



REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Advancing sustainable resource management to improve livelihoods and protect biodiversity in Palau			
Country(ies):	Palau	GEF Project ID:	5208
GEF Agency(ies):	UNEP	GEF Agency Project ID:	0934
Other Executing Partner(s):	Office of Environmental Response and Coordination	Resubmission Date:	March 24, 2016
GEF Focal Area (s):	BD, SFM/REDD, IW	Project Duration(Months)	48
Name of Parent Program (if applicable): <ul style="list-style-type: none"> ➤ For SFM/REDD+ <input checked="" type="checkbox"/> ➤ For SGP <input type="checkbox"/> ➤ For PPP <input type="checkbox"/> 	5395:UNDP Pacific Islands Ridge-to-Reef National Priorities – Integrated Water, Land, Forest and Coastal Management to Preserve Biodiversity, Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods	Project Agency Fee (\$):	337,293

A. FOCAL AREA STRATEGY FRAMEWORK

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
BD-1	1.1 Improved management effectiveness of existing and new protected areas 1.2 Increased revenue for protected area systems to meet total expenditures required for management	Output 1.1. New protected areas (n = 4), and coverage of marine ecosystems increasing from 23,000 ha to 138,000 ha, and coverage of terrestrial ecosystems increasing from 4,200 ha to 10,500 ha. Output 1.2 Sustainable financing plans (n = 2)	GEF TF	1,405,595	8,404,000
BD-2	2.1 Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation. 2.2 Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks	Output 2.1 Policies and regulatory frameworks in place for (N = 4) production sectors Output 2.2 National and sub-national land use plans (N = 4) that incorporate biodiversity and ecosystem services evaluation Output 2.3 Certified production landscapes and	GEF TF	1,071,108	4,457,000

	2.3 Improved management frameworks to prevent, control and manage invasive alien species	seascapes (8,000 ha)			
LD-3	3.1 Enhanced cross-sector enabling environment for integrated landscape management 3.2 Integrated landscape management practices adopted by local communities	Output 3.1 Integrated land management plans (N = 4) developed and implemented Output 3.2 Tools and methodologies (N = 8 Best Practices for SLM) developed and tested Output 3.4 Information on SLM technologies and good practice guidelines disseminated (N = at least 8 reports and 1 website)	GEF TF	396,782	202,000
SFM/REDD+ - 1	1.1 Enhanced enabling environment within the forest sector and across sectors.	Output 1.2 Forest area (8,000 ha) under sustainable management	GEF TF	743,119	2,027,000
IW-1	1.3 Innovative solutions implemented for reduced pollution, improved water use efficiency, sustainable fisheries with rights based management, IWRM, water supply protection in SIDS, and aquifer and catchment protection.	Output 1.3 Types of technologies and measures implemented in local demonstrations and investments increased.	GEF TF	131,102	710,000
Total project costs				3,747,706	15,800,000

B. PROJECT FRAMEWORK

Project Objective: To effectively and sustainably use biodiversity and maintain ecosystem goods and services in Palau by building institutional capacity to integrate the Palau Protected Area Network (PAN) with the Sustainable Land Management (SLM) initiative, and fostering a ridge-to-reef approach across and within these initiatives

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
1.Improving Palau's Protected Area Network	TA	1.1 Improved Design, Evaluation, and Implementation of the PAN leads to increased engagement by states, improved coverage of sites, species, and ecosystem functions, and increased conservation	1.1.1 IMPROVED DESIGN: A National PAN Management Strategy and Action Plan is developed and endorsed by 2017; and the National and associated State Plans 1) align with SLM in the 4 core areas and with regional projects such as R2R, 2) engage	GEF TF	2,139,344	9,900,000

		<p>effectiveness.</p> <p>1.2: PAN management capacity (engagement, training, and financial) and coordination improved across sectors and across governance levels and results in benefits across genders and for marginalized populations in outlying states.</p>	<p>all 16 states, and 3) cover gaps and ensure representative coverage of sites, species, and ecosystem functions, and 4) address the applicability of national, regional, and global goals and benefit-sharing.</p> <p>1.1.2: IMPROVED EVALUATION: Management Effectiveness Tracking Tools (METT): Agree on a set of 3 harmonized national and state level PAN site monitoring and evaluation tools and protocols (1 marine, 1 terrestrial, 1 socio-economic) which are aligned with METT, with full trial and evaluation of Palau's METT tool in at least 9 PAN sites by the end of the Project.</p> <p>1.1.3: IMPROVED IMPLEMENTATION: At least 4 PAN sites meet a minimum METT score, and at least 5 other sites show improving trends toward effective conservation (e.g. reduction in over/illegal harvesting) by the end of the Project and total area protected.</p>			
2. Effective implementation of Palau's Sustainable Land Management (SLM) Policy	TA	<p>2.1 Improved and effective planning, alignment, and coordination of the Palau SLM Policy</p> <p>2.2 Increased implementation of</p>	<p>2.1.1: IMPROVED PLANNING: A National SLM Action Plan that incorporates ecosystem-based management (such as R2R), includes updated sustainable financing</p>	GEF TF	858,400	4,250,000

		<p>the SLM Policy in the key sectors of land use planning, land uses, and tourism development.</p>	<p>information and goals, addresses cross-sector issues such as SFM and Climate Change, considers benefits across genders and marginalized communities, and aligns with the PAN is designed and agreed.</p> <p>2.2.1: IMPROVED COORDINATION: A national coordinating mechanism and body for SLM with representatives from at least 6 sectors and levels of government is operational and includes associated capacity building and resourcing to ensure its function.</p> <p>2.2.1 INCREASED LAND USE PLANNING: State SLM Plans for at least 4 states are developed, tested, and implemented</p> <p>2.2.3: SUSTAINABLE TOURISM: Improved national level tourism planning and state level implementation of tourism leads to benefits realized across genders and socioeconomic levels.</p>			
3: Integrated Coordination, Mainstreaming & Project Management	TA	<p>3.1: Effective coordination role by the Office of Environmental Response and Coordination (OERC) (or designated government agency) for this Project and environmental</p>	<p>3.1.1: Improved capacity of OERC to act as the National coordinating body for Palau's environmental sector.</p> <p>3.1.2: OERC effectively implementing, reporting, and</p>	GEF TF	571,500	1,450,000

		<p>actions in Palau, including through facilitating information-sharing and two-way learning and thereby ensuring benefit sharing among a wide population.</p> <p>3.2: Effective national and state coordination of PAN, SLM and associated cross-sector issues</p>	<p>evaluating Project.</p> <p>3.1.3. Two-way peer learning approach fostered through participation in regional initiatives (Micronesia Challenge, Ridge to Reef, Integrated Water Resource Management, etc.) and uses multiple forms of communication and media to share lessons from the project.</p> <p>3.2.1: Enable effective cross-sectoral coordination of PAN and SLM policies</p> <p>3.2.2: Streamline forest management across sectors, government levels, and within watersheds with at least 1/3 of native forest under protection and sustainable management (2100 ha in PAN sites and an additional 6000 ha in SFM catchments)</p> <p>3.2.3: A national biosecurity policy agreed upon with legislation drafted and with at least 2 invasive alien species (IAS) risk reduction or eradications achieved that demonstrates a harmonized approach by PAN and SLM</p> <p>3.2.4: At least 4 states have SLM and PAN plans aligned with climate change adaptation plans, with at least one modeling a</p>			
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			gender-inclusive approach to climate change adaptation			
Subtotal					3,569,244	15,600,000
Project management Cost (PMC)				GEF TF	178,462	200,000
Total project costs					3,747,706	15,800,000

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	Belau National Museum; Bureau of Arts and Culture; Bureau of Land and Survey; Bureau of Marine Resources; Bureau of Agriculture; Bureau of Tourism; PALARIS; Palau Public lands Authority; EQPB	In-kind	4,700,000
National Government	Protected Area Network Fund (PAN-F) – sourced from Green Fee	Cash	4,000,000
National Government	Protected Area Network Fund (PAN-F) – sourced from Green Fee	In-kind	400,000
Private Sector	The Nature Conservancy	In-kind	200,000
Private Sector	Palau Conservation Society	In-kind	700,000
Private Sector	Palau International Coral Reef Centre	In-kind	2,300,000
GEF Agency	United Nations Environment Programme	In-kind	200,000
Local Government	Koror State; Melekeok State; Ngiwal State; Airai state; Ngaraard State; Ngatpang State; Angaur State; Ngardmau State; Aimeliik State; Ngarchelong State	In-kind	3,100,000
Private Sector	Palau Visitors Authority	In-kind	200,000
Total Co-financing			15,800,000

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Grant Amount (\$ (a))	Agency Fee (\$ (b))	Total (\$) c=a+b
UNEP	GEFTF	Biodiversity	Palau	2,476,703	222,903	2,699,606
UNEP	GEFTF	Land Degradation	Palau	396,782	35,710	432,492
UNEP	GEFTF	Multi-focal Areas	Palau	744,119	66,971	811,090
UNDP	GEFTF	International Waters	Palau	130,102	11,709	141,811
Total Grant Resources				3,747,706	337,293	4,084,999

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	220,000	1,650,000	1,870,000
National/Local Consultants	395,000	1,400,000	1,795,000

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

PART II: PROJECT JUSTIFICATION

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

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.

Section 3.7 of the Project Document (ProDoc) refers. The project is fully aligned with the NBSAP and various strategies and plans associated with sustainable land management (including land degradation) and protected area management. Palau has led the Pacific in protecting its terrestrial and marine environments (e.g. first to establish a Marine Protected Areas, first to complete its obligations to the Endowment Trust Fund of the Micronesia Challenge, created model Green Fund to finance the Protected Area Network, declared shark sanctuary and no-take zones for commercial fisheries within its EEZ, followed suit by other nations) and this project will complete setting up the administrative mechanisms over the country and integrate on the ground activities between all sectors.

As of July 2015, this project is also fully compliant with Palau's new 2015 Climate Change Policy.

This Project is consistent with the PIF in spirit; however, per the suggestion of the UNEP PRC, Palau condensed outcomes and outputs so that the total number of indicators is lower. The activities remain the same.

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities. NA

A.3 The GEF Agency's comparative advantage:

UNEP now has a large portfolio of running similar projects in the Pacific including four Biodiversity projects partially funded by the GEF PAS. Three of these are multi-country projects which means its catchment of countries involved in these projects spans the Pacific Islands region. These projects have been in development since 2006 which means its collective knowledge of the region in areas of biodiversity, sustainable land/forest management, biosafety and POP's is unsurpassed by any other Implementing Agency operating in the region. Its close ties with the UNEP/World Conservation Monitoring Centre and Secretariat for the Pacific Regional Environment Programme (cemented in a recently signed MOU guaranteeing collaboration with all projects which align with this one) means there is opportunity to leverage this project with the benefits which come with these agencies (e.g. UNEP's Pacific Office is co-located with SPREP affording maximum opportunity for liaison and cooperation). SPREP also is Executing Agency for three GEF PAS projects (two BD and one POP's/pollution) for which UNEP is Implementing Agency which also allows maximum continuity/complimentarity and mutual support between this and the existing projects. Similarly, with UNEP as IA for the Micronesia Challenge which includes Palau, the same benefits can occur. And again the outputs from this project can be incorporated into the enabling Multi-Environmental Agreement project (Africa, Caribbean and Pacific) for which UNEP is IA and SPREP is EA (noting that the second phase for this project has been signalled for May 2013 with SPREP as EA once again). Finally UNEP/SPREP have the same IA/EA relationship with two other GEF 5 projects which will directly support this

project - one on Capacity Development (environmental monitoring, evaluation and reporting) and on Access and Benefit Sharing. In their capacities our agencies will ensure the maximum inclusive benefits flow to this Palau project. UNEP also is IA for numerous BD focussed projects from around the world including the Caribbean and will ensure lessons learnt from these are funnelled to Palau based colleagues.

The United Nations Development Assistance Framework (UNDAF) for the Pacific Sub-region for 2013-2017 recognizes that the general challenge for the countries in the region is to ensure the sustainable management of their terrestrial and marine and natural resources and heritage, from the regional to the local level, and the adaptation of individuals, communities and states to climate and environmental change and natural hazards, as well as to be well prepared to respond to natural disaster events and population related consequences. The UNDAF 2013-2017 will support Pacific Island Countries and Territories (PICTs) to ensure the sustainable development, management and conservation of their terrestrial and ocean environment, given the unique dependency of the PICTs on these resources for their livelihood, food security and economic development. Further, the UNDAF will strengthen adaptive and disaster risk management capacity to reduce vulnerability to climate change, natural hazards, and environmental degradation particularly among the most vulnerable groups, which often include the urban and rural poor, women, youth, and children. This requires individuals to be aware of existing natural hazards risks of climatic as well as seismic nature and their potential changes to understand the implications for their lives. In essence, true sustainability of any disaster risk management and climate change adaptation intervention needs to increase individual capacity.

The UNDAF 2013-2017, which supports Palau, includes within Outcome Area 1: Environmental management, climate change and disaster risk management, the following Regional Outcome 1.1: “By 2017 the most vulnerable communities across the PICTs are more resilient and select government agencies, civil society organizations and communities have enhanced capacity to apply integrated approaches to environmental management, climate change adaptation/mitigation, and disaster risk management.” By promoting Ridge to Reef approaches to environmental management with wide stakeholder participation, the proposed project will directly support Outcome 1 and its outputs. The Project specifically incorporates objectives from the UNDAF into its outcomes.

This project contributes to the 2014-2015 and 2016-2017 Programmes of Work for UNEP under Ecosystem Management, particularly Expected Accomplishment (a), by increasing the number of countries implementing ecosystem-based management. Under EA(a) for 2014-2015, this project will contribute directly to Output 1: Methodologies, partnerships and tools to maintain or restore ecosystem services and integrate the ecosystem management approach with the conservation and management of ecosystems. It contributes to the 2016-2017 Outcome 1: Partnerships, technical support, education and awareness raising provided to countries to strengthen countries’ development planning and investment decisions to apply ecosystem approaches for a green economy and for the protection and rehabilitation of forests, wetlands and other terrestrial ecosystems under threat. Component 2, which focuses on land use planning and sustainable incomes, will further Palau’s efforts to achieve a green economy.

A.4. The baseline project and the problem that it seeks to address: Section 2 of the Pro Doc, particularly 2.6 refers. The baseline has not changed significantly since writing the PIF. Other projects which will help addressing the problems have or will come on stream have however meantime progressed. These include the Micronesia Challenge (Endowment Trust Fund scheduled in the life of the current project for dividend payments according to the terms of the Trust Deed), Ridges to Reef Programme underway with expected synergies/leveraged technical support etc, GEF 5 Pacific Capacity Development project which should support the current project (from at least the E and M / METT / Indicators perspectives) and the Pacific region Access and Benefit Sharing project which should help better secure the growing list of species coming under increased protection in this project.

A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project: In Section 2.6 of the Pro Doc it detailed the Business-As-Usual and Proposed Alternative Scenarios for this project and a detailed table with incremental differences based on investment is included in Appendix 3. A summary of global and incremental benefits that are to be achieved with GEF investment includes:

- (a) Filling gaps in PAN such that additional protected areas are included, above and beyond those promoted by the local communities, such that national and global level biodiversity benefits are realized (such as climate change resilience, site connectivity, endemic species representation, and species recovery).
- (b) Contribution of new scientific data and information on island-wide networks, taxonomy, and METT, such that local tools are scalable at regional levels.
- (c) Further enable Palau (at the national level) and the Micronesia Challenge (at the regional/international level) to meet the agreed goals of 30/20% conservation.
- (d) Building momentum, tools, and processes for SLM and particularly land use planning that are scalable from watershed to state and applicable to other SIDS.
- (e) Reducing erosion and water resource degradation at the local level, with national biodiversity and economic benefits.
- (f) Reductions in habitat loss and increases in reforestation and rehabilitation with global GHG benefits. The estimated carbon benefit of the project is the additional sequestration of 141,867 tonnes of CO₂ per year.
- (g) Improving species conservation status for at least 2 species (biodiversity benefits at all levels).
- (h) Increased local resilience to climate change through adaptation and sharing of lessons learned and Best Practices regionally and globally.

In summary, the GEF Alternative will expand protected area extent and achieve faster and more effective conservation of protected areas, both on site and by taking steps to minimize indirect impacts; create momentum for SLM by expanding plans to 4 new states; reduce impacts from tourism development; address cross-sector issues in a streamlined, standardized manner; increase capacity and create formal mechanisms for mainstreaming cross-sector issues into local and national level plans and policies; reduce waste from redundancies; and deliver global biodiversity benefits faster than in the baseline scenario; and strengthen systems and processes Palau so that Palau can fully capitalize on the gains made in to its Micronesia Challenge Endowment Fund, such that sustainable financing is sufficient to maintain momentum on improving environmental management. At regional/global levels the project will contribute to the focal areas currently the domain of the LCDF and the CCSF.

- A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks: Table 8 (project risk assessment and mitigation strategy in the pro doc) addresses this. Only two risks were rated "high" - one relating to the dependance on income from tourism for the management of natural assets and another to internet availability. The former should be off-set over time with the delivery of income from Phase 1 (now almost complete) of the Micronesia Challenge and the further income from Phase 2 when the ETF should be fully capitalised at \$US55m (presently capitalised at \$US18m and Palau's sub-account fully capitalised and due to generate income for management). This situation has developed since the PIF was written with the advent of the favourable Mid Term Evaluation of the Micronesia Challenge and the latest Project Implementation Report which reported the above situation. None of the medium or high likelihood risks were coupled with impacts rated "high".
- A.7. Coordination with other relevant GEF financed initiatives Section 2.7 of the Pro Doc refers. This project is perfectly designed to follow the GEF PAS (4) Micronesia Challenge (as referenced elsewhere in this document) which from an operational sense finished in 2015 - the year this project is due to start and proceed to complete set up and operationalise activities in the PAN sites and beyond. Palau is, relative to many Pacific SIDS, advanced in its programme for sustainably managing its natural environment so it is anticipated that this project will significantly contribute, if not in some respects lead, the Ridges to Reef programme. The onus will be on the various IAs and the IW component of the R2R programme to facilitate this happening. The project will also provide material input from Palau into the GEF 5 Capacity Development for Environmental Monitoring and Evaluation and Reporting as well as the Phase 2 of the "ACP/MEA" (EU funded) project on reporting on Multi-Environment Agreements (Africa, Caribbean, and Pacific). These and the GEF 5 ABS projects all have UNEP as IA and two of them include the same EA (SPREP) which is closely linked professionally serving Palau's needs. UNEP (Pacific sub-regional office in Apia) is co-located in Apia with an operational MOU coordinating their work programmes. During the course of the project it is expected that at least one other GEF (6) project may get under way - on invasive alien species. This will be integrated with this project to the greatest extent possible.

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation.

This project explicitly coordinates stakeholder involvement, analyzes gaps in stakeholders, and streamlines stakeholder involvement. This is across sectors, including government, nongovernment, business, and community-based. Palau and robust environmental sector and many years of formalized inclusion of all sectors in environmental planning at level. Inclusion of representative sectors is mandated by Executive Orders establishing the National Environmental Council, and with the inclusion of the NEPC at the Steering Committee in this project, that mandate will be carried. Additionally, the inclusion of guiding committees for Components 1 and 2 in the management structure of the project extends and replicates the mandated involvement of a wide group of stakeholders. Further, the majority of land in Palau is owned by individuals and clans, thus wide engagement of the public is required for effective conservation. The ProDoc specifically addresses issues such as a Watch Dog advocating on behalf of women and community sectors. Descriptions of the stakeholders considered in this Project are in Appendix 13.

B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF): Socio-economic benefits are described throughout the Pro Doc, particularly in section 3.3. Component 1 seeks the full functionality of the PAN, which at its core is designed to benefit local communities through the sustainable management of their local conservation areas. Socioeconomic benefits include sustained resources (such as maintaining external harvesting numbers as an outcome of a Protected Area) as well as employment and secondary benefits arising from tourism, fees, and fines from protected areas. Component 2 which focuses on SLM will provide the infra-structure required to maintain and extend the eco-tourism industry sustainably in Palau with obvious employment spin-offs which are currently enjoyed already from Palau's eco-tourism industry. This is in addition to expected benefits from better land management, including maintaining water sources and reducing downstream erosion, which will benefit downstream fishers and taro patch farmers particularly, contributing to long-term food security. Component 3 will reduce waste and redundancies amongst government agencies which will have public financial benefits. The Project includes specific benefits for women and marginalized populations in outlying islands.

B.3. Explain how cost-effectiveness is reflected in the project design: Cost effectiveness is addressed in section 7.3 of the Project Document. This project builds on decades of investment on the ground. Much of the ground-work for establishing effective and sustainable management of natural areas has already been addressed by Palau's agencies, with heavy emphasis on the past 10 years and through the Micronesia Challenge and the PAN. This project will in effect be leveraged by these historical investments and their on-going activities so it is not working in a vacuum but rather with an active but small workforce which already has a modus operandi and precedent for successful work including partnering with CSOs. With few start-up costs, this project offers excellent value.

C. DESCRIBE THE BUDGETED M & E PLAN: The costed Monitoring and Evaluation Plan occurs as Appendix 7 of the Project Document. The Plan follows standard UNEP and GEF reporting schedules and requirements, and includes specific methods for assessing M&E, coordinating cross-agency, and analyzing biological and socioeconomic benefits. Outcomes under Component 1 include protected area acreage and number. Baseline where available has been included in the Results Framework and Key Deliverables, with a specific task assignment for coordination and collection of the data throughout the project. The M&E Plan includes annual reporting of these outcomes. Outcomes under Component 3 include effective coordination across sectors and agencies, as well as effective resolution of conflicts. The M&E Plan includes reporting on coordination meetings and documentation of meetings where conflicts are resolved. Quarterly reports required by the M&E Plan are bolstered by monthly and quarterly meetings by the project management units.

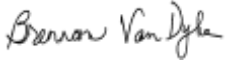
PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

- 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 form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Ms. Charlene Mersai	GEF Focal Point	OFFICE OF THE PRESIDENT OF PALAU	08/02/2013

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Brennan Van Dyke Director, GEF Coordination Office, UNEP		March 24, 2016	Greg Sherley, Task Manager	+685 7505346; +685 21929	greg.sherley@unep.org

ANNEX A: PROJECT RESULTS FRAMEWORK

The Project Results Framework is included in the ProDoc as Appendix 4 (page 110). Where available, baseline data has been included. The Inception Phase is elaborated in detail in the ProDoc and will result in collection and generation of data required for successful completion of the Inception Phase and Workshop. Following the Inception Workshop, mid-term and final targets and MOVs will be agreed. Appendix 6 includes Key Deliverables and Benchmarks, which will also be further elaborated following the Inception Workshop. Appendix 11 is a checklist of document and tangible deliverables to be produced during the Project.

ANNEX B: RESPONSES TO PROJECT REVIEWS

Comments from GEF Review Sheet:

1. Question #16: Clearer Description of Socioeconomic Benefits: Socioeconomic benefits are described throughout the project, per Component, as well as summarized in Section 3.3 in the ProDoc and above.
2. Question #17: Description of how the large list of Stakeholders will be incorporated: The Project Management structure includes a Project Steering Committee and guidance committees for Components 1 and 2. The membership of the list in Table 4 has been reduced to include those stakeholders with a specific role in the project, particularly by sitting on one of those management committees. Appendix 13 includes a larger list of stakeholders to be considered during coordination meetings. One of the outcomes of Component 3 is to gain clarity on the role of stakeholders in PAN, SLM, and cross-sector issues.
3. Question #19: Further description of how the project will coordinate with regional projects: Section 2.7 elaborates on links with other project. Palau-specific outcomes from the R2R Project have been fully integrated into the Results Framework of this project. Further, a liaison has been identified who will serve on the Project Management Unit of this project as well as link to the R2R. The liaison, EQPB, is also the link to IWRM. Reporting requirements for the R2R Project are incorporated into the M&E Plan. This project builds on the GEF 4 Micronesia Challenge subregional project.
4. Question #20: Project Execution Arrangements: Execution arrangements have been revised and streamlined and are described in detail in Section 4 of the ProDoc. The organogram of management arrangements follows that of other GEF projects, includes representation of multiple stakeholders (including UNEP/GEF), and clearer understanding of which agencies will contribute to project components.
5. Question #25: Confirmed co-financing. Co-financing listed in the ProDoc has been confirmed. The amount from the PAN is included at \$4,000,000.

Comments from STAP:

1. Point #4: Develop a specific strategy to deal with competing objectives: A conflict resolution mechanism has been developed and included as Outcome 3.3. It has been integrated into the project management framework as well as the M&E Plan.
2. Point #5: Objective indicators that demonstrate that OERC has achieved effective coordination of PAN and SLM: A number of indicators and MOVs have been included in the Results Framework to measure coordination. Objective indicators include reviews of documents for sections on coordination and conflict resolution, copies of coordination meeting minutes, and development of a checklist or criteria to ensure alignment between cross-sector issues, such as SFM.
3. Point #6: Detail provided on SLM approaches to be implemented. A description of the SLM Policy and its top three priorities is included in Section 2.3, Relevant Legislation and Policy (Paragraph 85). Paragraphs 86-90 and Outcome 2.1 detail the areas of the SLM Policy that will be addressed by this Project. Priority areas will be establishing the Coordination Body and developing and compiling Best Practices.
4. Points #7-8: Measures to assess effectiveness of integrating PAN/SLM/ridge to reef initiatives and Mechanisms to monitor links between improvements to ecosystems versus improved well-being for communities. The METT developed through the project will include a coordinated biological and socioeconomic monitoring system, as well as institutional effectiveness measures. This is part of ongoing efforts by the Micronesia Challenge and the PAN to judge the effectiveness of conservation efforts. Indicators will include a range of short-term process indicators and longer-term outcome indicators. Socioeconomic indicators are asked in relation to environmental outcomes.
5. Point #9: Added value of regional R2R project: Ridge to reef concepts are fully integrated into the project, with specific inclusion as a cross-sector issue in Component 3. Thus, links to the regional R2R project are naturally integrated into the Project and will not represent a distraction. Ridge to reef initiatives have been a part of Palau's approach to conservation from traditional to modern times. At the specific level, inclusion of sharing mechanisms and a specific agency link to the R2R project have been included in the project.
6. Point #10: Marine Spatial Planning (MSP): The organization that is leading efforts to design a comprehensive network of marine protected areas, PICRC, is trained in the CBD-MSP. PICRC has already included those aspects of MSP that are applicable and relevant to Palau's efforts into its methodology.
7. Point #11: Threats from Climate Change: A more comprehensive assessment of the threats from climate change has been included in Table 2 and Table 3, as well as in the associated text (paragraphs 101-103).

Detailed responses to the UNEP PRC have been included on a separate checklist.

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

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF:			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Personnel (national and international)	74,600	74,600	0
Administrative support	15,000	15,000	0
Travel	3,000	3,000	0
Meetings and Conferences	6,000	6,000	0
Prodoc Workshop	5,000	5,000	0
Total	110,100	110,100	0

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

N/A