



**PROJECT IDENTIFICATION FORM (PIF)**  
**PROJECT TYPE: Full-sized Project**  
**THE GEF TRUST FUND**

**Submission Date:** 06 May 2010

**PART I: PROJECT IDENTIFICATION**

**GEFSEC PROJECT ID<sup>1</sup>:** 3822 **PROJECT DURATION:** 48 months

**GEF AGENCY PROJECT ID:**

**COUNTRY(IES):** Central African Republic, Congo, Equatorial Guinea, ( Gabon, Cameroon and Congo DRC for regional activities)

**PROJECT TITLE:** CBSP-A regional Focus on Sustainable Timber Management in the Congo Basin

**GEF AGENCY(IES):** UNEP, ,

**OTHER EXECUTING PARTNER(S):** **WORLD RESOURCE INSTITUTE (WRI)**, Ministry of Tourism and Environment - *Congo*, Ministry of Water, Forestry, Hunting, Fishery and Environment- **Central African Republic**, Ministry of Fisheries and the Environment -**Equatorial Guinea** , Ministry of Environment-**Eaux et Forets, COMIFAC** AND other partners

**GEF FOCAL AREA (S):** Biodiversity, Climate Change, (select)

**GEF-4 STRATEGIC PROGRAM(S):** BD-SO2, (SP 4, & 5), SFM, CCSP6

**NAME OF PARENT PROGRAM/UMBRELLA PROJECT:** Strategic Program for Sustainable Forest Management in the Congo Basin

**PROJECT FRAMEWORK** (Expand table as necessary)

INDICATIVE CALENDAR	
Milestones	Expected Dates
Work Program (for FSP)	June 2010
CEO Endorsement/Approval	April 2011
GEF Agency Approval	June. 2011
Implementation Start	July 2011
Mid-term Review (if planned)	July 2013
Implementation Completion	June 2015

**Project Objective:** To contribute to sustainable forest management through harmonization of forest policies in Central Africa with a focus on illegal logging , market incentives and governance issues

Project Components	Indicate whether Investment, TA, or STA**	Expected Outcomes	Expected Outputs	Indicative GEF Financing*		Indicative Co-financing*		Total (\$)
				(\$)	%	(\$)	%	
1. Formulation of a regional sub agreement on illegal logging control <sup>2</sup> .	STA/TA	A harmonized approach to curbing illegal logging in Congo basin countries  Illegal logging incidents reduced by 20 percent over the baseline in the three participating countries by year 5.	-Illegal logging baselines collected by country and by region - Elaboration and signing of harmonized forest illegal logging policies, legislation, taxation systems, norms, standards, by all six Congo basin countries  - Adoption of the sub- agreement by at least 2 countries the region	800,000	44.5	1,000,000	55.5	1,800,000
2. Market incentives	STA/ TA	-Long-term	-Assessments for	745,250	23	2,500,000	77	3,245,250

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

<sup>2</sup> The sub-agreement will be first step towards implementation of the recently formulated "Sub-regional Forest Control Agreement for the region supported by FAO" but will focus on Chapter III articles of the main Agreement )

<p>for legal and sustainable timber management &amp; Innovative sustainable financing</p>		<p>financial resources available to conserve biodiversity in the Congo Basin through sustainable financing mechanisms such as payments for environmental services, carbon finance etc.</p> <p>- at least 50,000 hectares under new carbon financing and PES schemes</p> <p>At least 5 indigenous timber companies facilitated to obtain value adding opportunities within the region</p> <p>-At least 10 Indigenous timber processing companies embrace and use market incentives within country of timber source</p>	<p>Carbon financing &amp; PES opportunities carried out and linked to curbing illegal logging</p> <p>- In-country pilot activities using PES and carbon financing</p> <p>- Targeted research on value adding on timber products for small scale indigenous timber companies</p> <p>- Assessment/study on market incentives and opportunities in timber processing for local timber &amp; foreign industries identified region wide, and country pilot cases implemented</p> <p>Workshops to train companies on market incentives and value adding issues.</p>					
<p>3. A well regulated Governance system (To work closely with FSC and FLEGT<sup>3</sup>)</p>	<p>STA/TA</p>	<p>-A more harmonized certification mechanism between producer countries/companies and consumer countries ( EU and Asian markets) for the Congo basin countries</p>	<p>-Synchronized producer certification standards with consumer standards with a focus on EU and Asian markets.</p> <p>-Targeted research and recommendation</p>	<p>910 000</p>	<p>31,27</p>	<p>2,000,000</p>	<p>68,73</p>	<p>2,910,000</p>

<sup>3</sup> FSC: Forest Stewardship Council  
FLEGT: Forest Law Enforcement Governance and Trade (FLEGT)

		-Improved certification standards to include global environment benefits in the Congo basin  (100% increase) of companies involved in certification utilizing the new standards in countries with low certification.	s on how to improve certification standards to include global environment benefits  Training to build capacity in potential companies that need certification					
4. Base line data collection for Monitoring and Evaluation of project achievement			Project baseline and Monitoring and Evaluation system with SMART indicators developed and implemented	312863	61	200,000	39	512,863
5. Project management				307,568	34,65	580,000	65,35	887,568
<b>Total project costs</b>				<b>3,075,681</b>	<b>33</b>	<b>6,280,000</b>	<b>67</b>	<b>9,355,681</b>

\* List the \$ by project components. The percentage is the share of GEF and Co-financing respectively to the total amount for the component.

\*\* TA = Technical Assistance; STA = Scientific & technical analysis.

**B. INDICATIVE CO-FINANCING FOR THE PROJECT (including project preparation amount) BY SOURCE and BY NAME (in parenthesis) if available, (millions of \$)**

Sources of Co-financing	Type of Co-financing	Amount
Project Government Contribution	In-kind	1,900,000
GEF Agency(ies)	(select)	
Bilateral Aid Agency(ies)	Grant	2,280,000
Bilateral Aid Agencies	In kind	
Multilateral Agency(ies)	Grant	2,000,000
Multi- lateral Agencies	In kind	
Private Sector	In-kind	100,000
NGO	In-kind	
Others	(select)	
<b>Total co-financing</b>		<b>6,280,000</b>

**C. INDICATIVE FINANCING PLAN SUMMARY FOR THE PROJECT (MILLIONS OF \$)**

	Project Preparation*	Project	Total	Agency Fee
GEF		3,075,681	3,075,681	307,568
Co-financing		6,280,000	6,280,000	

<b>Total</b>		<b>9,355,681</b>	<b>9,355,681</b>	<b>307,568</b>
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- Please include the previously approved PDFs and planned request for new PPG, if any. Indicate the amount already approved as footnote here and if the GEF funding is from GEF-3.

**D. GEF RESOURCES REQUESTED BY FOCAL AREA(S), AGENCY (IES) SHARE AND COUNTRY(IES)\***

GEF Agency	Focal Area	Country Name/ Global	(in \$)			
			Project Preparation	Project	Agency Fee	Total
UNEP	Biodiversity	Central African		427,500	42,750	470,250
UNEP	Biodiversity	Congo		427,500	42,750	470,250
UNEP	Biodiversity	Equatorial Guinea		427,500	42,750	470,250
UNEP	Climate Change	GRE/TFA	-	896,590.5	89,659	986,250
UNEP	Land Degradation	Global/TFA		896,590.5	89,659	986,250
<b>Total GEF Resources</b>				<b>3075681</b>	<b>307568</b>	<b>3383250</b>

\* No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

**PART II: PROJECT JUSTIFICATION**

**A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:**

1. The Congo Basin extends from the coast of the Atlantic Ocean in the west to the mountains of the Albertine Rift in the east, spanning six countries, namely, Cameroon, Central African Republic, Congo, Democratic Republic of the Congo, Equatorial Guinea, and Gabon. It is a vast carbon sink of an estimated 24-39Gt of carbon that also regulates regional and local weather patterns. The basin's ecosystems are also a major source of local and national economic growth, with revenues generated from logging, mining, fishing and other resource use. Forest sector activities currently contribute 3-8 % of the gross domestic product in Central African nations and as much as 20 % of employment. Overall, the Congo Basin provides source of livelihood to over 40 million people including some 150 different ethnic groups, some of which follow an ancient hunter-gatherer lifestyle and possess an unmatched indigenous knowledge of the forest ecosystem.

**Threats**

2. Unfortunately, the Congo Basin's ecosystems are under increasing pressure from degradation and deforestation. Threats to the forests and associated ecosystems include; (1) Illegal or unregulated logging exacerbated by poor governance and insufficient law enforcement. Selective harvesting of hardwoods for export, often with external investment, remains an essential economic activity; (2) Uncontrolled expansion of the agriculture (3) Mining and oil industry and associated development of infrastructure such as roads, which in turn facilitate entry into forest areas leading to more destruction; (4) Hunting and poaching and expansion of the "bush meat" trade.

**On going efforts for sustainable forest management in the Congo basin**

3. Yaoundé Process: A summit of seven African Heads of State was held in Yaoundé, Cameroon in March 1999 to discuss problems related to the conservation and sustainable management of forest resources in the Congo Basin, particularly the creation of cross-boundary protected areas. At the conclusion of this summit, the Yaoundé Declaration was signed and participants made a commitment to place forestry issues among their priorities and to improve integration of forest programmes with those of other sectors, especially transportation and agriculture. In addition, the Conference of Ministers in Charge of Forests in Central Africa (COMIFAC) was created. COMIFAC was later called the Central Africa Forest Commission, but maintained its acronym.
4. COMIFAC is currently considered an umbrella under which other sub-regional projects, networks and organizations are associated. It is the unique political and technical authority in charge of orientation, monitoring, decision making, harmonization and coordination of actions and initiatives for the preservation and sustainable development of forest

ecosystems in Central Africa. Decisions of COMIFAC as a commission are made by the Council of Ministers, who normally meet once a year with a rotating chairmanship. COMIFAC provides institutional shelter to a number of specialized regional collaborative bodies such as the Libreville based Réseau des Aires Protégées de l'Afrique Centrale (RAPAC); Yaoundé based Conférence sur les Écosystèmes des Forêts Denses et Humides d'Afrique Centrale (CEFDHAC); Réseau des Institutions de Formation Forestière et Environnementale de l'Afrique Centrale (RIFFEAC); and Agence pour le Développement de l'Information Environnementale" (ADIE).

5. ***Convergence Plan:*** The creation of COMIFAC led to the development of the Convergence Plan that defines a vision and implementation plan for sustainable forest management for countries and development partners in Central Africa. The Convergence Plan provides the major strategic objectives guiding activities of the governments and national and sub-regional organizations in the Congo Basin area. It is divided into 10 Strategic Areas, and the COMIFAC Secretariat plays a role in coordinating executing institutions in each of the six countries and supporting identification of financiers. The Convergence Plan was adopted in 2002 by all the six Congo basin countries. The adoption of the Convergence Plan confirmed the existence of high-level political will.
6. ***FAO's input into the Convergence Plan:*** The Convergence Plan has two sets of components: cross-cutting actions to be carried out by all the participating countries, and devolved actions to be implemented by each country individually. Since June 2005 COMIFAC has been engaged in harmonizing forest policies and monitoring and evaluation systems, with support from FAO. This process consists of developing a number of normative and legal instruments to ensure sub-regional consistency in forest management. The anticipated results of this process are:
  - harmonized forest policies, institutions, legislation, taxation systems, norms, standards, etc.
  - adoption and implementation of a sub regional convention on forest monitoring and combating illegal activities including poaching, especially in border areas;
  - establishment of a system to gather, process and share forest-related information;

In the recent months, FAO has been supporting COMIFAC in the development of the "Sub-regional Forest Control Agreement". The document was validated during the sub-regional meeting of experts in September 2008 and submitted, for approval, to the Council of Ministers. The next meeting of the Council of Ministers is scheduled on 26 October 2008 in Brazzaville.

7. ***The Congo Basin Forest Partnership (CBFP):*** Alongside the above mentioned efforts, the United States announced and later created the CBFP to protect this invaluable forest area. The CBFP aims to promote the sustainable management of the Congo Basins' forests and wildlife by improving communication, cooperation, and collaboration among all the partners.
8. Before the formation of COMIFAC, the ***Program for Conservation and Rational Utilization of Forest Ecosystems in Central Africa (ECOFAC)*** existed for the Congo Basin and is funded by the European Commission since its beginning in 1992. ECOFAC focuses on conserving biodiversity and promoting sustainable use of forest resources to promote development and improved livelihoods; and encouraging regional cooperation.
9. ***The Central African Regional Program for the Environment (CARPE)*** is an initiative funded by USAID and is in its second phase, focusing on helping to establish sustainable natural resource management practices throughout Central Africa, thereby promoting sustainable economic development and alleviating poverty for the benefit of the people of the region and the global community.
10. ***Illegal Logging Dialogue Policy Proposal to the G8:*** The importance of avoided deforestation and the value of forests as carbon sinks was further recognized by the proposal made to the G8 summit in Japan in 2008. Issues recommended to the G8 include; (a) introduction of a global system for recognizing source countries licensing schemes; (b) reinforcement (by consumer countries) of legislation passed by producer countries and; (c) creation of markets for sustainable timber, and creation of financing for sustainable forest management.
11. ***Climate Change related Initiatives in the Congo Basin:*** Several initiatives on Climate change effects caused by destruction of forests in the Congo basin have been going on in the recent past. The CIFOR Initiative on Forests & Climate Change in Africa- Congo Basin Forests & Climate Change Adaptation (CoFCCA) is underway, and which is

under the Climate Change Adaptation for Africa (CCAA) project is funding the extension of the TroFCCA initiative into the Congo Basin Forests with three participating countries; Democratic Republic of Congo, Cameroon, and Central African Republic. Other CC related initiatives in the Congo basin include a DFID funded project and the Ukraine Space center, the latter working on a project to map every place trees have been cut down in this world's second-largest tropical forest. A purpose-built camera will be sent into space to record every clearing and logger's track in the Congo Basin in Africa to determine how much of the forest is left, and will be operational in 2010.

12. **The proposed project will** build on the already on going work in the region to contribute to sustainable forest and timber management in the Congo Basin, but working with all the partners mentioned above to contribute to the Convergence Plan in areas that require more work. It will focus on developing (a) a harmonized policy on illegal logging across the Congo basin countries through the development and adoption of a regional “sub- agreement”, which will elaborate on institutional and legal frameworks, taxation, penalties standards and norms, (b) market incentives for and value adding for local and foreign timber companies in the region, (c) a well regulated governance system and (d) a project-based monitoring and evaluation.

### **Global Environmental Benefits.**

13. This project fits in the GEF Strategic Program for Congo basin as described in Paragraph 24, in that it addresses reduction of deforestation by providing a harmonized agreement and means of combating illegal logging as well as addressing market incentives that would ensure sustainable forestry. It would therefore accelerate progress towards achieving objectives and targets of the Convergence Plan and would deliver significant global environmental benefits across GEF focal areas. Global environmental benefits would be delivered in terms of biodiversity conservation, reduction of risks related to climate change, prevention of land degradation and protection of international waters as the broader ecosystem of the Congo Basin including the Congo River and its tributaries would be addressed in its integrity and at the landscape level. Regarding biodiversity benefits, the Congo basin holds up to one-quarter of the world’s tropical forests and is associated with about 400 mammal species, including the world's largest populations of lowland gorillas, chimpanzees, bonobos and forest elephants, all of which are under threat as their habitat is destroyed. More than 655 bird species fly under its dense canopy and over 10,000 plant species take root in the forest floor, many of them unique to the region and containing medicinal properties. In addition, its mosaic of ecosystems – rivers, forests, savanna, swamps and flooded forests – are teeming with life and these forests regulate local climate and the flow of water, protect and enrich soils, control diseases and safeguard water quality. The project also addresses Land degradation and Climate Change areas because rates of deforestation and forest degradation would be reversed and the total carbon value of the Congo Basin forest ecosystem would be maintained or increased. Preserved forest cover would support mitigation and adaptation to climate change. Specifically reduction of illegal logging contributes to avoided deforestation which is a credible element of an international system for controlling greenhouse gas emissions and thus mitigating climate change. This project therefore contributes to this by putting in place a mechanism for effective legal enforcement against illegal logging. In addition, putting in place innovative financing encourages retention of forested areas, and in effect reduces green house gas emissions.
14. Fossil fuel combustion is the primary source of carbon dioxide (CO<sub>2</sub>) emissions globally but deforestation and forest degradation collectively is the largest source of CO<sub>2</sub> in Central Africa, accounting for about 90 per cent of the annual release from the region. Estimates of carbon emissions from deforestation for Central Africa range from 20 to 60 million tonnes (t) per year. However, the potential for dramatic increases in carbon emissions from deforestation is massive. The vegetation and soils of the remaining forests of this region contain a vast storage of carbon. The Congo Basin’s forests are estimated to contain between 25-30 billion t of carbon in their vegetation alone. This amount is equivalent to about 4 years of current global anthropogenic emissions of CO<sub>2</sub>.

### **B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL AND REGIONAL PRIORITIES/PLANS:**

15. **National commitment:** All the six Congo Basin countries have ratified the CBD and UNFCCC and have articulated their commitment to sustainable forest management in various government documents including national reports, NAPAs, INCs, and the NBSAPs.
16. **Sub-regional commitment for collaborative action.** The Congo Basin forests form an integrated ecological unit.

Recognizing the interconnected nature for the Congo Basin, its regional dimension, and the considerable challenges ahead to maintain the ecological integrity and resilience of the Congo Basin forest ecosystem, the countries of the Congo Basin have jointly taken important steps towards addressing the threats. They have demonstrated their commitment for conservation and sustainable management of the forest ecosystem in the processes described in part A of this PIF including the Yaoundé Declaration, creation of COMIFAC Treaty, elaboration of the Convergence Plan, formation of the CBFP, ECOFAC, CARPE and FLEGT.

17. The commitment of the Congo Basin countries to join forces to protect their forests is formalized in the **Convergence Plan**, a shared vision and 10-year plan of action backed by strong high-level political will and commitment. Although most action will need to be taken at national or even local levels, there is a strong case for regional harmonization in order to pursue this shared vision. An example of successful regional coordination has been the recent recognition of forest degradation within the Reduced Emissions from Deforestation and Degradation, (REDD) a mechanism for compensating countries for reducing emissions from deforestation and forest degradation, during the UNFCCC Conference in Bali (December 2007) following a joint proposal from the Congo Basin countries.

#### **C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:**

18. The aim of the GEF strategic Program for Congo Basin for Sustainable Forest Management in the Congo Basin is to (1) reverse the current rate of deforestation and degradation of ecosystems, (2) to maintain ecosystem functioning and to conserve ecosystem values such as the biodiversity and carbon-based capital of the Congo Basin for the benefit of local communities and indigenous people, whose livelihoods depend on the forest resources. It further builds into the issues identified in the Convergence Plan, a joint vision and 10-year plan of action for sustainable management of forest ecosystems and conservation of the global environment. These issues directly address Biodiversity SP 1, 3, 4 & 5. This project addresses reduction of deforestation by providing means of combating illegal logging as well as addressing market incentives that would ensure sustainable forestry.
19. **The Libreville Meeting was held as a follow up of the** GEF Support Program for the Sustainable Management of the Congo Basin Forest Ecosystems, and included a two day technical session and subsequent Ministerial segment. The objective was to design the process and the framework for the Program for Sustainable Forest Ecosystem Management in the Congo Basin. Key thematic areas that were agreed upon as the Program focus are: (i) Sustainable management of biodiversity in forests ecosystems in a context of climate change, (ii) Management of land use and land use change and forestry as a mean to protect carbon stocks and reduce GHGs emissions, (iii) Sustainable Financing mechanisms for protected areas, and (iv) Payment for ecosystems services. These issues address the above named GEF strategies.
20. **Structure of the Strategic Program.** This GEF-4 supported Strategic Program is structured along three main components, which relate to: (i) Conservation of ecosystem functions and values within the regional protected area network, (ii) Fostering of sustainable management and use of forest and water resources in the productive landscape of the Congo Basin, and (iii) Strengthening of the underlying policy, regulatory, institutional framework. This project will primarily contribute to components ii and iii in the GEF 4 strategic program for Congo Basin.

#### **Sustainable Forest management**

21. The CBD, and the UNFCCC address Sustainable Forest Management (SFM) as they both emphasize the importance of the conservation, sustainable use and management of forests in achieving their respective objectives. The CBD CoP, decision VII/11, paragraph 7, noted that “sustainable forest management, as developed within the framework established by the Rio Forest Principles, can be considered as a means of applying the ecosystem approach to forests.” This project therefore addresses SFM issues through the aforementioned CBD and UNFCCC aspects.
22. In addition, the UNFCCC highlights the role and importance of terrestrial sinks and reservoirs of greenhouse gases and the need to promote their conservation and enhancement. Programs to implement the objectives of the UNFCCC also recognize the relationship between climate change and deforestation. Tropical deforestation contributes more to climate change than any other form of land degradation, as resulting in the release of carbon dioxide and the loss of

carbon stored in biomass and soils. In addition, the GEF supports activities addressing the legal, policy and institutional framework required to support sustainable forest management.

#### **CCSP6**

23. **Strategic Program 6** is on Management of Land Use, Land-Use Change and Forestry (LULUCF) as a Means to Protect Carbon Stocks and Reduce GHG Emissions. This project fits in CCSP6 as it addresses reduction of greenhouse gas (GHG) emissions from deforestation and illegal logging. Successful outcomes will be the identification and implementation of policies and practices that reduce emissions from forestry sector. This program also features in the GEF's cross-cutting sustainable forest management (SFM) program.

24. Further, the project will directly address Strategic Objective2 (SO2): To Mainstream Biodiversity Conservation in Production Landscapes/ Seascapes and Sectors. Under SO2, the project addresses the following:

**SP 4- Strengthening the Policy & Regulatory Framework for Mainstreaming Biodiversity**

The forests referred to in this project include those protected and also those outside protected areas. Under the latter this project addresses SP4- in that policy issues will be elaborated on illegal logging.

**SP 5- Fostering Markets for Biodiversity Goods and Services**

The project touches on identification of market incentives and value adding opportunities for timber companies in the region. In particular, synchronizing producer and consumer policies for certification will enhance chances for timber export to EU and Asian markets.

#### **D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES:**

25. **This project** will build on the already on going work in the region to contribute to sustainable forest and timber management in the Congo Basin, but working with all the partners mentioned above to contribute to the Convergence Plan in areas that require more work. While the project will focus on Central African Republic, Congo, and Equatorial Guinea, 3 other countries, Cameroon, Gabon and Congo DRC, will participate in the regional activities only.

26. **Component 1** will focus on developing a harmonized policy on illegal logging across the Congo basin countries through the development and adoption of a regional "sub- agreement", which will elaborate on institutional and legal frameworks, taxation, penalties standards and norms. This component was already in the work-plan for COMIFAC, and will be the first step in further focusing on illegal logging, based on the recently formulated "Sub-regional Forest Control Agreement for the region supported by FAO". Thus this component but will focus on Chapter III articles of the FAO supported Agreement ) and so will work closely with this plan to fill in gaps that exist regarding formation of a harmonized legislation on curbing illegal logging.

27. **Component 2** will be on market incentives for and value adding for local and foreign timber companies in the region. This component has two aspects- a) innovative financing and b) market incentives. Innovative financing PES and Carbon markets will take the bulk of the GEF funds as there has to be initial assessment s and research for opportunities in the region – followed by pilot activities in places and countries identified after the studies are completed. The work on market incentives and value adding will mainly be targeted research- to identify opportunities. However, this part will be followed by supporting timber companies to access these opportunities. GEF funds will not be used to give to companies to undertake value adding, but will be used to build capacity and facilitate access to the opportunities. This component will borrow from work done in other parts of the world on valued adding.

28. **Component 3** will contribute to a well regulated governance system. Already, other development partners have initiated work on the governance system for forests in the Congo Basin. So far, according to WWF, about 1.2 million hectares, or 3% of Congo basin forests, are under certification through the Forest Stewardship Council (FSC).



Certification involves logging companies such as SEFAC, Transformation Reef Cameroon (TRC) and WIJMA in Cameroon and CIB in Congo. WWF expects that by 2012 some 7 million hectares of forest will be under credible certification. This component will have 3 parts – (a) synchronization of certification policies between producer and consumer countries with a focus on EU and Asian markets. This part will work closely with the Forest Law Enforcement Governance and Trade (FLEGT), which has been in the region for a number of years, to link the Congo Basin countries with consumer countries and to synchronize producer certification standards with consumer standards, with linkages to the sustainable Buildings programmatic approach of GEF that is under preparation. This will respond to the proposal made to the 2008 Japan G8 meeting- (b) targeted study on how to improve the existing certification standards to incorporate global environment benefits and (c) capacity building for timber companies that have not been trained for certification especially in the light of global environment benefits as opposed to simple sustainable forest resource management. It is expected that part (c) will result in an increase of companies that have attained certification in the region but this has not been stated as output of the work since GEF funds will not be used to assist in actual certification. The rationale is that by the 5<sup>th</sup> year, this project should have been conducted in a way that companies will use the results to attain certification but without using GEF funds.

29. **Component 4** will be project-based monitoring and evaluation. In particular the areas regarding EU and Asiatic consumer markets will require additional baseline information over and above what can be done during PPG phase, in order to set the accurate monitoring targets and indicators. This part will be done using international consultants who will have expertise on EU and Asia consumer markets. Thus, the funds within the PPG will not be adequate for thorough collection of baselines and putting in place any scientific monitoring mechanisms required for components 2 and 3 and hence the inclusion of component 4. Some project baseline and M&E system has to be in place at the time of CEO endorsement and so these elements will be included in the PPG phase.

30. In addition, this regional project will include a mid- term evaluation with whole implication of key partners namely the National Administration in charge of the project in each recipient country, COMIFAC and WRI. Independent consultants will be hired by the UNEP Evaluation Oversight Unit.

31. **Co financing:** Co-financing For all the 4 components will be sought from the already existing Funds for the Congo Basin. For example the Congo Basin Forest Fund (CBFF) was launched in June 2008 to complement existing activities; and to support transformative and innovative proposals which will develop the capacity of the people and institutions of the Congo Basin to enable them to manage their forests; help local communities find livelihoods that are consistent with the conservation of forests; and reduce the rate of deforestation. The CBFF is initially being financed by a grant of £100 million from the British and Norwegian Governments. Further co-financing will be sought from the G8.

**E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:**

32. In order to maximize on results, this project must focus on issues, and collaborate with actors, that are in the Convergence Plan currently under COMIFAC. All the institutions named in paragraph 16, together with national players, NGOs and private sector will form the larger group of stakeholders. Specifically, the project’s main executing agency will be WRI but will work closely with partners already on the ground in these countries. The project will also liaise closely with other initiatives in the larger Strategic Program for Sustainable Forest Management in the Congo Basin that has been created by the GEF, and to be implemented by other GEF agencies including UNDP, WB, FAO and others.

33. For example, within the CBSP, the WB has already submitted a PIF to GEF titled- Enhancing Institutional Capacities on REDD issues for Sustainable Forest Management in the Congo Basin. The Project objective is to strengthen national capacities to develop sound policies and incentive frameworks to efficiently reduce pressure on forest ecosystems in the Congo Basin and reliably measure carbon stored and emitted. In particular this project will assist Congo basin countries to develop national policies and capacities, regarding REDD issues. The UNEP proposed project will liaise closely with the WB REDD project as they both are addressing related issues on policy and incentive frameworks for sustainable forest Management. Other institutions that will be part of the wider stakeholders include:

- a) Inter-African Forest Industries Association (IFIA)

- b) L'Association Technique Internationale des Bois Tropicaux (ATIBT)
- c) International Tropical Timber Organization (ITTO) and their Libreville African Timber Organization (ATO) office
- d) The IUCN Species Survival Commission (in 2007 produced best practice guidelines for reducing the impact of logging on great apes in Central Africa)

**F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :**

34. This GEF project will bring additional benefits and will add value to the gains already being obtained from the many initiatives in the Congo basin in that it focuses specifically on issues of GEB. The overall change attained therefore will be not just at local level as has happened in some projects before, but will encompass such issues as ecosystem services delivered by the forests, mitigation of global climate change and preservation of globally significant flora and fauna. In addition, this project will be one of the initiatives that will focus on consolidating regional aspects building on the already laid down system and Convergence Plan. Some of the funds availed to the region by other entities will therefore be used to leverage more results from the GEF project. Individual countries may not have the finance, and the necessary mechanisms to reach out to their neighbours for a harmonized approach to sustainable forest management with a focus on timber. In addition, this project will bring together producer countries with entities that represent consumer countries as far as timber is concerned, something that would not have been prioritized by national budgets.

**G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROGRAM OBJECTIVE(S) FROM BEING ACHIEVED, AND IF POSSIBLE INCLUDING MITIGATION MEASURES THAT WILL BE TAKEN:**

Risk	Risk level	Mitigation measure
Developing a regional platform for communication, and harmonization with the existing structures in COMIFAC may be a challenge.	Medium	The project will liaise closely with the COMIFAC secretariat and will devote special attention to this issue during project design. During the PPG phase COMIFAC role and responsibilities in this project will be clearly defined in collaboration with all key partners.
Co-financing from different partners may flow slowly due to different institutional cultures.	L	The project will secure firm letters of co-financing and have a concrete follow up plan for delivery
The area is prone to political unrest	Medium	Congo DRC is the main country with current political strife but is not participating in the country based activities of the project
During and after the implementation period of this project, climate change may be a risk to sustained benefits from this project. For example there might be impact on species composition, thriving of invasive species, change of temperature and rainfall patterns and impact on forest ecosystem. This may directly affect especially biodiversity and land degradation reduction gains from the project.	Medium	Reversing Climate Change in the Congo basin is the focus of many initiatives including this project and the combined efforts should mitigate this kind of risk.

**H. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT:**

35. This project is one among several in the Congo Basin program instituted by the GEF. This project will operate primarily in 4 countries, but with the other 2 Congo basin countries participating at regional level, thus assuming a regional scale. The project will be cost efficient by producing replicable tools such as synchronized producer certification standards with consumer standards with a focus on EU markets, clearly defined scope of rights, obligations ownership, customary usage, permitted species, export customs regulations and taxation methods. Cost effectiveness will also be realized by building capacities at regional level on methods of sustainable timber management. The gains from this investment will further be strengthened by leveraged funds from other similar initiatives in the region.

36. There are multiple benefits and added value in adopting a program rather than a project approach for sustainable forest management in the Congo Basin. A program approach will provide for better leverage towards harmonization of policies and regulations across the sub-region as well as leverage for mainstreaming of global environmental concerns into decision-making. Program planning will allow transcending national interests to address regional issues taking into account ecosystem aspects that extend beyond national borders.

**I. JUSTIFY THE COMPARATIVE ADVANTAGE OF GEF AGENCY:**

37. UNEP has the comparative advantage to engage in this regional project because of its DEPI programs on tropical forest management in the Congo, DTIE’s Finance Initiative and Sustainable Consumption and Production programmes. As a member of CBFP and United Nations Forest Forum (UNFF), UNEP will ensure synergies with ongoing programmes of donors and NGOs. Linkages will also be built to UNEP/GEFs assistance to Globe International on establishment of an International Commission on Land and Ecosystems. UNEP GEF is involved in experimental PES in Uganda, and will transfer lessons learnt to this project.

38. At corporate level, the project is fully in line with the UNEP Programme of Work (PoW) 2010-2011. It is linked particularly to (i) **Subprogramme 1** : Climate change in its **Expected accomplishments** (d) Increased investment towards reduction in greenhouse gas emission by land use, land-use change and forestry and its related **Outputs 1-4** (ii) **Subprogramme 3: Ecosystem Management and its Expected accomplishments** (a) Enhanced capacity of countries and regions to increasingly integrate an ecosystem management approach into development and planning (b) Countries and regions have capacity to utilize ecosystem management tools (c) Strengthened capacity of countries and regions to realign their environmental programmes and financing to address degradation of selected priority ecosystem services. and their related outputs; (iii) **Subprogramme 4: Environmental Governance Expected accomplishments** (a) The United Nations system, respecting the mandate of each entity, progressively realizes synergies and demonstrates increasing coherence in international decision-making processes related to the environment, including those under multilateral environmental agreements (b) Enhanced capacity of States to implement their environmental obligations and achieve their environmental priority goals, targets and objectives through strengthened laws and institutions (c) National development processes and United Nations common country programming processes increasingly mainstream environmental sustainability in their implementation (d) Improved access by national and international stakeholders to sound science and policy advice for decision-making and their related outputs; and (iv) Subprogramme 6: Resource efficiency and sustainable consumption and production and its related **Expected accomplishments** (a) Resource efficiency is increased and pollution is reduced over product life cycles and along supply chains (b) Increased investment in efficient, clean and safe industrial production methods through public policies and private sector action (c) Consumer choice favours more resource efficient and environmentally friendly products and their respective outputs.


**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 country endorsement letter(s) or regional endorsement letter(s) with this template).

Dr. Alexis MINGA- <i>Council Member</i> , Director General, Environment -Ministry of Tourism and Environment - <b>Congo</b> ,	Date: 15/10/08
Mr. Gustave DOUNGOUBE( <i>Operational Focal Point</i> ) Advisor, Ministry of Water, Forestry, Hunting, Fishery and Environment- <b>Central African Republic</b>	10/10/08
Mr. Engonga Osono SANTIAGO FRANCISCO( <i>Operational Focal Point</i> ) General Director, Ministry of Fisheries and the Environment - <b>Equatorial Guinea</b>	20/10/08

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

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Maryam Niamir-Fuller, Director, UNEP Division of GEF Coordination  GEF Agency Coordinator		14/09/09	Adamou Bouhari	+254 20 762 3860	Adamou. Bouhari@unep.org