup> Federal Ministry of Environment of Nigeria, Cross River State Forestry Commission, UNDP. 2011. A Preliminary Assessment of the Context for REDD in Nigeria.

of income and productive activities for local population. Recognizing the negative impact of agriculture on forests, a number of baseline projects in CSR sought to address this problem, such as USAID Sustainable Practices in Agriculture for Critical Environments (SPACE) project and the World Bank Community Based Poverty Reduction Project. Also, Outcome 3 of the UN-REDD project for CSR directly supports activities to promote alternatives to deforestation and sustainable livelihood opportunities for local farmers and rural population.

9. As far as commercial logging is concerned, the importance of this driver in CRS is expected to have declined considerably due to the moratorium on logging put in place by Governor Liyel Imoke’s administration in 2008, as well as implementation of other measures to deal with illegal logging and other commercial activities in the forestry sector resulting in unsustainable wood extraction, such as the establishment of the anti-deforestation task force, banning of the Cross River Agro Forestry Company from logging, cancellation of all logging concessions in the State issued before the moratorium, etc.
10. In contrast, fuel wood consumption, while recognized as the second largest source of forest extraction in CSR (see Figure 3), have not yet received comparable attention from the Government and development agencies. Apart from few small NGO-driven initiatives to promote efficient cookstoves, there are no systemic efforts in place by the CRS Government and development partners to address unsustainable fuelwood consumption practices.

Figure 3: Prevailing methods of forest resource extraction in Ilkom Local Governance Area, CSR



Source: (Judith, O. Kinuabeye, J. Eja, E. 2011)

### Project Baseline

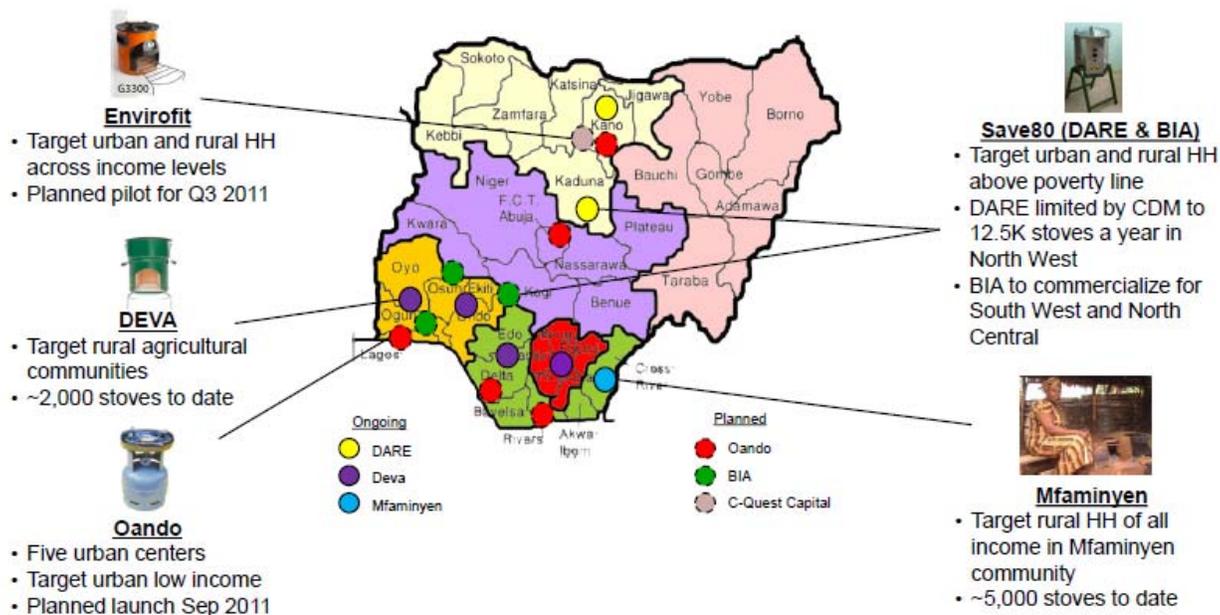
11. Component 1: Sustainable Fuel Wood Supply. A number of on-going Government-led and donor-supported initiatives seek to address deforestation and promote sustainable forest use and management practices in Nigeria at national and state level across the country. The most relevant intervention of those which will constitute part of the baseline project is the **UN-REDD Readiness Program for Nigeria** (2012-2015, 4 mln US\$). The Program aims at creating the REDD+ mechanism using Cross River State as a demonstration model and is structured in four outcomes, two at the Federal level and two focusing on Cross River State, as follows:
  - 1) Improved institutional and technical capacity at the national level (Federal)
  - 2) Framework for REDD+ expansion across Nigeria prepared (Federal)
  - 3) Institutional and technical capacity for REDD+ in CRS strengthened
  - 4) REDD+ readiness demonstrated in CRS.

12. In addition, in CRS, the State Government, through the Forestry Commission, with support of various donors (DFID, USAID, etc) and environmental NGOs implemented the following important SFM measures: establishment of tree nursery and plantations on degraded forest lands, certification and full governmental recognition of 19 community Forest Management Committees (FMCs) out of 45 established across the State with DFID support, the establishment of women groups to regulate and manage the use of non-timber forest products (NTFPs).
13. Component 2: Sustainable Fuel Wood Consumption. There is also an array of Government and donor-supported activities promoting transition towards more efficient and alternative solutions for households energy needs (i.e. the fuel wood demand side), such as the *National Clean Cooking Scheme (NCCS)*, 2012- on-going) of the Federal Ministry of Environment and its Rural Women Energy security Initiative aimed specifically at addressing the needs of rural women for sustainable and healthy cooking solutions. Under NCCS, the Federal Government supports retrofitting of kitchens in public schools, hospitals and hotels across the country with improved cook stoves and LPG. Similarly, *USAID* is supporting improvement in efficiency in the use of fuel wood by Nigerian schools and public institutions by providing energy efficient cook-stove through its “*Safe Cooking Energy Programme*” in the Niger State. *International Center for Energy, Environment and Development (ICEED)* is the lead non-governmental organizations involved in energy access policies and specifically promotion of clean cook stoves in Nigeria, including via its project “Energy Efficient Woodstoves Project in Nigeria” (2012-2015) which works in Ebonyi and Lagos States. Several local NGOs and community-based organizations, such as *Community Research and Development Center (CREDC) under the Sustainable Forest Management Project*, are also engaged in the awareness raising and capacity building work on the local level spreading the word and knowledge about efficient cooking technologies and the importance of forest protection. In CRS, the Federal Government initiated a pilot biogas project in order to diminish pressure on forest resources from domestic energy use, but no evidence exists yet regarding its implementation<sup>11</sup>.
14. Component 3: Domestic Industry for Clean Cooking Solutions. Several fuel efficient solutions (commonly region or segment focused) are already in or entering the market, with competition emerging in several states, but their penetration and market share remains extremely limited: less than 0.1% of Nigerian households use improved stoves (See Figure 3). In CRS specifically, Mfaminyen Conservation Society supported indigenous design of improved cookstove (Ekwuk) and its dissemination across the states: over 4,500 products were sold. The CRS Government committed 100,000 US\$ to further scaling-up its production. These efforts, however, fall short of the potential and need of the region.
15. To support domestic industry, ICEED in partnership with *Energy Commission Nigeria* supports the establishment of the National Clean Cookstoves Development and Testing Laboratory at the University of Nigeria (Nsukka, Enugu State); this partnership helps develop technical standards for stoves, provides testing and certification services related to stove technical quality, indoor air pollution, and energy efficiency, as well as support local SMES in improving the quality of their products.

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<sup>11</sup> Federal Ministry of Environment of Nigeria, Cross River State Forestry Commission, UNDP. 2011. A Preliminary Assessment of the Context for REDD in Nigeria.

**Figure 3: Existing Clean Cook Stove Producers in Nigeria**



Source: Global Alliance for Clean Cookstoves. Nigeria Market Assessment. Accenture 2011.

16. Component 4: Financing for Clean Cooking Solutions. Nigerian *Developmental Association for Renewable Energies (DARE)* and the German Non-Governmental Organisation *Lernen-Helfen-Leben e.V. (LHL e.V.)* are jointly implementing CDM project entitled “Efficient Fuel Wood Stoves for Nigeria” whereby the revenues from the CER sales are to use to subsidize the sales of highly efficient cook stoves SAVE80 in the Northern regions of Nigeria. The project is expected to support distribution of up to 13,000 SAVE80 systems and thus prevent the emission of 300,000 tCO<sub>2</sub>e until 2019. By the time of its last monitoring report (mid 2012), the project was behind delivery schedule and has only claimed 17,000 tCO<sub>2</sub> in GHG emission reductions since its start in 2008<sup>12</sup>. Nevertheless, the project is an important part of baseline activity because it proves viability of business and financial model for efficient cook stoves in Nigeria (provided carbon benefits of such project are monetized).
17. Nigeria has relatively large and well-developed micro-finance sector with cumulative loan portfolio of over 350 mln US\$. Some MFIs have recently started offering structured loan products to households for energy access solutions, such as improved cook stoves, LPGs, solar PV system, etc. However, the demand is low and so is the volume of transactions in the market segment. In CRS, there are 14 registered MFIs, but no visible involvement in financing improved energy access.
18. Component 5: Policies for Sustainable FuelWood Management. *Nigerian Alliance for Clean Cookstoves*, a public-private partnership involving a wide range of national international stakeholders, including key Federal Ministries, is at the fore-front of national policy-making on clean cookstoves: the Partnership has committed to introduce 10 million fuel-efficient stoves to Nigerian homes and institutions by 2020 and is working with Federal Government to develop a package of policies in support of clean cookstove and fuel market. On the other hand, *UN-REDD Readiness Program* and a number of federal Forestry Programs work on development and adoption of federal and state-level policies for sustainable forest management. In CRS, UN-REDD will also

<sup>12</sup> Monitoring Report for CDM Project Activity #2711 “Efficient Fuel Wood Stoves for Nigeria”. 2012

help put in place GIS-enabled monitoring system for forest resources, deforestation trends and its key drivers.

### **Barriers and Gap Analysis**

19. All in all, the Government of Nigeria, its development partners, public and private sector realizes the importance and benefits of sustainable fuel wood management both from climate change mitigation, as well as local socio-economic development standpoint; thus a number of important initiatives and programs have been implemented and are on-going to address deforestation and the multitude of its root causes. However, as far as fuelwood is concerned, the baseline projects yet fall short of providing a comprehensive and holistic approach to sustainable fuel wood management in Nigeria thus leaving some of the main barriers to sustainable energy and underlying causes of deforestation unaddressed, namely:
20. Lack of coordination and integration between policies and projects addressing sustainability of fuelwood production and consumption at all levels from local to national. Despite obvious linkages and synergies, the two sides of fuelwood problem, demand and supply, are being addressed in isolation. As it is seen from baseline projects description, there exist two types of projects and programs, which largely run in parallel with little over-lap programmatically and geographically, namely those dealing with a) Sustainable forest management (supply side); and b) Clean energy access (demand side). However, the only long lasting solution to this problem is the one where a) the importance and benefits, including economic ones, of sustainable forest management are fully realized by local users and b) affordable and sustainable alternative is available to meet household energy needs. Programs which address only one aspect of the demand-supply equation can't be effective enough in addressing the root causes of the problem.

#### ***Barriers to sustainable fuelwood consumption in Nigeria:***

21. Under-developed domestic supply chain: as Figure 3 illustrate, there is a number of domestic clean cook stove manufacturers in Nigeria, still local production capacities remain limited, often do not provide adequate quality of the products, and requires expensive imports, which drive costs up. Consequently, do-it-yourself (DIY) stoves are the most popular solutions while penetration of efficient cookstoves is less than 0.1% of the market. Pilot projects are very limited in scale or not affordable to average consumers (such as SAVE80). Scale and strong business case are needed to make local manufacturing viable and capable of delivering robust and affordable stove solution for the Base of the Pyramid (BOP).
22. Affordability and access to consumer financing. In the absence of affordable stove solution for the BOP, modern and efficient fuel stoves are priced significantly higher than available traditional solutions or kerosene stoves resulting in extremely low penetration rate for improved stoves. Carbon finance has proven its limited effectiveness in improving the affordability of final product: even with carbon subsidy SAVE80 is 3 times more expensive than traditional stove and under circumstances, the prospects of attracting additional finance through carbon markets do not look promising. Hence, new financial sources and models are needed to address the affordability barrier, improve access to consumer financing and thus ensure wider replication and higher penetration rates of EE cook stoves.
23. Weak institutional capacities for sustainable forest management, especially at community level. Management capacity of the state forestry department and local organizations, such as Forest Management Committees, FMCs) is rather low, with poor funding, low staff morale, limited technical training and often high levels of government corruption. Forest laws and policies are obsolete, and weakly enforced. Funding for forest management is limited and unsustainable. The

land tenure laws fail to formally recognize community tenure (although in CRS 18 FMCs managed to receive formal recognition of the Government).

24. Low economic value of forests and forest products: There is a loss of revenues from forests due to poorly designed policies, illegal logging and rent capture (a World Bank analysis indicates that four states subsidised the forest industry to the tune of US\$ 6.5 million in 2003 through a failure to adjust their fees to their real levels and a failure to capture revenues lost through illegal logging). This reduces revenues in forest sector and therefore the overall capacity to implement and enforce policies, as well as incentives to more rational and sustainable forest use and management.

***Barriers to sustainable fuelwood management in CRS:***

25. Weak institutional capacities for forest protection and sustainable forest management, especially at community level. Much of CRS's forest (roughly 400, 000ha) is protected within Cross River National Park, in addition sizeable tracts of forests fall under Forest Reserves (270,000ha) and Community Forests (160,000ha). However, protection of forest boundaries from illegal encroachment and exploitation is limited by a shortage of funding, staff, skills and expertise. Even though the Government of CRS recognized community ownership of the forests through the establishment of over 45 forest management committees (FMCs), their capacities remain extremely limited and only few operational plans are actually being implemented. As a result, virtually all forest reserves and community forests are at least partially degraded, and several have no remaining forest cover at all. For example, despite special protection status, the following reserves have already lost 100% of its forest cover: Ikom Fuel Wood Forest Reserve, Gabu Yala Forest Reserve, Yache Yala Forest Reserve and lower Eyong Forest Reserve. The Ekinta Forest Reserve is deforested to about 92%. Component 1 of the project will work with pilot communities (community owned forests that are contiguous with adjoining forest reserves) to strengthen their capacities for sustainable forest management and ensure sustainability of their operations in the long-term.
26. Low awareness about and penetration rate of alternative energy solutions among rural households in CSR. Less than 0.1% of households in CRS use improved cooktoves, this is an indication of extremely low awareness and market demand for efficient cook stoves and other sustainable energy alternatives for domestic fuelwood use. Apart from financial/affordability barrier (described below), the main barrier to higher penetration rate of improved stoves is the inertia, perceptions and attitudes of rural households, especially women towards new technologies. People are reluctant to change their traditional cooking practices, have little technical skills and lack understanding of how modern technology work (even in its simplest design). Also, the recognition of the linkages between deforestation and its negative consequences on one side and domestic energy use on the other side is often missing. Component 2 of the project will address this barrier by awareness and training activities, as well as targeted investment in pilot communities.
27. Limited manufacturing capacity and supply of efficient and affordable cook stoves in CSR: The is only one efficient cookstove program in CSR, the Ekwuk stove, designed and promoted by the Mfaminyen Conservation Society. However, its uptake remains limited, even in the targeted communities only 4,500 products have been built. There is no information about Ekwuk stove design available in other CSR areas, neither there are any other efforts or program underway to promote more efficient cook stoves manufactured elsewhere. To facilitate wider replication of do-it-yourself stove design like Ekwuk or domestic manufacturing of efficient stoves, assistance has to be provided to local communities and enterprises to jump start the business, ensure quality and build supply chain. Component 3 of the project will seek to address this barrier.
28. Affordability and access to consumer financing: those few efficient stoves which are available on the market in CRS (mainly imported from China and elsewhere) are priced several times higher than

traditional stoves: while the cost of traditional stove is about 2\$, cleaner and more efficient products, like StoveTec cost 20\$ and above. None of over 100 micro-finance institutions operating in CRS has been marketing or offering financial products for the purchase of household appliances. Component 4 of the project will address the affordability barrier by facilitating access to consumer finance and partnerships with MFIs. Component 5 of the project will seek to address this barrier within the scope of its timeframe and financial possibilities.

29. Weak institutions and insufficient policies at state and national level: poor enforcement of forest laws, policies and regulations, as well as the absence of any policies and regulations which specifically address efficient energy use by households, promote more EE technologies, further exacerbate deforestation drivers in CRS. In this respect capacities and mandate of the CRS Forestry Committee are not sufficient, especially as far as monitoring deforestation and its drivers are concerned. Such aspects as sustainable fuelwood demand and supply are totally absent from the state policies and mandate of its institutions.

### **Project Alternative**

30. The GEF funded alternative will address above barriers to sustainable fuel wood management in Nigeria, with a specific geographic focus on the Cross River State. Its objective is the sustainable fuel wood production and consumption to secure the flow of multiple environmental benefits, including carbon storage and sequestration, and ensure that basic human development needs are met without compromising eco-system ability to provide global environmental services.
31. The proposed Project is designed to comprehensively address one of the major causes of deforestation in Nigeria and in CRS specifically, the unsustainable use of non-renewable fuel wood in rural and peri-urban areas. To do so, the project will, in partnership with UN-REDD program, support national and state-level efforts in CRS to improve forest conservation and management, thus sustaining supply of crucial forest resources for local population. At the same time, it will work with national and international partners, technology providers, financial organizations, and local communities to identify and promote a set of alternative clean energy solutions to reduce their demand for fuelwood.
32. The geographic focus of the proposed project is on Cross River State due to the following reasons:
  - a) The Government of CRS is at the forefront of climate change and forest conservation agenda in Nigeria; it has formulated its low-carbon vision for the State: *“Within 10 years, Cross River State will have 1 million hectares of forest lands managed for climate change friendly activities that will include carbon, non-timber forest products, sustainable tree crops and ecotourism. The aim is to create a new low carbon economy for the state based on the sustainable management of its forests.”*
  - b) UN-REDD selected CRS as a pilot to demonstrate REDD+ readiness model; this work creates a sound baseline for additional GEF support for sustainable fuelwood management and clean energy access. The latter is outside of UN-REDD direct focus, but is an important area of intervention because the lack of clean energy access puts additional pressures on valuable and globally significant forest resources of CRS. UN-REDD and GEF partnership in CRS therefore can offer truly comprehensive, holistic and innovative approach to addressing the root causes of deforestation.
33. The Project will promote the supply and demand for affordable and sustainable energy alternatives among rural communities with a special focus on women and other most vulnerable groups, by building inclusive value chain, improving technological basis and access to financing, as well as by strengthening community forest management best practices and institutions. Furthermore, the Project will help develop and propose for adoption relevant state-level and national-level policies and programs to support wider replication and scaling-up of successful integrated forest and energy management practices and clean technologies across Nigeria. Project strategy encompasses 5 pillars/components, as presented below:

34. Component 1: Sustainable Fuelwood Supply. This component is aimed at building capacity for and demonstrating a model for sustainable fuelwood production and forest management in three pilot project sites. It will entail implementation of a sustainable community-run forest management system over an area of at least 50,000 ha during a total period of five years, from which fuelwood would be sustainably sources. This activity will be supported by assessment of the availability of dead wood to review the situation and future prospects of the rural subsistence supply of fuelwood. Also, technical support and extension services to the participating rural communities and NGOs for the implementation of the participatory forest management modules and for the exploitation/production and marketing of fuelwood and other potential wood and non-wood products will be provided, including for the establishment of community-based micro-enterprises, such as community-operated carbonization units, agro-forestry processing units, etc.
35. Selection and implementation of pilot projects will be undertaken in conjunction with UN-REDD readiness program. Three potential sites have been proposed; their selection will be assessed and confirmed at PPG (with main criteria being the presence of unsustainable fuelwood use as the driver of deforestation). Two of these are a cluster of community owned forests that are contiguous with adjoining forest reserves and a third proposed site is the mangrove forest area in the south of the state, as follows:
- Site 1: Forest communities adjacent to Ukpon River Forest Reserve
  - Site 2: Mbe Mountains communities as well as those around the Afi River Forest Reserve, Afi Mountain Wildlife Sanctuary
  - Site 3: New mangrove forest reserve in Cross River State
36. For all communities the following set of activities will be proposed and tailored to local needs:
- capacity building of community organizations managing community forests, with a particular focus on assessment, monitoring and addressing fuelwood-related drivers of deforestation;
  - establishment of community woodlots for local fuelwood supply and sales
  - supporting local enterprises engaged in fuelwood production to ensure sustainability of their operations and to help increase revenue generation (e.g. through forest certification, marketing, etc).
37. Component 2: Fuelwood Demand Management. This component will help rural communities to assess and manage in a sustainable manner their energy demand. The work will start with understanding local energy needs, current energy use practices and technologies (with a special focus on women) and explore potential for their improvement, including by looking at the availability, affordability and feasibility of alternative resources and technologies for a given community (such as improved cook stoves, solar, biogas and other RE applications). Based on conducted analysis and through the participatory rural appraisal exercise, most feasible solutions will be prioritized, tested/piloted and their adoption supported by provision of targeted awareness raising, training and capacity development activities at local level (with a particular focus on women), as well as improved access to finance and quality products (to be facilitated under Components 3 and 4). Based on the results of initial pilots, replication plans will be drafted involving local communities, technology providers (Comp 3) and financial partners (Comp 4).
38. Component 2 will be implemented in close conjunction with pilot SFM measures under Component 1 and in the same pilot location. To complement and build on the baseline project it will focus on the following gaps and activities:
- identification of suitable cook stove design suitable to the needs and situation of the pilot communities (affordability, preferences, etc)

- design and implementation of improved cook stove distribution program for pilot communities, including access to finance through MFIs. The program will serve as an incentive for local communities to engage in forest management/protection measures proposed under Comp 1.
  - training and awareness raising among pilot communities about the benefits and operations of improved cook stoves
  - environmental and social monitoring the impact of EE cook stove program.
39. Component 3: Domestic Industry for Clean Cook Stoves and Other Clean Energy Alternatives. Project will work with current cook stove producers to help improve quality and scale-up production of efficient biomass cook stove products. This will include assistance to manufacturers to design a very low cost solution for BOP market, including investigating sourcing and production models such as using recycled materials to lower the cost of potential solutions. Further, the potential to establish a special clean cook stove manufacturing zone will be explored (including availability of stable power supply within such zone), business plan prepared and its implementation by interested private sector partners facilitated (including securing required benefits and support from the State or Federal Government). The project will also provide support to local entrepreneurs and youths across key value chain activities, such as business management, manufacturing, distribution and marketing. Finally, it will support scaling-up of existing programs to other geographical locations, e.g. by helping reduce distribution costs via engagement of local NGOs, community and women organizations.
40. Component 3 will build on the baseline projects and fill in the key gaps on EE stove supply side as follows:
- it will investigate the opportunities for wider marketing and dissemination of built it yourself solutions, such as the Ekwuk stove, which is the only available and affordable alternative currently in CRS. Operating cost of Ekwuk stove is at least 3 times less than the traditional one and therefore its use is fully sustainable from financial view point. It also does not cost more than traditional one to build. The key is to overcome the initial inertia and sceticism of local communities towards new technologies;
  - the project will conduct market and technical study to identify other suitable commercial alternatives from those already available on Nigerian market (but not yet in CRS) and will work with their manufacturers to help set up local production lines, distribution network and maintenance. At business planning stage, the impact of this measures on unit costs will be investigated with a view of designing such scheme that can ensure substantial reduction in unit price and operating costs (i.e. the target is to achieve unit price of at least 10\$ per unit as opposed to current 30\$ per unit, while have operating costs reduced by at leats 5 times to lower fuel demand)
41. Component 4: Financial models for sustainable fuelwood management. The purpose of the component is to identify and implement appropriate financial models in order to make clean cooking stoves and other alternative energy solutions affordable to consumers. The project will build on the baseline projects and fill in the key gaps on EE stove financing side as follows:
- it will conduct tender among MFIs operating in CSR to select those interesting in expanding their financing offers to rural households for purchase of improved cooks stoves and in particular those working in pilot project areas (with a view of selecting at least 3 interested and capable partner MFIs);
  - conduct capacity needs assessment of selected MFIs to understand their limitations and constraints
  - assist selected MFIs, stove manufactures and their distributors to jointly design an attractive product and financial package so that a consumer interest in a new stove can receive all information about the product, its benefits and opportunities for its financing at one sales point.
42. The work under Components 3 on product design and promotion, as well as under Component 4 under financing scheme will be implemented in pilot communities to maximize the demonstration

impact and synergies. In addition, other financial options for SFM will be investigated and supported (if proved feasible), such as establishment of community trust funds (i.e. the fund would accumulate financial savings from improved cook stoves and other alternative energy sources for re-investment in other community development activities, forest management, etc); leveraging carbon finance, Green Climate Fund and sectoral carbon market schemes for EE cook stoves and other alternative energy solutions, as well as application of compensatory mechanisms for forest conservation (in partnership with UN-REDD program for Nigeria and its pilot fund to support community initiatives for REDD+).

43. Component 5: National and state-level policies and enabling environment for sustainable fuelwood management. This component is designed to improve enabling policy framework for integrated forest and energy management in the Cross River State and nation-wide. Based on the results, monitoring and assessment of pilot activities under Components 1 -4, appropriate policy recommendations will be formulated, discussed and proposed to relevant state and federal government agencies for adoption. The work will be closely coordinated with other partners such as UN-REDD project and the Nigerian Alliance for Clean Cook Stoves. To avoid duplication with other initiatives the key focus of this component will be on phasing-out traditional cook stoves, promoting forestry-energy policy integration, and strengthening links with socio-economic development (e.g. prioritizing state support to women and most vulnerable groups for clean cook stoves and state support to manufacturing zone for clean cookstoves).

#### **Global Environmental Benefits**

44. The global environmental benefits of this project are: (i) **50,000 ha of forestlands under improved community-based forest management** in pilot districts, supplying renewable biomass for domestic energy needs; (ii) **Reduction in land degradation** (to be measured by reduction in soil erosion and other indicators to be specified to PPG); and (iii) **direct GHG emission reduction from combustion of non-renewable biomass due to replacement of inefficient cookstoves with improved or alternative solutions** – 20,000 tCO<sub>2</sub>/year or 300,000 tCO<sub>2</sub> over 15 years. Additional and substantial climate mitigation impact will come from increase carbon storage in forest ecosystems (to be estimated at PPG stage).

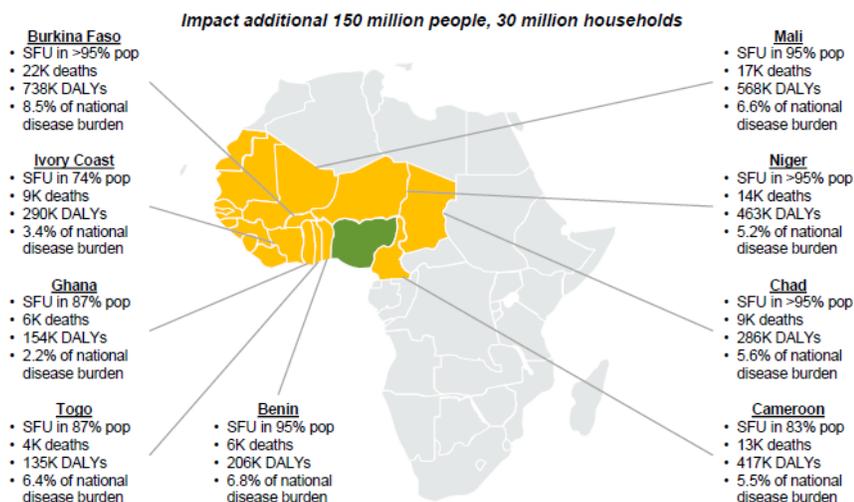
#### **Innovativeness, sustainability and potential for scaling-up**

45. Innovativeness. It is for the first time in Nigeria that efforts to promote improved cook stoves are complemented by and jointly implemented (including in the very same locations) with measures to promote sustainable forest management by local communities. Such approach allows, on one side, to minimize the risk of leakage by providing sustainable fuelwood use alternative to local people. Further, by demonstrating clear linkages between SFM and fuelwood consumption, the project facilitate greater demand for improved cookstoves from communities (which otherwise is a major bottleneck in other programs to promote cookstoves). In other words, it is assumed that communities which have accepted and committed to sustainable forest management would place stronger demand for improved cookstoves and thus are best place to lead the market transformation efforts for EE stoves.
46. Sustainability of this project, in particular of its support to EE market transformation for efficient cook stoves will be ensured via close involvement of 3 key market stakeholders: local communities (demand), manufacturers (supply), and financial intermediaries (MFIs). It is the aspiration of the project to create such business model that market will continue growing without further grant support. This is based on the following assumptions:
- Demand for improved cook stoves will sustain due to implementation of SFM regime in pilot communities;
  - Supply of affordable cook stove will be provided by local manufacturers; and

- Financing will be made available at affordable terms by partner MFIs.

47. **Scaling-up:** There is a huge potential for scaling up SFM and efficient cook stove solution in CRS, let alone Nigeria and adjacent countries (see Figure 4): with 0.1% penetration rate for efficient cookstoves and 3 mln people predominantly relying on biomass for cooking, CRS has a great market potential for increased cook stove sales and scaling-up of project-supported model for sustainable fuel-wood management.

Figure 4: Potential for scaling-up sustainable fuelwood management program



Source: Global Alliance for Clean Cookstoves. Nigeria Market Assessment. Accenture 2011.

A.2. Stakeholders. Identify key stakeholders (including civil society organizations, indigenous people, gender groups, and others as relevant) and describe how they will be engaged in project preparation:

Partner	Role in project design
<b>Federal Level</b>	
Federal Ministry of Environment	Lead partner in project design: mobilization and coordination of project partners at federal and state level; guidance on policy component; approval of pilot project and over-all strategy and scope
Energy Commission of Nigeria	Advice and recommendations for Component 5, namely policy design to promote efficient cook stoves and other clean energy alternatives
Nigerian Alliance for Improved Cookstoves (NAIC) and its members (private and public stakeholders)	Key partner in design of Components 3, 4, and 5: representing views of various stakeholders involved in clean cook stove industry in Nigeria; advice on specific partnerships and securing contribution from private sector and other stakeholders
UN-REDD Project team	Joint design of Component 1: measures to promote sustainable fuelwood supply, selection and preparation of pilot projects, coordination on Component 5 – national and state-level policies and MRV
<b>State Level</b>	
Government of Cross River State	Identification of pilot communities; design of projects under Components 1-2; as well as MRV system under Component 5
CRS Forestry Commission	Key partner for design and subsequent implementation of Component 1
Forest Management Committees (FMCs)	Mobilizing and consultation with local communities on the scope of pilot projects

Micro-finance organizations	Collaboration on design of financial model for BOP solutions, also involvement in Component 2 for PR and marketing campaign and potential distribution channels
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A.3 Risk. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable):

Risk	Level of Risk	Mitigation Action
Risk of leakage: due to increasing population and demand for Fuelwood, the adequacy of proposed sustainable forest management measures in pilot communities might be insufficient and lead to leakage of unsustainable Fuelwood cutting to other areas	Moderate-High	Implementation of pilot activities to introduce community-run forest management will be done in conjunction with support (to the same communities) under Component 2 to promote and introduce more efficient household appliances – thus reducing community demand for fuelwood. Also, the cook stove distribution program under Component 2 will be designed in such a way as to incentivize and stimulate those users which source their fuelwood from community wood plots (thus reducing the risk of leakage). The exact calculation will have to be made at PPG stage, but the intention is to ensure that the impact of more stringent protection and forest management regime in pilot sites is counter-balanced by the provision of sustainable energy alternatives to local communities.  Further, all pilot project will be implemented jointly with UN-REDD readiness program, which will support sustainable livelihood opportunities and other income generation activities for local communities and thus further decrease the drivers of deforestation stemming from agricultural expansion.
Technology risks related to the technologies to introduce, such as improved cook stoves or other alternative energy sources, are considered low. For many part technologies have already been proven in Nigeria and/or in similar context of other African countries. However, as with any new technologies, the risk of malfunctioning or poor performance does exist.	Low-Moderate	To minimize technology risk, the project will support training and advocacy activities among targeted population to help them understand new technology and operational principles (Component 2). Also, the project will support establishment and strengthening of the technology value chain, including localization of operation and maintenance service (Component 3)
Social risk: there will be limited social and/or cultural acceptance (this applies in particular to the improved cook stoves, as people will have to adjust their behaviors, which is notoriously difficult to achieve). Although the project plans to address this directly, there might still be aspects of it that will be out of control.	High	The PPG phase will come up with detailed analysis of the socio-economic interest of using improved cook stove. The project will emphasize the benefices of improved cook stoves and other alternatives and bring examples of communities/villages that have successfully adopted new technologies (Component 2). Further, via collaboration with UN-REDD program, the project will support introduction of incentive for forest protection and other means of increasing its economic value, thus changing the cost-benefit ration in favour of more advanced technologies
Economic/financial risk: risks of lack of affordability due to widespread poverty and lack of affordable finance.	High	The project will work closely with MFIs and other potential partners and sources, such as climate finance, to bring in affordable finance to consumers (Component 4).

Risk	Level of Risk	Mitigation Action
		Also, the intention is to drive down the cost of BOP solution via partnership with technology providers by helping them scale-up their manufacturing capacity and improve distribution network (Component 3)
Policy and regulatory framework: The enactment of the proposed policy and regulatory framework on sustainable fuelwood management might be delayed Political will: any change in this can be problematic because the success of this project will be determined to a large degree on effective enforcement, which will not be possible without strong political will.	Low	The Government of CRS has expressed its strong political support to forest protection and climate change mitigation. Government buy in will play a central role in this proposed project and there is strong political will to improve the enabling policy and regulatory framework .
Climate Change risk - Climate change is expected to change Nigeria’s biomass production, accelerates land degradation, and modifies the hydrological systems. However, this is a longer-term risk. If the effects of this will be experienced during the project implementation, any potential operation of the project woodlots and biomass production can be affected.	Low	While the project will promote and influence the application of low carbon solutions and access to modern energy that will alleviate the human pressure on forest resources, sufficient buffer zone around woodlots will be established to ensure proper protection against major rainfalls and/or floods.

A.4. Coordination. Outline the coordination with other relevant GEF financed and other initiatives:

The project will work closely with the following GEF-supported projects in Nigeria:

“**Promoting Energy Efficiency in Residential and Public Sector in Nigeria**” – coordination is foreseen in the areas of policy work on improved cook stoves and other alternative clean energy technologies for domestic energy needs;

“**Enabling Activity for Preparation of 2nd National Communication to UNFCCC**” – coordination with regard to data analysis and monitoring framework for GHG emissions in forestry sector

Other relevant initiatives:

The project will align closely its activities, both on the local and policy level, with **UN-REDD Readiness Program**: to the extent the time-line of both project will overlap (UN-REDD is until 2015), the efforts will be made to identify and design pilot interventions jointly or design UNDP-GEF intervention in such a way as to ensure maximum complementarity to and build on the work initiated by UN-REDD, especially as far as implementation of incentive mechanisms and SFM measures are concerned.

**EU-GIZ “Energising Access to Sustainable Energy”** will support sustainable forest management and fuel wood production practices in Katsina state (Northern Nigeria) and promotion of relevant policies and state and national level. Collaboration will be sought regarding national-level policy work on clean energy access

#### **Description of the consistency of the project with:**

B.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAs, NAPs, NBSAPs, national communications, TNAs, NCSAs, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.:

Nigeria’s **Initial National Communication to UNFCCC** identified forest sector as one of the largest sources of GHG emissions in the country and the measures to address deforestation, including via

improved energy access, among the most cost-effective and urgently needed, also due to their high relevance to socio-economic development priorities of the country.

Nigeria's **National Program to Combat Desertification** also puts explicit emphasis on sustainable forest management, including measures to ensure sustainable supply for fuel wood and its more effective and rational consumption, such as by promoting more efficient cook stoves.

The project is also fully consistent and will support implementation of the **Nigerian REDD+ Readiness Program**, which demonstrates the country's commitment to the UNFCCC and other international policy regimes towards reducing emissions from deforestation and forest degradation and enhancing carbon stocks in Nigeria. It focuses on those aspects of climate change that relate to forest conservation, sustainable management of forests and enhancement of carbon stocks, non-conversion of natural forests to plantations, and effective participation of local people and all stakeholders in planning and management of forestry resources in Nigeria.

Further, proposed projects is aligned with a number of other strategic and policy documents of Nigeria, such as National Forestry Action Program (NFAP), National Forest Program (NFP), National Biodiversity Strategy and Action Plan.

Finally, the project has been designed to support Nigeria in meeting its commitments and targets under the **UN Sustainable Energy for All (SE4ALL) initiative**, which the country has joined in 2012. Rapid Gap Analysis under SE4ALL identified improved access to energy in rural areas, especially modern energy for cooking, among Nigeria's top priorities under the initiative..

## **B.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities:**

This project complies with the several GEF focal areas, as follows:

- CCM Objective 2 "Promote market transformation for energy efficiency in industry and the building sector: components 3, 4, and 5 of the project will support market transformation towards more energy efficient household appliances, e.g. cook stoves, by strengthening their supply chain and domestic manufacturing capacities (Component 3), by facilitating access to consumer finance for energy efficient appliances (Component 4), as well as creating enabling policy and institutional environment for market transformation via phase-out of inefficient solution and other policy measures (Component 5),
- CCM Objective 3: "Promote investment in renewable energy technology" by supporting sustainable utilization of biomass resources by local communities (Component 2).
- CCM Objective 5: "Conserve and enhance carbon stocks through sustainable management of land use, land-use change, and forestry" by improving forest conservation and sustainable forest management at local level (Component 2) and facilitating enabling environment for SFM at state and national level (Component 5)
- LD Objective 2: "Generate sustainable flows of forest ecosystem services in drylands, including sustaining livelihoods of forest dependant people". The project will remove barriers to sustainable forest management by promoting the enabling policy environment, access to technologies (such as improved cookstoves), combined with large-scale applications of SFM technologies and practices on the ground.
- SFM/REDD Objective 1: "Reduce pressures on forest resources and generate sustainable flows of forest ecosystem services" by reducing pressures on forest from unsustainable fuel wood consumption

## **B.3 The GEF Agency's comparative advantage for implementing this project:**

UNDP has implemented over 230 GEF clean energy projects in close to 100 developing countries, and has acquired a unique base of institutional knowledge on transforming renewable energy markets in developing countries. One of UNDP-GEF's three signature climate mitigation programs – Clean Energy – specifically promotes access to clean and affordable energy supply. Promoting more efficient resource use of biomass through, for example, energy-efficient cook

stoves has been demonstrated successfully in a range of countries. The project also feeds under the UNDP-GEF Ecosystem and Biodiversity Signature program number 3 “SP3 – Ecosystem based adaptation and mitigation” Managing and promoting ecosystems for adaptation to and mitigation of climate change. Due to UNDP’s strong experience and expertise in both nature resource management and clean energy, UNDP has unique set of skills to identify, design and implement integrated multifocal area projects delivering win-win solutions and multiple global environmental and development benefits, as was demonstrated in the similar UNDP-GEF projects on sustainable charcoal management in Uganda, climate-resilient hydropower in Sao Tome, water-energy efficiency project in Turkmenistan, etc.

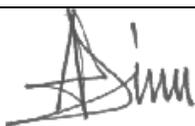
The project is also in line with the United Nations Development Assistance Framework in Nigeria. UNDAF aims at reducing poverty, the degradation of basic social indicators, and setting the country on a pathway to sustainable development. The two first priorities of the UNDAF are: (i) governance and accountability that supports transparent, equitable and effective use of resources; (ii) productivity and employment for wealth creation with a bias towards the poor and to help build a private sector-led non-oil economy.

**PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)**

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):** (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Mr. Abu-Bakr Sulayman	GEF Operational Focal Point Honourable Minister	FEDERAL MINISTRY OF ENVIRONMENT	03/07/2014

**B. GEF AGENCY(IES) CERTIFICATION**

<b>This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for project identification and preparation.</b>					
Agency Coordinator, Agency name	Signature	DATE (MM/dd/yyyy)	Project Contact Person	Telephone	Email
Adriana Dinu UNDP – GEF Executive Coordinator and Director a.i		03/21/2014	Marina Olshanskaya, Regional Technical Advisor EITT	+421-907- 840-152	marina.olshanskaya@ undp.org